

# 2026 SESSION

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SB195

1 SENATE BILL NO. 195  
2 Offered January 14, 2026  
3 Prefiled January 9, 2026  
4 A BILL to amend and reenact §§ 2.2-203.3, 2.2-401.01, 2.2-511, 2.2-614.3, 2.2-3705.3, as it is currently  
5 effective and as it shall become effective, 2.2-3705.6, 2.2-3705.7, 2.2-3711, as it is currently effective and  
6 as it shall become effective, 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  
7 currently effective and as it shall become effective, 4.1-226, 6.2-603.1, 8.01-216.3, 8.01-534, 11-16.1,  
8 11-16.2, 15.2-912.2, 15.2-2825, 18.2-513, 19.2-66, 19.2-215.1, 19.2-389, as it is currently effective and as  
9 it shall become effective, 19.2-390, 22.1-140.1, 37.2-304, 37.2-314.2, 52-53, 52-54, 58.1-3, 58.1-439,  
10 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  
11 by adding a title numbered 29.5, containing a subtitle numbered I, consisting of chapters numbered 1  
12 through 6, containing sections numbered 29.5-100 through 29.5-650, a subtitle numbered II, consisting of  
13 chapters numbered 7 and 8, containing sections numbered 29.5-700 through 29.5-814, and a subtitle  
14 numbered III, consisting of a chapter numbered 9, containing sections numbered 29.5-900 through  
15 29.5-913; and to repeal §§ 2.2-2455 and 2.2-2456, Article 1 (§§ 18.2-325 through 18.2-340) of Chapter 8  
16 of Title 18.2, Article 1.1:1 (§§ 18.2-340.15 through 18.2-340.37) of Chapter 8 of Title 18.2, Chapter 40  
17 (§§ 58.1-4000 through 58.1-4048) of Title 58.1, Chapter 41 (§§ 58.1-4100 through 58.1-4141) of Title  
18 58.1, Chapter 29 (§§ 59.1-364 through 59.1-405) of Title 59.1, Chapter 29.1 (§ 59.1-405.1) of Title 59.1,  
19 and Chapter 51 (§§ 59.1-556 through 59.1-570) of Title 59.1 of the Code of Virginia, relating to Virginia  
20 Gaming Commission established; penalties.  
21

Patrons—Aird and Reeves

22 Referred to Committee on General Laws and Technology  
23

24 Be it enacted by the General Assembly of Virginia:

25 1. That §§ 2.2-203.3, 2.2-401.01, 2.2-511, 2.2-614.3, 2.2-3705.3, as it is currently effective and as it shall  
26 become effective, 2.2-3705.6, 2.2-3705.7, 2.2-3711, as it is currently effective and as it shall become  
27 effective, 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  
28 and as it shall become effective, 4.1-226, 6.2-603.1, 8.01-216.3, 8.01-534, 11-16.1, 11-16.2, 15.2-912.2,  
29 15.2-2825, 18.2-513, 19.2-66, 19.2-215.1, 19.2-389, as it is currently effective and as it shall become  
30 effective, 19.2-390, 22.1-140.1, 37.2-304, 37.2-314.2, 52-53, 52-54, 58.1-3, 58.1-439, 58.1-460, 58.1-3510,  
31 58.1-3732.1, and 59.1-542.1 of the Code of Virginia; to amend the Code of Virginia by adding a title  
32 numbered 29.5, containing a subtitle numbered I, consisting of chapters numbered 1 through 6,  
33 containing sections numbered 29.5-100 through 29.5-650, a subtitle numbered II, consisting of chapters  
34 numbered 7 and 8, containing sections numbered 29.5-700 through 29.5-814, and a subtitle numbered  
35 III, consisting of a chapter numbered 9, containing sections numbered 29.5-900 through 29.5-913, as  
36 follows:  
37

38 **§ 2.2-203.3. Position established; agencies for which responsible; additional duties.**

39 The position of Secretary of Agriculture and Forestry (the Secretary) is created. The Secretary shall be  
40 responsible to the Governor for the following agencies: Department of Forestry, Department of Agriculture  
41 and Consumer Services, and Virginia Agricultural Council, and Virginia Racing Commission. The Governor,  
42 by executive order, may assign any state executive agency to the Secretary, or reassign any agency listed in  
43 this section to another Secretary.

44 **§ 2.2-401.01. Liaison to Virginia Indian tribes; Ombudsman for Tribal Consultation; Virginia  
45 Indigenous People's Trust Fund.**

46 A. The Secretary of the Commonwealth shall:

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

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

53 1. Facilitate communication between federally recognized Tribal Nations in the Commonwealth and  
54 relevant state agencies and local governments for consultation on environmental, cultural, and historical  
55 permits and reviews;

56 2. Develop a list of localities in ongoing consultation with the federally recognized Tribal Nations in  
57 which federally recognized Tribal Nations in the Commonwealth shall be consulted regarding actions and  
58 projects pursuant to §§ 10.1-104.02, 10.1-1186.3:1, 10.1-2205.1, and 28.2-104.01;

59       3. Assist the Department of Environmental Quality, the Department of Conservation and Recreation, the  
60       Department of Historic Resources, and the Virginia Marine Resources Commission in developing policies  
61       and procedures to ensure meaningful and appropriate consultation with federally recognized Tribal Nations in  
62       the Commonwealth regarding permits and reviews; and

63       4. Make recommendations to the Governor about additional permits and reviews that, in the opinion of the  
64       Ombudsman, should require consultation with federally recognized Tribal Nations in the Commonwealth.

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

69       1. The members of any such board shall be composed of no more than seven members to be appointed by  
70       the Secretary as follows: at least three of the members shall be members of Virginia recognized tribes to  
71       represent the Virginia Indian community, and one nonlegislative citizen member shall represent the  
72       Commonwealth's scholarly community. The Librarian of Virginia, the Director of the Department of Historic  
73       Resources, and the Superintendent of Public Instruction, or their designees, shall serve ex officio with voting  
74       privileges. Nonlegislative citizen members of any such board shall be citizens of the Commonwealth. Ex  
75       officio members shall serve terms coincident with their terms of office. Nonlegislative citizen members shall  
76       be appointed for a term of two years. Appointments to fill vacancies, other than by expiration of a term, shall  
77       be for the unexpired terms. All members may be reappointed. The Secretary of the Commonwealth shall  
78       appoint a ~~chairperson~~ chair from among the members for a two-year term. Members shall be reimbursed for  
79       reasonable and necessary expenses incurred in the performance of their duties as provided in §§ 2.2-2813 and  
80       2.2-2825.

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

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

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

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

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

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

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

98       D. There is hereby created in the state treasury a special nonreverting fund to be known as the Virginia  
99       Indigenous People's Trust Fund, referred to in this section as "the Fund." The Fund shall be established on the  
100       books of the Comptroller. All funds appropriated for such purpose, any tax revenue accruing to the Fund  
101       pursuant to § 58.1-4125 29.5-327, and any gifts, donations, grants, bequests, and other funds received on its  
102       behalf shall be paid into the state treasury and credited to the Fund. Interest earned on moneys in the Fund  
103       shall remain in the Fund and be credited to it. Any moneys remaining in the Fund, including interest thereon,  
104       at the end of each fiscal year shall not revert to the general fund but shall remain in the Fund. After payment  
105       of the costs of administration of the Fund, moneys in the Fund shall be used to make disbursements on a  
106       quarterly basis in equal amounts to each of the six Virginia Indian tribes federally recognized under P.L.  
107       115-121 of 2018. Expenditures and disbursements from the Fund shall be made by the State Treasurer on  
108       warrants issued by the Comptroller upon written request signed by the Secretary of the Commonwealth.

109       **§ 2.2-511. Criminal cases.**

110       A. Unless specifically requested by the Governor to do so, the Attorney General shall have no authority to  
111       institute or conduct criminal prosecutions in the circuit courts of the Commonwealth except in cases  
112       involving (i) violations of the Alcoholic Beverage Control Act (§ 4.1-100 et seq.); (ii) violation of laws  
113       relating to elections and the electoral process as provided in § 24.2-104.; (iii) violation of laws relating to  
114       motor vehicles and their operation; (iv) the handling of funds by a state bureau, institution, commission, or  
115       department; (v) the theft of state property; (vi) violation of the criminal laws involving child pornography  
116       and sexually explicit visual material involving children; (vii) the practice of law without being duly  
117       authorized or licensed or the illegal practice of law; (viii) violations of § 3.2-4212 or 58.1-1008.2; (ix) with  
118       the concurrence of the local attorney for the Commonwealth, violations of the Virginia Computer Crimes Act  
119       (§ 18.2-152.1 et seq.); (x) with the concurrence of the local attorney for the Commonwealth, violations of the  
120       Air Pollution Control Law (§ 10.1-1300 et seq.), the Virginia Waste Management Act (§ 10.1-1400 et seq.),

121 and the State Water Control Law (§ 62.1-44.2 et seq.); (xi) with the concurrence of the local attorney for the  
 122 Commonwealth, violations of Chapters 2 (§ 18.2-18 et seq.), 3 (§ 18.2-22 et seq.), and 10 (§ 18.2-434 et seq.)  
 123 of Title 18.2, if such crimes relate to violations of law listed in clause (x) of this subsection; (xii) with the  
 124 concurrence of the local attorney for the Commonwealth, criminal violations by Medicaid providers or their  
 125 employees in the course of doing business, or violations of Chapter 13 (§ 18.2-512 et seq.) of Title 18.2, in  
 126 which cases the Attorney General may leave the prosecution to the local attorney for the Commonwealth, or  
 127 he may institute proceedings by information, presentment, or indictment, as appropriate, and conduct the  
 128 same; (xiii) with the concurrence of the local attorney for the Commonwealth, violations of Article 9  
 129 (§ 18.2-246.1 et seq.) of Chapter 6 of Title 18.2; (xiv) with the concurrence of the local attorney for the  
 130 Commonwealth, assisting in the prosecution of violations of §§ 18.2-186.3 and 18.2-186.4; (xv) with the  
 131 concurrence of the local attorney for the Commonwealth, assisting in the prosecution of violations of  
 132 § 18.2-46.2, 18.2-46.3, or 18.2-46.5 when such violations are committed on the grounds of a state  
 133 correctional facility; and; (xvi) with the concurrence of the local attorney for the Commonwealth, assisting in  
 134 the prosecution of violations of Article 10 (§ 18.2-246.6 et seq.) of Chapter 6 of Title 18.2; and (xvii) with the  
 135 concurrence of the local attorney for the Commonwealth, assisting in the prosecution of violations of Title  
 136 29.5.

137 In all other criminal cases in the circuit courts, except where the law provides otherwise, the authority of  
 138 the Attorney General to appear or participate in the proceedings shall attach when the appellate court receives  
 139 the record after a notice of appeal has been filed with the clerk of the circuit court noting an appeal to the  
 140 Court of Appeals or the Supreme Court. In all criminal cases before the Court of Appeals or the Supreme  
 141 Court in which the Commonwealth is a party or is directly interested, the Attorney General shall appear and  
 142 represent the Commonwealth upon receipt of the record in the appellate court, unless, and with the consent of  
 143 the Attorney General, the attorney for the Commonwealth who prosecuted the underlying criminal case files  
 144 a notice of appearance to represent the Commonwealth in any such appeal. However, in an appeal regarding  
 145 bail, bond, or recognizance pursuant to Article 1 (§ 19.2-119 et seq.) of Chapter 9 of Title 19.2 or subsection  
 146 B of § 19.2-398, the attorney for the Commonwealth who prosecuted the underlying criminal case shall  
 147 continue to represent the Commonwealth on appeal.

148 B. The Attorney General shall, upon request of a person who was the victim of a crime and subject to such  
 149 reasonable procedures as the Attorney General may require, ensure that such person is given notice of the  
 150 filing, of the date, time, and place and of the disposition of any appeal or habeas corpus proceeding involving  
 151 the cases in which such person was a victim. For the purposes of this section, a "victim" is an individual who  
 152 has suffered physical, psychological, or economic harm as a direct result of the commission of a crime; a  
 153 spouse, child, parent, or legal guardian of a minor or incapacitated victim; or a spouse, child, parent, or legal  
 154 guardian of a victim of a homicide. Nothing in this subsection shall confer upon any person a right to appeal  
 155 or modify any decision in a criminal, appellate, or habeas corpus proceeding; abridge any right guaranteed by  
 156 law; or create any cause of action for damages against the Commonwealth or any of its political subdivisions,  
 157 the Attorney General, or any of his employees or agents, any other officer, employee, or agent of the  
 158 Commonwealth or any of its political subdivisions, or any officer of the court.

159 **§ 2.2-614.3. Charitable organization; certain government action prohibited.**

160 A government agency shall not require any charitable organization to:

161 1. Disclose individual demographic information concerning employees, officers, directors, trustees,  
 162 members, or owners, without the prior written consent of such individuals;

163 2. Disclose individual demographic information concerning any person, or the employees, officers,  
 164 directors, trustees, members or owners of any entity that has received monetary or in-kind contributions from  
 165 or contracted with a charitable organization without the prior written consent of such individuals;

166 3. Include in the membership of the governing board or officers of the charitable organization an  
 167 individual based on his demographic characteristics;

168 4. Prohibit an individual from serving as a board member or officer based upon the individual's familial  
 169 relationship to other board members or officers or to a donor;

170 5. Include in the membership of the governing board one or more individuals who do not share a familial  
 171 relationship with other board members or officers or with the donor; or

172 6. Distribute its funds to or contract with any individual or entity based upon the demographic  
 173 characteristics of the employees, officers, directors, trustees, members, or owners of the individual or entity,  
 174 or based on populations, locations, or communities served by the individual or entity, except as a lawful  
 175 condition on the expenditure of the funds imposed by the donor.

176 As used in this section:

177 "Charitable organization" means any nonstock corporate or other entity that has been granted tax-exempt  
 178 status under § 509(a) of the Internal Revenue Code.

179 "Government agency" means any authority, board, department, instrumentality, institution, agency, or  
 180 other unit of state government and any county, city, or town.

181 Nothing in this section shall prohibit a government agency from obtaining information from a charitable  
 182 organization pursuant to a subpoena, civil investigative demand, or other compulsory process. Nothing in this

183 section shall alter or limit the filing requirements applicable to charitable organizations under Chapter 8  
184 (~~§ 18.2-325 et seq.~~) of Title 18.2 (§ 29.5-200 et seq.) of Title 29.5 or Chapter 5 (§ 57-48 et seq.) of Title 57.

185 **§ 2.2-3705.3. (Effective until July 1, 2026) Exclusions to application of chapter; records relating to**  
186 **administrative investigations.**

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

191 1. Information relating to investigations of applicants for licenses and permits, and of all licensees and  
192 permittees, made by or submitted to the Virginia Alcoholic Beverage Control Authority, the Virginia  
193 Cannabis Control Authority, the Virginia Gaming Commission, the Virginia Lottery pursuant to Chapter 40  
194 (~~§ 58.1-4000 et seq.~~) and Chapter 41 (~~§ 58.1-4100 et seq.~~) of Title 58.1, the Virginia Racing Commission, the  
195 Department of Agriculture and Consumer Services relating to investigations and applications pursuant to  
196 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  
197 Department of Criminal Justice Services.

198 2. Records of active investigations being conducted by the Virginia Cannabis Control Authority or by the  
199 Department of Health Professions or any health regulatory board in the Commonwealth pursuant to  
200 § 54.1-108.

201 3. Investigator notes, and other correspondence and information, furnished in confidence with respect to  
202 an active investigation of individual employment discrimination complaints made to the Department of  
203 Human Resource Management, to such personnel of any local public body, including local school boards, as  
204 are responsible for conducting such investigations in confidence, or to any public institution of higher  
205 education. However, nothing in this subdivision shall prevent the disclosure of information taken from  
206 inactive reports in a form that does not reveal the identity of charging parties, persons supplying the  
207 information, or other individuals involved in the investigation.

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

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

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

224 7. Investigative notes, correspondence and information furnished in confidence, and records otherwise  
225 exempted by this chapter or any Virginia statute, provided to or produced by or for (i) the Auditor of Public  
226 Accounts; (ii) the Joint Legislative Audit and Review Commission; (iii) an appropriate authority as defined in  
227 § 2.2-3010 with respect to an allegation of wrongdoing or abuse under the Fraud and Abuse Whistle Blower  
228 Protection Act (~~§ 2.2-3009 et seq.~~); (iv) the Office of the State Inspector General with respect to an  
229 investigation initiated through the Fraud, Waste and Abuse Hotline or an investigation initiated pursuant to  
230 Chapter 3.2 (~~§ 2.2-307 et seq.~~); (v) internal auditors appointed by the head of a state agency or by any public  
231 institution of higher education; (vi) the committee or the auditor with respect to an investigation or audit  
232 conducted pursuant to § 15.2-825; (vii) the auditors, appointed by the local governing body of any county,  
233 city, or town or a school board, who by charter, ordinance, or statute have responsibility for conducting an  
234 investigation of any officer, department, or program of such body; or (viii) the Behavioral Health  
235 Commission. Information contained in completed investigations shall be disclosed in a form that does not  
236 reveal the identity of the complainants or persons supplying information to investigators. Unless disclosure is  
237 excluded by this subdivision, the information disclosed shall include the agency involved, the identity of the  
238 person who is the subject of the complaint, the nature of the complaint, and the actions taken to resolve the  
239 complaint. If an investigation does not lead to corrective action, the identity of the person who is the subject  
240 of the complaint may be released only with the consent of the subject person. Local governing bodies shall  
241 adopt guidelines to govern the disclosure required by this subdivision.

242 8. The names and personal contact information of complainants furnished in confidence with respect to an  
243 investigation of individual zoning enforcement complaints or complaints relating to the Uniform Statewide  
244 Building Code (~~§ 36-97 et seq.~~) or the Statewide Fire Prevention Code (~~§ 27-94 et seq.~~) made to a local

245 governing body. As used in this subdivision, "personal contact information" includes the complainant's home  
 246 or business (i) address, (ii) email address, or (iii) telephone number or comparable number assigned to any  
 247 other electronic communication device.

248 9. Records of active investigations being conducted by the Department of Criminal Justice Services  
 249 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  
 250 Article 12 (§ 9.1-186 et seq.) of Chapter 1 of Title 9.1.

251 10. Information furnished to or prepared by the Board of Education pursuant to subsection D of  
 252 § 22.1-253.13:3 in connection with the review or investigation of any alleged breach in security, unauthorized  
 253 alteration, or improper administration of tests by local school board employees responsible for the  
 254 distribution or administration of the tests. However, this section shall not prohibit the disclosure of such  
 255 information to (i) a local school board or division superintendent for the purpose of permitting such board or  
 256 superintendent to consider or to take personnel action with regard to an employee or (ii) any requester, after  
 257 the conclusion of a review or investigation, in a form that (a) does not reveal the identity of any person  
 258 making a complaint or supplying information to the Board on a confidential basis and (b) does not  
 259 compromise the security of any test mandated by the Board.

260 11. Information contained in (i) an application for licensure or renewal of a license for teachers and other  
 261 school personnel, including transcripts or other documents submitted in support of an application, and (ii) an  
 262 active investigation conducted by or for the Board of Education related to the denial, suspension,  
 263 cancellation, revocation, or reinstatement of teacher and other school personnel licenses including  
 264 investigator notes and other correspondence and information, furnished in confidence with respect to such  
 265 investigation. However, this subdivision shall not prohibit the disclosure of such (a) application information  
 266 to the applicant at his own expense or (b) investigation information to a local school board or division  
 267 superintendent for the purpose of permitting such board or superintendent to consider or to take personnel  
 268 action with regard to an employee. Information contained in completed investigations shall be disclosed in a  
 269 form that does not reveal the identity of any complainant or person supplying information to investigators.  
 270 The completed investigation information disclosed shall include information regarding the school or facility  
 271 involved, the identity of the person who was the subject of the complaint, the nature of the complaint, and the  
 272 actions taken to resolve the complaint. If an investigation fails to support a complaint or does not lead to  
 273 corrective action, the identity of the person who was the subject of the complaint may be released only with  
 274 the consent of the subject person. No personally identifiable information regarding a current or former  
 275 student shall be released except as permitted by state or federal law.

276 12. Information provided in confidence and related to an investigation by the Attorney General under  
 277 Article 1 (§ 3.2-4200 et seq.) or Article 3 (§ 3.2-4204 et seq.) of Chapter 42 of Title 3.2, Article 10  
 278 (§ 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)  
 279 of Chapter 10 of Title 58.1. However, information related to an investigation that has been inactive for more  
 280 than six months shall, upon request, be disclosed provided such disclosure is not otherwise prohibited by law  
 281 and does not reveal the identity of charging parties, complainants, persons supplying information, witnesses,  
 282 or other individuals involved in the investigation.

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

285 **§ 2.2-3705.3. (Effective July 1, 2026) Exclusions to application of chapter; records relating to  
 286 administrative investigations.**

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

291 1. Information relating to investigations of applicants for licenses and permits, and of all licensees and  
 292 permittees, made by or submitted to the Virginia Alcoholic Beverage Control Authority, the Virginia  
 293 Cannabis Control Authority, the Virginia Gaming Commission, the Virginia Lottery pursuant to Chapter 40  
 294 (§ 58.1-4000 et seq.) and Chapter 41 (§ 58.1-4100 et seq.) of Title 58.1, the Virginia Racing Commission, the  
 295 Department of Agriculture and Consumer Services relating to investigations and applications pursuant to  
 296 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  
 297 Department of Criminal Justice Services.

298 2. Records of active investigations being conducted by the Virginia Cannabis Control Authority or by the  
 299 Department of Health Professions or any health regulatory board in the Commonwealth pursuant to  
 300 § 54.1-108.

301 3. Investigator notes, and other correspondence and information, furnished in confidence with respect to  
 302 an active investigation of individual employment discrimination complaints made to the Department of  
 303 Human Resource Management, to such personnel of any local public body, including local school boards, as  
 304 are responsible for conducting such investigations in confidence, or to any public institution of higher  
 305 education. However, nothing in this subdivision shall prevent the disclosure of information taken from  
 306 inactive reports in a form that does not reveal the identity of charging parties, persons supplying the

307 information, or other individuals involved in the investigation.

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

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

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

324 7. Investigative notes, correspondence and information furnished in confidence, and records otherwise  
325 exempted by this chapter or any Virginia statute, provided to or produced by or for (i) the Auditor of Public  
326 Accounts; (ii) the Joint Legislative Audit and Review Commission; (iii) an appropriate authority as defined in  
327 § 2.2-3010 with respect to an allegation of wrongdoing or abuse under the Fraud and Abuse Whistle Blower  
328 Protection Act (§ 2.2-3009 et seq.); (iv) the Office of the State Inspector General with respect to an  
329 investigation initiated through the Fraud, Waste and Abuse Hotline or an investigation initiated pursuant to  
330 Chapter 3.2 (§ 2.2-307 et seq.); (v) internal auditors appointed by the head of a state agency or by any public  
331 institution of higher education; (vi) the committee or the auditor with respect to an investigation or audit  
332 conducted pursuant to § 15.2-825; (vii) the auditors, appointed by the local governing body of any county,  
333 city, or town or a school board, who by charter, ordinance, or statute have responsibility for conducting an  
334 investigation of any officer, department, or program of such body; or (viii) the Behavioral Health  
335 Commission. Information contained in completed investigations shall be disclosed in a form that does not  
336 reveal the identity of the complainants or persons supplying information to investigators. Unless disclosure is  
337 excluded by this subdivision, the information disclosed shall include the agency involved, the identity of the  
338 person who is the subject of the complaint, the nature of the complaint, and the actions taken to resolve the  
339 complaint. If an investigation does not lead to corrective action, the identity of the person who is the subject  
340 of the complaint may be released only with the consent of the subject person. Local governing bodies shall  
341 adopt guidelines to govern the disclosure required by this subdivision.

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

348 9. Records of active investigations being conducted by the Department of Criminal Justice Services  
349 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  
350 Article 12 (§ 9.1-186 et seq.) of Chapter 1 of Title 9.1.

351 10. Information furnished to or prepared by the Board of Education pursuant to subsection F of  
352 § 22.1-253.13:3 in connection with the review or investigation of any alleged breach in security, unauthorized  
353 alteration, or improper administration of tests by local school board employees responsible for the  
354 distribution or administration of the tests. However, this section shall not prohibit the disclosure of such  
355 information to (i) a local school board or division superintendent for the purpose of permitting such board or  
356 superintendent to consider or to take personnel action with regard to an employee or (ii) any requester, after  
357 the conclusion of a review or investigation, in a form that (a) does not reveal the identity of any person  
358 making a complaint or supplying information to the Board on a confidential basis and (b) does not  
359 compromise the security of any test mandated by the Board.

360 11. Information contained in (i) an application for licensure or renewal of a license for teachers and other  
361 school personnel, including transcripts or other documents submitted in support of an application, and (ii) an  
362 active investigation conducted by or for the Board of Education related to the denial, suspension,  
363 cancellation, revocation, or reinstatement of teacher and other school personnel licenses including  
364 investigator notes and other correspondence and information, furnished in confidence with respect to such  
365 investigation. However, this subdivision shall not prohibit the disclosure of such (a) application information  
366 to the applicant at his own expense or (b) investigation information to a local school board or division  
367 superintendent for the purpose of permitting such board or superintendent to consider or to take personnel  
368 action with regard to an employee. Information contained in completed investigations shall be disclosed in a

369 form that does not reveal the identity of any complainant or person supplying information to investigators.  
 370 The completed investigation information disclosed shall include information regarding the school or facility  
 371 involved, the identity of the person who was the subject of the complaint, the nature of the complaint, and the  
 372 actions taken to resolve the complaint. If an investigation fails to support a complaint or does not lead to  
 373 corrective action, the identity of the person who was the subject of the complaint may be released only with  
 374 the consent of the subject person. No personally identifiable information regarding a current or former  
 375 student shall be released except as permitted by state or federal law.

376 12. Information provided in confidence and related to an investigation by the Attorney General under  
 377 Article 1 (§ 3.2-4200 et seq.) or Article 3 (§ 3.2-4204 et seq.) of Chapter 42 of Title 3.2, Article 10  
 378 (§ 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)  
 379 of Chapter 10 of Title 58.1. However, information related to an investigation that has been inactive for more  
 380 than six months shall, upon request, be disclosed provided such disclosure is not otherwise prohibited by law  
 381 and does not reveal the identity of charging parties, complainants, persons supplying information, witnesses,  
 382 or other individuals involved in the investigation.

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

385 **§ 2.2-3705.6. Exclusions to application of chapter; proprietary records and trade secrets.**

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

390 1. Proprietary information gathered by or for the Virginia Port Authority as provided in § 62.1-132.4 or  
 391 62.1-134.1.

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

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

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

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

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

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

411 8. Confidential proprietary information furnished to the Board of Medical Assistance Services or the  
 412 Medicaid Prior Authorization Advisory Committee pursuant to Article 4 (§ 32.1-331.12 et seq.) of Chapter  
 413 10 of Title 32.1.

414 9. Proprietary, commercial, or financial information, balance sheets, trade secrets, and revenue and cost  
 415 projections provided by a private transportation business to the Virginia Department of Transportation and  
 416 the Department of Rail and Public Transportation for the purpose of conducting transportation studies needed  
 417 to obtain grants or other financial assistance under the Transportation Equity Act for the 21st Century (P.L.  
 418 105-178) for transportation projects if disclosure of such information is exempt under the federal Freedom of  
 419 Information Act or the federal Interstate Commerce Act or other laws administered by the Surface  
 420 Transportation Board or the Federal Railroad Administration with respect to data provided in confidence to  
 421 the Surface Transportation Board and the Federal Railroad Administration. However, the exclusion provided  
 422 by this subdivision shall not apply to any wholly owned subsidiary of a public body.

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

427 11. a. Memoranda, staff evaluations, or other information prepared by the responsible public entity, its  
 428 staff, outside advisors, or consultants exclusively for the evaluation and negotiation of proposals filed under  
 429 the Public-Private Transportation Act of 1995 (§ 33.2-1800 et seq.) or the Public-Private Education Facilities  
 430 and Infrastructure Act of 2002 (§ 56-575.1 et seq.) where (i) if such information was made public prior to or

431 after the execution of an interim or a comprehensive agreement, § 33.2-1820 or 56-575.17 notwithstanding,  
432 the financial interest or bargaining position of the public entity would be adversely affected and (ii) the basis  
433 for the determination required in clause (i) is documented in writing by the responsible public entity; and

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

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

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

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

448 The responsible public entity shall determine whether the requested exclusion from disclosure is  
449 necessary to protect the trade secrets or financial information of the private entity. To protect other  
450 information submitted by the private entity from disclosure, the responsible public entity shall determine  
451 whether public disclosure prior to the execution of an interim agreement or a comprehensive agreement  
452 would adversely affect the financial interest or bargaining position of the public or private entity. The  
453 responsible public entity shall make a written determination of the nature and scope of the protection to be  
454 afforded by the responsible public entity under this subdivision. Once a written determination is made by the  
455 responsible public entity, the information afforded protection under this subdivision shall continue to be  
456 protected from disclosure when in the possession of any affected jurisdiction or affected local jurisdiction.

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

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

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

474 13. Trade secrets or confidential proprietary information that is not generally available to the public  
475 through regulatory disclosure or otherwise, provided by a (i) bidder or applicant for a franchise or (ii)  
476 franchisee under Chapter 21 (§ 15.2-2100 et seq.) of Title 15.2 to the applicable franchising authority  
477 pursuant to a promise of confidentiality from the franchising authority, to the extent the information relates to  
478 the bidder's, applicant's, or franchisee's financial capacity or provision of new services, adoption of new  
479 technologies or implementation of improvements, where such new services, technologies, or improvements  
480 have not been implemented by the franchisee on a nonexperimental scale in the franchise area, and where, if  
481 such information were made public, the competitive advantage or financial interests of the franchisee would  
482 be adversely affected.

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

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

490 14. Information of a proprietary or confidential nature furnished by a supplier or manufacturer of  
491 charitable gaming supplies to the **Department of Agriculture and Consumer Services Virginia Gaming**  
492 **Commission** (i) pursuant to subsection E of § 18.2-340.34 29.5-225 and (ii) pursuant to regulations

493 promulgated by the **Commissioner of Agriculture and Consumer Services Virginia Gaming Commission**  
 494 **Board** related to approval of electronic and mechanical equipment.

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

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

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

506 18. Confidential proprietary information and trade secrets developed and held by a local public body (i)  
 507 providing telecommunication services pursuant to § 56-265.4:4 and (ii) providing cable television services  
 508 pursuant to Article 1.1 (§ 15.2-2108.2 et seq.) of Chapter 21 of Title 15.2 if disclosure of such information  
 509 would be harmful to the competitive position of the locality.

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

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

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

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

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

535 In order for the information specified in this subdivision to be excluded from the provisions of this  
 536 chapter, the private or nongovernmental entity shall make a written request to the State Inspector General:

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

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

540 c. Stating the reasons why protection is necessary.

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

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

555 Commission pursuant to § 3.2-3103.

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

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

560 b. Identifying with specificity the data, information or other materials for which protection is sought; and  
561 c. Stating the reasons why protection is necessary.

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

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

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

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

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

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

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

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

586 25. Information of a proprietary nature furnished by an agricultural landowner or operator to the  
587 Department of Conservation and Recreation, the Department of Environmental Quality, the Department of  
588 Agriculture and Consumer Services, or any political subdivision, agency, or board of the Commonwealth  
589 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  
590 regulatory enforcement action.

591 26. Trade secrets provided to the Department of Environmental Quality pursuant to the provisions of  
592 § 10.1-1458. In order for such trade secrets to be excluded from the provisions of this chapter, the submitting  
593 party shall (i) invoke this exclusion upon submission of the data or materials for which protection from  
594 disclosure is sought, (ii) identify the data or materials for which protection is sought, and (iii) state the  
595 reasons why protection is necessary.

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

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

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

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

605 c. Stating the reasons why protection is necessary.

606 28. Information relating to a grant, loan, or investment application, or accompanying a grant, loan, or  
607 investment application, submitted to the Commonwealth of Virginia Innovation Partnership Authority (the  
608 Authority) established pursuant to Article 11 (§ 2.2-2351 et seq.) of Chapter 22, an advisory committee of the  
609 Authority, or any other entity designated by the Authority to review such applications, to the extent that such  
610 records would (i) reveal (a) trade secrets; (b) financial information of a party to a grant, loan, or investment  
611 application that is not a public body, including balance sheets and financial statements, that are not generally  
612 available to the public through regulatory disclosure or otherwise; or (c) research-related information  
613 produced or collected by a party to the application in the conduct of or as a result of study or research on  
614 medical, rehabilitative, scientific, technical, technological, or scholarly issues, when such information has not  
615 been publicly released, published, copyrighted, or patented, and (ii) be harmful to the competitive position of  
616 a party to a grant, loan, or investment application; and memoranda, staff evaluations, or other information

617 prepared by the Authority or its staff, or a reviewing entity designated by the Authority, exclusively for the  
 618 evaluation of grant, loan, or investment applications, including any scoring or prioritization documents  
 619 prepared for and forwarded to the Authority.

620 29. Proprietary information, voluntarily provided by a private business pursuant to a promise of  
 621 confidentiality from a public body, used by the public body for a solar services or carbon sequestration  
 622 agreement, where disclosure of such information would (i) reveal (a) trade secrets of the private business; (b)  
 623 financial information of the private business, including balance sheets and financial statements, that are not  
 624 generally available to the public through regulatory disclosure or otherwise; or (c) other information  
 625 submitted by the private business and (ii) adversely affect the financial interest or bargaining position of the  
 626 public body or private business.

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

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

631 b. Identifying with specificity the data or other materials for which protection is sought; and  
 632 c. Stating the reasons why protection is necessary.

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

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

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

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

648 b. Identifying with specificity the data or other materials for which protection is sought; and  
 649 c. Stating the reasons why protection is necessary.

650 The Virginia Department of Transportation shall determine whether the requested exclusion from  
 651 disclosure is necessary to protect trade secrets or financial records of the private entity. The Virginia  
 652 Department of Transportation shall make a written determination of the nature and scope of the protection to  
 653 be afforded by it under this subdivision.

654 32. Information related to a grant application, or accompanying a grant application, submitted to the  
 655 Department of Housing and Community Development that would (i) reveal (a) trade secrets, (b) financial  
 656 information of a grant applicant that is not a public body, including balance sheets and financial statements,  
 657 that are not generally available to the public through regulatory disclosure or otherwise, or (c)  
 658 research-related information produced or collected by the applicant in the conduct of or as a result of study or  
 659 research on medical, rehabilitative, scientific, technical, technological, or scholarly issues, when such  
 660 information has not been publicly released, published, copyrighted, or patented, and (ii) be harmful to the  
 661 competitive position of the applicant. The exclusion provided by this subdivision shall only apply to grants  
 662 administered by the Department, the Director of the Department, or pursuant to § 36-139, Article 26  
 663 (§ 2.2-2484 et seq.) of Chapter 24, or the Virginia Telecommunication Initiative as authorized by the  
 664 appropriations act.

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

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

669 b. Identifying with specificity the data, information, or other materials for which protection is sought; and  
 670 c. Stating the reasons why protection is necessary.

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

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

679 VHDA.

680 34. Information of a proprietary or confidential nature disclosed by a health carrier or pharmacy benefits  
681 manager pursuant to § 38.2-3407.15:6, a wholesale distributor pursuant to § 54.1-3436.1, or a manufacturer  
682 pursuant to § 54.1-3442.02.

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

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

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

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

694 c. Stating the reasons why protection is necessary.

695 36. Information of a proprietary or confidential nature, including trade secrets, employee compensation  
696 information, balance sheets and financial statements that are not available to the public through regulatory  
697 disclosure or otherwise, and revenue and cost projections supplied by a private or nongovernmental entity to  
698 the Department of Workforce Development and Advancement (the Department) for the purpose of  
699 sponsoring, implementing, and operating (i) an apprenticeship program approved by the Department or (ii) a  
700 similar lawful workforce development or public-private partnership approved by the Department that assists  
701 the Department in fulfilling its mission and objectives and whose workforce development initiative could not  
702 advance without such exemption, as determined by the Commissioner of the Department and the Secretary of  
703 Labor. However, nothing in this subdivision shall be construed to allow the withholding of the name and  
704 contact information of a private or nongovernmental entity sponsoring, implementing, or operating the  
705 apprenticeship program, the location of the program, the occupations offered by the program, or the terms  
706 and conditions of a contract or agreement entered into by such private or nongovernmental entity.

707 **§ 2.2-3705.7. Exclusions to application of chapter; records of specific public bodies and certain  
708 other limited exclusions.**

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

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

715 2. Working papers and correspondence of the Office of the Governor, the Lieutenant Governor, or the  
716 Attorney General; the members of the General Assembly, the Division of Legislative Services, or the Clerks  
717 of the House of Delegates or the Senate of Virginia; the mayor or chief executive officer of any political  
718 subdivision of the Commonwealth; or the president or other chief executive officer of any public institution  
719 of higher education in the Commonwealth. However, no information that is otherwise open to inspection  
720 under this chapter shall be deemed excluded by virtue of the fact that it has been attached to or incorporated  
721 within any working paper or correspondence. Further, information publicly available or not otherwise subject  
722 to an exclusion under this chapter or other provision of law that has been aggregated, combined, or changed  
723 in format without substantive analysis or revision shall not be deemed working papers. Nothing in this  
724 subdivision shall be construed to authorize the withholding of any resumes or applications submitted by  
725 persons who are appointed by the Governor pursuant to § 2.2-106 or 2.2-107.

726 As used in this subdivision:

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

729 "Office of the Governor" means the Governor; the Governor's chief of staff, counsel, director of policy,  
730 and Cabinet Secretaries; the Assistant to the Governor for Intergovernmental Affairs; and those individuals to  
731 whom the Governor has delegated his authority pursuant to § 2.2-104. "Working papers" means those records  
732 prepared by or for a public official identified in this subdivision for his personal or deliberative use.

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

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

739 4. Contract cost estimates prepared for the confidential use of the Department of Transportation in  
740 awarding contracts for construction or the purchase of goods or services, and records and automated systems

741 prepared for the Department's Bid Analysis and Monitoring Program.

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

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

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

752 8. Personal information, as defined in § 2.2-3801, (i) filed with the Virginia Housing Development  
753 Authority concerning individuals who have applied for or received loans or other housing assistance or who  
754 have applied for occupancy of or have occupied housing financed, owned, or otherwise assisted by the  
755 Virginia Housing Development Authority; (ii) concerning persons participating in or persons on the waiting  
756 list for federally funded rent-assistance programs; (iii) filed with any local redevelopment and housing  
757 authority created pursuant to § 36-4 concerning persons participating in or persons on the waiting list for  
758 housing assistance programs funded by local governments or by any such authority; or (iv) filed with any  
759 local redevelopment and housing authority created pursuant to § 36-4 or any other local government agency  
760 concerning persons who have applied for occupancy or who have occupied affordable dwelling units  
761 established pursuant to § 15.2-2304 or 15.2-2305. However, access to one's own information shall not be  
762 denied.

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

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

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

779 12. Information held by the Virginia Retirement System, acting pursuant to § 51.1-124.30, or a local  
780 retirement system, acting pursuant to § 51.1-803, or by a local finance board or board of trustees of a trust  
781 established by one or more local public bodies to invest funds for post-retirement benefits other than  
782 pensions, acting pursuant to Article 8 (§ 15.2-1544 et seq.) of Chapter 15 of Title 15.2, or by the board of  
783 visitors of the University of Virginia, acting pursuant to § 23.1-2210, or by the board of visitors of The  
784 College of William and Mary in Virginia, acting pursuant to § 23.1-2803, or by the Commonwealth Savers  
785 Plan, acting pursuant to § 23.1-704, relating to the acquisition, holding, or disposition of a security or other  
786 ownership interest in an entity, where such security or ownership interest is not traded on a governmentally  
787 regulated securities exchange, if disclosure of such information would (i) reveal confidential analyses  
788 prepared for the board of visitors of the University of Virginia, prepared for the board of visitors of The  
789 College of William and Mary in Virginia, prepared by the retirement system, a local finance board or board  
790 of trustees, or the Commonwealth Savers Plan, or provided to the retirement system, a local finance board or  
791 board of trustees, or the Commonwealth Savers Plan under a promise of confidentiality of the future value of  
792 such ownership interest or the future financial performance of the entity and (ii) have an adverse effect on the  
793 value of the investment to be acquired, held, or disposed of by the retirement system, a local finance board or  
794 board of trustees, the board of visitors of the University of Virginia, the board of visitors of The College of  
795 William and Mary in Virginia, or the Commonwealth Savers Plan. Nothing in this subdivision shall be  
796 construed to prevent the disclosure of information relating to the identity of any investment held, the amount  
797 invested, or the present value of such investment.

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

801 14. Information held by the Virginia Commonwealth University Health System Authority pertaining to  
802 any of the following: an individual's qualifications for or continued membership on its medical or teaching

803 staffs; proprietary information gathered by or in the possession of the Authority from third parties pursuant to  
804 a promise of confidentiality; contract cost estimates prepared for confidential use in awarding contracts for  
805 construction or the purchase of goods or services; information of a proprietary nature produced or collected  
806 by or for the Authority or members of its medical or teaching staffs; financial statements not publicly  
807 available that may be filed with the Authority from third parties; the identity, accounts, or account status of  
808 any customer of the Authority; consulting or other reports paid for by the Authority to assist the Authority in  
809 connection with its strategic planning and goals; the determination of marketing and operational strategies  
810 where disclosure of such strategies would be harmful to the competitive position of the Authority; and  
811 information of a proprietary nature produced or collected by or for employees of the Authority, other than the  
812 Authority's financial or administrative records, in the conduct of or as a result of study or research on  
813 medical, scientific, technical, or scholarly issues, whether sponsored by the Authority alone or in conjunction  
814 with a governmental body or a private concern, when such information has not been publicly released,  
815 published, copyrighted, or patented. This exclusion shall also apply when such information is in the  
816 possession of Virginia Commonwealth University.

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

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

829 17. Information held by the Virginia Lottery pertaining to (i) the social security number, tax identification  
830 number, state sales tax number, home address and telephone number, personal and lottery banking account  
831 and transit numbers of a retailer, and financial information regarding the nonlottery operations of specific  
832 retail locations and (ii) individual lottery winners, except that a winner's name, hometown, and amount won  
833 shall be disclosed. If the value of the prize won by the winner is \$1 million or greater, the information  
834 described in clause (ii) shall not be disclosed unless the winner consents in writing to such disclosure.

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

838 19. Information pertaining to the planning, scheduling, and performance of examinations of holder records  
839 pursuant to the Virginia Disposition of Unclaimed Property Act (§ 55.1-2500 et seq.) prepared by or for the  
840 State Treasurer or his agents or employees or persons employed to perform an audit or examination of holder  
841 records.

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

846 21. Information held by state or local park and recreation departments and local and regional park  
847 authorities or by the Department of Workforce Development and Advancement concerning identifiable  
848 individuals younger than 18 years of age. However, nothing in this subdivision shall operate to prevent the  
849 disclosure of information defined as directory information under regulations implementing the federal Family  
850 Educational Rights and Privacy Act, 20 U.S.C. § 1232g, unless the public body has undertaken the parental  
851 notification and opt-out requirements provided by such regulations. Access shall not be denied to the parent,  
852 including a noncustodial parent, or guardian of such person, unless the parent's parental rights have been  
853 terminated or a court of competent jurisdiction has restricted or denied such access. For such information of  
854 persons who are emancipated, the right of access may be asserted by the subject thereof. Any parent or  
855 emancipated person who is the subject of the information may waive, in writing, the protections afforded by  
856 this subdivision. If the protections are so waived, the public body shall open such information for inspection  
857 and copying.

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

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

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

868        a. Internal deliberations of or decisions by the retirement system or the Commonwealth Savers Plan on the  
 869        pursuit of particular investment strategies, or the selection or termination of investment managers, prior to the  
 870        execution of such investment strategies or the selection or termination of such managers, if disclosure of such  
 871        information would have an adverse impact on the financial interest of the retirement system or the  
 872        Commonwealth Savers Plan; and

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

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

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

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

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

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

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

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

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

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

893        28. Information maintained in connection with fundraising activities by the Veterans Services Foundation  
 894        pursuant to § 2.2-2716 that reveal the address, electronic mail address, facsimile or telephone number, social  
 895        security number or other identification number appearing on a driver's license or other document issued under  
 896        Chapter 3 (§ 46.2-300 et seq.) of Title 46.2 or the comparable law of another jurisdiction, or credit card or  
 897        bank account data of identifiable donors, except that access shall not be denied to the person who is the  
 898        subject of the information. Nothing in this subdivision, however, shall be construed to prevent the disclosure  
 899        of information relating to the amount, date, purpose, and terms of the pledge or donation or the identity of the  
 900        donor, unless the donor has requested anonymity in connection with or as a condition of making a pledge or  
 901        donation. The exclusion provided by this subdivision shall not apply to protect from disclosure (i) the  
 902        identities of sponsors providing grants to or contracting with the foundation for the performance of services  
 903        or other work or (ii) the terms and conditions of such grants or contracts.

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

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

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

916        32. Information reflecting the substance of meetings in which (i) individual sexual assault cases are  
 917        discussed by any sexual assault response team established pursuant to § 15.2-1627.4, (ii) individual child  
 918        abuse or neglect cases or sex offenses involving a child are discussed by multidisciplinary child sexual abuse  
 919        response teams established pursuant to § 15.2-1627.5, (iii) individual cases of abuse, neglect, or exploitation  
 920        of adults as defined in § 63.2-1603 are discussed by multidisciplinary teams established pursuant to  
 921        §§ 15.2-1627.5 and 63.2-1605, or (iv) individual human trafficking cases are discussed by any human  
 922        trafficking response team established pursuant to § 15.2-1627.6. The findings of any such team may be  
 923        disclosed or published in statistical or other aggregated form that does not disclose the identity of specific  
 924        individuals.

925        33. Information contained in the strategic plan, marketing plan, or operational plan prepared by the  
 926        Virginia Economic Development Partnership Authority pursuant to § 2.2-2237.1 regarding target companies,

927 specific allocation of resources and staff for marketing activities, and specific marketing activities that would  
928 reveal to the Commonwealth's competitors for economic development projects the strategies intended to be  
929 deployed by the Commonwealth, thereby adversely affecting the financial interest of the Commonwealth.  
930 The executive summaries of the strategic plan, marketing plan, and operational plan shall not be redacted or  
931 withheld pursuant to this subdivision.

932 34. Information discussed in a closed session of the Physical Therapy Compact Commission or the  
933 Executive Board or other committees of the Commission for purposes set forth in subsection E of  
934 § 54.1-3491.

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

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

943 37. Personal information provided to or obtained by the Virginia *Lottery Gaming Commission* concerning  
944 the identity of any person reporting prohibited conduct pursuant to § 58.1-4043 29.5-104.

945 **§ 2.2-3711. (Effective until July 1, 2026) Closed meetings authorized for certain limited purposes.**

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

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

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

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

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

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

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

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

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

985 9. Discussion or consideration by governing boards of public institutions of higher education of matters  
986 relating to gifts, bequests, and ~~fund~~ *raising* fundraising activities, and of grants and contracts for services or  
987 work to be performed by such institution. However, the terms and conditions of any such gifts, bequests,  
988 grants, and contracts made by a foreign government, a foreign legal entity, or a foreign person and accepted

989 by a public institution of higher education in the Commonwealth shall be subject to public disclosure upon  
 990 written request to the appropriate board of visitors. For the purpose of this subdivision, (i) "foreign  
 991 government" means any government other than the United States government or the government of a state or  
 992 a political subdivision thereof, (ii) "foreign legal entity" means any legal entity (a) created under the laws of  
 993 the United States or of any state thereof if a majority of the ownership of the stock of such legal entity is  
 994 owned by foreign governments or foreign persons or if a majority of the membership of any such entity is  
 995 composed of foreign persons or foreign legal entities or (b) created under the laws of a foreign government,  
 996 and (iii) "foreign person" means any individual who is not a citizen or national of the United States or a trust  
 997 territory or protectorate thereof.

998 10. Discussion or consideration by the boards of trustees of the Virginia Museum of Fine Arts, the  
 999 Virginia Museum of Natural History, the Jamestown-Yorktown Foundation, the Fort Monroe Authority, and  
 1000 The Science Museum of Virginia of matters relating to specific gifts, bequests, and grants from private  
 1001 sources.

1002 11. Discussion or consideration of honorary degrees or special awards.

1003 12. Discussion or consideration of tests, examinations, or other information used, administered, or  
 1004 prepared by a public body and subject to the exclusion in subdivision 4 of § 2.2-3705.1.

1005 13. Discussion, consideration, or review by the appropriate House or Senate committees of possible  
 1006 disciplinary action against a member arising out of the possible inadequacy of the disclosure statement filed  
 1007 by the member, provided that the member may request in writing that the committee meeting not be  
 1008 conducted in a closed meeting.

1009 14. Discussion of strategy with respect to the negotiation of a hazardous waste siting agreement or to  
 1010 consider the terms, conditions, and provisions of a hazardous waste siting agreement if the governing body in  
 1011 open meeting finds that an open meeting will have an adverse effect upon the negotiating position of the  
 1012 governing body or the establishment of the terms, conditions, and provisions of the siting agreement, or both.  
 1013 All discussions with the applicant or its representatives may be conducted in a closed meeting.

1014 15. Discussion by the Governor and any economic advisory board reviewing forecasts of economic  
 1015 activity and estimating general and nongeneral fund revenues.

1016 16. Discussion or consideration of medical and mental health records subject to the exclusion in  
 1017 subdivision 1 of § 2.2-3705.5.

1018 17. Deliberations of the Virginia Lottery Board in a licensing appeal action conducted pursuant to  
 1019 subsection D of § 58.1-4007 29.5-707 regarding the denial or revocation of a license of a lottery sales agent;  
 1020 and discussion, consideration, or review of Virginia Lottery matters related to proprietary lottery game  
 1021 information and studies or investigations excluded from disclosure under subdivision 6 of § 2.2-3705.3 and  
 1022 subdivision 11 of § 2.2-3705.7.

1023 18. Those portions of meetings in which the State Board of Local and Regional Jails discusses or discloses  
 1024 the identity of, or information tending to identify, any prisoner who (i) provides information about crimes or  
 1025 criminal activities, (ii) renders assistance in preventing the escape of another prisoner or in the apprehension  
 1026 of an escaped prisoner, or (iii) voluntarily or at the instance of a prison official renders other extraordinary  
 1027 services, the disclosure of which is likely to jeopardize the prisoner's life or safety.

1028 19. Discussion of plans to protect public safety as it relates to terrorist activity or specific cybersecurity  
 1029 threats or vulnerabilities and briefings by staff members, legal counsel, or law-enforcement or emergency  
 1030 service officials concerning actions taken to respond to such matters or a related threat to public safety;  
 1031 discussion of information subject to the exclusion in subdivision 2 or 14 of § 2.2-3705.2, where discussion in  
 1032 an open meeting would jeopardize the safety of any person or the security of any facility, building, structure,  
 1033 information technology system, or software program; or discussion of reports or plans related to the security  
 1034 of any governmental facility, building, or structure, or the safety of persons using such facility, building, or  
 1035 structure.

1036 20. Discussion by the Board of the Virginia Retirement System, acting pursuant to § 51.1-124.30, or of  
 1037 any local retirement system, acting pursuant to § 51.1-803, or by a local finance board or board of trustees of  
 1038 a trust established by one or more local public bodies to invest funds for postemployment benefits other than  
 1039 pensions, acting pursuant to Article 8 (§ 15.2-1544 et seq.) of Chapter 15 of Title 15.2, or by the board of  
 1040 visitors of the University of Virginia, acting pursuant to § 23.1-2210, or by the Board of the Commonwealth  
 1041 Savers Plan, acting pursuant to § 23.1-706, regarding the acquisition, holding, or disposition of a security or  
 1042 other ownership interest in an entity, where such security or ownership interest is not traded on a  
 1043 governmentally regulated securities exchange, to the extent that such discussion (i) concerns confidential  
 1044 analyses prepared for the board of visitors of the University of Virginia, prepared by the retirement system, or  
 1045 a local finance board or board of trustees, or the Commonwealth Savers Plan or provided to the retirement  
 1046 system, a local finance board or board of trustees, or the Commonwealth Savers Plan under a promise of  
 1047 confidentiality, of the future value of such ownership interest or the future financial performance of the  
 1048 entity, and (ii) would have an adverse effect on the value of the investment to be acquired, held, or disposed  
 1049 of by the retirement system, a local finance board or board of trustees, the board of visitors of the University  
 1050 of Virginia, or the Commonwealth Savers Plan. Nothing in this subdivision shall be construed to prevent the

1051 disclosure of information relating to the identity of any investment held, the amount invested, or the present  
1052 value of such investment.

1053 21. Those portions of meetings in which individual child death cases are discussed by the State Child  
1054 Fatality Review Team established pursuant to § 32.1-283.1, those portions of meetings in which individual  
1055 child death cases are discussed by a regional or local child fatality review team established pursuant to  
1056 § 32.1-283.2, those portions of meetings in which individual death cases are discussed by family violence  
1057 fatality review teams established pursuant to § 32.1-283.3, those portions of meetings in which individual  
1058 adult death cases are discussed by the state Adult Fatality Review Team established pursuant to § 32.1-283.5,  
1059 those portions of meetings in which individual adult death cases are discussed by a local or regional adult  
1060 fatality review team established pursuant to § 32.1-283.6, those portions of meetings in which individual  
1061 death cases are discussed by overdose fatality review teams established pursuant to § 32.1-283.7, those  
1062 portions of meetings in which individual maternal death cases are discussed by the Maternal Mortality  
1063 Review Team pursuant to § 32.1-283.8, and those portions of meetings in which individual death cases of  
1064 persons with developmental disabilities are discussed by the Developmental Disabilities Mortality Review  
1065 Committee established pursuant to § 37.2-314.1.

1066 22. Those portions of meetings of the board of visitors of the University of Virginia or Old Dominion  
1067 University, as the case may be, and those portions of meetings of any persons to whom management  
1068 responsibilities for the University of Virginia Medical Center or the Eastern Virginia Health Sciences Center  
1069 at Old Dominion University, as the case may be, have been delegated, in which there is discussed proprietary,  
1070 business-related information pertaining to the operations of the University of Virginia Medical Center or the  
1071 Eastern Virginia Health Sciences Center at Old Dominion University, as the case may be, including business  
1072 development or marketing strategies and activities with existing or future joint venturers, partners, or other  
1073 parties with whom the University of Virginia Medical Center or the Eastern Virginia Health Sciences Center  
1074 at Old Dominion University, as the case may be, has formed, or forms, any arrangement for the delivery of  
1075 health care, if disclosure of such information would adversely affect the competitive position of the  
1076 University of Virginia Medical Center or the Eastern Virginia Health Sciences Center at Old Dominion  
1077 University, as the case may be.

1078 23. Discussion or consideration by the Virginia Commonwealth University Health System Authority or  
1079 the board of visitors of Virginia Commonwealth University of any of the following: the acquisition or  
1080 disposition by the Authority of real property, equipment, or technology software or hardware and related  
1081 goods or services, where disclosure would adversely affect the bargaining position or negotiating strategy of  
1082 the Authority; matters relating to gifts or bequests to, and ~~fund-raising~~ fundraising activities of, the Authority;  
1083 grants and contracts for services or work to be performed by the Authority; marketing or operational  
1084 strategies plans of the Authority where disclosure of such strategies or plans would adversely affect the  
1085 competitive position of the Authority; and members of the Authority's medical and teaching staffs and  
1086 qualifications for appointments thereto.

1087 24. Those portions of the meetings of the Health Practitioners' Monitoring Program Committee within the  
1088 Department of Health Professions to the extent such discussions identify any practitioner who may be, or who  
1089 actually is, impaired pursuant to Chapter 25.1 (§ 54.1-2515 et seq.) of Title 54.1.

1090 25. Meetings or portions of meetings of the Board of the Commonwealth Savers Plan wherein personal  
1091 information, as defined in § 2.2-3801, which has been provided to the Board or its employees by or on behalf  
1092 of individuals who have requested information about, applied for, or entered into prepaid tuition contracts or  
1093 savings trust account agreements pursuant to Chapter 7 (§ 23.1-700 et seq.) of Title 23.1 is discussed.

1094 26. Discussion or consideration, by the former Wireless Carrier E-911 Cost Recovery Subcommittee  
1095 created pursuant to former § 56-484.15, of trade secrets submitted by CMRS providers, as defined in  
1096 § 56-484.12, related to the provision of wireless E-911 service.

1097 27. Those portions of disciplinary proceedings by any regulatory board within the Department of  
1098 Professional and Occupational Regulation, Department of Health Professions, or the Board of Accountancy  
1099 conducted pursuant to § 2.2-4019 or 2.2-4020 during which the board deliberates to reach a decision or  
1100 meetings of health regulatory boards or conference committees of such boards to consider settlement  
1101 proposals in pending disciplinary actions or modifications to previously issued board orders as requested by  
1102 either of the parties.

1103 28. Discussion or consideration of information subject to the exclusion in subdivision 11 of § 2.2-3705.6  
1104 by a responsible public entity or an affected locality or public entity, as those terms are defined in  
1105 § 33.2-1800, or any independent review panel appointed to review information and advise the responsible  
1106 public entity concerning such records.

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1108 interviews of bidders or offerors, and discussion of the terms or scope of such contract, where discussion in  
1109 an open session would adversely affect the bargaining position or negotiating strategy of the public body.

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1111 subdivision 17 of § 2.2-3705.6 by the Commonwealth Health Research Board.

1112 31. Discussion or consideration by the Commitment Review Committee of information subject to the

1113 exclusion in subdivision 5 of § 2.2-3705.2 relating to individuals subject to commitment as sexually violent  
 1114 predators under Chapter 9 (§ 37.2-900 et seq.) of Title 37.2.

1115 32. Discussion or consideration of confidential proprietary information and trade secrets developed and  
 1116 held by a local public body providing certain telecommunication services or cable television services and  
 1117 subject to the exclusion in subdivision 18 of § 2.2-3705.6. However, the exemption provided by this  
 1118 subdivision shall not apply to any authority created pursuant to the BVU Authority Act (§ 15.2-7200 et seq.).

1119 33. Discussion or consideration by a local authority created in accordance with the Virginia Wireless  
 1120 Service Authorities Act (§ 15.2-5431.1 et seq.) of confidential proprietary information and trade secrets  
 1121 subject to the exclusion in subdivision 19 of § 2.2-3705.6.

1122 34. Discussion or consideration by the State Board of Elections or local electoral boards of voting security  
 1123 matters made confidential pursuant to § 24.2-410.2 or 24.2-625.1.

1124 35. Discussion or consideration by the Forensic Science Board or the Scientific Advisory Committee  
 1125 created pursuant to Article 2 (§ 9.1-1109 et seq.) of Chapter 11 of Title 9.1 of criminal investigative files.

1126 36. Discussion or consideration by the Brown v. Board of Education Scholarship Committee of  
 1127 information or confidential matters subject to the exclusion in subdivision A 3 of § 2.2-3705.4, and meetings  
 1128 of the Committee to deliberate concerning the annual maximum scholarship award, review and consider  
 1129 scholarship applications and requests for scholarship award renewal, and cancel, rescind, or recover  
 1130 scholarship awards.

1131 37. Discussion or consideration by the Virginia Port Authority of information subject to the exclusion in  
 1132 subdivision 1 of § 2.2-3705.6 related to certain proprietary information gathered by or for the Virginia Port  
 1133 Authority.

1134 38. Discussion or consideration by the Board of Trustees of the Virginia Retirement System acting  
 1135 pursuant to § 51.1-124.30, by the Investment Advisory Committee appointed pursuant to § 51.1-124.26, by  
 1136 any local retirement system, acting pursuant to § 51.1-803, by the Board of the Commonwealth Savers Plan  
 1137 acting pursuant to § 23.1-706, or by the Commonwealth Savers Plan's Investment Advisory Committee  
 1138 appointed pursuant to § 23.1-702 of information subject to the exclusion in subdivision 24 of § 2.2-3705.7.

1139 39. Discussion or consideration of information subject to the exclusion in subdivision 3 of § 2.2-3705.6  
 1140 related to economic development.

1141 40. Discussion or consideration by the Board of Education of information relating to the denial,  
 1142 suspension, or revocation of teacher licenses subject to the exclusion in subdivision 11 of § 2.2-3705.3.

1143 41. Those portions of meetings of the Virginia Military Advisory Council or any commission created by  
 1144 executive order for the purpose of studying and making recommendations regarding preventing closure or  
 1145 realignment of federal military and national security installations and facilities located in Virginia and  
 1146 relocation of such facilities to Virginia, or a local or regional military affairs organization appointed by a  
 1147 local governing body, during which there is discussion of information subject to the exclusion in subdivision  
 1148 8 of § 2.2-3705.2.

1149 42. Discussion or consideration by the Board of Trustees of the Veterans Services Foundation of  
 1150 information subject to the exclusion in subdivision 28 of § 2.2-3705.7 related to personally identifiable  
 1151 information of donors.

1152 43. Discussion or consideration by the Virginia Tobacco Region Revitalization Commission of  
 1153 information subject to the exclusion in subdivision 23 of § 2.2-3705.6 related to certain information contained  
 1154 in grant applications.

1155 44. Discussion or consideration by the board of directors of the Commercial Space Flight Authority of  
 1156 information subject to the exclusion in subdivision 24 of § 2.2-3705.6 related to rate structures or charges for  
 1157 the use of projects of, the sale of products of, or services rendered by the Authority and certain proprietary  
 1158 information of a private entity provided to the Authority.

1159 45. Discussion or consideration of personal and proprietary information related to the resource  
 1160 management plan program and subject to the exclusion in (i) subdivision 25 of § 2.2-3705.6 or (ii) subsection  
 1161 E of § 10.1-104.7. This exclusion shall not apply to the discussion or consideration of records that contain  
 1162 information that has been certified for release by the person who is the subject of the information or  
 1163 transformed into a statistical or aggregate form that does not allow identification of the person who supplied,  
 1164 or is the subject of, the information.

1165 46. Discussion or consideration by the Board of Directors of the Virginia Alcoholic Beverage Control  
 1166 Authority of information subject to the exclusion in subdivision 1 of § 2.2-3705.3 related to investigations of  
 1167 applicants for licenses and permits and of licensees and permittees.

1168 47. Discussion or consideration of grant, loan, or investment application records subject to the exclusion  
 1169 in subdivision 28 of § 2.2-3705.6 for a grant, loan, or investment pursuant to Article 11 (§ 2.2-2351 et seq.)  
 1170 of Chapter 22.

1171 48. Discussion or development of grant proposals by a regional council established pursuant to Article 26  
 1172 (§ 2.2-2484 et seq.) of Chapter 24 to be submitted for consideration to the Virginia Growth and Opportunity  
 1173 Board.

1174 49. Discussion or consideration of (i) individual sexual assault cases by a sexual assault response team

1175 established pursuant to § 15.2-1627.4, (ii) individual child abuse or neglect cases or sex offenses involving a  
1176 child by a child sexual abuse response team established pursuant to § 15.2-1627.5, (iii) individual cases  
1177 involving abuse, neglect, or exploitation of adults as defined in § 63.2-1603 pursuant to §§ 15.2-1627.5 and  
1178 63.2-1605, or (iv) individual human trafficking cases by any human trafficking response team established  
1179 pursuant to § 15.2-1627.6.

1180 50. Discussion or consideration by the Board of the Virginia Economic Development Partnership  
1181 Authority, the Joint Legislative Audit and Review Commission, or any subcommittees thereof, of the portions  
1182 of the strategic plan, marketing plan, or operational plan exempt from disclosure pursuant to subdivision 33  
1183 of § 2.2-3705.7.

1184 51. Those portions of meetings of the subcommittee of the Board of the Virginia Economic Development  
1185 Partnership Authority established pursuant to subsection F of § 2.2-2237.3 to review and discuss information  
1186 received from the Virginia Employment Commission pursuant to subdivision C 2 of § 60.2-114 and the  
1187 Department of Workforce Development and Advancement pursuant to subsection B of § 2.2-2040.

1188 52. Discussion or consideration by the Commonwealth of Virginia Innovation Partnership Authority (the  
1189 Authority), an advisory committee of the Authority, or any other entity designated by the Authority, of  
1190 information subject to the exclusion in subdivision 35 of § 2.2-3705.7.

1191 53. Deliberations of the Virginia *Lottery Gaming Commission* Board conducted pursuant to § ~~58.1-4105~~  
1192 29.5-305 regarding the denial or revocation of a license of a casino gaming operator, or the refusal to issue,  
1193 suspension of, or revocation of any license or permit related to casino gaming, and discussion, consideration,  
1194 or review of matters related to investigations excluded from mandatory disclosure under subdivision 1 of  
1195 § 2.2-3705.3.

1196 54. Deliberations of the Virginia *Lottery Gaming Commission* Board in an appeal conducted pursuant to §  
1197 ~~58.1-4007~~ 29.5-104 regarding the denial of, revocation of, suspension of, or refusal to renew any license or  
1198 permit related to sports betting and any discussion, consideration, or review of matters related to  
1199 investigations excluded from mandatory disclosure under subdivision 1 of § 2.2-3705.3.

1200 55. Meetings or portions of meetings of the Board of Criminal Justice Services or the Department of  
1201 Criminal Justice Services concerning the decertification of an identifiable law-enforcement or jail officer.

1202 B. No resolution, ordinance, rule, contract, regulation, or motion adopted, passed, or agreed to in a closed  
1203 meeting shall become effective unless the public body, following the meeting, reconvenes in open meeting  
1204 and takes a vote of the membership on such resolution, ordinance, rule, contract, regulation, or motion that  
1205 shall have its substance reasonably identified in the open meeting.

1206 C. Public officers improperly selected due to the failure of the public body to comply with the other  
1207 provisions of this section shall be de facto officers and, as such, their official actions are valid until they  
1208 obtain notice of the legal defect in their election.

1209 D. Nothing in this section shall be construed to prevent the holding of conferences between two or more  
1210 public bodies, or their representatives, but these conferences shall be subject to the same procedures for  
1211 holding closed meetings as are applicable to any other public body.

1212 E. This section shall not be construed to (i) require the disclosure of any contract between the Department  
1213 of Health Professions and an impaired practitioner entered into pursuant to Chapter 25.1 (§ 54.1-2515 et seq.)  
1214 of Title 54.1 or (ii) require the board of directors of any authority created pursuant to the Industrial  
1215 Development and Revenue Bond Act (§ 15.2-4900 et seq.), or any public body empowered to issue industrial  
1216 revenue bonds by general or special law, to identify a business or industry to which subdivision A 5 applies.  
1217 However, such business or industry shall be identified as a matter of public record at least 30 days prior to the  
1218 actual date of the board's authorization of the sale or issuance of such bonds.

1219 **§ 2.2-3711. (Effective July 1, 2026) Closed meetings authorized for certain limited purposes.**

1220 A. Public bodies may hold closed meetings only for the following purposes:

1221 1. Discussion, consideration, or interviews of prospective candidates for employment; assignment,  
1222 appointment, promotion, performance, demotion, salaries, disciplining, or resignation of specific public  
1223 officers, appointees, or employees of any public body; and evaluation of performance of departments or  
1224 schools of public institutions of higher education where such evaluation will necessarily involve discussion of  
1225 the performance of specific individuals. Any teacher shall be permitted to be present during a closed meeting  
1226 in which there is a discussion or consideration of a disciplinary matter that involves the teacher and some  
1227 student and the student involved in the matter is present, provided that the teacher makes a written request to  
1228 be present to the presiding officer of the appropriate board. Nothing in this subdivision, however, shall be  
1229 construed to authorize a closed meeting by a local governing body or an elected school board to discuss  
1230 compensation matters that affect the membership of such body or board collectively.

1231 2. Discussion or consideration of admission or disciplinary matters or any other matters that would  
1232 involve the disclosure of information contained in a scholastic record concerning any student of any public  
1233 institution of higher education in the Commonwealth or any state school system. However, any such student,  
1234 legal counsel, and, if the student is a minor, the student's parents or legal guardians shall be permitted to be  
1235 present during the taking of testimony or presentation of evidence at a closed meeting, if such student,  
1236 parents, or guardians so request in writing and such request is submitted to the presiding officer of the

1237 appropriate board.

1238 3. Discussion or consideration of the acquisition of real property for a public purpose, or of the disposition  
1239 of publicly held real property, where discussion in an open meeting would adversely affect the bargaining  
1240 position or negotiating strategy of the public body.

1241 4. The protection of the privacy of individuals in personal matters not related to public business.

1242 5. Discussion concerning a prospective business or industry or the expansion of an existing business or  
1243 industry where no previous announcement has been made of the business' or industry's interest in locating or  
1244 expanding its facilities in the community.

1245 6. Discussion or consideration of the investment of public funds where competition or bargaining is  
1246 involved, where, if made public initially, the financial interest of the governmental unit would be adversely  
1247 affected.

1248 7. Consultation with legal counsel and briefings by staff members or consultants pertaining to actual or  
1249 probable litigation, where such consultation or briefing in open meeting would adversely affect the  
1250 negotiating or litigating posture of the public body. For the purposes of this subdivision, "probable litigation"  
1251 means litigation that has been specifically threatened or on which the public body or its legal counsel has a  
1252 reasonable basis to believe will be commenced by or against a known party. Nothing in this subdivision shall  
1253 be construed to permit the closure of a meeting merely because an attorney representing the public body is in  
1254 attendance or is consulted on a matter.

1255 8. Consultation with legal counsel employed or retained by a public body regarding specific legal matters  
1256 requiring the provision of legal advice by such counsel. Nothing in this subdivision shall be construed to  
1257 permit the closure of a meeting merely because an attorney representing the public body is in attendance or is  
1258 consulted on a matter.

1259 9. Discussion or consideration by governing boards of public institutions of higher education of matters  
1260 relating to gifts, bequests, and ~~fund raising~~ *fundraising* activities, and of grants and contracts for services or  
1261 work to be performed by such institution. However, the terms and conditions of any such gifts, bequests,  
1262 grants, and contracts made by a foreign government, a foreign legal entity, or a foreign person and accepted  
1263 by a public institution of higher education in the Commonwealth shall be subject to public disclosure upon  
1264 written request to the appropriate board of visitors. For the purpose of this subdivision, (i) "foreign  
1265 government" means any government other than the United States government or the government of a state or  
1266 a political subdivision thereof, (ii) "foreign legal entity" means any legal entity (a) created under the laws of  
1267 the United States or of any state thereof if a majority of the ownership of the stock of such legal entity is  
1268 owned by foreign governments or foreign persons or if a majority of the membership of any such entity is  
1269 composed of foreign persons or foreign legal entities or (b) created under the laws of a foreign government,  
1270 and (iii) "foreign person" means any individual who is not a citizen or national of the United States or a trust  
1271 territory or protectorate thereof.

1272 10. Discussion or consideration by the boards of trustees of the Virginia Museum of Fine Arts, the  
1273 Virginia Museum of Natural History, the Jamestown-Yorktown Foundation, the Fort Monroe Authority, and  
1274 The Science Museum of Virginia of matters relating to specific gifts, bequests, and grants from private  
1275 sources.

1276 11. Discussion or consideration of honorary degrees or special awards.

1277 12. Discussion or consideration of tests, examinations, or other information used, administered, or  
1278 prepared by a public body and subject to the exclusion in subdivision 4 of § 2.2-3705.1.

1279 13. Discussion, consideration, or review by the appropriate House or Senate committees of possible  
1280 disciplinary action against a member arising out of the possible inadequacy of the disclosure statement filed  
1281 by the member, provided that the member may request in writing that the committee meeting not be  
1282 conducted in a closed meeting.

1283 14. Discussion of strategy with respect to the negotiation of a hazardous waste siting agreement or to  
1284 consider the terms, conditions, and provisions of a hazardous waste siting agreement if the governing body in  
1285 open meeting finds that an open meeting will have an adverse effect upon the negotiating position of the  
1286 governing body or the establishment of the terms, conditions, and provisions of the siting agreement, or both.  
1287 All discussions with the applicant or its representatives may be conducted in a closed meeting.

1288 15. Discussion by the Governor and any economic advisory board reviewing forecasts of economic  
1289 activity and estimating general and nongeneral fund revenues.

1290 16. Discussion or consideration of medical and mental health records subject to the exclusion in  
1291 subdivision 1 of § 2.2-3705.5.

1292 17. Deliberations of the Virginia Lottery Board in a licensing appeal action conducted pursuant to  
1293 subsection D of § 58.1-4007 29.5-707 regarding the denial or revocation of a license of a lottery sales agent;  
1294 and discussion, consideration, or review of Virginia Lottery matters related to proprietary lottery game  
1295 information and studies or investigations excluded from disclosure under subdivision 6 of § 2.2-3705.3 and  
1296 subdivision 11 of § 2.2-3705.7.

1297 18. Those portions of meetings in which the State Board of Local and Regional Jails discusses or discloses  
1298 the identity of, or information tending to identify, any prisoner who (i) provides information about crimes or

1299 criminal activities, (ii) renders assistance in preventing the escape of another prisoner or in the apprehension  
1300 of an escaped prisoner, or (iii) voluntarily or at the instance of a prison official renders other extraordinary  
1301 services, the disclosure of which is likely to jeopardize the prisoner's life or safety.

1302 19. Discussion of plans to protect public safety as it relates to terrorist activity or specific cybersecurity  
1303 threats or vulnerabilities and briefings by staff members, legal counsel, or law-enforcement or emergency  
1304 service officials concerning actions taken to respond to such matters or a related threat to public safety; discussion  
1305 of information subject to the exclusion in subdivision 2 or 14 of § 2.2-3705.2, where discussion in  
1306 an open meeting would jeopardize the safety of any person or the security of any facility, building, structure,  
1307 information technology system, or software program; or discussion of reports or plans related to the security  
1308 of any governmental facility, building, or structure, or the safety of persons using such facility, building, or  
1309 structure.

1310 20. Discussion by the Board of the Virginia Retirement System, acting pursuant to § 51.1-124.30, or of  
1311 any local retirement system, acting pursuant to § 51.1-803, or by a local finance board or board of trustees of  
1312 a trust established by one or more local public bodies to invest funds for postemployment benefits other than  
1313 pensions, acting pursuant to Article 8 (§ 15.2-1544 et seq.) of Chapter 15 of Title 15.2, or by the board of  
1314 visitors of the University of Virginia, acting pursuant to § 23.1-2210, or by the Board of the Commonwealth  
1315 Savers Plan, acting pursuant to § 23.1-706, regarding the acquisition, holding, or disposition of a security or  
1316 other ownership interest in an entity, where such security or ownership interest is not traded on a  
1317 governmentally regulated securities exchange, to the extent that such discussion (i) concerns confidential  
1318 analyses prepared for the board of visitors of the University of Virginia, prepared by the retirement system, or  
1319 a local finance board or board of trustees, or the Commonwealth Savers Plan or provided to the retirement  
1320 system, a local finance board or board of trustees, or the Commonwealth Savers Plan under a promise of  
1321 confidentiality, of the future value of such ownership interest or the future financial performance of the  
1322 entity, and (ii) would have an adverse effect on the value of the investment to be acquired, held, or disposed  
1323 of by the retirement system, a local finance board or board of trustees, the board of visitors of the University  
1324 of Virginia, or the Commonwealth Savers Plan. Nothing in this subdivision shall be construed to prevent the  
1325 disclosure of information relating to the identity of any investment held, the amount invested, or the present  
1326 value of such investment.

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1328 Fatality Review Team established pursuant to § 32.1-283.1, those portions of meetings in which individual  
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1330 § 32.1-283.2, those portions of meetings in which individual death cases are discussed by family violence  
1331 fatality review teams established pursuant to § 32.1-283.3, those portions of meetings in which individual  
1332 adult death cases are discussed by the state Adult Fatality Review Team established pursuant to § 32.1-283.5,  
1333 those portions of meetings in which individual adult death cases are discussed by a local or regional adult  
1334 fatality review team established pursuant to § 32.1-283.6, those portions of meetings in which individual  
1335 death cases are discussed by overdose fatality review teams established pursuant to § 32.1-283.7, those  
1336 portions of meetings in which individual maternal death cases are discussed by the Maternal Mortality  
1337 Review Team pursuant to § 32.1-283.8, and those portions of meetings in which individual death cases of  
1338 persons with developmental disabilities are discussed by the Developmental Disabilities Mortality Review  
1339 Committee established pursuant to § 37.2-314.1.

1340 22. Those portions of meetings of the board of visitors of the University of Virginia or Old Dominion  
1341 University, as the case may be, and those portions of meetings of any persons to whom management  
1342 responsibilities for the University of Virginia Medical Center or the Eastern Virginia Health Sciences Center  
1343 at Old Dominion University, as the case may be, have been delegated, in which there is discussed proprietary,  
1344 business-related information pertaining to the operations of the University of Virginia Medical Center or the  
1345 Eastern Virginia Health Sciences Center at Old Dominion University, as the case may be, including business  
1346 development or marketing strategies and activities with existing or future joint venturers, partners, or other  
1347 parties with whom the University of Virginia Medical Center or the Eastern Virginia Health Sciences Center  
1348 at Old Dominion University, as the case may be, has formed, or forms, any arrangement for the delivery of  
1349 health care, if disclosure of such information would adversely affect the competitive position of the  
1350 University of Virginia Medical Center or the Eastern Virginia Health Sciences Center at Old Dominion  
1351 University, as the case may be.

1352 23. Discussion or consideration by the Virginia Commonwealth University Health System Authority or  
1353 the board of visitors of Virginia Commonwealth University of any of the following: the acquisition or  
1354 disposition by the Authority of real property, equipment, or technology software or hardware and related  
1355 goods or services, where disclosure would adversely affect the bargaining position or negotiating strategy of  
1356 the Authority; matters relating to gifts or bequests to, and ~~fund raising~~ fundraising activities of, the Authority;  
1357 grants and contracts for services or work to be performed by the Authority; marketing or operational  
1358 strategies plans of the Authority where disclosure of such strategies or plans would adversely affect the  
1359 competitive position of the Authority; and members of the Authority's medical and teaching staffs and  
1360 qualifications for appointments thereto.

1361 24. Those portions of the meetings of the Health Practitioners' Monitoring Program Committee within the  
 1362 Department of Health Professions to the extent such discussions identify any practitioner who may be, or who  
 1363 actually is, impaired pursuant to Chapter 25.1 (§ 54.1-2515 et seq.) of Title 54.1.

1364 25. Meetings or portions of meetings of the Board of the Commonwealth Savers Plan wherein personal  
 1365 information, as defined in § 2.2-3801, which has been provided to the Board or its employees by or on behalf  
 1366 of individuals who have requested information about, applied for, or entered into prepaid tuition contracts or  
 1367 savings trust account agreements pursuant to Chapter 7 (§ 23.1-700 et seq.) of Title 23.1 is discussed.

1368 26. Discussion or consideration, by the former Wireless Carrier E-911 Cost Recovery Subcommittee  
 1369 created pursuant to former § 56-484.15, of trade secrets submitted by CMRS providers, as defined in  
 1370 § 56-484.12, related to the provision of wireless E-911 service.

1371 27. Those portions of disciplinary proceedings by any regulatory board within the Department of  
 1372 Professional and Occupational Regulation, Department of Health Professions, or the Board of Accountancy  
 1373 conducted pursuant to § 2.2-4019 or 2.2-4020 during which the board deliberates to reach a decision or  
 1374 meetings of health regulatory boards or conference committees of such boards to consider settlement  
 1375 proposals in pending disciplinary actions or modifications to previously issued board orders as requested by  
 1376 either of the parties.

1377 28. Discussion or consideration of information subject to the exclusion in subdivision 11 of § 2.2-3705.6  
 1378 by a responsible public entity or an affected locality or public entity, as those terms are defined in  
 1379 § 33.2-1800, or any independent review panel appointed to review information and advise the responsible  
 1380 public entity concerning such records.

1381 29. Discussion of the award of a public contract involving the expenditure of public funds, including  
 1382 interviews of bidders or offerors, and discussion of the terms or scope of such contract, where discussion in  
 1383 an open session would adversely affect the bargaining position or negotiating strategy of the public body.

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 1385 subdivision 17 of § 2.2-3705.6 by the Commonwealth Health Research Board.

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 1387 exclusion in subdivision 5 of § 2.2-3705.2 relating to individuals subject to commitment as sexually violent  
 1388 predators under Chapter 9 (§ 37.2-900 et seq.) of Title 37.2.

1389 32. Discussion or consideration of confidential proprietary information and trade secrets developed and  
 1390 held by a local public body providing certain telecommunication services or cable television services and  
 1391 subject to the exclusion in subdivision 18 of § 2.2-3705.6. However, the exemption provided by this  
 1392 subdivision shall not apply to any authority created pursuant to the BVU Authority Act (§ 15.2-7200 et seq.).

1393 33. Discussion or consideration by a local authority created in accordance with the Virginia Wireless  
 1394 Service Authorities Act (§ 15.2-5431.1 et seq.) of confidential proprietary information and trade secrets  
 1395 subject to the exclusion in subdivision 19 of § 2.2-3705.6.

1396 34. Discussion or consideration by the State Board of Elections or local electoral boards of voting security  
 1397 matters made confidential pursuant to § 24.2-410.2 or 24.2-625.1 and review by the State Board of Elections  
 1398 of complaints related to the personal use of campaign funds pursuant to § 24.2-948.7.

1399 35. Discussion or consideration by the Forensic Science Board or the Scientific Advisory Committee  
 1400 created pursuant to Article 2 (§ 9.1-1109 et seq.) of Chapter 11 of Title 9.1 of criminal investigative files.

1401 36. Discussion or consideration by the Brown v. Board of Education Scholarship Committee of  
 1402 information or confidential matters subject to the exclusion in subdivision A 3 of § 2.2-3705.4, and meetings  
 1403 of the Committee to deliberate concerning the annual maximum scholarship award, review and consider  
 1404 scholarship applications and requests for scholarship award renewal, and cancel, rescind, or recover  
 1405 scholarship awards.

1406 37. Discussion or consideration by the Virginia Port Authority of information subject to the exclusion in  
 1407 subdivision 1 of § 2.2-3705.6 related to certain proprietary information gathered by or for the Virginia Port  
 1408 Authority.

1409 38. Discussion or consideration by the Board of Trustees of the Virginia Retirement System acting  
 1410 pursuant to § 51.1-124.30, by the Investment Advisory Committee appointed pursuant to § 51.1-124.26, by  
 1411 any local retirement system, acting pursuant to § 51.1-803, by the Board of the Commonwealth Savers Plan  
 1412 acting pursuant to § 23.1-706, or by the Commonwealth Savers Plan's Investment Advisory Committee  
 1413 appointed pursuant to § 23.1-702 of information subject to the exclusion in subdivision 24 of § 2.2-3705.7.

1414 39. Discussion or consideration of information subject to the exclusion in subdivision 3 of § 2.2-3705.6  
 1415 related to economic development.

1416 40. Discussion or consideration by the Board of Education of information relating to the denial,  
 1417 suspension, or revocation of teacher licenses subject to the exclusion in subdivision 11 of § 2.2-3705.3.

1418 41. Those portions of meetings of the Virginia Military Advisory Council or any commission created by  
 1419 executive order for the purpose of studying and making recommendations regarding preventing closure or  
 1420 realignment of federal military and national security installations and facilities located in Virginia and  
 1421 relocation of such facilities to Virginia, or a local or regional military affairs organization appointed by a  
 1422 local governing body, during which there is discussion of information subject to the exclusion in subdivision

1423 8 of § 2.2-3705.2.

1424 42. Discussion or consideration by the Board of Trustees of the Veterans Services Foundation of  
1425 information subject to the exclusion in subdivision 28 of § 2.2-3705.7 related to personally identifiable  
1426 information of donors.

1427 43. Discussion or consideration by the Virginia Tobacco Region Revitalization Commission of  
1428 information subject to the exclusion in subdivision 23 of § 2.2-3705.6 related to certain information contained  
1429 in grant applications.

1430 44. Discussion or consideration by the board of directors of the Commercial Space Flight Authority of  
1431 information subject to the exclusion in subdivision 24 of § 2.2-3705.6 related to rate structures or charges for  
1432 the use of projects of, the sale of products of, or services rendered by the Authority and certain proprietary  
1433 information of a private entity provided to the Authority.

1434 45. Discussion or consideration of personal and proprietary information related to the resource  
1435 management plan program and subject to the exclusion in (i) subdivision 25 of § 2.2-3705.6 or (ii) subsection  
1436 E of § 10.1-104.7. This exclusion shall not apply to the discussion or consideration of records that contain  
1437 information that has been certified for release by the person who is the subject of the information or  
1438 transformed into a statistical or aggregate form that does not allow identification of the person who supplied,  
1439 or is the subject of, the information.

1440 46. Discussion or consideration by the Board of Directors of the Virginia Alcoholic Beverage Control  
1441 Authority of information subject to the exclusion in subdivision 1 of § 2.2-3705.3 related to investigations of  
1442 applicants for licenses and permits and of licensees and permittees.

1443 47. Discussion or consideration of grant, loan, or investment application records subject to the exclusion  
1444 in subdivision 28 of § 2.2-3705.6 for a grant, loan, or investment pursuant to Article 11 (§ 2.2-2351 et seq.)  
1445 of Chapter 22.

1446 48. Discussion or development of grant proposals by a regional council established pursuant to Article 26  
1447 (§ 2.2-2484 et seq.) of Chapter 24 to be submitted for consideration to the Virginia Growth and Opportunity  
1448 Board.

1449 49. Discussion or consideration of (i) individual sexual assault cases by a sexual assault response team  
1450 established pursuant to § 15.2-1627.4, (ii) individual child abuse or neglect cases or sex offenses involving a  
1451 child by a child sexual abuse response team established pursuant to § 15.2-1627.5, (iii) individual cases  
1452 involving abuse, neglect, or exploitation of adults as defined in § 63.2-1603 pursuant to §§ 15.2-1627.5 and  
1453 63.2-1605, or (iv) individual human trafficking cases by any human trafficking response team established  
1454 pursuant to § 15.2-1627.6.

1455 50. Discussion or consideration by the Board of the Virginia Economic Development Partnership  
1456 Authority, the Joint Legislative Audit and Review Commission, or any subcommittees thereof, of the portions  
1457 of the strategic plan, marketing plan, or operational plan exempt from disclosure pursuant to subdivision 33  
1458 of § 2.2-3705.7.

1459 51. Those portions of meetings of the subcommittee of the Board of the Virginia Economic Development  
1460 Partnership Authority established pursuant to subsection F of § 2.2-2237.3 to review and discuss information  
1461 received from the Virginia Employment Commission pursuant to subdivision C 2 of § 60.2-114 and the  
1462 Department of Workforce Development and Advancement pursuant to subsection B of § 2.2-2040.

1463 52. Discussion or consideration by the Commonwealth of Virginia Innovation Partnership Authority (the  
1464 Authority), an advisory committee of the Authority, or any other entity designated by the Authority, of  
1465 information subject to the exclusion in subdivision 35 of § 2.2-3705.7.

1466 53. Deliberations of the Virginia *Lottery Gaming Commission* Board conducted pursuant to § 58.1-4105  
1467 29.5-305 regarding the denial or revocation of a license of a casino gaming operator, or the refusal to issue,  
1468 suspension of, or revocation of any license or permit related to casino gaming, and discussion, consideration,  
1469 or review of matters related to investigations excluded from mandatory disclosure under subdivision 1 of  
1470 § 2.2-3705.3.

1471 54. Deliberations of the Virginia *Lottery Gaming Commission* Board in an appeal conducted pursuant to §  
1472 58.1-4007 29.5-104 regarding the denial of, revocation of, suspension of, or refusal to renew any license or  
1473 permit related to sports betting and any discussion, consideration, or review of matters related to  
1474 investigations excluded from mandatory disclosure under subdivision 1 of § 2.2-3705.3.

1475 55. Meetings or portions of meetings of the Board of Criminal Justice Services or the Department of  
1476 Criminal Justice Services concerning the decertification of an identifiable law-enforcement or jail officer.

1477 B. No resolution, ordinance, rule, contract, regulation, or motion adopted, passed, or agreed to in a closed  
1478 meeting shall become effective unless the public body, following the meeting, reconvenes in open meeting  
1479 and takes a vote of the membership on such resolution, ordinance, rule, contract, regulation, or motion that  
1480 shall have its substance reasonably identified in the open meeting.

1481 C. Public officers improperly selected due to the failure of the public body to comply with the other  
1482 provisions of this section shall be de facto officers and, as such, their official actions are valid until they  
1483 obtain notice of the legal defect in their election.

1484 D. Nothing in this section shall be construed to prevent the holding of conferences between two or more

1485 public bodies, or their representatives, but these conferences shall be subject to the same procedures for  
 1486 holding closed meetings as are applicable to any other public body.

1487 E. This section shall not be construed to (i) require the disclosure of any contract between the Department  
 1488 of Health Professions and an impaired practitioner entered into pursuant to Chapter 25.1 (§ 54.1-2515 et seq.)  
 1489 of Title 54.1 or (ii) require the board of directors of any authority created pursuant to the Industrial  
 1490 Development and Revenue Bond Act (§ 15.2-4900 et seq.), or any public body empowered to issue industrial  
 1491 revenue bonds by general or special law, to identify a business or industry to which subdivision A 5 applies.  
 1492 However, such business or industry shall be identified as a matter of public record at least 30 days prior to the  
 1493 actual date of the board's authorization of the sale or issuance of such bonds.

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

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

1. Maintained by any court of the Commonwealth;
2. Which may exist in publications of general circulation;

1498 3. Contained in the Criminal Justice Information System as defined in §§ 9.1-126 through 9.1-137 or in  
 1499 the Sex Offender and Crimes Against Minors Registry maintained by the Department of State Police pursuant  
 1500 to Chapter 9 (§ 9.1-900 et seq.) of Title 9.1, except to the extent that information is required to be posted on  
 1501 the ~~Internet~~ *internet* pursuant to § 9.1-913;

1502 4. Contained in the Virginia Juvenile Justice Information System as defined in §§ 16.1-222 through  
 1503 16.1-225;

1504 5. Maintained by agencies concerning persons required by law to be licensed in the Commonwealth to  
 1505 engage in the practice of any profession, in which case the names and addresses of persons applying for or  
 1506 possessing the license may be disseminated upon written request to a person engaged in the profession or  
 1507 business of offering professional educational materials or courses for the sole purpose of providing the  
 1508 licensees or applicants for licenses with informational materials relating solely to available professional  
 1509 educational materials or courses, provided the disseminating agency is reasonably assured that the use of the  
 1510 information will be so limited;

1511 6. Maintained by the Parole Board, the Crime Commission, the Judicial Inquiry and Review Commission,  
 1512 *the Virginia Gaming Commission*, the Virginia Racing Commission, the Virginia Criminal Sentencing  
 1513 Commission, and the Virginia Alcoholic Beverage Control Authority;

1514 7. Maintained by any of the following and that deal with investigations and intelligence gathering related  
 1515 to criminal activity:

- a. The Department of State Police;
- b. The police department of the Chesapeake Bay Bridge and Tunnel Commission;
- c. Police departments of cities, counties, and towns;
- d. Sheriff's departments of counties and cities;
- e. Campus police departments of public institutions of higher education as established by Article 3  
 1521 (§ 23.1-809 et seq.) of Chapter 8 of Title 23.1; and
- f. The Division of Capitol Police.

1523 8. Maintained by local departments of social services regarding alleged cases of child abuse or neglect  
 1524 while such cases are also subject to an ongoing criminal prosecution;

1525 9. Maintained by the Virginia Port Authority as provided in § 62.1-132.4 or 62.1-134.1;

1526 10. Maintained by the Virginia Tourism Authority in connection with or as a result of the promotion of  
 1527 travel or tourism in the Commonwealth, in which case names and addresses of persons requesting  
 1528 information on those subjects may be disseminated upon written request to a person engaged in the business  
 1529 of providing travel services or distributing travel information, provided the Virginia Tourism Authority is  
 1530 reasonably assured that the use of the information will be so limited;

1531 11. Maintained by the Division of Consolidated Laboratory Services of the Department of General  
 1532 Services and the Department of Forensic Science, which deal with scientific investigations relating to  
 1533 criminal activity or suspected criminal activity, except to the extent that § 9.1-1104 may apply;

1534 12. Maintained by the Department of Corrections or the Office of the State Inspector General that deal  
 1535 with investigations and intelligence gathering by persons acting under the provisions of Chapter 3.2  
 1536 (§ 2.2-307 et seq.);

1537 13. Maintained by (i) the Office of the State Inspector General or internal audit departments of state  
 1538 agencies or institutions that deal with communications and investigations relating to the Fraud, Waste and  
 1539 Abuse Hotline or (ii) an auditor appointed by the local governing body of any county, city, or town or a  
 1540 school board that deals with local investigations required by § 15.2-2511.2;

1541 14. Maintained by the Department of Social Services or any local department of social services relating to  
 1542 public assistance fraud investigations;

1543 15. Maintained by the Department of Social Services related to child welfare or public assistance  
 1544 programs when requests for personal information are made to the Department of Social Services. Requests  
 1545 for information from these systems shall be made to the appropriate local department of social services that is  
 1546 the custodian of that record. Notwithstanding the language in this section, an individual shall not be

1547 prohibited from obtaining information from the central registry in accordance with the provisions of  
1548 § 63.2-1515; and

1549 16. Maintained by the Department for Aging and Rehabilitative Services related to adult services, adult  
1550 protective services, or auxiliary grants when requests for personal information are made to the Department for  
1551 Aging and Rehabilitative Services. Requests for information from these systems shall be made to the  
1552 appropriate local department of social services that is the custodian of that record.

1553 **§ 2.2-4002. Exemptions from chapter generally.**

1554 A. Although required to comply with § 2.2-4103 of the Virginia Register Act (§ 2.2-4100 et seq.), the  
1555 following agencies shall be exempted from the provisions of this chapter, except to the extent that they are  
1556 specifically made subject to §§ 2.2-4024, 2.2-4030, and 2.2-4031:

1557 1. The General Assembly.

1558 2. Courts, any agency of the Supreme Court, and any agency that by the Constitution is expressly granted  
1559 any of the powers of a court of record.

1560 3. The Department of Wildlife Resources in promulgating regulations regarding the management of  
1561 wildlife and for all case decisions rendered pursuant to any provisions of Chapters 2 (§ 29.1-200 et seq.), 3  
1562 (§ 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.

1563 4. The Virginia Housing Development Authority.

1564 5. Municipal corporations, counties, and all local, regional, or multijurisdictional authorities created under  
1565 this Code, including those with federal authorities.

1566 6. Educational institutions operated by the Commonwealth, provided that, with respect to § 2.2-4031, such  
1567 educational institutions shall be exempt from the publication requirements only with respect to regulations  
1568 that pertain to (i) their academic affairs, (ii) the selection, tenure, promotion, and disciplining of faculty and  
1569 employees, (iii) the selection of students, and (iv) rules of conduct and disciplining of students.

1570 7. The Milk Commission in promulgating regulations regarding (i) producers' licenses and bases, (ii)  
1571 classification and allocation of milk, computation of sales, and shrinkage, and (iii) class prices for producers'  
1572 milk, time and method of payment, butterfat testing, and differential.

1573 8. The Virginia Resources Authority.

1574 9. Agencies expressly exempted by any other provision of this Code.

1575 10. The Department of General Services in promulgating standards for the inspection of buildings for  
1576 asbestos pursuant to § 2.2-1164.

1577 11. The State Council of Higher Education for Virginia, in developing, issuing, and revising guidelines  
1578 pursuant to § 23.1-207.

1579 12. The Commissioner of Agriculture and Consumer Services in adopting regulations pursuant to  
1580 subsection B of § 3.2-6002 and in adopting regulations pursuant to § 3.2-6023.

1581 13. The Commissioner of Agriculture and Consumer Services and the Board of Agriculture and Consumer  
1582 Services in promulgating regulations pursuant to subsections B and D of § 3.2-3601, subsection B of  
1583 § 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  
1584 § 3.2-5406.

1585 14. The Board of Optometry when specifying therapeutic pharmaceutical agents, treatment guidelines,  
1586 and diseases and abnormal conditions of the human eye and its adnexa for TPA-certification of optometrists  
1587 pursuant to Article 5 (§ 54.1-3222 et seq.) of Chapter 32 of Title 54.1.

1588 15. The Commissioner of the Department of Veterans Services in adopting regulations pursuant to  
1589 § 2.2-2001.3.

1590 16. The State Board of Education, in developing, issuing, and revising guidelines pursuant to  
1591 § 22.1-203.2.

1592 17. The Virginia Racing Commission, (i) when acting by and through its **duly appointed** stewards,  
1593 *employed pursuant to § 29.5-605*, or in matters related to any specific race meeting or (ii) in promulgating  
1594 technical rules regulating actual live horse racing at race meetings licensed by the *Virginia Racing*  
1595 Commission.

1596 18. The Virginia Small Business Financing Authority.

1597 19. The Virginia Economic Development Partnership Authority.

1598 20. The Board of Agriculture and Consumer Services in adopting, amending, or repealing regulations  
1599 pursuant to subsection A (ii) of § 59.1-156.

1600 21. The Insurance Continuing Education Board pursuant to § 38.2-1867.

1601 22. The Board of Health in promulgating the list of diseases that shall be reported to the Department of  
1602 Health pursuant to § 32.1-35 and in adopting, amending, or repealing regulations pursuant to subsection C of  
1603 § 35.1-14 that incorporate the Food and Drug Administration's Food Code pertaining to restaurants or food  
1604 service.

1605 23. The Board of Pharmacy when specifying special subject requirements for continuing education for  
1606 pharmacists pursuant to § 54.1-3314.1.

1607 24. The Virginia Department of Veterans Services when promulgating rules and regulations pursuant to  
1608 § 58.1-3219.7 or 58.1-3219.11.

1609 25. The Virginia Department of Criminal Justice Services when developing, issuing, or revising any  
 1610 training standards established by the Criminal Justice Services Board under § 9.1-102, provided such actions  
 1611 are authorized by the Governor in the interest of public safety.

1612 B. Agency action relating to the following subjects shall be exempted from the provisions of this chapter:

1613 1. Money or damage claims against the Commonwealth or agencies thereof.

1614 2. The award or denial of state contracts, as well as decisions regarding compliance therewith.

1615 3. The location, design, specifications, or construction of public buildings or other facilities.

1616 4. Grants of state or federal funds or property.

1617 5. The chartering of corporations.

1618 6. Customary military, militia, naval, or police functions.

1619 7. The selection, tenure, dismissal, direction, or control of any officer or employee of an agency of the  
 1620 Commonwealth.

1621 8. The conduct of elections or eligibility to vote.

1622 9. Inmates of prisons or other such facilities or parolees therefrom.

1623 10. The custody of persons in, or sought to be placed in, mental health facilities or penal or other state  
 1624 institutions as well as the treatment, supervision, or discharge of such persons.

1625 11. Traffic signs, markers, or control devices.

1626 12. Instructions for application or renewal of a license, certificate, or registration required by law.

1627 13. Content of, or rules for the conduct of, any examination required by law.

1628 14. The administration of pools authorized by Chapter 47 (§ 2.2-4700 et seq.).

1629 15. Any rules for the conduct of specific lottery games, so long as such rules are not inconsistent with  
 1630 duly adopted regulations of the Virginia Lottery Board, and provided that such regulations are published and  
 1631 posted.

1632 16. Orders condemning or closing any shellfish, finfish, or crustacea growing area and the shellfish,  
 1633 finfish, or crustacea located thereon pursuant to Article 2 (§ 28.2-803 et seq.) of Chapter 8 of Title 28.2.

1634 17. Any operating procedures for review of child deaths developed by the State Child Fatality Review  
 1635 Team pursuant to § 32.1-283.1, any operating procedures for review of adult deaths developed by the Adult  
 1636 Fatality Review Team pursuant to § 32.1-283.5, any operating procedures for review of adult deaths  
 1637 developed by the Maternal Mortality Review Team pursuant to § 32.1-283.8, and any operating procedures  
 1638 for review of the deaths of persons with a developmental disability developed by the Developmental  
 1639 Disabilities Mortality Review Committee pursuant to § 37.2-314.1.

1640 18. The regulations for the implementation of the Health Practitioners' Monitoring Program and the  
 1641 activities of the Health Practitioners' Monitoring Program Committee pursuant to Chapter 25.1 (§ 54.1-2515  
 1642 et seq.) of Title 54.1.

1643 19. The process of reviewing and ranking grant applications submitted to the Commonwealth  
 1644 Neurotrauma Initiative Advisory Board pursuant to Article 12 (§ 51.5-178 et seq.) of Chapter 14 of Title  
 1645 51.5.

1646 20. Loans from the Small Business Environmental Compliance Assistance Fund pursuant to Article 4  
 1647 (§ 10.1-1197.1 et seq.) of Chapter 11.1 of Title 10.1.

1648 21. The Virginia Breeders Fund created pursuant to § 59.1-372 29.5-611.

1649 22. The types of pari-mutuel wagering pools available for live or simulcast horse racing.

1650 23. The administration of medication or other substances foreign to the natural horse.

1651 24. Any rules adopted by the ~~Department of Agriculture and Consumer Services~~ Virginia Gaming  
 1652 Commission for the approval and conduct of game variations for the conduct of raffles, bingo, network bingo,  
 1653 and instant bingo games, provided that such rules are (i) consistent with Article 1.1:1 (§ 18.2-340.15 et seq.)  
 1654 of Chapter 8.2 (§ 29.5-200 et seq.) of Title 18.2 29.5 and (ii) published and posted.

1655 C. Minor changes to regulations published in the Virginia Administrative Code under the Virginia  
 1656 Register Act (§ 2.2-4100 et seq.), made by the Virginia Code Commission pursuant to § 30-150, shall be  
 1657 exempt from the provisions of this chapter.

#### § 2.2-4346. Other exemptions for certain transactions.

1658 The following public bodies may enter into contracts as provided in this section.

1659 A. Contracts for certain essential election materials and services are exempted from the requirements of  
 1660 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  
 1661 § 24.2-602.

1662 B. Any local school board may authorize any of its public schools or its school division to enter into  
 1663 contracts providing that caps and gowns, photographs, class rings, yearbooks, and graduation announcements  
 1664 will be available for purchase or rental by students, parents, faculty, or other persons using nonpublic money  
 1665 through the use of competitive negotiation as provided in this chapter; competitive sealed bidding is not  
 1666 necessarily required for such contracts. The Superintendent of Public Instruction may provide assistance to  
 1667 public school systems regarding this chapter and other related laws.

1668 C. The Virginia Racing Gaming Commission, with the advice of, in consultation with, and with the  
 1669 consent of the Virginia Racing Commission, may designate an entity to administer and promote the Virginia

1671 Breeders Fund created pursuant to § 59.1-372 29.5-611 without competitive procurement.

1672 **§ 3.2-102. General powers and duties of the Commissioner.**

1673 A. The Commissioner shall be vested with the powers and duties set out in § 2.2-601, the powers and  
1674 duties herein provided, and such other powers and duties as may be prescribed by law; ~~including those~~  
1675 ~~prescribed in Title 59.1~~. He shall be the executive officer of the Board, and shall see that its orders are carried  
1676 out. He shall see to the proper execution of laws relating to the Department. Unless the Governor expressly  
1677 reserves such power to himself, the Commissioner shall promote, protect, and develop the agricultural  
1678 interests of the Commonwealth. The Commissioner shall develop, implement, and maintain programs within  
1679 the Department including those that promote the development and marketing of the Commonwealth's  
1680 agricultural products in domestic and international markets, including promotions, market development and  
1681 research, marketing assistance, market information, and product grading and certification; promote the  
1682 creation of new agribusiness including new crops, biotechnology and new uses of agricultural products, and  
1683 the expansion of existing agribusiness within the Commonwealth; develop, promote, and maintain consumer  
1684 protection programs that protect the safety and quality of the Commonwealth's food supply through food and  
1685 dairy inspection activities, industry and consumer education, and information on food safety; work with other  
1686 state agencies to preserve the Commonwealth's agricultural lands; ensure animal health and protect the  
1687 Commonwealth's livestock industries through disease control and surveillance, maintaining animal health  
1688 diagnostic laboratories, and encouraging the humane treatment and care of animals; protect public health and  
1689 the environment through regulation and proper handling of pesticides, agricultural stewardship, and  
1690 protection of endangered plant and insect species; protect crop and plant health and productivity; ensure  
1691 consumer protection and fair trade practices in commerce; develop plans and emergency response protocols  
1692 to protect the agriculture industry from bioterrorism, plant and animal diseases, and agricultural pests; assist  
1693 as directed by the Governor in the Commonwealth's response to natural disasters; develop and implement  
1694 programs and inspection activities to ensure that the Commonwealth's agricultural products move freely in  
1695 trade domestically and internationally; and enter into agreements with federal, state, and local governments,  
1696 land grant universities, and other organizations that include marketing, plant protection, pest control,  
1697 pesticides, and meat and poultry inspection.

1698 B. In addition, the Commissioner shall:

1699 1. Establish and maintain a farm-to-school website. The purpose of the website shall be to facilitate and  
1700 promote the purchase of Virginia farm products by schools, universities, and other educational institutions  
1701 under the jurisdiction of the State Department of Education. The website shall present such current  
1702 information as the availability of Virginia farm products, including the types and amount of products, and the  
1703 names of and contact information for farmers, farm organizations, and businesses marketing such products;

1704 2. Establish and operate a nonprofit, nonstock corporation under Chapter 10 (§ 13.1-801 et seq.) of Title  
1705 13.1 as a public instrumentality exercising public and essential governmental functions to promote, develop,  
1706 and sustain markets for licensed Virginia wineries and farm wineries, as defined in § 4.1-100. Such  
1707 corporation shall provide wholesale wine distribution services for wineries and farm wineries licensed in  
1708 accordance with § 4.1-206.1. The board of directors of such corporation shall be composed of the  
1709 Commissioner and four members appointed by the Board, including one owner or manager of a winery or  
1710 farm winery licensee that is not served by a wholesaler when the owner or manager is appointed to the board;  
1711 one owner or manager of a winery or farm winery licensee that produces no more than 10,000 cases per year;  
1712 and two owners or managers of wine wholesaler licensees. In making appointments to the board of directors,  
1713 the Board shall consider nominations of winery and farm winery licensees submitted by the Virginia  
1714 Wineries Association and wine wholesale licensees submitted by the Virginia Wine Wholesalers Association.  
1715 The Commissioner shall require such corporation to report to him at least annually on its activities, including  
1716 reporting the quantity of wine distributed for each winery and farm winery during the preceding year. The  
1717 provisions of the Virginia Public Procurement Act (§ 2.2-4300 et seq.) shall not apply to the establishment of  
1718 such corporation nor to the exercise of any of its powers granted under this section;

1719 3. Establish and operate a nonprofit, nonstock corporation under Chapter 10 (§ 13.1-801 et seq.) of Title  
1720 13.1 as a public instrumentality exercising public and essential governmental functions to promote, develop,  
1721 and sustain markets for Virginia breweries and limited breweries. Such corporation shall provide wholesale  
1722 beer distribution services for Virginia breweries and limited breweries licensed in accordance with  
1723 § 4.1-206.1. The board of directors of such corporation shall be composed of the Commissioner and four  
1724 members appointed by the Board, (i) two of whom shall be an owner or manager of a Virginia beer wholesale  
1725 licensee, (ii) one of whom shall be an owner or manager of a brewery or limited brewery licensee, and (iii)  
1726 one of whom shall be an owner or manager of a brewery or limited brewery licensee that is not served by a  
1727 wholesaler at the time such owner or manager is appointed to the board of directors. In making appointments  
1728 to the board of directors, the Board shall consider nominations submitted by the Virginia Beer Wholesalers  
1729 Association regarding members listed in clause (i) and nominations submitted by the Virginia Craft Brewers  
1730 Guild regarding members listed in clauses (ii) and (iii). At least annually, such corporation shall be required  
1731 to report to the Commissioner on its activities, including reporting the quantity of beer distributed for each  
1732 brewery or limited brewery licensee during the preceding year. The Commissioner shall report such

1733 information to the General Assembly. The provisions of the Virginia Public Procurement Act (§ 2.2-4300 et  
 1734 seq.) shall not apply to the establishment of such corporation nor to the exercise of any of its powers granted  
 1735 under this section; *and*

1736 4. ~~Promulgate regulations in accordance with the Administrative Process Act (§ 2.2-4000 et seq.) not  
 1737 inconsistent with the laws of Virginia necessary to carry out the provisions of Article 1.1:1 (§ 18.2-340.15 et  
 1738 seq.) of Chapter 8 of Title 18.2. Such regulations may include penalties for violations; and~~

1739 5. Ensure that the Department compiles and publishes the annual report relating to foreign adversary  
 1740 ownership of agricultural land required under § 55.1-509.

1741 **§ 3.2-6201. Horse racing excluded.**

1742 The provisions of this chapter shall not apply to horse racing, as that term is defined ~~by~~ in § 59.1-365  
 1743 29.5-601.

1744 **§ 4.1-100. Definitions.**

1745 As used in this subtitle unless the context requires a different meaning:

1746 "Alcohol" means the product known as ethyl or grain alcohol obtained by distillation of any fermented  
 1747 liquor, rectified either once or more often, whatever the origin, and shall include synthetic ethyl alcohol, but  
 1748 ~~shall~~ does not include methyl alcohol and alcohol completely denatured in accordance with formulas  
 1749 approved by the government of the United States.

1750 "Alcohol vaporizing device" means any device, machine, or process that mixes any alcoholic beverages  
 1751 with pure oxygen or other gas to produce a vaporized product for the purpose of consumption by inhalation.

1752 "Alcoholic beverages" includes alcohol, spirits, wine, and beer, and any one or more of such varieties  
 1753 containing one-half of one percent or more of alcohol by volume, including mixed alcoholic beverages, and  
 1754 every liquid or solid, powder or crystal, patented or not, containing alcohol, spirits, wine, or beer and capable  
 1755 of being consumed by a human being. Any liquid or solid containing more than one of the four varieties shall  
 1756 be considered as belonging to that variety which has the higher percentage of alcohol, however obtained,  
 1757 according to the order in which they are set forth in this definition; except that beer may be manufactured to  
 1758 include flavoring materials and other nonbeverage ingredients containing alcohol, as long as no more than 49  
 1759 percent of the overall alcohol content of the finished product is derived from the addition of flavors and other  
 1760 nonbeverage ingredients containing alcohol for products with an alcohol content of no more than six percent  
 1761 by volume; or, in the case of products with an alcohol content of more than six percent by volume, as long as  
 1762 no more than one and one-half percent of the volume of the finished product consists of alcohol derived from  
 1763 added flavors and other nonbeverage ingredients containing alcohol.

1764 "Arts venue" means a commercial or nonprofit establishment that is open to the public and in which  
 1765 works of art are sold or displayed.

1766 "Authority" means the Virginia Alcoholic Beverage Control Authority created pursuant to this subtitle.

1767 "Barrel" means any container or vessel having a capacity of more than 43 ounces.

1768 "Bed and breakfast establishment" means any establishment (i) having no more than 15 bedrooms; (ii) offering  
 1769 to the public, for compensation, transitory lodging or sleeping accommodations; and (iii) offering at  
 1770 least one meal per day, which may but need not be breakfast, to each person to whom overnight lodging is  
 1771 provided. For purposes of the licensing requirements of this subtitle, "bed and breakfast establishment"  
 1772 includes any property offered to the public for short-term rental, as that term is defined in § 15.2-983, other  
 1773 than a hotel as defined in this section, regardless of whether a meal is offered to each person to whom  
 1774 overnight lodging is provided.

1775 "Beer" means any alcoholic beverage obtained by the fermentation of an infusion or decoction of barley,  
 1776 malt, and hops or of any similar products in drinkable water and containing one-half of one percent or more  
 1777 of alcohol by volume.

1778 "Board" means the Board of Directors of the Virginia Alcoholic Beverage Control Authority.

1779 "Bottle" means any vessel intended to contain liquids and having a capacity of not more than 43 ounces.

1780 "Bus" means a motor vehicle that (i) is operated by a common carrier licensed under Chapter 20  
 1781 (§ 46.2-2000 et seq.) of Title 46.2 to transport passengers for compensation over the highways of the  
 1782 Commonwealth on regular or irregular routes of not less than 100 miles, (ii) seats no more than 24  
 1783 passengers, (iii) is 40 feet in length or longer, (iv) offers wireless ~~Internet~~ internet services, (v) is equipped  
 1784 with charging stations at every seat for cellular phones or other portable devices, and (vi) during the  
 1785 transportation of passengers, is staffed by an attendant who has satisfied all training requirements set forth in  
 1786 this subtitle or Board regulation.

1787 "Club" means any private nonprofit corporation or association which is the owner, lessee, or occupant of  
 1788 an establishment operated solely for a national, social, patriotic, political, athletic, or other like purpose, but  
 1789 not for pecuniary gain, the advantages of which belong to all of the members. It also means the establishment  
 1790 so operated. A corporation or association shall not lose its status as a club because of the conduct of  
 1791 charitable gaming conducted pursuant to Article 1.1:1 (§ 18.2-340.15 et seq.) of Chapter 8 2 (§ 29.5-200 et  
 1792 seq.) of Title 18.2 29.5 in which nonmembers participate frequently or in large numbers, provided that no  
 1793 alcoholic beverages are served or consumed in the room where such charitable gaming is being conducted  
 1794 while such gaming is being conducted and that no alcoholic beverages are made available upon the premises

1795 to any person who is neither a member nor a bona fide guest of a member.

1796 Any such corporation or association which has been declared exempt from federal and state income taxes  
1797 as one which is not organized and operated for pecuniary gain or profit shall be deemed a nonprofit  
1798 corporation or association.

1799 "Commercial lifestyle center" means a mixed-use commercial development covering a minimum of 10  
1800 acres of land and having at least 100,000 square feet of retail space featuring national specialty chain stores  
1801 and a combination of dining, entertainment, office, residential, or hotel establishments located in a physically  
1802 integrated outdoor setting that is pedestrian friendly and that is governed by a commercial owners' association  
1803 that is responsible for the management, maintenance, and operation of the common areas thereof.

1804 "Container" means any barrel, bottle, carton, keg, vessel, or other receptacle used for holding alcoholic  
1805 beverages.

1806 "Contract winemaking facility" means the premises of a licensed winery or farm winery that obtains  
1807 grapes, fruits, and other agricultural products from a person holding a winery or farm winery license and  
1808 crushes, processes, ferments, bottles, or provides any combination of such services pursuant to an agreement  
1809 with the winery or farm winery licensee. For all purposes of this subtitle, wine produced by a contract  
1810 winemaking facility for a winery or farm winery shall be considered to be wine owned and produced by the  
1811 winery or farm winery that supplied the grapes, fruits, or other agricultural products used in the production of  
1812 the wine. The contract winemaking facility shall have no right to sell the wine so produced, unless the terms  
1813 of payment have not been fulfilled in accordance with the contract. The contract winemaking facility may  
1814 charge the winery or farm winery for its services. A winery licensee may utilize contract winemaking  
1815 services only for the manufacture or processing of wine of which no less than 90 percent of the grapes, fruits,  
1816 and other agricultural products used to make such wine are grown in the Commonwealth.

1817 "Convenience grocery store" means an establishment that (i) has an enclosed room in a permanent  
1818 structure where stock is displayed and offered for sale and (ii) maintains an inventory of edible items  
1819 intended for human consumption consisting of a variety of such items of the types normally sold in grocery  
1820 stores.

1821 "Culinary lodging resort" means a facility (i) having not less than 13 overnight guest rooms in a building  
1822 that has at least 20,000 square feet of indoor floor space; (ii) located on a farm in the Commonwealth with at  
1823 least 1,000 acres of land zoned agricultural; (iii) equipped with a full-service kitchen; and (iv) offering to the  
1824 public, for compensation, at least one meal per day, lodging, and recreational and educational activities  
1825 related to farming, livestock, and other rural activities.

1826 "Delicatessen" means an establishment that sells a variety of prepared foods or foods requiring little  
1827 preparation, such as cheeses, salads, cooked meats, and related condiments.

1828 "Designated area" means a room or area approved by the Board for on-premises licensees.

1829 "Dining area" means a public room or area in which meals are regularly served.

1830 "Drugstore" means an establishment that sells medicines prepared by a licensed pharmacist pursuant to a  
1831 prescription and other medicines and items for home and general use.

1832 "Establishment" means any place where alcoholic beverages of one or more varieties are lawfully  
1833 manufactured, sold, or used.

1834 "Farm winery" means (i) an establishment or cooperative located in the Commonwealth on land zoned  
1835 agricultural that has (a) a vineyard, orchard, or similar growing area that produces fruits or other agricultural  
1836 products used to manufacture the wine of such farm winery, subject to the requirements set forth in § 4.1-219,  
1837 and (b) facilities for fermenting and bottling wine on the premises where such farm winery manufactures  
1838 wine that contains not more than 21 percent alcohol by volume or (ii) an accredited public or private  
1839 institution of higher education, provided that (a) no wine manufactured by the institution shall be sold, (b) the  
1840 wine manufactured by the institution shall be used solely for research and educational purposes, (c) the wine  
1841 manufactured by the institution shall be stored on the premises of such farm winery that shall be separate and  
1842 apart from all other facilities of the institution, and (d) such farm winery is operated in strict conformance  
1843 with the requirements of this clause (ii) and Board regulations. As used in this definition, the term  
1844 "cooperative" means a cooperative formed by an association of individuals for the purpose of manufacturing  
1845 wine. In determining whether a cooperative licensed as a farm winery has met the requirements set forth in  
1846 clause (i), the Board shall consider all land in the Commonwealth that is owned or leased by a member of the  
1847 cooperative. For purposes of this definition, "land zoned agricultural" means (1) land zoned as an agricultural  
1848 district or classification or (2) land otherwise permitted by a locality for farm winery use. For purposes of this  
1849 definition, "land zoned agricultural" does not include land zoned "residential conservation." Except for the  
1850 limitation on land zoned "residential conservation," nothing in the definition of "land zoned agricultural" shall  
1851 otherwise limit or affect local zoning authority.

1852 "Gift shop" means any bona fide retail store selling, predominantly, gifts, books, souvenirs, specialty  
1853 items relating to history, original and handmade arts and products, collectibles, crafts, and floral  
1854 arrangements, which is open to the public on a regular basis. Such shop shall be a permanent structure where  
1855 stock is displayed and offered for sale and which has facilities to properly secure any stock of wine or beer.  
1856 Such shop may be located (i) on the premises or grounds of a ~~government registered~~ ~~government-registered~~

**1857** national, state, or local historic building or site or (ii) within the premises of a museum. The Board shall  
**1858** consider the purpose, characteristics, nature, and operation of the shop in determining whether it shall be  
**1859** considered a gift shop.

**1860** "Gourmet brewing shop" means an establishment which sells to persons to whom wine or beer may  
**1861** lawfully be sold, ingredients for making wine or brewing beer, including packaging, and rents to such persons  
**1862** facilities for manufacturing, fermenting, and bottling such wine or beer.

**1863** "Gourmet oyster house" means an establishment that (i) is located on the premises of a commercial  
**1864** marina, (ii) is permitted by the Department of Health to serve oysters and other fresh seafood for  
**1865** consumption on the premises, and (iii) offers to the public events for the purpose of featuring and educating  
**1866** the consuming public about local oysters and other seafood products.

**1867** "Gourmet shop" means an establishment provided with adequate inventory, shelving, and storage  
**1868** facilities, where, in consideration of payment, substantial amounts of domestic and imported wines and beers  
**1869** of various types and sizes and related products such as cheeses and gourmet foods are habitually furnished to  
**1870** persons.

**1871** "Government store" means a store established by the Authority for the sale of alcoholic beverages.

**1872** "Grocery store" means an establishment that sells food and other items intended for human consumption,  
**1873** including a variety of ingredients commonly used in the preparation of meals.

**1874** "Historic cinema house" means a nonprofit establishment exempt from taxation under § 501(c)(3) of the  
**1875** Internal Revenue Code that was built prior to 1970 and that exists for the primary purpose of showing motion  
**1876** pictures to the public.

**1877** "Hotel" means any duly licensed establishment, provided with special space and accommodation, where,  
**1878** in consideration of payment, food and lodging are habitually furnished to persons, and which has four or  
**1879** more bedrooms. It shall also mean the person who operates such hotel.

**1880** "Interdicted person" means a person to whom the sale of alcoholic beverages is prohibited by order  
**1881** pursuant to this subtitle.

**1882** "Internet wine and beer retailer" means a person who owns or operates an establishment with adequate  
**1883** inventory, shelving, and storage facilities, where, in consideration of payment, *Internet internet* or telephone  
**1884** orders are taken and shipped directly to consumers and which establishment is not a retail store open to the  
**1885** public.

**1886** "Intoxicated" means a condition in which a person has drunk enough alcoholic beverages to observably  
**1887** affect his manner, disposition, speech, muscular movement, general appearance, or behavior.

**1888** "Licensed" means the holding of a valid license granted by the Authority.

**1889** "Licensee" means any person to whom a license has been granted by the Authority.

**1890** "Liqueur" means any of a class of highly flavored alcoholic beverages that do not exceed an alcohol  
**1891** content of 25 percent by volume.

**1892** "Low alcohol beverage cooler" means a drink containing one-half of one percent or more of alcohol by  
**1893** volume, but not more than seven and one-half percent alcohol by volume, and consisting of spirits mixed  
**1894** with nonalcoholic beverages or flavoring or coloring materials; it may also contain water, fruit juices, fruit  
**1895** adjuncts, sugar, carbon dioxide, preservatives, or other similar products manufactured by fermenting fruit or  
**1896** fruit juices. Low alcohol beverage coolers shall be treated as wine for all purposes of this subtitle, except that  
**1897** low alcohol beverage coolers may be manufactured by a licensed distiller or a distiller located outside the  
**1898** Commonwealth.

**1899** "Marina store" means an establishment that is located on the same premises as a marina, is operated by  
**1900** the owner of such marina, and sells food and nautical and fishing supplies.

**1901** "Meals" means, for a mixed beverage license, an assortment of foods commonly ordered in bona fide,  
**1902** full-service restaurants as principal meals of the day. Such restaurants shall include establishments  
**1903** specializing in full course meals with a single substantial entree.

**1904** "Member of a club" means (i) a person who maintains his membership in the club by the payment of  
**1905** monthly, quarterly, or annual dues in the manner established by the rules and regulations thereof or (ii) a  
**1906** person who is a member of a bona fide auxiliary, local chapter, or squadron composed of direct lineal  
**1907** descendants of a bona fide member, whether alive or deceased, of a national or international organization to  
**1908** which an individual lodge holding a club license is an authorized member in the same locality. It shall also  
**1909** mean a lifetime member whose financial contribution is not less than 10 times the annual dues of resident  
**1910** members of the club, the full amount of such contribution being paid in advance in a lump sum.

**1911** "Mixed beverage" or "mixed alcoholic beverage" means a drink composed in whole or in part of spirits.

**1912** "Mixer" means any prepackaged ingredients containing beverages or flavoring or coloring materials, and  
**1913** which may also contain water, fruit juices, fruit adjuncts, sugar, carbon dioxide, or preservatives which are  
**1914** not commonly consumed unless combined with alcoholic beverages, whether or not such ingredients contain  
**1915** alcohol. Such specialty beverage product shall be manufactured or distributed by a Virginia corporation.

**1916** "Municipal golf course" means any golf course that is owned by any town incorporated in 1849 and which  
**1917** is the county seat of Smyth County.

**1918** "Performing arts facility" means an indoor or outdoor amphitheater, arena, multipurpose theater, or

1919 similar facility at which live musical, dance, theatre, or similar performances, the types of which are  
1920 approved by the Authority, are performed, provided that the facility has stationary stadium or similar seating  
1921 for more than 500 persons.

1922 "Place or premises" means the real estate, together with any buildings or other improvements thereon,  
1923 designated in the application for a license as the place at which the manufacture, bottling, distribution, use, or  
1924 sale of alcoholic beverages shall be performed, except that portion of any such building or other improvement  
1925 actually and exclusively used as a private residence.

1926 "Principal stockholder" means any person who individually or in concert with his spouse and immediate  
1927 family members beneficially owns or controls, directly or indirectly, five percent or more of the equity  
1928 ownership of any person that is a licensee of the Authority, or who in concert with his spouse and immediate  
1929 family members has the power to vote or cause the vote of five percent or more of any such equity  
1930 ownership. "Principal stockholder" does not include a broker-dealer registered under the Securities Exchange  
1931 Act of 1934, as amended, that holds in inventory shares for sale on the financial markets for a publicly traded  
1932 corporation holding, directly or indirectly, a license from the Authority.

1933 "Public place" means any place, building, or conveyance to which the public has, or is permitted to have,  
1934 access, including restaurants, soda fountains, hotel dining areas, lobbies and corridors of hotels, and any park,  
1935 place of public resort or amusement, highway, street, lane, or sidewalk adjoining any highway, street, or lane.

1936 "Public place" does not include (i) hotel or restaurant dining areas or ballrooms while in use for private  
1937 meetings or private parties limited in attendance to members and guests of a particular group, association or  
1938 organization; (ii) restaurants licensed by the Authority in office buildings or industrial or similar facilities  
1939 while such restaurant is closed to the public and in use for private meetings or parties limited in attendance to  
1940 employees and nonpaying guests of the owner or a lessee of all or part of such building or facility; (iii)  
1941 offices, office buildings, or industrial facilities while closed to the public and in use for private meetings or  
1942 parties limited in attendance to employees and nonpaying guests of the owner or a lessee of all or part of such  
1943 building or facility; or (iv) private recreational or chartered boats which are not licensed by the Board and on  
1944 which alcoholic beverages are not sold.

1945 "Residence" means any building or part of a building or structure where a person resides, but does not  
1946 include any part of a building that is not actually and exclusively used as a private residence, nor any part of a  
1947 hotel or club other than a private guest room thereof.

1948 "Resort complex" means a facility (i) with a hotel owning year-round sports and recreational facilities  
1949 located contiguously on the same property; (ii) owned by a nonstock, nonprofit, taxable corporation with  
1950 voluntary membership which, as its primary function, makes available golf, ski, and other recreational  
1951 facilities both to its members and to the general public; or (iii) operated by a corporation that operates as a  
1952 management company which, as its primary function, makes available (a) vacation accommodations, guest  
1953 rooms, or dwelling units and (b) golf, ski, and other recreational facilities to members of the managed entities  
1954 and the general public. The hotel or corporation shall have or manage a minimum of 140 private guest rooms  
1955 or dwelling units contained on not less than 50 acres, whether or not contiguous to the licensed premises; if  
1956 the guest rooms or dwelling units are located on property that is not contiguous to the licensed premises, such  
1957 guest rooms and dwelling units shall be located within the same locality. The Authority may consider the  
1958 purpose, characteristics, and operation of the applicant establishment in determining whether it shall be  
1959 considered as a resort complex. All other pertinent qualifications established by the Board for a hotel  
1960 operation shall be observed by such licensee.

1961 "Restaurant" means, for a wine and beer license or a limited mixed beverage restaurant license, any  
1962 establishment provided with special space and accommodation, where, in consideration of payment, meals or  
1963 other foods prepared on the premises are regularly sold.

1964 "Restaurant" means, for a mixed beverage license other than a limited mixed beverage restaurant license,  
1965 an established place of business (i) where meals with substantial entrees are regularly sold and (ii) which has  
1966 adequate facilities and sufficient employees for cooking, preparing, and serving such meals for consumption  
1967 at tables in dining areas on the premises, and includes establishments specializing in full course meals with a  
1968 single substantial entree.

1969 "Sale" and "sell" includes soliciting or receiving an order for; keeping, offering, or exposing for sale;  
1970 peddling, exchanging, or bartering; or delivering otherwise than gratuitously, by any means, alcoholic  
1971 beverages.

1972 "Sangria" means a drink consisting of red or white wine mixed with some combination of sweeteners,  
1973 fruit, fruit juice, soda, or soda water that may also be mixed with brandy, triple sec, or other similar spirits.

1974 "Special agent" means an employee of the Virginia Alcoholic Beverage Control Authority whom the  
1975 Board has designated as a law-enforcement officer pursuant to § 4.1-105.

1976 "Special event" means an event sponsored by a duly organized nonprofit corporation or association and  
1977 conducted for an athletic, charitable, civic, educational, political, or religious purpose.

1978 "Spirits" means any beverage that contains alcohol obtained by distillation mixed with drinkable water  
1979 and other substances, in solution, and includes, among other things, brandy, rum, whiskey, and gin, or any  
1980 one or more of the last four named ingredients, but shall does not include any such liquors completely

1981 denatured in accordance with formulas approved by the United States government.

1982 "Sports facility" means a coliseum, stadium, racetrack, or similar facility at which professional sports, as  
1983 defined in § 58.1-4030 29.5-400, or similar events, the types of which are approved by the Authority, are  
1984 conducted.

1985 "Wine" means any alcoholic beverage, including cider, obtained by the fermentation of the natural sugar  
1986 content of fruits or other agricultural products containing (i) sugar, including honey and milk, either with or  
1987 without additional sugar; (ii) one-half of one percent or more of alcohol by volume; and (iii) no product of  
1988 distillation. "Wine" includes any wine to which wine spirits have been added, as provided in the Internal  
1989 Revenue Code, to make products commonly known as "fortified wine" which do not exceed an alcohol  
1990 content of 21 percent by volume.

1991 "Wine cooler" means a drink containing one-half of one percent or more of alcohol by volume, and not  
1992 more than three and two-tenths percent of alcohol by weight or four percent by volume consisting of wine  
1993 mixed with nonalcoholic beverages or flavoring or coloring materials, and which may also contain water,  
1994 fruit juices, fruit adjuncts, sugar, carbon dioxide, or preservatives and shall include other similar products  
1995 manufactured by fermenting fruit or fruit juices. Wine coolers and similar fermented fruit juice beverages  
1996 shall be treated as wine for all purposes except for taxation under § 4.1-236.

1997 "With or without meals" means the selling and serving of alcoholic beverages by retail licensees for  
1998 on-premises consumption whether or not accompanied by food so long as the total food-beverage ratio  
1999 required by § 4.1-206.3, or the monthly food sale requirement established by Board regulation, is met by such  
2000 retail licensee.

**2001 § 4.1-206.3. (Effective until July 1, 2026) Retail licenses.**

2002 A. The Board may grant the following mixed beverages licenses:

2003 1. Mixed beverage restaurant licenses, which shall authorize the licensee to sell and serve mixed  
2004 beverages for on-premises consumption in dining areas and other designated areas of such restaurant or  
2005 off-premises consumption. Such license may be granted only to persons (i) who operate a restaurant and (ii)  
2006 whose gross receipts from the sale of food cooked, or prepared, and consumed on the premises and  
2007 nonalcoholic beverages served on the premises, after issuance of such license, amount to at least 45 percent  
2008 of the gross receipts from the sale of mixed beverages and food. For the purposes of this subdivision, other  
2009 designated areas shall include outdoor dining areas, whether or not contiguous to the licensed premises,  
2010 which outdoor dining areas may have more than one means of ingress and egress to an adjacent public  
2011 thoroughfare, provided such areas are under the control of the licensee and approved by the Board. Such  
2012 noncontiguous designated areas shall not be approved for any retail license issued pursuant to subdivision A  
2013 5 of § 4.1-201.

2014 If the restaurant is located on the premises of a hotel or motel with no fewer than four permanent  
2015 bedrooms where food and beverage service is customarily provided by the restaurant in designated areas,  
2016 bedrooms, and other private rooms of such hotel or motel, such licensee may (a) sell and serve mixed  
2017 beverages for on-premises consumption in such designated areas, bedrooms, and other private rooms or off-  
2018 premises consumption and (b) sell spirits packaged in original closed containers purchased from the Board  
2019 for on-premises consumption to registered guests and at scheduled functions of such hotel or motel only in  
2020 such bedrooms or private rooms. However, with regard to a hotel classified as a resort complex, the Board  
2021 may authorize the sale and on-premises consumption of alcoholic beverages in all areas within the resort  
2022 complex deemed appropriate by the Board. Nothing herein shall prohibit any person from keeping and  
2023 consuming his own lawfully acquired spirits in bedrooms or private rooms.

2024 If the restaurant is located on the premises of and operated by a private, nonprofit, or profit club  
2025 exclusively for its members and their guests, or members of another private, nonprofit, or profit club in  
2026 another city with which it has an agreement for reciprocal dining privileges, such license shall also authorize  
2027 the licensees to (1) sell and serve mixed beverages for on-premises or off-premises consumption and (2) sell  
2028 spirits that are packaged in original closed containers with a maximum capacity of two fluid ounces or 50  
2029 milliliters and purchased from the Board for on-premises consumption. Where such club prepares no food in  
2030 its restaurant but purchases its food requirements from a restaurant licensed by the Board and located on  
2031 another portion of the premises of the same hotel or motel building, this fact shall not prohibit the granting of  
2032 a license by the Board to such club qualifying in all other respects. The club's gross receipts from the sale of  
2033 nonalcoholic beverages consumed on the premises and food resold to its members and guests and consumed  
2034 on the premises shall amount to at least 45 percent of its gross receipts from the sale of mixed beverages and  
2035 food. The food sales made by a restaurant to such a club shall be excluded in any consideration of the  
2036 qualifications of such restaurant for a license from the Board.

2037 If the restaurant is located on the premises of and operated by a municipal golf course, the Board shall  
2038 recognize the seasonal nature of the business and waive any applicable monthly food sales requirements for  
2039 those months when weather conditions may reduce patronage of the golf course, provided that prepared food,  
2040 including meals, is available to patrons during the same months. The gross receipts from the sale of food  
2041 cooked, or prepared, and consumed on the premises and nonalcoholic beverages served on the premises, after  
2042 the issuance of such license, shall amount to at least 45 percent of the gross receipts from the sale of mixed

2043 beverages and food on an annualized basis.

2044 If the restaurant is located on the premises of and operated by a culinary lodging resort, such license shall  
2045 authorize the licensee to (A) sell alcoholic beverages, without regard to the amount of gross receipts from the  
2046 sale of food prepared and consumed on the premises, for off-premises consumption or for on-premises  
2047 consumption in areas upon the licensed premises approved by the Board and other designated areas of the  
2048 resort, including outdoor areas under the control of the licensee, and (B) permit the possession and  
2049 consumption of lawfully acquired alcoholic beverages by persons to whom overnight lodging is being  
2050 provided in bedrooms and private guest rooms.

2051 If the restaurant is located on the premises of a mixed beverage casino licensee owned by an operator  
2052 licensed under Article *Chapter* 3 (§ 58.1-4108 29.5-300 et seq.) of Chapter 44 of Title 58.1 29.5, such mixed  
2053 beverage restaurant license shall authorize the licensee to sell alcoholic beverages for on-premises  
2054 consumption on the licensed premises of the restaurant during all hours of operation of the mixed beverage  
2055 casino licensee. Any alcoholic beverages purchased from such restaurant may be (I) taken onto the premises  
2056 of the mixed beverage casino licensee and (II) possessed or consumed in areas designated by the Board, after  
2057 consultation with the mixed beverage casino licensee. Designated areas may include any areas on the  
2058 premises of the mixed beverage casino licensee, including entertainment venues, conference rooms, private  
2059 rooms, hotels, pools, marinas, or green spaces. Alcoholic beverages purchased from a restaurant pursuant to  
2060 this subdivision shall be contained in glassware or a paper, plastic, or similar disposable container that clearly  
2061 displays the name or logo of the restaurant from which the alcoholic beverage was purchased.

2062 The granting of a license pursuant to this subdivision shall automatically authorize the licensee to obtain a  
2063 license to sell and serve wine and beer for on-premises consumption and in closed containers for off-premises  
2064 consumption; however, the licensee shall be required to pay the local fee required for such additional license  
2065 pursuant to § 4.1-233.1.

2066 2. Mixed beverage caterer's licenses, which may be granted only to a person regularly engaged in the  
2067 business of providing food and beverages to others for service at private gatherings or at special events,  
2068 which shall authorize the licensee to sell and serve alcoholic beverages for on-premises consumption. The  
2069 annual gross receipts from the sale of food cooked and prepared for service and nonalcoholic beverages  
2070 served at gatherings and events referred to in this subdivision shall amount to at least 45 percent of the gross  
2071 receipts from the sale of mixed beverages and food.

2072 3. Mixed beverage limited caterer's licenses, which may be granted only to a person regularly engaged in the  
2073 business of providing food and beverages to others for service at private gatherings or at special events,  
2074 not to exceed 12 gatherings or events per year, which shall authorize the licensee to sell and serve alcoholic  
2075 beverages for on-premises consumption. The annual gross receipts from the sale of food cooked and prepared  
2076 for service and nonalcoholic beverages served at gatherings and events referred to in this subdivision shall  
2077 amount to at least 45 percent of the gross receipts from the sale of mixed beverages and food.

2078 4. Mixed beverage carrier licenses to (i) persons operating a common carrier of passengers by train, boat,  
2079 bus, or airplane, which shall authorize the licensee to sell and serve mixed beverages anywhere in the  
2080 Commonwealth to passengers while in transit aboard any such common carrier, and in designated rooms of  
2081 establishments of air carriers at airports in the Commonwealth and (ii) financial institutions, subsidiaries of a  
2082 financial institution, or persons approved by the applicable airport authority that have entered into a contract  
2083 with a financial institution or subsidiary of a financial institution to operate a passenger lounge, which shall  
2084 authorize the licensee to sell and serve mixed beverages in designated areas of a passenger lounge for ticketed  
2085 air carrier passengers that is located within an airport in the Commonwealth. For purposes of supplying its  
2086 airplanes, as well as any airplanes of a licensed express carrier flying under the same brand, an air carrier  
2087 licensee may appoint an authorized representative to load alcoholic beverages onto the same airplanes and to  
2088 transport and store alcoholic beverages at or in close proximity to the airport where the alcoholic beverages  
2089 will be delivered onto airplanes of the air carrier and any such licensed express carrier. The air carrier  
2090 licensee shall (a) designate for purposes of its license all locations where the inventory of alcoholic beverages  
2091 may be stored and from which the alcoholic beverages will be delivered onto airplanes of the air carrier and  
2092 any such licensed express carrier and (b) maintain records of all alcoholic beverages to be transported, stored,  
2093 and delivered by its authorized representative. The granting of a license pursuant to this subdivision shall  
2094 automatically authorize the licensee to obtain a license to sell and serve wine and beer for on-premises  
2095 consumption or in closed containers for off-premises consumption; however, the licensee shall be required to  
2096 pay the local fee required for such additional license pursuant to § 4.1-233.1.

2097 For the purposes of this subdivision:

2098 "Financial institution" means any bank, trust company, savings institution, industrial loan association,  
2099 consumer finance company, or credit union.

2100 "Passenger lounge" means any restricted-access passenger waiting room or lounge leased to persons by  
2101 the applicable airport authority in which food and beverage services are provided to ticketed passengers.

2102 5. Annual mixed beverage sports facility licenses to persons operating a sports facility or food concessions  
2103 at a sports facility, which shall authorize the licensee to sell mixed beverages during any event and  
2104 immediately subsequent thereto to patrons within all seating areas, concourses, walkways, concession areas,

2105 and additional locations designated by the Board (i) in closed containers for off-premises consumption or (ii)  
 2106 in paper, plastic, or similar disposable containers or in single original metal cans for on-premises  
 2107 consumption. Upon authorization of the licensee, any person may keep and consume his own lawfully  
 2108 acquired alcoholic beverages on the premises in all areas and locations covered by the license. The granting  
 2109 of a license pursuant to this subdivision shall automatically authorize the licensee to obtain a license to sell  
 2110 and serve wine and beer for on-premises consumption or in closed containers for off-premises consumption;  
 2111 however, the licensee shall be required to pay the local fee required for such additional license pursuant to  
 2112 § 4.1-233.1.

2113 6. Limited mixed beverage restaurant licenses, which shall authorize the licensee to sell and serve dessert  
 2114 wines as defined by Board regulation and no more than six varieties of liqueurs, which liqueurs shall be  
 2115 combined with coffee or other nonalcoholic beverages, for on-premises consumption in dining areas of the  
 2116 restaurant or off-premises consumption. Such license may be granted only to persons who operate a  
 2117 restaurant and in no event shall the sale of such wine or liqueur-based drinks, together with the sale of any  
 2118 other alcoholic beverages, exceed 10 percent of the total annual gross sales of all food and alcoholic  
 2119 beverages. The granting of a license pursuant to this subdivision shall automatically authorize the licensee to  
 2120 obtain a license to sell and serve wine and beer for on-premises consumption or in closed containers for  
 2121 off-premises consumption; however, the licensee shall be required to pay the local fee required for such  
 2122 additional license pursuant to § 4.1-233.1.

2123 7. Annual mixed beverage performing arts facility licenses, which shall (i) authorize the licensee to sell,  
 2124 on the dates of performances or events, alcoholic beverages in paper, plastic, or similar disposable containers  
 2125 or in single original metal cans for on-premises consumption in all seating areas, concourses, walkways,  
 2126 concession areas, similar facilities, and other areas upon the licensed premises approved by the Board and (ii)  
 2127 automatically authorize the licensee to obtain a license to sell and serve wine and beer for on-premises  
 2128 consumption or in closed containers for off-premises consumption; however, the licensee shall be required to  
 2129 pay the local fee required for such additional license pursuant to § 4.1-233.1. Such licenses may be granted to  
 2130 persons operating a performing arts facility or food concessions at a performing arts facility.

2131 8. Combined mixed beverage restaurant and caterer's licenses, which may be granted to any restaurant or  
 2132 hotel that meets the qualifications for both a mixed beverage restaurant pursuant to subdivision 1 and mixed  
 2133 beverage caterer pursuant to subdivision 2 for the same business location, and which license shall authorize  
 2134 the licensee to operate as both a mixed beverage restaurant and mixed beverage caterer at the same business  
 2135 premises designated in the license, with a common alcoholic beverage inventory for purposes of the  
 2136 restaurant and catering operations. Such licensee shall meet the separate food qualifications established for  
 2137 the mixed beverage restaurant license pursuant to subdivision 1 and mixed beverage caterer's license pursuant  
 2138 to subdivision 2. The granting of a license pursuant to this subdivision shall automatically authorize the  
 2139 licensee to obtain a license to sell and serve wine and beer for on-premises consumption or in closed  
 2140 containers for off-premises consumption; however, the licensee shall be required to pay the local fee required  
 2141 for such additional license pursuant to § 4.1-233.1.

2142 9. Bed and breakfast licenses, which shall authorize the licensee to (i) serve alcoholic beverages in dining  
 2143 areas, private guest rooms, and other designated areas to persons to whom overnight lodging is being  
 2144 provided, with or without meals, for on-premises consumption only in such rooms and areas, and without  
 2145 regard to the amount of gross receipts from the sale of food prepared and consumed on the premises and (ii)  
 2146 permit the consumption of lawfully acquired alcoholic beverages by persons to whom overnight lodging is  
 2147 being provided in (a) bedrooms or private guest rooms or (b) other designated areas of the bed and breakfast  
 2148 establishment. For purposes of this subdivision, "other designated areas" includes outdoor dining areas,  
 2149 whether or not contiguous to the licensed premises, which may have more than one means of ingress and  
 2150 egress to an adjacent public thoroughfare, provided that such outdoor dining areas are under the control of the  
 2151 licensee and approved by the Board. Such noncontiguous designated areas shall not be approved for any retail  
 2152 license issued pursuant to subdivision A 5 of § 4.1-201.

2153 10. Museum licenses, which may be issued to nonprofit museums exempt from taxation under § 501(c)(3)  
 2154 of the Internal Revenue Code, which shall authorize the licensee to (i) permit the consumption of lawfully  
 2155 acquired alcoholic beverages on the premises of the licensee by any bona fide member and guests thereof and  
 2156 (ii) serve alcoholic beverages on the premises of the licensee to any bona fide member and guests thereof.  
 2157 However, alcoholic beverages shall not be sold or charged for in any way by the licensee. The privileges of  
 2158 this license shall be limited to the premises of the museum, regularly occupied and utilized as such.

2159 11. Commercial lifestyle center licenses, which may be issued only to a commercial owners' association  
 2160 governing a commercial lifestyle center, which shall authorize any retail on-premises restaurant licensee that  
 2161 is a tenant of the commercial lifestyle center to sell alcoholic beverages to any bona fide customer to whom  
 2162 alcoholic beverages may be lawfully sold for consumption on that portion of the licensed premises of the  
 2163 commercial lifestyle center designated by the Board, including (i) plazas, seating areas, concourses,  
 2164 walkways, or such other similar areas and (ii) the premises of any tenant location of the commercial lifestyle  
 2165 center that is not a retail licensee of the Board, upon approval of such tenant, but excluding any parking areas.  
 2166 Only alcoholic beverages purchased from such retail on-premises restaurant licensees may be consumed on

2167 the licensed premises of the commercial lifestyle center, and such alcoholic beverages shall be contained in  
2168 paper, plastic, or similar disposable containers with the name or logo of the restaurant licensee that sold the  
2169 alcoholic beverage clearly displayed. Alcoholic beverages shall not be sold or charged for in any way by the  
2170 commercial lifestyle center licensee. The licensee shall post appropriate signage clearly demarcating for the  
2171 public the boundaries of the licensed premises; however, no physical barriers shall be required for this  
2172 purpose. The licensee shall provide adequate security for the licensed premises to ensure compliance with the  
2173 applicable provisions of this subtitle and Board regulations.

2174 12. Mixed beverage port restaurant licenses, which shall authorize the licensee to sell and serve mixed  
2175 beverages for consumption in dining areas and other designated areas of such restaurant. Such license may be  
2176 granted only to persons operating a business (i) that is primarily engaged in the sale of meals; (ii) that is  
2177 located on property owned by the United States government or an agency thereof and used as a port of entry  
2178 to or egress from the United States; and (iii) whose gross receipts from the sale of food cooked, or prepared,  
2179 and consumed on the premises and nonalcoholic beverages served on the premises, after issuance of such  
2180 license, amount to at least 45 percent of the gross receipts from the sale of mixed beverages and food. For the  
2181 purposes of this subdivision, other designated areas shall include outdoor dining areas, whether or not  
2182 contiguous to the licensed premises, which outdoor dining areas may have more than one means of ingress  
2183 and egress to an adjacent public thoroughfare, provided such areas are under the control of the licensee and  
2184 approved by the Board. Such noncontiguous designated areas shall not be approved for any retail license  
2185 issued pursuant to subdivision A 5 of § 4.1-201. The granting of a license pursuant to this subdivision shall  
2186 automatically authorize the licensee to obtain a license to sell and serve wine and beer for on-premises  
2187 consumption or in closed containers for off-premises consumption; however, the licensee shall be required to  
2188 pay the local fee required for such additional license pursuant to § 4.1-233.1.

2189 13. Annual mixed beverage special events licenses to (i) a duly organized nonprofit corporation or  
2190 association operating either a performing arts facility or an art education and exhibition facility; (ii) a  
2191 nonprofit corporation or association chartered by Congress for the preservation of sites, buildings, and objects  
2192 significant in American history and culture; (iii) persons operating an agricultural event and entertainment  
2193 park or similar facility that has a minimum of 50,000 square feet of indoor exhibit space and equine and other  
2194 livestock show areas, which includes barns, pavilions, or other structures equipped with roofs, exterior walls,  
2195 and open-door or closed-door access; or (iv) a locality for special events conducted on the premises of a  
2196 museum for historic interpretation that is owned and operated by the locality. The operation in all cases shall  
2197 be upon premises owned by such licensee or occupied under a bona fide lease, the original term of which was  
2198 for more than one year's duration. Such license shall authorize the licensee to sell alcoholic beverages during  
2199 scheduled events and performances for on-premises consumption in areas upon the licensed premises  
2200 approved by the Board.

2201 14. Mixed beverage casino licenses, which shall authorize the licensee to (i) sell and serve mixed  
2202 beverages for on-premises consumption in areas designated by the Board, after consultation with the mixed  
2203 beverage casino licensee, without regard to the amount of gross receipts from the sale of food prepared and  
2204 consumed on the premises and (ii) provide complimentary mixed beverages to patrons for on-premises  
2205 consumption in private areas or restricted access areas designated by the Board, after consultation with the  
2206 mixed beverage casino licensee. Designated areas may include any areas on the premises of the mixed  
2207 beverage casino licensee, including entertainment venues, private rooms, conference rooms, hotels, pools,  
2208 marinas, or green spaces. The granting of a license pursuant to this subdivision shall authorize the licensee to  
2209 obtain a license to sell and serve wine and beer for on-premises consumption and in closed containers for  
2210 off-premises consumption in accordance with the provisions of this subdivision governing mixed beverages;  
2211 however, the licensee shall be required to pay the local fee required for such additional license pursuant to  
2212 § 4.1-233.1. Notwithstanding any law or regulation to the contrary, a mixed beverage casino licensee may  
2213 exercise the privileges of its license as set forth in this subdivision during all hours of operation of the casino  
2214 gaming establishment; however, such licensee shall not sell wine or beer for off-premises consumption  
2215 between the hours of 12 a.m. and 6 a.m.

2216 A mixed beverage casino licensee may (a) provide patrons gifts of alcoholic beverages in closed  
2217 containers for personal consumption off the licensed premises or in areas designated by the Board, after  
2218 consultation with the mixed beverage casino licensee, and (b) enable patrons who participate in a loyalty or  
2219 reward credit program to redeem credits for the purchase of alcoholic beverages for on-premises  
2220 consumption. A summary of the operation of such loyalty or reward credit program shall be provided to the  
2221 Board upon request.

2222 A mixed beverage casino license may only be issued to a casino gaming establishment owned by an  
2223 operator licensed under Article Chapter 3 (§ 58.1-4108.29.5-300 et seq.) of Chapter 41 of Title 58.1-29.5.

2224 B. The Board may grant an on-and-off-premises wine and beer license to the following:

2225 1. Hotels, restaurants, and clubs, which shall authorize the licensee to sell wine and beer (i) in closed  
2226 containers for off-premises consumption or (ii) for on-premises consumption, either with or without meals, in  
2227 dining areas and other designated areas of such restaurants, or in dining areas, private guest rooms, and other  
2228 designated areas of such hotels or clubs, for consumption only in such rooms and areas. However, with

2229 regard to a hotel classified by the Board as (a) a resort complex, the Board may authorize the sale and  
 2230 consumption of alcoholic beverages in all areas within the resort complex deemed appropriate by the Board  
 2231 or (b) a limited service hotel, the Board may authorize the sale and consumption of alcoholic beverages in  
 2232 dining areas, private guest rooms, and other designated areas to persons to whom overnight lodging is being  
 2233 provided, for on-premises consumption in such rooms or areas, and without regard to the amount of gross  
 2234 receipts from the sale of food prepared and consumed on the premises, provided that at least one meal is  
 2235 provided each day by the hotel to such guests. With regard to facilities registered in accordance with Chapter  
 2236 49 (§ 38.2-4900 et seq.) of Title 38.2 as continuing care communities that are also licensed by the Board  
 2237 under this subdivision, any resident may, upon authorization of the licensee, keep and consume his own  
 2238 lawfully acquired alcoholic beverages on the premises in all areas covered by the license. For purposes of this  
 2239 subdivision, "other designated areas" includes outdoor dining areas, whether or not contiguous to the licensed  
 2240 premises, which may have more than one means of ingress and egress to an adjacent public thoroughfare,  
 2241 provided that such outdoor dining areas are under the control of the licensee and approved by the Board. Such  
 2242 noncontiguous designated areas shall not be approved for any retail license issued pursuant to subdivision A  
 2243 5 of § 4.1-201.

2244 2. Hospitals, which shall authorize the licensee to sell wine and beer (i) in the rooms of patients for their  
 2245 on-premises consumption only in such rooms, provided the consent of the patient's attending physician is first  
 2246 obtained or (ii) in closed containers for off-premises consumption.

2247 3. Rural grocery stores, which shall authorize the licensee to sell wine and beer for on-premises  
 2248 consumption or in closed containers for off-premises consumption. No license shall be granted unless (i) the  
 2249 grocery store is located in any town or in a rural area outside the corporate limits of any city or town and (ii)  
 2250 it appears affirmatively that a substantial public demand for such licensed establishment exists and that public  
 2251 convenience and the purposes of this subtitle will be promoted by granting the license.

2252 4. Coliseums, stadiums, and racetracks, which shall authorize the licensee to sell wine and beer during any  
 2253 event and immediately subsequent thereto to patrons within all seating areas, concourses, walkways,  
 2254 concession areas, and additional locations designated by the Board (i) in closed containers for off-premises  
 2255 consumption or (ii) in paper, plastic, or similar disposable containers or in single original metal cans for on-  
 2256 premises consumption. Upon authorization of the licensee, any person may keep and consume his own  
 2257 lawfully acquired alcoholic beverages on the premises in all areas and locations covered by the license. Such  
 2258 licenses may be granted to persons operating food concessions at coliseums, stadiums, racetracks, or similar  
 2259 facilities.

2260 5. Performing arts food concessionaires, which shall authorize the licensee to sell wine and beer during  
 2261 the performance of any event to patrons within all seating areas, concourses, walkways, or concession areas,  
 2262 or other areas approved by the Board (i) in closed containers for off-premises consumption or (ii) in paper,  
 2263 plastic, or similar disposable containers or in single original metal cans for on-premises consumption. Upon  
 2264 authorization of the licensee, any person may keep and consume his own lawfully acquired alcoholic  
 2265 beverages on the premises in all areas and locations covered by the license. Such licenses may be granted to  
 2266 persons operating food concessions at any performing arts facility.

2267 6. Exhibition halls, which shall authorize the licensee to sell wine and beer during the event to patrons or  
 2268 attendees within all seating areas, exhibition areas, concourses, walkways, concession areas, and such  
 2269 additional locations designated by the Board in such facilities (i) in closed containers for off-premises  
 2270 consumption or (ii) in paper, plastic, or similar disposable containers or in single original metal cans for on-  
 2271 premises consumption. Upon authorization of the licensee, any person may keep and consume his own  
 2272 lawfully acquired alcoholic beverages on the premises in all areas and locations covered by the license. Such  
 2273 licenses may be granted to persons operating food concessions at exhibition or exposition halls, convention  
 2274 centers, or similar facilities located in any county operating under the urban county executive form of  
 2275 government or any city that is completely surrounded by such county. For purposes of this subdivision,  
 2276 "exhibition or exposition hall" and "convention centers" mean facilities conducting private or public trade  
 2277 shows or exhibitions in an indoor facility having in excess of 100,000 square feet of floor space.

2278 7. Concert and dinner-theaters, which shall authorize the licensee to sell wine and beer during events to  
 2279 patrons or attendees within all seating areas, exhibition areas, concourses, walkways, concession areas, dining  
 2280 areas, and such additional locations designated by the Board in such facilities, for on-premises consumption  
 2281 or in closed containers for off-premises consumption. Persons licensed pursuant to this subdivision shall  
 2282 serve food, prepared on or off premises, whenever wine or beer is served. Such licenses may be granted to  
 2283 persons operating concert or dinner-theater venues on property fronting Natural Bridge School Road in  
 2284 Natural Bridge Station and formerly operated as Natural Bridge High School.

2285 8. Historic cinema houses, which shall authorize the licensee to sell wine and beer, either with or without  
 2286 meals, during any showing of a motion picture to patrons to whom alcoholic beverages may be lawfully sold,  
 2287 for on-premises consumption or in closed containers for off-premises consumption. The privileges of this  
 2288 license shall be limited to the premises of the historic cinema house regularly occupied and utilized as such.

2289 9. Nonprofit museums, which shall authorize the licensee to sell wine and beer for on-premises  
 2290 consumption or in closed containers for off-premises consumption in areas approved by the Board. Such

2291 licenses may be granted to persons operating a nonprofit museum exempt from taxation under § 501(c)(3) of  
2292 the Internal Revenue Code, located in the Town of Front Royal, and dedicated to educating the consuming  
2293 public about historic beer products. The privileges of this license shall be limited to the premises of the  
2294 museum, regularly occupied and utilized as such.

2295 C. The Board may grant the following off-premises wine and beer licenses:

2296 1. Retail off-premises wine and beer licenses, which may be granted to a convenience grocery store,  
2297 delicatessen, drugstore, gift shop, gourmet oyster house, gourmet shop, grocery store, or marina store as  
2298 defined in § 4.1-100 and Board regulations. Such license shall authorize the licensee to sell wine and beer in  
2299 closed containers for off-premises consumption and, notwithstanding the provisions of § 4.1-308, to give to  
2300 any person to whom wine or beer may be lawfully sold a sample of wine or beer for on-premises  
2301 consumption; however, no single sample shall exceed four ounces of beer or two ounces of wine and no more  
2302 than 12 ounces of beer or five ounces of wine shall be served to any person per day. The licensee may also  
2303 give samples of wine and beer in designated areas at events held by the licensee for the purpose of featuring  
2304 and educating the consuming public about the alcoholic beverages being tasted. With the consent of the  
2305 licensee, farm wineries, wineries, breweries, distillers, and wholesale licensees or authorized representatives  
2306 of such licensees may participate in such tastings, including the pouring of samples. The licensee shall  
2307 comply with any food inventory and sales volume requirements established by Board regulation.

2308 2. Gourmet brewing shop licenses, which shall authorize the licensee to sell to any person to whom wine  
2309 or beer may be lawfully sold, ingredients for making wine or brewing beer, including packaging, and to rent  
2310 to such persons facilities for manufacturing, fermenting, and bottling such wine or beer, for off-premises  
2311 consumption in accordance with subdivision 6 of § 4.1-200.

2312 3. Confectionery licenses, which shall authorize the licensee to prepare and sell on the licensed premises  
2313 for off-premises consumption confectionery that contains five percent or less alcohol by volume. Any alcohol  
2314 contained in such confectionery shall not be in liquid form at the time such confectionery is sold.

2315 D. The Board may grant the following banquet, special event, and tasting licenses:

2316 1. Per-day event licenses.

2317 a. Banquet licenses to persons in charge of private banquets, and to duly organized nonprofit corporations  
2318 or associations in charge of special events, which shall authorize the licensee to sell or give wine and beer in  
2319 rooms or areas approved by the Board for the occasion for on-premises consumption in such rooms or areas.  
2320 Licensees who are nonprofit corporations or associations conducting fundraisers (i) shall also be authorized  
2321 to sell wine, as part of any fundraising activity, in closed containers for off-premises consumption to persons  
2322 to whom wine may be lawfully sold; (ii) shall be limited to no more than one such fundraiser per year; and  
2323 (iii) if conducting such fundraiser through an online meeting platform, may ship such wine, in accordance  
2324 with Board regulations, in closed containers to persons located within the Commonwealth. Except as  
2325 provided in § 4.1-215, a separate license shall be required for each day of each banquet or special event. For  
2326 the purposes of this subdivision, when the location named in the original application for a license is outdoors,  
2327 the application may also name an alternative location in the event of inclement weather. However, no such  
2328 license shall be required of any hotel, restaurant, or club holding a retail wine and beer license.

2329 b. Mixed beverage special events licenses to a duly organized nonprofit corporation or association in  
2330 charge of a special event, which shall authorize the licensee to sell and serve mixed beverages for on-  
2331 premises consumption in areas approved by the Board on the premises of the place designated in the license.  
2332 A separate license shall be required for each day of each special event.

2333 c. Mixed beverage club events licenses to a club holding a wine and beer club license, which shall  
2334 authorize the licensee to sell and serve mixed beverages for on-premises consumption by club members and  
2335 their guests in areas approved by the Board on the club premises. A separate license shall be required for each  
2336 day of each club event. No more than 12 such licenses shall be granted to a club in any calendar year. The  
2337 granting of a license pursuant to this subdivision shall automatically authorize the licensee to obtain a license  
2338 to sell and serve wine and beer for on-premises consumption; however, the licensee shall be required to pay  
2339 the local fee required for such additional license pursuant to § 4.1-233.1.

2340 d. Tasting licenses, which shall authorize the licensee to sell or give samples of alcoholic beverages of the  
2341 type specified in the license in designated areas at events held by the licensee. A tasting license shall be  
2342 issued for the purpose of featuring and educating the consuming public about the alcoholic beverages being  
2343 tasted. A separate license shall be required for each day of each tasting event. No tasting license shall be  
2344 required for conduct authorized by § 4.1-201.1.

2345 2. Annual licenses.

2346 a. Annual banquet licenses to duly organized private fraternal, patriotic, or charitable  
2347 membership organizations that are exempt from state and federal taxation and in charge of banquets  
2348 conducted exclusively for members and their guests, which shall authorize the licensee to serve wine and beer  
2349 in rooms or areas approved by the Board for the occasion for on-premises consumption in such rooms or  
2350 areas. Such license shall authorize the licensee to conduct no more than 12 banquets per calendar year. For  
2351 the purposes of this subdivision, when the location named in the original application for a license is outdoors,  
2352 the application may also name an alternative location in the event of inclement weather. However, no such

2353 license shall be required of any hotel, restaurant, or club holding a retail wine and beer license.

2354 b. Banquet facility licenses to volunteer fire departments and volunteer emergency medical services  
2355 agencies, which shall authorize the licensee to permit the consumption of lawfully acquired alcoholic  
2356 beverages on the premises of the licensee by any person, and bona fide members and guests thereof,  
2357 otherwise eligible for a banquet license. However, lawfully acquired alcoholic beverages shall not be  
2358 purchased or sold by the licensee or sold or charged for in any way by the person permitted to use the  
2359 premises. Such premises shall be a volunteer fire or volunteer emergency medical services agency station or  
2360 both, regularly occupied as such and recognized by the governing body of the county, city, or town in which  
2361 it is located. Under conditions as specified by Board regulation, such premises may be other than a volunteer  
2362 fire or volunteer emergency medical services agency station, provided such other premises are occupied and  
2363 under the control of the volunteer fire department or volunteer emergency medical services agency while the  
2364 privileges of its license are being exercised.

2365 c. Designated outdoor refreshment area licenses to a locality, business improvement district, or nonprofit  
2366 organization, which shall authorize (i) the licensee to permit the consumption of alcoholic beverages within  
2367 the area designated by the Board for the designated outdoor refreshment area and (ii) any permanent retail on-  
2368 premises licensee that is located within the area designated by the Board for the designated outdoor  
2369 refreshment area to sell alcoholic beverages within the permanent retail location for consumption in the area  
2370 designated for the designated outdoor refreshment area, including sidewalks and the premises of businesses  
2371 not licensed to sell alcoholic beverages at retail, upon approval of such businesses. In determining the  
2372 designated area for the designated outdoor refreshment area, the Board shall consult with the locality.  
2373 Designated outdoor refreshment area licensees shall be limited to 16 events per year, and the duration of any  
2374 event shall not exceed three consecutive days. However, the Board may increase the frequency and duration  
2375 of events after adoption of an ordinance by a locality requesting such increase in frequency and duration.  
2376 Such ordinance shall include the size and scope of the area within which such events will be held, a public  
2377 safety plan, and any other considerations deemed necessary by the Board. Such limitations on the number of  
2378 events that may be held shall not apply during the effective dates of any rule, regulation, or order that is  
2379 issued by the Governor or State Health Commissioner to meet a public health emergency and that effectively  
2380 reduces allowable restaurant seating capacity; however, designated outdoor refreshment area licensees shall  
2381 be subject to all other applicable provisions of this subtitle and Board regulations and shall provide notice to  
2382 the Board regarding the days and times during which the privileges of the license will be exercised. Only  
2383 alcoholic beverages purchased from permanent retail on-premises licensees located within the designated area  
2384 may be consumed at the event, and such alcoholic beverages shall be contained in paper, plastic, or similar  
2385 disposable containers that clearly display the name or logo of the retail on-premises licensee from which the  
2386 alcoholic beverage was purchased. Alcoholic beverages shall not be sold or charged for in any way by the  
2387 designated outdoor refreshment area licensee. The designated outdoor refreshment area licensee shall post  
2388 appropriate signage clearly demarcating for the public the boundaries of the event; however, no physical  
2389 barriers shall be required for this purpose. The designated outdoor refreshment area licensee shall provide  
2390 adequate security for the event to ensure compliance with the applicable provisions of this subtitle and Board  
2391 regulations.

2392 d. Annual mixed beverage banquet licenses to duly organized private nonprofit fraternal, patriotic, or  
2393 charitable membership organizations that are exempt from state and federal taxation and in charge of  
2394 banquets conducted exclusively for members and their guests, which shall authorize the licensee to serve  
2395 mixed beverages for on-premises consumption in areas approved by the Board on the premises of the place  
2396 designated in the license. Such license shall authorize the licensee to conduct no more than 12 banquets per  
2397 calendar year. The granting of a license pursuant to this subdivision shall automatically authorize the licensee  
2398 to obtain a license to sell and serve wine and beer for on-premises consumption; however, the licensee shall  
2399 be required to pay the local fee required for such additional license pursuant to § 4.1-233.1.

2400 e. Equine sporting event licenses, which may be issued to organizations holding equestrian, hunt, and  
2401 steeplechase events, which shall authorize the licensee to permit the consumption of lawfully acquired  
2402 alcoholic beverages on the premises of the licensee by patrons thereof during such event. However, alcoholic  
2403 beverages shall not be sold or charged for in any way by the licensee. The privileges of this license shall be  
2404 (i) limited to the premises of the licensee, regularly occupied and utilized for equestrian, hunt, and  
2405 steeplechase events, and (ii) exercised on no more than four calendar days per year.

2406 f. Annual arts venue event licenses, to persons operating an arts venue, which shall authorize the licensee  
2407 participating in a community art walk that is open to the public to serve lawfully acquired wine or beer on the  
2408 premises of the licensee to adult patrons thereof during such events. However, alcoholic beverages shall not  
2409 be sold or charged for in any way, directly or indirectly, by the licensee, and the licensee shall not give more  
2410 than two five-ounce glasses of wine or two 12-ounce glasses of beer to any one adult patron. The privileges  
2411 of this license shall be (i) limited to the premises of the arts venue regularly occupied and used as such and  
2412 (ii) exercised on no more than 12 calendar days per year.

2413 E. The Board may grant a marketplace license to persons operating a business enterprise of which the  
2414 primary function is not the sale of alcoholic beverages, which shall authorize the licensee to serve

2415 complimentary wine or beer to bona fide customers on the licensed premises subject to any limitations  
2416 imposed by the Board; however, the licensee shall not give more than two five-ounce glasses of wine or two  
2417 12-ounce glasses of beer to any customer per day, nor shall it sell or otherwise charge a fee to such customer  
2418 for the wine or beer served or consumed. In order to be eligible for and retain a marketplace license, the  
2419 applicant's business enterprise must (i) provide a single category of goods or services in a manner intended to  
2420 create a personalized experience for the customer; (ii) employ staff with expertise in such goods or services;  
2421 (iii) be ineligible for any other license granted by the Board; (iv) have an alcoholic beverage control manager  
2422 on the licensed premises at all times alcohol is served; (v) ensure that all employees satisfy any training  
2423 requirements imposed by the Board; and (vi) purchase all wine and beer to be served from a licensed  
2424 wholesaler or the Authority and retain purchase records as prescribed by the Board. In determining whether  
2425 to grant a marketplace license, the Board shall consider (a) the average amount of time customers spend at the  
2426 business; (b) the business's hours of operation; (c) the amount of time that the business has been in operation;  
2427 and (d) any other requirements deemed necessary by the Board to protect the public health, safety, and  
2428 welfare.

2429 F. The Board may grant the following shipper, bottler, and related licenses:

2430 1. Wine and beer shipper licenses, which shall carry the privileges and limitations set forth in § 4.1-209.1.  
2431 2. Internet wine and beer retailer licenses, which shall authorize persons located within or outside the  
2432 Commonwealth to sell and ship wine and beer, in accordance with § 4.1-209.1 and Board regulations, in  
2433 closed containers to persons in the Commonwealth to whom wine and beer may be lawfully sold for  
2434 off-premises consumption. Such licensee shall not be required to comply with the monthly food sale  
2435 requirement established by Board regulations.

2436 3. Bottler licenses, which shall authorize the licensee to acquire and receive deliveries and shipments of  
2437 beer in closed containers and to bottle, sell, and deliver or ship it, in accordance with Board regulations to (i)  
2438 wholesale beer licensees for the purpose of resale, (ii) owners of boats registered under the laws of the United  
2439 States sailing for ports of call of a foreign country or another state, and (iii) persons outside the  
2440 Commonwealth for resale outside the Commonwealth.

2441 4. Fulfillment warehouse licenses, which shall authorize associations as defined in § 13.1-313 with a place  
2442 of business located in the Commonwealth to (i) receive deliveries and shipments of wine or beer owned by  
2443 holders of wine and beer shipper's licenses; (ii) store such wine or beer on behalf of the owner; and (iii) pick,  
2444 pack, and ship such wine or beer as directed by the owner, all in accordance with Board regulations. No  
2445 wholesale wine or wholesale beer licensee, whether licensed in the Commonwealth or not, or any person  
2446 under common control of such licensee, shall acquire or hold any financial interest, direct or indirect, in the  
2447 business for which any fulfillment warehouse license is issued.

2448 5. Marketing portal licenses, which shall authorize agricultural cooperative associations organized under  
2449 the provisions of the Agricultural Cooperative Association Act (§ 13.1-312 et seq.), with a place of business  
2450 located in the Commonwealth, in accordance with Board regulations, to solicit and receive orders for wine or  
2451 beer through the use of the *Internet* from persons in the Commonwealth to whom wine or beer may  
2452 be lawfully sold, on behalf of holders of wine and beer shipper's licenses. Upon receipt of an order for wine  
2453 or beer, the licensee shall forward it to a holder of a wine and beer shipper's license for fulfillment. Marketing  
2454 portal licensees may also accept payment on behalf of the shipper.

2455 6. Third-party delivery licenses, which shall carry the privileges and limitations set forth in § 4.1-212.2.

2456 **§ 4.1-206.3. (Effective July 1, 2026) Retail licenses.**

2457 A. The Board may grant the following mixed beverages licenses:

2458 1. Mixed beverage restaurant licenses, which shall authorize the licensee to sell and serve mixed  
2459 beverages for consumption in dining areas and other designated areas of such restaurant. Such license may be  
2460 granted only to persons (i) who operate a restaurant and (ii) whose gross receipts from the sale of food  
2461 cooked, or prepared, and consumed on the premises and nonalcoholic beverages served on the premises, after  
2462 issuance of such license, amount to at least 45 percent of the gross receipts from the sale of mixed beverages  
2463 and food. For the purposes of this subdivision, other designated areas shall include outdoor dining areas,  
2464 whether or not contiguous to the licensed premises, which outdoor dining areas may have more than one  
2465 means of ingress and egress to an adjacent public thoroughfare, provided such areas are under the control of  
2466 the licensee and approved by the Board. Such noncontiguous designated areas shall not be approved for any  
2467 retail license issued pursuant to subdivision A 5 of § 4.1-201.

2468 If the restaurant is located on the premises of a hotel or motel with no fewer than four permanent  
2469 bedrooms where food and beverage service is customarily provided by the restaurant in designated areas,  
2470 bedrooms, and other private rooms of such hotel or motel, such licensee may (a) sell and serve mixed  
2471 beverages for consumption in such designated areas, bedrooms, and other private rooms and (b) sell spirits  
2472 packaged in original closed containers purchased from the Board for on-premises consumption to registered  
2473 guests and at scheduled functions of such hotel or motel only in such bedrooms or private rooms. However,  
2474 with regard to a hotel classified as a resort complex, the Board may authorize the sale and on-premises  
2475 consumption of alcoholic beverages in all areas within the resort complex deemed appropriate by the Board.  
2476 Nothing herein shall prohibit any person from keeping and consuming his own lawfully acquired spirits in

2477 bedrooms or private rooms.

2478 If the restaurant is located on the premises of and operated by a private, nonprofit, or profit club  
 2479 exclusively for its members and their guests, or members of another private, nonprofit, or profit club in  
 2480 another city with which it has an agreement for reciprocal dining privileges, such license shall also authorize  
 2481 the licensees to (1) sell and serve mixed beverages for on-premises consumption and (2) sell spirits that are  
 2482 packaged in original closed containers with a maximum capacity of two fluid ounces or 50 milliliters and  
 2483 purchased from the Board for on-premises consumption. Where such club prepares no food in its restaurant  
 2484 but purchases its food requirements from a restaurant licensed by the Board and located on another portion of  
 2485 the premises of the same hotel or motel building, this fact shall not prohibit the granting of a license by the  
 2486 Board to such club qualifying in all other respects. The club's gross receipts from the sale of nonalcoholic  
 2487 beverages consumed on the premises and food resold to its members and guests and consumed on the  
 2488 premises shall amount to at least 45 percent of its gross receipts from the sale of mixed beverages and food.  
 2489 The food sales made by a restaurant to such a club shall be excluded in any consideration of the qualifications  
 2490 of such restaurant for a license from the Board.

2491 If the restaurant is located on the premises of and operated by a municipal golf course, the Board shall  
 2492 recognize the seasonal nature of the business and waive any applicable monthly food sales requirements for  
 2493 those months when weather conditions may reduce patronage of the golf course, provided that prepared food,  
 2494 including meals, is available to patrons during the same months. The gross receipts from the sale of food  
 2495 cooked, or prepared, and consumed on the premises and nonalcoholic beverages served on the premises, after  
 2496 the issuance of such license, shall amount to at least 45 percent of the gross receipts from the sale of mixed  
 2497 beverages and food on an annualized basis.

2498 If the restaurant is located on the premises of and operated by a culinary lodging resort, such license shall  
 2499 authorize the licensee to (A) sell alcoholic beverages for on-premises consumption, without regard to the  
 2500 amount of gross receipts from the sale of food prepared and consumed on the premises, in areas upon the  
 2501 licensed premises approved by the Board and other designated areas of the resort, including outdoor areas  
 2502 under the control of the licensee, and (B) permit the possession and consumption of lawfully acquired  
 2503 alcoholic beverages by persons to whom overnight lodging is being provided in bedrooms and private guest  
 2504 rooms.

2505 If the restaurant is located on the premises of a mixed beverage casino licensee owned by an operator  
 2506 licensed under Article Chapter 3 (§ 58.1-4108 29.5-300 et seq.) of Chapter 41 of Title 58.1 29.5, such mixed  
 2507 beverage restaurant license shall authorize the licensee to sell alcoholic beverages for on-premises  
 2508 consumption on the licensed premises of the restaurant during all hours of operation of the mixed beverage  
 2509 casino licensee. Any alcoholic beverages purchased from such restaurant may be (I) taken onto the premises  
 2510 of the mixed beverage casino licensee and (II) possessed or consumed in areas designated by the Board, after  
 2511 consultation with the mixed beverage casino licensee. Designated areas may include any areas on the  
 2512 premises of the mixed beverage casino licensee, including entertainment venues, conference rooms, private  
 2513 rooms, hotels, pools, marinas, or green spaces. Alcoholic beverages purchased from a restaurant pursuant to  
 2514 this subdivision shall be contained in glassware or a paper, plastic, or similar disposable container that clearly  
 2515 displays the name or logo of the restaurant from which the alcoholic beverage was purchased.

2516 The granting of a license pursuant to this subdivision shall automatically authorize the licensee to obtain a  
 2517 license to sell and serve wine and beer for on-premises consumption and in closed containers for off-premises  
 2518 consumption; however, the licensee shall be required to pay the local fee required for such additional license  
 2519 pursuant to § 4.1-233.1.

2520 2. Mixed beverage caterer's licenses, which may be granted only to a person regularly engaged in the  
 2521 business of providing food and beverages to others for service at private gatherings or at special events,  
 2522 which shall authorize the licensee to sell and serve alcoholic beverages for on-premises consumption. The  
 2523 annual gross receipts from the sale of food cooked and prepared for service and nonalcoholic beverages  
 2524 served at gatherings and events referred to in this subdivision shall amount to at least 45 percent of the gross  
 2525 receipts from the sale of mixed beverages and food.

2526 3. Mixed beverage limited caterer's licenses, which may be granted only to a person regularly engaged in  
 2527 the business of providing food and beverages to others for service at private gatherings or at special events,  
 2528 not to exceed 12 gatherings or events per year, which shall authorize the licensee to sell and serve alcoholic  
 2529 beverages for on-premises consumption. The annual gross receipts from the sale of food cooked and prepared  
 2530 for service and nonalcoholic beverages served at gatherings and events referred to in this subdivision shall  
 2531 amount to at least 45 percent of the gross receipts from the sale of mixed beverages and food.

2532 4. Mixed beverage carrier licenses to (i) persons operating a common carrier of passengers by train, boat,  
 2533 bus, or airplane, which shall authorize the licensee to sell and serve mixed beverages anywhere in the  
 2534 Commonwealth to passengers while in transit aboard any such common carrier, and in designated rooms of  
 2535 establishments of air carriers at airports in the Commonwealth and (ii) financial institutions, subsidiaries of a  
 2536 financial institution, or persons approved by the applicable airport authority that have entered into a contract  
 2537 with a financial institution or subsidiary of a financial institution to operate a passenger lounge, which shall  
 2538 authorize the licensee to sell and serve mixed beverages in designated areas of a passenger lounge for ticketed

2539 air carrier passengers that is located within an airport in the Commonwealth. For purposes of supplying its  
2540 airplanes, as well as any airplanes of a licensed express carrier flying under the same brand, an air carrier  
2541 licensee may appoint an authorized representative to load alcoholic beverages onto the same airplanes and to  
2542 transport and store alcoholic beverages at or in close proximity to the airport where the alcoholic beverages  
2543 will be delivered onto airplanes of the air carrier and any such licensed express carrier. The air carrier  
2544 licensee shall (a) designate for purposes of its license all locations where the inventory of alcoholic beverages  
2545 may be stored and from which the alcoholic beverages will be delivered onto airplanes of the air carrier and  
2546 any such licensed express carrier and (b) maintain records of all alcoholic beverages to be transported, stored,  
2547 and delivered by its authorized representative. The granting of a license pursuant to this subdivision shall  
2548 automatically authorize the licensee to obtain a license to sell and serve wine and beer for on-premises  
2549 consumption or in closed containers for off-premises consumption; however, the licensee shall be required to  
2550 pay the local fee required for such additional license pursuant to § 4.1-233.1.

2551 For the purposes of this subdivision:

2552 "Financial institution" means any bank, trust company, savings institution, industrial loan association,  
2553 consumer finance company, or credit union.

2554 "Passenger lounge" means any restricted-access passenger waiting room or lounge leased to persons by  
2555 the applicable airport authority in which food and beverage services are provided to ticketed passengers.

2556 5. Annual mixed beverage sports facility licenses to persons operating a sports facility or food concessions  
2557 at a sports facility, which shall authorize the licensee to sell mixed beverages during any event and  
2558 immediately subsequent thereto to patrons within all seating areas, concourses, walkways, concession areas,  
2559 and additional locations designated by the Board (i) in closed containers for off-premises consumption or (ii)  
2560 in paper, plastic, or similar disposable containers or in single original metal cans for on-premises  
2561 consumption. Upon authorization of the licensee, any person may keep and consume his own lawfully  
2562 acquired alcoholic beverages on the premises in all areas and locations covered by the license. The granting  
2563 of a license pursuant to this subdivision shall automatically authorize the licensee to obtain a license to sell  
2564 and serve wine and beer for on-premises consumption or in closed containers for off-premises consumption;  
2565 however, the licensee shall be required to pay the local fee required for such additional license pursuant to  
2566 § 4.1-233.1.

2567 6. Limited mixed beverage restaurant licenses, which shall authorize the licensee to sell and serve dessert  
2568 wines as defined by Board regulation and no more than six varieties of liqueurs, which liqueurs shall be  
2569 combined with coffee or other nonalcoholic beverages, for consumption in dining areas of the restaurant.  
2570 Such license may be granted only to persons who operate a restaurant and in no event shall the sale of such  
2571 wine or liqueur-based drinks, together with the sale of any other alcoholic beverages, exceed 10 percent of  
2572 the total annual gross sales of all food and alcoholic beverages. The granting of a license pursuant to this  
2573 subdivision shall automatically authorize the licensee to obtain a license to sell and serve wine and beer for  
2574 on-premises consumption or in closed containers for off-premises consumption; however, the licensee shall  
2575 be required to pay the local fee required for such additional license pursuant to § 4.1-233.1.

2576 7. Annual mixed beverage performing arts facility licenses, which shall (i) authorize the licensee to sell,  
2577 on the dates of performances or events, alcoholic beverages in paper, plastic, or similar disposable containers  
2578 or in single original metal cans for on-premises consumption in all seating areas, concourses, walkways,  
2579 concession areas, similar facilities, and other areas upon the licensed premises approved by the Board and (ii)  
2580 automatically authorize the licensee to obtain a license to sell and serve wine and beer for on-premises  
2581 consumption or in closed containers for off-premises consumption; however, the licensee shall be required to  
2582 pay the local fee required for such additional license pursuant to § 4.1-233.1. Such licenses may be granted to  
2583 persons operating a performing arts facility or food concessions at a performing arts facility.

2584 8. Combined mixed beverage restaurant and caterer's licenses, which may be granted to any restaurant or  
2585 hotel that meets the qualifications for both a mixed beverage restaurant pursuant to subdivision 1 and mixed  
2586 beverage caterer pursuant to subdivision 2 for the same business location, and which license shall authorize  
2587 the licensee to operate as both a mixed beverage restaurant and mixed beverage caterer at the same business  
2588 premises designated in the license, with a common alcoholic beverage inventory for purposes of the  
2589 restaurant and catering operations. Such licensee shall meet the separate food qualifications established for  
2590 the mixed beverage restaurant license pursuant to subdivision 1 and mixed beverage caterer's license pursuant  
2591 to subdivision 2. The granting of a license pursuant to this subdivision shall automatically authorize the  
2592 licensee to obtain a license to sell and serve wine and beer for on-premises consumption or in closed  
2593 containers for off-premises consumption; however, the licensee shall be required to pay the local fee required  
2594 for such additional license pursuant to § 4.1-233.1.

2595 9. Bed and breakfast licenses, which shall authorize the licensee to (i) serve alcoholic beverages in dining  
2596 areas, private guest rooms, and other designated areas to persons to whom overnight lodging is being  
2597 provided, with or without meals, for on-premises consumption only in such rooms and areas, and without  
2598 regard to the amount of gross receipts from the sale of food prepared and consumed on the premises and (ii)  
2599 permit the consumption of lawfully acquired alcoholic beverages by persons to whom overnight lodging is  
2600 being provided in (a) bedrooms or private guest rooms or (b) other designated areas of the bed and breakfast

2601 establishment. For purposes of this subdivision, "other designated areas" includes outdoor dining areas,  
 2602 whether or not contiguous to the licensed premises, which may have more than one means of ingress and  
 2603 egress to an adjacent public thoroughfare, provided that such outdoor dining areas are under the control of the  
 2604 licensee and approved by the Board. Such noncontiguous designated areas shall not be approved for any retail  
 2605 license issued pursuant to subdivision A 5 of § 4.1-201.

2606 10. Museum licenses, which may be issued to nonprofit museums exempt from taxation under § 501(c)(3)  
 2607 of the Internal Revenue Code, which shall authorize the licensee to (i) permit the consumption of lawfully  
 2608 acquired alcoholic beverages on the premises of the licensee by any bona fide member and guests thereof and  
 2609 (ii) serve alcoholic beverages on the premises of the licensee to any bona fide member and guests thereof.  
 2610 However, alcoholic beverages shall not be sold or charged for in any way by the licensee. The privileges of  
 2611 this license shall be limited to the premises of the museum, regularly occupied and utilized as such.

2612 11. Commercial lifestyle center licenses, which may be issued only to a commercial owners' association  
 2613 governing a commercial lifestyle center, which shall authorize any retail on-premises restaurant licensee that  
 2614 is a tenant of the commercial lifestyle center to sell alcoholic beverages to any bona fide customer to whom  
 2615 alcoholic beverages may be lawfully sold for consumption on that portion of the licensed premises of the  
 2616 commercial lifestyle center designated by the Board, including (i) plazas, seating areas, concourses,  
 2617 walkways, or such other similar areas and (ii) the premises of any tenant location of the commercial lifestyle  
 2618 center that is not a retail licensee of the Board, upon approval of such tenant, but excluding any parking areas.  
 2619 Only alcoholic beverages purchased from such retail on-premises restaurant licensees may be consumed on  
 2620 the licensed premises of the commercial lifestyle center, and such alcoholic beverages shall be contained in  
 2621 paper, plastic, or similar disposable containers with the name or logo of the restaurant licensee that sold the  
 2622 alcoholic beverage clearly displayed. Alcoholic beverages shall not be sold or charged for in any way by the  
 2623 commercial lifestyle center licensee. The licensee shall post appropriate signage clearly demarcating for the  
 2624 public the boundaries of the licensed premises; however, no physical barriers shall be required for this  
 2625 purpose. The licensee shall provide adequate security for the licensed premises to ensure compliance with the  
 2626 applicable provisions of this subtitle and Board regulations.

2627 12. Mixed beverage port restaurant licenses, which shall authorize the licensee to sell and serve mixed  
 2628 beverages for consumption in dining areas and other designated areas of such restaurant. Such license may be  
 2629 granted only to persons operating a business (i) that is primarily engaged in the sale of meals; (ii) that is  
 2630 located on property owned by the United States government or an agency thereof and used as a port of entry  
 2631 to or egress from the United States; and (iii) whose gross receipts from the sale of food cooked, or prepared,  
 2632 and consumed on the premises and nonalcoholic beverages served on the premises, after issuance of such  
 2633 license, amount to at least 45 percent of the gross receipts from the sale of mixed beverages and food. For the  
 2634 purposes of this subdivision, other designated areas shall include outdoor dining areas, whether or not  
 2635 contiguous to the licensed premises, which outdoor dining areas may have more than one means of ingress  
 2636 and egress to an adjacent public thoroughfare, provided such areas are under the control of the licensee and  
 2637 approved by the Board. Such noncontiguous designated areas shall not be approved for any retail license  
 2638 issued pursuant to subdivision A 5 of § 4.1-201. The granting of a license pursuant to this subdivision shall  
 2639 automatically authorize the licensee to obtain a license to sell and serve wine and beer for on-premises  
 2640 consumption or in closed containers for off-premises consumption; however, the licensee shall be required to  
 2641 pay the local fee required for such additional license pursuant to § 4.1-233.1.

2642 13. Annual mixed beverage special events licenses to (i) a duly organized nonprofit corporation or  
 2643 association operating either a performing arts facility or an art education and exhibition facility; (ii) a  
 2644 nonprofit corporation or association chartered by Congress for the preservation of sites, buildings, and objects  
 2645 significant in American history and culture; (iii) persons operating an agricultural event and entertainment  
 2646 park or similar facility that has a minimum of 50,000 square feet of indoor exhibit space and equine and other  
 2647 livestock show areas, which includes barns, pavilions, or other structures equipped with roofs, exterior walls,  
 2648 and open-door or closed-door access; or (iv) a locality for special events conducted on the premises of a  
 2649 museum for historic interpretation that is owned and operated by the locality. The operation in all cases shall  
 2650 be upon premises owned by such licensee or occupied under a bona fide lease, the original term of which was  
 2651 for more than one year's duration. Such license shall authorize the licensee to sell alcoholic beverages during  
 2652 scheduled events and performances for on-premises consumption in areas upon the licensed premises  
 2653 approved by the Board.

2654 14. Mixed beverage casino licenses, which shall authorize the licensee to (i) sell and serve mixed  
 2655 beverages for on-premises consumption in areas designated by the Board, after consultation with the mixed  
 2656 beverage casino licensee, without regard to the amount of gross receipts from the sale of food prepared and  
 2657 consumed on the premises and (ii) provide complimentary mixed beverages to patrons for on-premises  
 2658 consumption in private areas or restricted access areas designated by the Board, after consultation with the  
 2659 mixed beverage casino licensee. Designated areas may include any areas on the premises of the mixed  
 2660 beverage casino licensee, including entertainment venues, private rooms, conference rooms, hotels, pools,  
 2661 marinas, or green spaces. The granting of a license pursuant to this subdivision shall authorize the licensee to  
 2662 obtain a license to sell and serve wine and beer for on-premises consumption and in closed containers for

2663 off-premises consumption in accordance with the provisions of this subdivision governing mixed beverages;  
2664 however, the licensee shall be required to pay the local fee required for such additional license pursuant to  
2665 § 4.1-233.1. Notwithstanding any law or regulation to the contrary, a mixed beverage casino licensee may  
2666 exercise the privileges of its license as set forth in this subdivision during all hours of operation of the casino  
2667 gaming establishment; however, such licensee shall not sell wine or beer for off-premises consumption  
2668 between the hours of 12 a.m. and 6 a.m.

2669 A mixed beverage casino licensee may (a) provide patrons gifts of alcoholic beverages in closed  
2670 containers for personal consumption off the licensed premises or in areas designated by the Board, after  
2671 consultation with the mixed beverage casino licensee, and (b) enable patrons who participate in a loyalty or  
2672 reward credit program to redeem credits for the purchase of alcoholic beverages for on-premises  
2673 consumption. A summary of the operation of such loyalty or reward credit program shall be provided to the  
2674 Board upon request.

2675 A mixed beverage casino license may only be issued to a casino gaming establishment owned by an  
2676 operator licensed under ~~Article Chapter 3~~ (§ 58.1-4108 29.5-300 et seq.) of ~~Chapter~~ 44 of Title 58.1 29.5.

2677 B. The Board may grant an on-and-off-premises wine and beer license to the following:

2678 1. Hotels, restaurants, and clubs, which shall authorize the licensee to sell wine and beer (i) in closed  
2679 containers for off-premises consumption or (ii) for on-premises consumption, either with or without meals, in  
2680 dining areas and other designated areas of such restaurants, or in dining areas, private guest rooms, and other  
2681 designated areas of such hotels or clubs, for consumption only in such rooms and areas. However, with  
2682 regard to a hotel classified by the Board as (a) a resort complex, the Board may authorize the sale and  
2683 consumption of alcoholic beverages in all areas within the resort complex deemed appropriate by the Board  
2684 or (b) a limited service hotel, the Board may authorize the sale and consumption of alcoholic beverages in  
2685 dining areas, private guest rooms, and other designated areas to persons to whom overnight lodging is being  
2686 provided, for on-premises consumption in such rooms or areas, and without regard to the amount of gross  
2687 receipts from the sale of food prepared and consumed on the premises, provided that at least one meal is  
2688 provided each day by the hotel to such guests. With regard to facilities registered in accordance with Chapter  
2689 49 (§ 38.2-4900 et seq.) of Title 38.2 as continuing care communities that are also licensed by the Board  
2690 under this subdivision, any resident may, upon authorization of the licensee, keep and consume his own  
2691 lawfully acquired alcoholic beverages on the premises in all areas covered by the license. For purposes of this  
2692 subdivision, "other designated areas" includes outdoor dining areas, whether or not contiguous to the licensed  
2693 premises, which may have more than one means of ingress and egress to an adjacent public thoroughfare,  
2694 provided that such outdoor dining areas are under the control of the licensee and approved by the Board. Such  
2695 noncontiguous designated areas shall not be approved for any retail license issued pursuant to subdivision A  
2696 5 of § 4.1-201.

2697 2. Hospitals, which shall authorize the licensee to sell wine and beer (i) in the rooms of patients for their  
2698 on-premises consumption only in such rooms, provided the consent of the patient's attending physician is first  
2699 obtained or (ii) in closed containers for off-premises consumption.

2700 3. Rural grocery stores, which shall authorize the licensee to sell wine and beer for on-premises  
2701 consumption or in closed containers for off-premises consumption. No license shall be granted unless (i) the  
2702 grocery store is located in any town or in a rural area outside the corporate limits of any city or town and (ii)  
2703 it appears affirmatively that a substantial public demand for such licensed establishment exists and that public  
2704 convenience and the purposes of this subtitle will be promoted by granting the license.

2705 4. Coliseums, stadiums, and racetracks, which shall authorize the licensee to sell wine and beer during any  
2706 event and immediately subsequent thereto to patrons within all seating areas, concourses, walkways,  
2707 concession areas, and additional locations designated by the Board (i) in closed containers for off-premises  
2708 consumption or (ii) in paper, plastic, or similar disposable containers or in single original metal cans for on-  
2709 premises consumption. Upon authorization of the licensee, any person may keep and consume his own  
2710 lawfully acquired alcoholic beverages on the premises in all areas and locations covered by the license. Such  
2711 licenses may be granted to persons operating food concessions at coliseums, stadiums, racetracks, or similar  
2712 facilities.

2713 5. Performing arts food concessionaires, which shall authorize the licensee to sell wine and beer during  
2714 the performance of any event to patrons within all seating areas, concourses, walkways, or concession areas,  
2715 or other areas approved by the Board (i) in closed containers for off-premises consumption or (ii) in paper,  
2716 plastic, or similar disposable containers or in single original metal cans for on-premises consumption. Upon  
2717 authorization of the licensee, any person may keep and consume his own lawfully acquired alcoholic  
2718 beverages on the premises in all areas and locations covered by the license. Such licenses may be granted to  
2719 persons operating food concessions at any performing arts facility.

2720 6. Exhibition halls, which shall authorize the licensee to sell wine and beer during the event to patrons or  
2721 attendees within all seating areas, exhibition areas, concourses, walkways, concession areas, and such  
2722 additional locations designated by the Board in such facilities (i) in closed containers for off-premises  
2723 consumption or (ii) in paper, plastic, or similar disposable containers or in single original metal cans for on-  
2724 premises consumption. Upon authorization of the licensee, any person may keep and consume his own

2725 lawfully acquired alcoholic beverages on the premises in all areas and locations covered by the license. Such  
 2726 licenses may be granted to persons operating food concessions at exhibition or exposition halls, convention  
 2727 centers, or similar facilities located in any county operating under the urban county executive form of  
 2728 government or any city that is completely surrounded by such county. For purposes of this subdivision,  
 2729 "exhibition or exposition hall" and "convention centers" mean facilities conducting private or public trade  
 2730 shows or exhibitions in an indoor facility having in excess of 100,000 square feet of floor space.

2731 7. Concert and dinner-theaters, which shall authorize the licensee to sell wine and beer during events to  
 2732 patrons or attendees within all seating areas, exhibition areas, concourses, walkways, concession areas, dining  
 2733 areas, and such additional locations designated by the Board in such facilities, for on-premises consumption  
 2734 or in closed containers for off-premises consumption. Persons licensed pursuant to this subdivision shall  
 2735 serve food, prepared on or off premises, whenever wine or beer is served. Such licenses may be granted to  
 2736 persons operating concert or dinner-theater venues on property fronting Natural Bridge School Road in  
 2737 Natural Bridge Station and formerly operated as Natural Bridge High School.

2738 8. Historic cinema houses, which shall authorize the licensee to sell wine and beer, either with or without  
 2739 meals, during any showing of a motion picture to patrons to whom alcoholic beverages may be lawfully sold,  
 2740 for on-premises consumption or in closed containers for off-premises consumption. The privileges of this  
 2741 license shall be limited to the premises of the historic cinema house regularly occupied and utilized as such.

2742 9. Nonprofit museums, which shall authorize the licensee to sell wine and beer for on-premises  
 2743 consumption or in closed containers for off-premises consumption in areas approved by the Board. Such  
 2744 licenses may be granted to persons operating a nonprofit museum exempt from taxation under § 501(c)(3) of  
 2745 the Internal Revenue Code, located in the Town of Front Royal, and dedicated to educating the consuming  
 2746 public about historic beer products. The privileges of this license shall be limited to the premises of the  
 2747 museum, regularly occupied and utilized as such.

2748 C. The Board may grant the following off-premises wine and beer licenses:

2749 1. Retail off-premises wine and beer licenses, which may be granted to a convenience grocery store,  
 2750 delicatessen, drugstore, gift shop, gourmet oyster house, gourmet shop, grocery store, or marina store as  
 2751 defined in § 4.1-100 and Board regulations. Such license shall authorize the licensee to sell wine and beer in  
 2752 closed containers for off-premises consumption and, notwithstanding the provisions of § 4.1-308, to give to  
 2753 any person to whom wine or beer may be lawfully sold a sample of wine or beer for on-premises  
 2754 consumption; however, no single sample shall exceed four ounces of beer or two ounces of wine and no more  
 2755 than 12 ounces of beer or five ounces of wine shall be served to any person per day. The licensee may also  
 2756 give samples of wine and beer in designated areas at events held by the licensee for the purpose of featuring  
 2757 and educating the consuming public about the alcoholic beverages being tasted. With the consent of the  
 2758 licensee, farm wineries, wineries, breweries, distillers, and wholesale licensees or authorized representatives  
 2759 of such licensees may participate in such tastings, including the pouring of samples. The licensee shall  
 2760 comply with any food inventory and sales volume requirements established by Board regulation.

2761 2. Gourmet brewing shop licenses, which shall authorize the licensee to sell to any person to whom wine  
 2762 or beer may be lawfully sold, ingredients for making wine or brewing beer, including packaging, and to rent  
 2763 to such persons facilities for manufacturing, fermenting, and bottling such wine or beer, for off-premises  
 2764 consumption in accordance with subdivision 6 of § 4.1-200.

2765 3. Confectionery licenses, which shall authorize the licensee to prepare and sell on the licensed premises  
 2766 for off-premises consumption confectionery that contains five percent or less alcohol by volume. Any alcohol  
 2767 contained in such confectionery shall not be in liquid form at the time such confectionery is sold.

2768 D. The Board may grant the following banquet, special event, and tasting licenses:

2769 1. Per-day event licenses.

2770 a. Banquet licenses to persons in charge of private banquets, and to duly organized nonprofit corporations  
 2771 or associations in charge of special events, which shall authorize the licensee to sell or give wine and beer in  
 2772 rooms or areas approved by the Board for the occasion for on-premises consumption in such rooms or areas.  
 2773 Licensees who are nonprofit corporations or associations conducting fundraisers (i) shall also be authorized  
 2774 to sell wine, as part of any fundraising activity, in closed containers for off-premises consumption to persons  
 2775 to whom wine may be lawfully sold; (ii) shall be limited to no more than one such fundraiser per year; and  
 2776 (iii) if conducting such fundraiser through an online meeting platform, may ship such wine, in accordance  
 2777 with Board regulations, in closed containers to persons located within the Commonwealth. Except as  
 2778 provided in § 4.1-215, a separate license shall be required for each day of each banquet or special event. For  
 2779 the purposes of this subdivision, when the location named in the original application for a license is outdoors,  
 2780 the application may also name an alternative location in the event of inclement weather. However, no such  
 2781 license shall be required of any hotel, restaurant, or club holding a retail wine and beer license.

2782 b. Mixed beverage special events licenses to a duly organized nonprofit corporation or association in  
 2783 charge of a special event, which shall authorize the licensee to sell and serve mixed beverages for on-  
 2784 premises consumption in areas approved by the Board on the premises of the place designated in the license.  
 2785 A separate license shall be required for each day of each special event.

2786 c. Mixed beverage club events licenses to a club holding a wine and beer club license, which shall

2787 authorize the licensee to sell and serve mixed beverages for on-premises consumption by club members and  
2788 their guests in areas approved by the Board on the club premises. A separate license shall be required for each  
2789 day of each club event. No more than 12 such licenses shall be granted to a club in any calendar year. The  
2790 granting of a license pursuant to this subdivision shall automatically authorize the licensee to obtain a license  
2791 to sell and serve wine and beer for on-premises consumption; however, the licensee shall be required to pay  
2792 the local fee required for such additional license pursuant to § 4.1-233.1.

2793 d. Tasting licenses, which shall authorize the licensee to sell or give samples of alcoholic beverages of the  
2794 type specified in the license in designated areas at events held by the licensee. A tasting license shall be  
2795 issued for the purpose of featuring and educating the consuming public about the alcoholic beverages being  
2796 tasted. A separate license shall be required for each day of each tasting event. No tasting license shall be  
2797 required for conduct authorized by § 4.1-201.1.

2798 2. Annual licenses.

2799 a. Annual banquet licenses to duly organized private nonprofit fraternal, patriotic, or charitable  
2800 membership organizations that are exempt from state and federal taxation and in charge of banquets  
2801 conducted exclusively for members and their guests, which shall authorize the licensee to serve wine and beer  
2802 in rooms or areas approved by the Board for the occasion for on-premises consumption in such rooms or  
2803 areas. Such license shall authorize the licensee to conduct no more than 12 banquets per calendar year. For  
2804 the purposes of this subdivision, when the location named in the original application for a license is outdoors,  
2805 the application may also name an alternative location in the event of inclement weather. However, no such  
2806 license shall be required of any hotel, restaurant, or club holding a retail wine and beer license.

2807 b. Banquet facility licenses to volunteer fire departments and volunteer emergency medical services  
2808 agencies, which shall authorize the licensee to permit the consumption of lawfully acquired alcoholic  
2809 beverages on the premises of the licensee by any person, and bona fide members and guests thereof,  
2810 otherwise eligible for a banquet license. However, lawfully acquired alcoholic beverages shall not be  
2811 purchased or sold by the licensee or sold or charged for in any way by the person permitted to use the  
2812 premises. Such premises shall be a volunteer fire or volunteer emergency medical services agency station or  
2813 both, regularly occupied as such and recognized by the governing body of the county, city, or town in which  
2814 it is located. Under conditions as specified by Board regulation, such premises may be other than a volunteer  
2815 fire or volunteer emergency medical services agency station, provided such other premises are occupied and  
2816 under the control of the volunteer fire department or volunteer emergency medical services agency while the  
2817 privileges of its license are being exercised.

2818 c. Designated outdoor refreshment area licenses to a locality, business improvement district, or nonprofit  
2819 organization, which shall authorize (i) the licensee to permit the consumption of alcoholic beverages within  
2820 the area designated by the Board for the designated outdoor refreshment area and (ii) any permanent retail on-  
2821 premises licensee that is located within the area designated by the Board for the designated outdoor  
2822 refreshment area to sell alcoholic beverages within the permanent retail location for consumption in the area  
2823 designated for the designated outdoor refreshment area, including sidewalks and the premises of businesses  
2824 not licensed to sell alcoholic beverages at retail, upon approval of such businesses. In determining the  
2825 designated area for the designated outdoor refreshment area, the Board shall consult with the locality.  
2826 Designated outdoor refreshment area licensees shall be limited to 16 events per year, and the duration of any  
2827 event shall not exceed three consecutive days. However, the Board may increase the frequency and duration  
2828 of events after adoption of an ordinance by a locality requesting such increase in frequency and duration.  
2829 Such ordinance shall include the size and scope of the area within which such events will be held, a public  
2830 safety plan, and any other considerations deemed necessary by the Board. Such limitations on the number of  
2831 events that may be held shall not apply during the effective dates of any rule, regulation, or order that is  
2832 issued by the Governor or State Health Commissioner to meet a public health emergency and that effectively  
2833 reduces allowable restaurant seating capacity; however, designated outdoor refreshment area licensees shall  
2834 be subject to all other applicable provisions of this subtitle and Board regulations and shall provide notice to  
2835 the Board regarding the days and times during which the privileges of the license will be exercised. Only  
2836 alcoholic beverages purchased from permanent retail on-premises licensees located within the designated area  
2837 may be consumed at the event, and such alcoholic beverages shall be contained in paper, plastic, or similar  
2838 disposable containers that clearly display the name or logo of the retail on-premises licensee from which the  
2839 alcoholic beverage was purchased. Alcoholic beverages shall not be sold or charged for in any way by the  
2840 designated outdoor refreshment area licensee. The designated outdoor refreshment area licensee shall post  
2841 appropriate signage clearly demarcating for the public the boundaries of the event; however, no physical  
2842 barriers shall be required for this purpose. The designated outdoor refreshment area licensee shall provide  
2843 adequate security for the event to ensure compliance with the applicable provisions of this subtitle and Board  
2844 regulations.

2845 d. Annual mixed beverage banquet licenses to duly organized private nonprofit fraternal, patriotic, or  
2846 charitable membership organizations that are exempt from state and federal taxation and in charge of  
2847 banquets conducted exclusively for members and their guests, which shall authorize the licensee to serve  
2848 mixed beverages for on-premises consumption in areas approved by the Board on the premises of the place

2849 designated in the license. Such license shall authorize the licensee to conduct no more than 12 banquets per  
 2850 calendar year. The granting of a license pursuant to this subdivision shall automatically authorize the licensee  
 2851 to obtain a license to sell and serve wine and beer for on-premises consumption; however, the licensee shall  
 2852 be required to pay the local fee required for such additional license pursuant to § 4.1-233.1.

2853 e. Equine sporting event licenses, which may be issued to organizations holding equestrian, hunt, and  
 2854 steeplechase events, which shall authorize the licensee to permit the consumption of lawfully acquired  
 2855 alcoholic beverages on the premises of the licensee by patrons thereof during such event. However, alcoholic  
 2856 beverages shall not be sold or charged for in any way by the licensee. The privileges of this license shall be  
 2857 (i) limited to the premises of the licensee, regularly occupied and utilized for equestrian, hunt, and  
 2858 steeplechase events, and (ii) exercised on no more than four calendar days per year.

2859 f. Annual arts venue event licenses, to persons operating an arts venue, which shall authorize the licensee  
 2860 participating in a community art walk that is open to the public to serve lawfully acquired wine or beer on the  
 2861 premises of the licensee to adult patrons thereof during such events. However, alcoholic beverages shall not  
 2862 be sold or charged for in any way, directly or indirectly, by the licensee, and the licensee shall not give more  
 2863 than two five-ounce glasses of wine or two 12-ounce glasses of beer to any one adult patron. The privileges  
 2864 of this license shall be (i) limited to the premises of the arts venue regularly occupied and used as such and  
 2865 (ii) exercised on no more than 12 calendar days per year.

2866 E. The Board may grant a marketplace license to persons operating a business enterprise of which the  
 2867 primary function is not the sale of alcoholic beverages, which shall authorize the licensee to serve  
 2868 complimentary wine or beer to bona fide customers on the licensed premises subject to any limitations  
 2869 imposed by the Board; however, the licensee shall not give more than two five-ounce glasses of wine or two  
 2870 12-ounce glasses of beer to any customer per day, nor shall it sell or otherwise charge a fee to such customer  
 2871 for the wine or beer served or consumed. In order to be eligible for and retain a marketplace license, the  
 2872 applicant's business enterprise must (i) provide a single category of goods or services in a manner intended to  
 2873 create a personalized experience for the customer; (ii) employ staff with expertise in such goods or services;  
 2874 (iii) be ineligible for any other license granted by the Board; (iv) have an alcoholic beverage control manager  
 2875 on the licensed premises at all times alcohol is served; (v) ensure that all employees satisfy any training  
 2876 requirements imposed by the Board; and (vi) purchase all wine and beer to be served from a licensed  
 2877 wholesaler or the Authority and retain purchase records as prescribed by the Board. In determining whether  
 2878 to grant a marketplace license, the Board shall consider (a) the average amount of time customers spend at the  
 2879 business; (b) the business's hours of operation; (c) the amount of time that the business has been in operation;  
 2880 and (d) any other requirements deemed necessary by the Board to protect the public health, safety, and  
 2881 welfare.

2882 F. The Board may grant the following shipper, bottler, and related licenses:

2883 1. Wine and beer shipper licenses, which shall carry the privileges and limitations set forth in § 4.1-209.1.  
 2884 2. Internet wine and beer retailer licenses, which shall authorize persons located within or outside the  
 2885 Commonwealth to sell and ship wine and beer, in accordance with § 4.1-209.1 and Board regulations, in  
 2886 closed containers to persons in the Commonwealth to whom wine and beer may be lawfully sold for  
 2887 off-premises consumption. Such licensee shall not be required to comply with the monthly food sale  
 2888 requirement established by Board regulations.

2889 3. Bottler licenses, which shall authorize the licensee to acquire and receive deliveries and shipments of  
 2890 beer in closed containers and to bottle, sell, and deliver or ship it, in accordance with Board regulations to (i)  
 2891 wholesale beer licensees for the purpose of resale, (ii) owners of boats registered under the laws of the United  
 2892 States sailing for ports of call of a foreign country or another state, and (iii) persons outside the  
 2893 Commonwealth for resale outside the Commonwealth.

2894 4. Fulfillment warehouse licenses, which shall authorize associations as defined in § 13.1-313 with a place  
 2895 of business located in the Commonwealth to (i) receive deliveries and shipments of wine or beer owned by  
 2896 holders of wine and beer shipper's licenses; (ii) store such wine or beer on behalf of the owner; and (iii) pick,  
 2897 pack, and ship such wine or beer as directed by the owner, all in accordance with Board regulations. No  
 2898 wholesale wine or wholesale beer licensee, whether licensed in the Commonwealth or not, or any person  
 2899 under common control of such licensee, shall acquire or hold any financial interest, direct or indirect, in the  
 2900 business for which any fulfillment warehouse license is issued.

2901 5. Marketing portal licenses, which shall authorize agricultural cooperative associations organized under  
 2902 the provisions of the Agricultural Cooperative Association Act (§ 13.1-312 et seq.), with a place of business  
 2903 located in the Commonwealth, in accordance with Board regulations, to solicit and receive orders for wine or  
 2904 beer through the use of the ~~Internet~~ *internet* from persons in the Commonwealth to whom wine or beer may  
 2905 be lawfully sold, on behalf of holders of wine and beer shipper's licenses. Upon receipt of an order for wine  
 2906 or beer, the licensee shall forward it to a holder of a wine and beer shipper's license for fulfillment. Marketing  
 2907 portal licensees may also accept payment on behalf of the shipper.

2908 **§ 4.1-226. Grounds for which Board shall suspend or revoke licenses.**

2909 The Board shall suspend or revoke any license, other than a brewery license, in which case the Board may  
 2910 impose penalties as provided in § 4.1-227, if it finds that:

2911 1. A licensee has violated or permitted the violation of § 18.2-334 29.5-907, relating to the illegal  
2912 possession of a gambling device, upon the premises for which the Board has granted a license for the sale of  
2913 alcoholic beverages to the public.

2914 2. In the licensed establishment of a mixed beverage licensee there (i) is entertainment of an obscene  
2915 nature, entertainment commonly called stripteasing, topless entertaining, or entertainment that has employees  
2916 who are not clad both above and below the waist or (ii) are employees who solicit the sale of alcoholic  
2917 beverages. The provisions of clause (i) shall not apply to persons operating theaters, concert halls, art centers,  
2918 museums, or similar establishments that are devoted primarily to the arts or theatrical performances, when the  
2919 performances that are presented are expressing matters of serious literary, artistic, scientific, or political  
2920 value.

2921 3. A licensee has defrauded or attempted to defraud the Board, or any federal, state, or local government  
2922 or governmental agency or authority, by making or filing any report, document, or tax return required by  
2923 statute or regulation that is fraudulent or contains a willful or knowing false representation of a material fact  
2924 or has willfully deceived or attempted to deceive the Board, or any federal, state, or local government or  
2925 governmental agency or authority, by making or maintaining business records required by statute or  
2926 regulation that are false or fraudulent.

2927 **§ 6.2-603.1. Savings promotions.**

2928 A. As used in this section, unless the context requires a different meaning:

2929 "Depository institution" means a bank, savings institution, or credit union that is subject to any provision  
2930 of this title and that offers savings accounts, share accounts, certificates of deposit, or other savings products  
2931 or programs.

2932 "Nonqualifying account" means a savings account, share account, certificate of deposit, or other savings  
2933 product or program offered by a depository institution that is not a qualifying account.

2934 "Qualifying account" means a savings account, share account, share certificate, or other savings product  
2935 or program offered by a depository institution through which depositors may obtain chances to win prizes in a  
2936 savings promotion.

2937 "Savings promotion" means a contest or promotion sponsored by a depository institution in which a  
2938 chance of winning designated prizes is obtained by its depositors for the purposes of encouraging depositors  
2939 to build and maintain savings deposits.

2940 B. Any depository institution may sponsor a savings promotion in accordance with the provisions of this  
2941 section, to the extent (i) the savings promotion is not prohibited by federal law or regulation and (ii) the  
2942 savings promotion complies with the following requirements:

2943 1. Participants in the savings promotion shall not be required to provide any consideration in order to  
2944 obtain entries to win. For purposes of this subdivision, participants shall not be deemed to have provided  
2945 consideration due to the requirement that they deposit a specified amount of money for a specified time  
2946 period in a qualifying account in order to obtain entries to win, provided that:

2947 a. The interest rate associated with any such qualifying account is not reduced when compared with other  
2948 comparable nonqualifying accounts offered by any depository institution, to account for the possibility of  
2949 depositors winning specified prizes; and

2950 b. The depository institution does not charge a fee for participating in the savings promotion;

2951 2. All fees charged in connection with a qualifying account shall be comparable with all fees charged in  
2952 connection with other comparable nonqualifying accounts, if any, offered by the depository institution;

2953 3. The savings promotion shall be conducted such that each entry in the savings promotion has an equal  
2954 chance of being drawn;

2955 4. Participants in the savings promotion shall not be required to be present at a prize drawing in order to  
2956 win; and

2957 5. The savings promotion is conducted in a manner that complies with the applicable requirements of  
2958 Chapter 31 (§ 59.1-415 et seq.) of Title 59.1.

2959 C. For purposes of Article 4 (§ 18.2-325 et seq.) of Chapter 8 of Title 18.2 Chapter 9 (§ 29.5-900 et seq.)  
2960 of Title 29.5, a savings promotion offered in accordance with this section shall not constitute illegal gambling  
2961 or otherwise be deemed to entail the promotion of gambling or a lottery.

2962 **§ 8.01-216.3. False claims; civil penalty.**

2963 A. Any person who:

2964 1. Knowingly presents, or causes to be presented, a false or fraudulent claim for payment or approval;

2965 2. Knowingly makes, uses, or causes to be made or used, a false record or statement material to a false or  
2966 fraudulent claim;

2967 3. Conspires to commit a violation of subdivision 1, 2, 4, 5, 6, 7, 8, or 9;

2968 4. Has possession, custody, or control of property or money used, or to be used, by the Commonwealth  
2969 and knowingly delivers, or causes to be delivered, less than all such money or property;

2970 5. Has possession, custody, or control of an illegal gambling device, as defined in § 18.2-325 29.5-900,  
2971 knowing such device is illegal, and knowingly conceals, avoids, or decreases an obligation to pay or transmit  
2972 money to the Commonwealth that is derived from the operation of such device;

2973        6. Manufactures for sale, sells, or distributes an illegal gaming device knowing that such device is or is  
 2974 intended to be operated in the Commonwealth in violation of Article 4 (~~§ 18.2-325 et seq.~~) or Article 1.1:1 (~~§ 18.2-340.15 et seq.~~) of Chapter 8 2 (~~§ 29.5-200 et seq.~~) or 9 (~~§ 29.5-900 et seq.~~) of Title 18.2 29.5;  
 2975        7. Is authorized to make or deliver a document certifying receipt of property used, or to be used, by the  
 2976 Commonwealth and, intending to defraud the Commonwealth, makes or delivers the receipt without  
 2977 completely knowing that the information on the receipt is true;  
 2978        8. Knowingly buys or receives, as a pledge of an obligation or debt, public property from an officer or  
 2980 employee of the Commonwealth who lawfully may not sell or pledge the property; or  
 2981        9. Knowingly makes, uses, or causes to be made or used, a false record or statement material to an  
 2982 obligation to pay or transmit money or property to the Commonwealth or knowingly conceals or knowingly  
 2983 and improperly avoids or decreases an obligation to pay or transmit money or property to the  
 2984 Commonwealth;  
 2985        shall be liable to the Commonwealth for a civil penalty of not less than \$10,957 and not more than  
 2986 \$21,916, except that these lower and upper limits on liability shall automatically be adjusted to equal the  
 2987 amounts allowed under the Federal False Claims Act, 31 U.S.C. § 3729 et seq., as amended, as such penalties  
 2988 in the Federal False Claims Act are adjusted for inflation by the Federal Civil Penalties Inflation Adjustment  
 2989 Act of 1990, as amended (28 U.S.C. § 2461 Note, P.L. 101-410), plus three times the amount of damages  
 2990 sustained by the Commonwealth.

2991        A person violating this section shall be liable to the Commonwealth for reasonable attorney fees and costs  
 2992 of a civil action brought to recover any such penalties or damages. All such fees and costs shall be paid to the  
 2993 Attorney General's Office by the defendant and shall not be included in any damages or civil penalties  
 2994 recovered in a civil action based on a violation of this section.

2995        B. If the court finds that (i) the person committing the violation of this section furnished officials of the  
 2996 Commonwealth responsible for investigating false claims violations with all information known to the person  
 2997 about the violation within 30 days after the date on which the defendant first obtained the information; (ii)  
 2998 such person fully cooperated with any Commonwealth investigation of such violation; (iii) at the time such  
 2999 person furnished the Commonwealth with the information about the violation, no criminal prosecution, civil  
 3000 action, or administrative action had commenced with respect to such violation; and (iv) the person did not  
 3001 have actual knowledge of the existence of an investigation into such violation, the court may assess not less  
 3002 than two times the amount of damages that the Commonwealth sustains because of the act of that person. A  
 3003 person violating this section shall also be liable to the Commonwealth for the costs of a civil action brought  
 3004 to recover any such penalty or damages.

3005        C. For purposes of this section, the terms "knowing" and "knowingly" mean that a person, with respect to  
 3006 information, (i) has actual knowledge of the information; (ii) acts in deliberate ignorance of the truth or  
 3007 falsity of the information; or (iii) acts in reckless disregard of the truth or falsity of the information and  
 3008 require no proof of specific intent to defraud.

3009        D. Except as provided in subdivision A 5, this section shall not apply to claims, records, or statements  
 3010 relating to state or local taxes.

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

3011        A. It ~~shall be~~ is sufficient ground for an action for pretrial levy or seizure or an attachment that the  
 3012 principal defendant or one of the principal defendants:

3013        1. Is a foreign corporation, or is not a resident of ~~this~~ the Commonwealth, and has estate or has debts  
 3014 owing to such defendant within the county or city in which the attachment is, or that such defendant being a  
 3015 nonresident of ~~this~~ the Commonwealth, is entitled to the benefit of any lien, legal or equitable, on property,  
 3016 real or personal, within the county or city in which the attachment is. The word "estate," as herein used,  
 3017 includes all rights or interests of a pecuniary nature which can be protected, enforced, or proceeded against in  
 3018 courts of law or equity;

3019        2. Is removing or is about to remove himself out of ~~this~~ the Commonwealth with intent to change his  
 3020 domicile;

3021        3. Intends to remove, ~~or~~ is removing, or has removed the specific property sued for, ~~or~~ his own estate, or  
 3022 the proceeds of the sale of his property, or a material part of such estate or proceeds, out of ~~this~~ the  
 3023 Commonwealth so that there will probably not be therein effects of such debtor sufficient to satisfy the claim  
 3024 when judgment is obtained therefor should only the ordinary process of law be used to obtain the judgment;

3025        4. Is converting, is about to convert, or has converted his property of whatever kind, or some part thereof,  
 3026 into money, securities, or evidences of debt with intent to hinder, delay, or defraud his creditors;

3027        5. Has assigned or disposed of, or is about to assign or dispose of, his estate, or some part thereof, with  
 3028 intent to hinder, delay, or defraud his creditors;

3029        6. Has absconded or is about to abscond or has concealed or is about to conceal himself or his property to  
 3030 the injury of his creditors, or is a fugitive from justice;

3031        7. Has conducted, financed, managed, supervised, directed, sold, or owned a gambling device that is  
 3032 located in an unregulated location pursuant to ~~§ 18.2-331.1~~ 29.5-908;

3033        8. Has violated any provision of law related to charitable gaming pursuant to Article 1.1:1 (~~§ 18.2-340.15~~

3035 *et seq.*) of Chapter 8 2 (§ 29.5-200 *et seq.*) of Title 18.2 29.5.

3036 The intent mentioned in subdivisions 4 and 5 may be stated either in the alternative or conjunctive.

3037 B. It shall be sufficient ground for an action for pretrial levy or seizure or an attachment if the specific  
3038 personal property sought to be levied or seized:

3039 1. Will be sold, removed, secreted, or otherwise disposed of by the defendant, in violation of an obligation  
3040 to the plaintiff, so as not to be forthcoming to answer the final judgment of the court respecting the same; or

3041 2. Will be destroyed, or materially damaged or injured if permitted to remain in the possession of the  
3042 principal defendant or one of the principal defendants or other person or persons claiming under them.

3043 C. In an action for rent, it also shall be a sufficient ground if there is an immediate danger that the  
3044 property subject to the landlord's lien for rent will be destroyed or concealed.

3045 **§ 11-16.1. Exemption from the chapter.**

3046 This chapter shall not apply to any bet, wager, or casino gaming permitted by Chapter 44 3 (§ 58.1-4100  
3047 29.5-300 *et seq.*) of Title 58.1 29.5 or to any contract, conduct, or transaction arising from conduct lawful  
3048 thereunder.

3049 **§ 11-16.2. Exemption; authorized sports betting.**

3050 This chapter shall not apply to any sports betting or related activity that is lawful under Article 2 (§  
3051 58.1-4030 *et seq.*) of Chapter 40 4 (§ 29.5-400 *et seq.*) of Title 58.1 29.5.

3052 **§ 15.2-912.2. Proceeds exempt from local taxation.**

3053 No locality may impose a gross receipts, entertainment, admission, or any other tax based on revenues of  
3054 qualified organizations derived from the conduct of charitable gaming.

3055 The definitions set forth in § 18.2-340.16 29.5-200 shall apply to this section.

3056 **§ 15.2-2825. Smoking in restaurants prohibited; exceptions; posting of signs; penalty for violation.**

3057 A. Effective December 1, 2009, smoking shall be prohibited and no person shall smoke in any restaurant  
3058 in the Commonwealth or in any restroom within such restaurant, except that smoking may be permitted in:

3059 1. Any place or operation that prepares or stores food for distribution to persons of the same business  
3060 operation or of a related business operation for service to the public. Examples of such places or operations  
3061 include the preparation or storage of food for catering services, pushcart operations, hotdog stands, and other  
3062 mobile points of service;

3063 2. Any outdoor area of a restaurant, with or without roof covering, at such times when such outdoor area  
3064 is not enclosed in whole or in part by any screened walls, roll-up doors, windows, or other seasonal or  
3065 temporary enclosures;

3066 3. Any restaurants located on the premises of any manufacturer of tobacco products;

3067 4. Any portion of a restaurant that is used exclusively for private functions, provided such functions are  
3068 limited to those portions of the restaurant that meet the requirements of subdivision 5;

3069 5. Any portion of a restaurant that is constructed in such a manner that the area where smoking may be  
3070 permitted is (i) structurally separated from the portion of the restaurant in which smoking is prohibited and to  
3071 which ingress and egress is through a door and (ii) separately vented to prevent the recirculation of air from  
3072 such area to the area of the restaurant where smoking is prohibited. At least one public entrance to the  
3073 restaurant shall be into an area of the restaurant where smoking is prohibited. For the purposes of the  
3074 preceding sentence, nothing shall be construed to require the creation of an additional public entrance in cases  
3075 where the only public entrance to a restaurant in existence as of December 1, 2009, is through an outdoor area  
3076 described in subdivision 2;

3077 6. Any private club; and

3078 7. Any portion of a facility licensed to conduct casino gaming pursuant to Chapter 44 3 (§ 58.1-4100  
3079 29.5-300 *et seq.*) of Title 58.1 29.5 designated pursuant to the provisions of and that meets the requirements  
3080 of § 15.2-2827. Any restaurant within a facility licensed to conduct casino gaming shall comply with the  
3081 provisions of this section.

3082 B. For the purposes of this section:

3083 "Proprietor" means the owner, lessee, or other person who ultimately controls the activities within the  
3084 restaurant. The term "proprietor" includes corporations, associations, or partnerships as well as individuals.

3085 "Structurally separated" means a stud wall covered with drywall or other building material or other like  
3086 barrier, which, when completed, extends from the floor to the ceiling, resulting in a physically separated  
3087 room. Such wall or barrier may include portions that are glass or other gas-impervious building material.

3088 C. No individual who is wait staff or bus staff in a restaurant shall be required by the proprietor to work in  
3089 any area of the restaurant where smoking may be permitted without the consent of such individual. Nothing  
3090 in this subsection shall be interpreted to create a cause of action against such proprietor.

3091 D. The proprietor of any restaurant shall:

3092 1. Post signs stating "No Smoking" or containing the international "No Smoking" symbol, consisting of a  
3093 pictorial representation of a burning cigarette enclosed in a red circle with a bar across it, clearly and  
3094 conspicuously in every restaurant where smoking is prohibited in accordance with this section; and

3095 2. Remove all ashtrays and other smoking paraphernalia from any area in the restaurant where smoking is  
3096 prohibited in accordance with this section.

3097        E. Any proprietor of a restaurant who fails to comply with the requirements of this section shall be subject  
 3098 to the civil penalty of not more than \$25.

3099        F. No person shall smoke in any area of a restaurant in which smoking is prohibited as provided in this  
 3100 section. Any person who continues to smoke in such area after having been asked to refrain from smoking  
 3101 shall be subject to a civil penalty of not more than \$25.

3102        G. It shall be an affirmative defense to a complaint brought against a proprietor for a violation of this  
 3103 section that the proprietor or an employee of such proprietor:

3104        1. Posted a "No Smoking" sign as required;

3105        2. Removed all ashtrays and other smoking paraphernalia from all areas where smoking is prohibited;

3106        3. Refused to seat or serve any individual who was smoking in a prohibited area; and

3107        4. If the individual continued to smoke after an initial warning, asked the individual to leave the  
 3108 establishment.

3109        H. Civil penalties assessed under this section shall be paid into the Virginia Health Care Fund established  
 3110 under § 32.1-366.

3111        I. Any local health department or its designee shall, while inspecting a restaurant as otherwise required by  
 3112 law, inspect for compliance with this section.

3113        **§ 18.2-513. Definitions.**

3114        As used in this chapter:

3115        "Criminal street gang" means the same as that term is defined in § 18.2-46.1.

3116        "Enterprise" includes any of the following: sole proprietorship, partnership, corporation, business trust,  
 3117 criminal street gang, or other group of three or more individuals associated for the purpose of criminal  
 3118 activity.

3119        "Proceeds" means the same as that term is defined in § 18.2-246.2.

3120        "Racketeering activity" means to commit, attempt to commit, or conspire to commit or to solicit, coerce,  
 3121 or intimidate another person to commit two or more of the following offenses: Article 2.1 (§ 18.2-46.1 et  
 3122 seq.) of Chapter 4, § 18.2-460; a felony offense of § 3.2-4212, 3.2-4219, 10.1-1455, 18.2-31, 18.2-32,  
 3123 18.2-32.1, 18.2-33, or 18.2-35, Article 2.2 (§ 18.2-46.4 et seq.) of Chapter 4, § 18.2-47, 18.2-48, 18.2-48.1,  
 3124 18.2-49, 18.2-51, 18.2-51.2, 18.2-52, 18.2-53, 18.2-55, 18.2-58, 18.2-59, 18.2-77, 18.2-79, 18.2-80, 18.2-89,  
 3125 18.2-90, 18.2-91, 18.2-92, 18.2-93, 18.2-95, 18.2-96, or 18.2-103.1, Article 4 (§ 18.2-111 et seq.) of Chapter  
 3126 5, Article 1 (§ 18.2-168 et seq.) of Chapter 6, § 18.2-178 or 18.2-186, Article 6 (§ 18.2-191 et seq.) of  
 3127 Chapter 6, Article 9 (§ 18.2-246.1 et seq.) of Chapter 6, § 18.2-246.13, Article 1 (§ 18.2-247 et seq.) of  
 3128 Chapter 7, § 18.2-279, 18.2-286.1, 18.2-289, 18.2-300, 18.2-308.2, 18.2-308.2:1, ~~18.2-328~~, 18.2-346,  
 3129 18.2-346.01, 18.2-348, 18.2-348.1, 18.2-349, 18.2-355, 18.2-356, 18.2-357, 18.2-357.1, 18.2-368, 18.2-369,  
 3130 or 18.2-374.1, Article 8 (§ 18.2-433.1 et seq.) of Chapter 9, Article 1 (§ 18.2-434 et seq.) of Chapter 10,  
 3131 Article 2 (§ 18.2-438 et seq.) of Chapter 10, Article 3 (§ 18.2-446 et seq.) of Chapter 10, Article 1.1  
 3132 (§ 18.2-498.1 et seq.) of Chapter 12, § 3.2-6571, 18.2-516, 29.5-904, 32.1-314, 58.1-1008.2, 58.1-1017, or  
 3133 58.1-1017.1; or any substantially similar offenses under the laws of any other state, the District of Columbia,  
 3134 or the United States or its territories.

3135        **§ 19.2-66. When Attorney General or Chief Deputy Attorney General may apply for order  
 3136 authorizing interception of communications.**

3137        A. The Attorney General or Chief Deputy Attorney General, if the Attorney General so designates in  
 3138 writing, in any case where the Attorney General is authorized by law to prosecute or pursuant to a request in  
 3139 his official capacity of an attorney for the Commonwealth in any city or county, may apply to a judge of  
 3140 competent jurisdiction for an order authorizing the interception of wire, electronic, or oral communications  
 3141 by the Department of State Police, when such interception may reasonably be expected to provide evidence  
 3142 of the commission of a felonious offense of extortion, bribery, kidnapping, murder, any felony violation of  
 3143 § 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  
 3144 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.),  
 3145 Article 5 (§ 18.2-58 et seq.), Article 6 (§ 18.2-59 et seq.), or any felonies that are not Class 6 felonies in  
 3146 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.)~~  
 3147 ~~of Title 29.5~~, or any conspiracy to commit any of the foregoing offenses. The Attorney General or Chief  
 3148 Deputy Attorney General may apply for authorization for the observation or monitoring of the interception by  
 3149 a police department of a county or city, by a sheriff's office, or by law-enforcement officers of the United  
 3150 States. Such application shall be made, and such order may be granted, in conformity with the provisions of  
 3151 § 19.2-68.

3152        B. The application for an order under subsection B of § 19.2-68 shall be made as follows:

3153        1. In the case of an application for a wire or electronic interception, a judge of competent jurisdiction shall  
 3154 have the authority to issue an order under subsection B of § 19.2-68 if there is probable cause to believe that  
 3155 an offense was committed, is being committed, or will be committed or the person or persons whose  
 3156 communications are to be intercepted live, work, subscribe to a wire or electronic communication system,  
 3157 maintain an address or a post office box, or are making the communication within the territorial jurisdiction  
 3158 of the court.

3159       2. In the case of an application for an oral intercept, a judge of competent jurisdiction shall have the  
3160 authority to issue an order under subsection B of § 19.2-68 if there is probable cause to believe that an  
3161 offense was committed, is being committed, or will be committed or the physical location of the oral  
3162 communication to be intercepted is within the territorial jurisdiction of the court.

3163       C. For the purposes of an order entered pursuant to subsection B of § 19.2-68 for the interception of a wire  
3164 or electronic communication, such communication shall be deemed to be intercepted in the jurisdiction where  
3165 the order is entered, regardless of the physical location or the method by which the communication is  
3166 captured or routed to the monitoring location.

3167       **§ 19.2-215.1. Functions of a multi-jurisdiction grand jury.**

3168       The functions of a multi-jurisdiction grand jury are:

3169       1. To investigate any condition that involves or tends to promote criminal violations of:  
3170       a. Title 10.1 for which punishment as a felony is authorized;  
3171       b. Section 13.1-520;  
3172       c. Sections 18.2-47 and 18.2-48;  
3173       d. Sections 18.2-111 and 18.2-112;  
3174       e. Article 6 (§ 18.2-59 et seq.) of Chapter 4 of Title 18.2;  
3175       f. Article 7.1 (§ 18.2-152.1 et seq.) of Chapter 5 of Title 18.2;  
3176       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;  
3177       h. Article 4 (§ 18.2-325 et seq.) and Article 4.1:1 (§ 18.2-340.15 et seq.) of Chapter 8 of Title 18.2;  
3178       **Chapter 29 Chapters 2 (§ 59.1-364 29.5-200 et seq.), 6 (§ 29.5-600 et seq.), and 9 (§ 29.5-900 et seq.) of**  
3179       Title 59.1 29.5 or any other provision prohibiting, limiting, regulating, or otherwise affecting gaming or  
3180       gambling activity;

3181       i. Section 18.2-434, when violations occur before a multi-jurisdiction grand jury;  
3182       j. Article 2 (§ 18.2-438 et seq.) and Article 3 (§ 18.2-446 et seq.) of Chapter 10 of Title 18.2;  
3183       k. Section 18.2-460 for which punishment as a felony is authorized;  
3184       l. Article 1.1 (§ 18.2-498.1 et seq.) of Chapter 12 of Title 18.2;  
3185       m. Article 1 (§ 32.1-310 et seq.) of Chapter 9 of Title 32.1;  
3186       n. Chapter 4.2 (§ 59.1-68.6 et seq.) of Title 59.1;  
3187       o. Article 9 (§ 3.2-6570 et seq.) of Chapter 65 of Title 3.2;  
3188       p. Article 1 (§ 18.2-30 et seq.) of Chapter 4 of Title 18.2;  
3189       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;  
3190       r. Article 5 (§ 18.2-186 et seq.) and Article 6 (§ 18.2-191 et seq.) of Chapter 6 of Title 18.2;  
3191       s. Chapter 6.1 (§ 59.1-92.1 et seq.) of Title 59.1;  
3192       t. Section 18.2-178 where the violation involves insurance fraud;  
3193       u. Section 18.2-346.01, 18.2-348, or 18.2-349 for which punishment as a felony is authorized or  
3194       § 18.2-355, 18.2-356, 18.2-357, or 18.2-357.1;  
3195       v. Article 9 (§ 18.2-246.1 et seq.) of Chapter 6 of Title 18.2;  
3196       w. Article 2 (§ 18.2-38 et seq.) of Chapter 4 of Title 18.2;  
3197       x. Malicious felonious assault and malicious bodily wounding under Article 4 (§ 18.2-51 et seq.) of  
3198       Chapter 4 of Title 18.2;

3199       y. Article 5 (§ 18.2-58 et seq.) of Chapter 4 of Title 18.2;  
3200       z. Felonious sexual assault under Article 7 (§ 18.2-61 et seq.) of Chapter 4 of Title 18.2;  
3201       aa. Arson in violation of § 18.2-77 when the structure burned was occupied or a Class 3 felony violation  
3202       of § 18.2-79;  
3203       ab. Chapter 13 (§ 18.2-512 et seq.) of Title 18.2;  
3204       ac. Section 18.2-246.14 and Chapter 10 (§ 58.1-1000 et seq.) of Title 58.1;  
3205       ad. Subsection A or B of § 18.2-57 where the victim was selected because of his race, religious  
3206       conviction, gender, disability, gender identity, sexual orientation, color, or *ethnic or* national origin;  
3207       ae. Section 18.2-121 for which punishment as a felony is authorized;  
3208       af. Article 5 (§ 18.2-420 et seq.) of Chapter 9 of Title 18.2;  
3209       ag. §§ 18.2-178.1 and 18.2-178.2;  
3210       ah. § 18.2-369; and  
3211       ai. Any other provision of law when such condition is discovered in the course of an investigation that a  
3212       multi-jurisdiction grand jury is otherwise authorized to undertake and to investigate any condition that  
3213       involves or tends to promote any attempt, solicitation, or conspiracy to violate the laws enumerated in this  
3214       section.

3215       2. To report evidence of any criminal offense enumerated in subdivision 1 and for which a court reporter  
3216       has recorded all oral testimony as provided by § 19.2-215.9 to the attorney for the Commonwealth or United  
3217       States attorney of any jurisdiction where such offense could be prosecuted or investigated, or to the chief  
3218       law-enforcement officer of any jurisdiction where such offense could be prosecuted or investigated, or to a  
3219       sworn investigator designated pursuant to § 19.2-215.6, or, when appropriate, to the Attorney General.

3220       3. To consider bills of indictment prepared by a special counsel to determine whether there is sufficient

3221 probable cause to return each such indictment as a "true bill." Only bills of indictment which allege an  
 3222 offense enumerated in subdivision 1 may be submitted to a multi-jurisdiction grand jury.

3223 4. The provisions of this section shall not abrogate the authority of an attorney for the Commonwealth in a  
 3224 particular jurisdiction to determine the course of a prosecution in that jurisdiction.

3225 **§ 19.2-389. (Effective until July 1, 2026) Dissemination of criminal history record information.**

3226 A. Criminal history record information shall be disseminated, whether directly or through an intermediary,  
 3227 only to:

3228 1. Authorized officers or employees of criminal justice agencies, as defined by § 9.1-101, for purposes of  
 3229 the administration of criminal justice and the screening of an employment application or review of  
 3230 employment by a criminal justice agency with respect to its own employees or applicants, and dissemination  
 3231 to the Virginia Parole Board, pursuant to this subdivision, of such information on all state-responsible  
 3232 inmates for the purpose of making parole determinations pursuant to subdivisions 1, 2, 3, 4, and 6 of  
 3233 § 53.1-136 shall include collective dissemination by electronic means every 30 days. For purposes of this  
 3234 subdivision, criminal history record information includes information sent to the Central Criminal Records  
 3235 Exchange pursuant to §§ 37.2-819 and 64.2-2014 when disseminated to any full-time or part-time employee  
 3236 of the State Police, a police department or sheriff's office that is a part of or administered by the  
 3237 Commonwealth or any political subdivision thereof, and who is responsible for the prevention and detection  
 3238 of crime and the enforcement of the penal, traffic, or highway laws of the Commonwealth for the purposes of  
 3239 the administration of criminal justice;

3240 2. Such other individuals and agencies that require criminal history record information to implement a  
 3241 state or federal statute or executive order of the President of the United States or Governor that expressly  
 3242 refers to criminal conduct and contains requirements or exclusions expressly based upon such conduct, except  
 3243 that information concerning the arrest of an individual may not be disseminated to a noncriminal justice  
 3244 agency or individual if an interval of one year has elapsed from the date of the arrest and no disposition of the  
 3245 charge has been recorded and no active prosecution of the charge is pending;

3246 3. Individuals and agencies pursuant to a specific agreement with a criminal justice agency to provide  
 3247 services required for the administration of criminal justice pursuant to that agreement which shall specifically  
 3248 authorize access to data, limit the use of data to purposes for which given, and ensure the security and  
 3249 confidentiality of the data;

3250 4. Individuals and agencies for the express purpose of research, evaluative, or statistical activities pursuant  
 3251 to an agreement with a criminal justice agency that shall specifically authorize access to data, limit the use of  
 3252 data to research, evaluative, or statistical purposes, and ensure the confidentiality and security of the data;

3253 5. Agencies of state or federal government that are authorized by state or federal statute or executive order  
 3254 of the President of the United States or Governor to conduct investigations determining employment  
 3255 suitability or eligibility for security clearances allowing access to classified information;

3256 6. Individuals and agencies where authorized by court order or court rule;

3257 7. Agencies of any political subdivision of the Commonwealth, public transportation companies owned,  
 3258 operated, or controlled by any political subdivision, and any public service corporation that operates a public  
 3259 transit system owned by a local government for the conduct of investigations of applicants for employment,  
 3260 permit, or license whenever, in the interest of public welfare or safety, it is necessary to determine under a  
 3261 duly enacted ordinance if the past criminal conduct of a person with a conviction record would be compatible  
 3262 with the nature of the employment, permit, or license under consideration;

3263 7a. Commissions created pursuant to the Transportation District Act of 1964 (§ 33.2-1900 et seq.) of Title  
 3264 33.2 and their contractors, for the conduct of investigations of individuals who have been offered a position  
 3265 of employment whenever, in the interest of public welfare or safety and as authorized in the Transportation  
 3266 District Act of 1964, it is necessary to determine if the past criminal conduct of a person with a conviction  
 3267 record would be compatible with the nature of the employment under consideration;

3268 8. Public or private agencies when authorized or required by federal or state law or interstate compact to  
 3269 investigate (i) applicants for foster or adoptive parenthood or (ii) any individual, and the adult members of  
 3270 that individual's household, with whom the agency is considering placing a child or from whom the agency is  
 3271 considering removing a child due to abuse or neglect, on an emergency, temporary, or permanent basis  
 3272 pursuant to §§ 63.2-901.1 and 63.2-1505, subject to the restriction that the data shall not be further  
 3273 disseminated to any party other than a federal or state authority or court as may be required to comply with an  
 3274 express requirement of law;

3275 9. To the extent permitted by federal law or regulation, public service companies, as defined in § 56-1, for  
 3276 the conduct of investigations of applicants for employment when such employment involves personal contact  
 3277 with the public or when past criminal conduct of an applicant would be incompatible with the nature of the  
 3278 employment under consideration;

3279 10. The appropriate authority for purposes of granting citizenship and for purposes of international travel,  
 3280 including, but not limited to, issuing visas and passports;

3281 11. A person requesting a copy of his own criminal history record information, as defined in § 9.1-101, at  
 3282 his cost, except that criminal history record information shall be supplied at no charge to a person who has

3283 applied to be a volunteer with (i) a Virginia affiliate of Big Brothers/Big Sisters of America; (ii) a volunteer  
3284 fire company; (iii) the Volunteer Emergency Families for Children; (iv) any affiliate of Prevent Child Abuse,  
3285 Virginia; (v) any Virginia affiliate of Compeer; or (vi) any board member or any individual who has been  
3286 offered membership on the board of a Crime Stoppers, ~~Crime Solvers or Crime Line~~ *crime solvers, or crime*  
3287 *line* program, as defined in § 15.2-1713.1;

3288 12. Administrators and board presidents of and applicants for licensure or registration as a child welfare  
3289 agency, as defined in § 63.2-100, for dissemination to the Commissioner of Social Services' representative  
3290 pursuant to § 63.2-1702 for the conduct of investigations with respect to employees of and volunteers at such  
3291 facilities, caretakers, and foster and adoptive parent applicants of private child-placing agencies, pursuant to  
3292 §§ 63.2-1719, 63.2-1720, and 63.2-1721, subject to the restriction that the data shall not be further  
3293 disseminated by the facility or agency to any party other than the data subject, the Commissioner of Social  
3294 Services' representative or a federal or state authority or court as may be required to comply with an express  
3295 requirement of law for such further dissemination; however, nothing in this subdivision shall be construed to  
3296 prohibit the Commissioner of Social Services' representative from issuing written certifications regarding the  
3297 results of a background check that was conducted before July 1, 2021, in accordance with subsection J of  
3298 § 22.1-289.035 or § 22.1-289.039;

3299 13. The Department of Social Services for the purpose of screening individuals as a condition of licensure,  
3300 employment, volunteering, or providing services on a regular basis in a licensed child welfare agency  
3301 pursuant to §§ 63.2-1721 and 63.2-1726 or foster or adoptive home approved by a child-placing agency  
3302 pursuant to § 63.2-901.1;

3303 14. The school boards of the Commonwealth for the purpose of screening individuals who are offered or  
3304 who accept public school employment and those current school board employees for whom a report of arrest  
3305 has been made pursuant to § 19.2-83.1;

3306 15. The Virginia Lottery for the conduct of investigations as set forth in the Virginia Lottery Law (§  
3307 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,~~  
3308 ~~and the Department of Agriculture and Consumer Services, the Virginia Gaming Commission~~ for the conduct  
3309 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  
3310 (§ 29.5-200 et seq.), 3 (§ 29.5-300 et seq.), and 6 (§ 29.5-600 et seq.) of Title 29.5, and the Virginia Racing  
3311 Commission for the conduct of investigations set forth in Chapter 6 (§ 29.5-600 et seq.) of Title 29.5;

3312 16. Licensed nursing homes, hospitals, and home care organizations for the conduct of investigations of  
3313 applicants for compensated employment in licensed nursing homes pursuant to § 32.1-126.01, hospital  
3314 pharmacies pursuant to § 32.1-126.02, and home care organizations pursuant to § 32.1-162.9:1, subject to the  
3315 limitations set out in subsection E;

3316 17. Licensed assisted living facilities and licensed adult day centers for the conduct of investigations of  
3317 applicants for compensated employment in licensed assisted living facilities and licensed adult day centers  
3318 pursuant to § 63.2-1720, subject to the limitations set out in subsection F;

3319 18. The Virginia Alcoholic Beverage Control Authority for the conduct of investigations as set forth in  
3320 § 4.1-103.1;

3321 19. The State Board of Elections and authorized officers and employees thereof and general registrars  
3322 appointed pursuant to § 24.2-110 in the course of conducting necessary investigations with respect to voter  
3323 registration, limited to any record of felony convictions;

3324 20. The Commissioner of Behavioral Health and Developmental Services (the Commissioner) or his  
3325 designees for individuals who are committed to the custody of or being evaluated by the Commissioner  
3326 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,  
3327 19.2-182.8, and 19.2-182.9 where such information may be beneficial for the purpose of placement,  
3328 evaluation, treatment, or discharge planning;

3329 21. Any alcohol safety action program certified by the Commission on the Virginia Alcohol Safety Action  
3330 Program for (i) interventions with first offenders under § 18.2-251 or (ii) services to offenders under  
3331 § 18.2-51.4, 18.2-266, or 18.2-266.1;

3332 22. Residential facilities for juveniles regulated or operated by the Department of Social Services, the  
3333 Department of Education, or the Department of Behavioral Health and Developmental Services for the  
3334 purpose of determining applicants' fitness for employment or for providing volunteer or contractual services;

3335 23. The Department of Behavioral Health and Developmental Services and facilities operated by the  
3336 Department for the purpose of determining an individual's fitness for employment pursuant to departmental  
3337 instructions;

3338 24. Pursuant to § 22.1-296.3, the governing boards or administrators of private elementary or secondary  
3339 schools which are accredited pursuant to § 22.1-19 or a private organization coordinating such records  
3340 information on behalf of such governing boards or administrators pursuant to a written agreement with the  
3341 Department of State Police;

3342 25. Public institutions of higher education and nonprofit private institutions of higher education for the  
3343 purpose of screening individuals who are offered or accept employment;

3344 26. Members of a threat assessment team established by a local school board pursuant to § 22.1-79.4, by a

3345 public institution of higher education pursuant to § 23.1-805, or by a private nonprofit institution of higher  
 3346 education, for the purpose of assessing or intervening with an individual whose behavior may present a threat  
 3347 to safety; however, no member of a threat assessment team shall redisclose any criminal history record  
 3348 information obtained pursuant to this section or otherwise use any record of an individual beyond the purpose  
 3349 that such disclosure was made to the threat assessment team;

3350 27. Executive directors of community services boards or the personnel director serving the community  
 3351 services board for the purpose of determining an individual's fitness for employment, approval as a sponsored  
 3352 residential service provider, permission to enter into a shared living arrangement with a person receiving  
 3353 medical assistance services pursuant to a waiver, or permission for any person under contract with the  
 3354 community services board to serve in a direct care position on behalf of the community services board  
 3355 pursuant to §§ 37.2-506, 37.2-506.1, and 37.2-607;

3356 28. Executive directors of behavioral health authorities, as defined in § 37.2-600, for the purpose of  
 3357 determining an individual's fitness for employment, approval as a sponsored residential service provider,  
 3358 permission to enter into a shared living arrangement with a person receiving medical assistance services  
 3359 pursuant to a waiver, or permission for any person under contract with the behavioral health authority to  
 3360 serve in a direct care position on behalf of the behavioral health authority pursuant to §§ 37.2-506,  
 3361 37.2-506.1, and 37.2-607;

3362 29. The Commissioner of Social Services for the purpose of locating persons who owe child support or  
 3363 who are alleged in a pending paternity proceeding to be a putative father, provided that only the name,  
 3364 address, demographics, and social security number of the data subject shall be released;

3365 30. Authorized officers or directors of agencies licensed pursuant to Article 2 (§ 37.2-403 et seq.) of  
 3366 Chapter 4 of Title 37.2 by the Department of Behavioral Health and Developmental Services for the purpose  
 3367 of determining if any applicant who accepts employment in any direct care position or requests approval as a  
 3368 sponsored residential service provider, permission to enter into a shared living arrangement with a person  
 3369 receiving medical assistance services pursuant to a waiver, or permission for any person under contract with  
 3370 the provider to serve in a direct care position has been convicted of a crime that affects his fitness to have  
 3371 responsibility for the safety and well-being of individuals with mental illness, intellectual disability, or  
 3372 substance abuse pursuant to §§ 37.2-416, 37.2-416.1, 37.2-506, 37.2-506.1, and 37.2-607;

3373 31. The Commissioner of the Department of Motor Vehicles, for the purpose of evaluating applicants for,  
 3374 and holders of, a motor carrier certificate or license subject to the provisions of Chapters 20 (§ 46.2-2000 et  
 3375 seq.) and 21 (§ 46.2-2100 et seq.) of Title 46.2;

3376 32. The *Chairman Chair* of the Senate Committee for Courts of Justice or the *Chairman Chair* of the  
 3377 House Committee for Courts of Justice for the purpose of determining if any person being considered for  
 3378 election to any judgeship has been convicted of a crime;

3379 33. Heads of state agencies in which positions have been identified as sensitive for the purpose of  
 3380 determining an individual's fitness for employment in positions designated as sensitive under Department of  
 3381 Human Resource Management policies developed pursuant to § 2.2-1201.1;

3382 34. The Office of the Attorney General; for all criminal justice activities otherwise permitted under  
 3383 subdivision A 1 and for purposes of performing duties required by the Civil Commitment of Sexually Violent  
 3384 Predators Act (§ 37.2-900 et seq.);

3385 35. Shipyards, to the extent permitted by federal law or regulation, engaged in the design, construction,  
 3386 overhaul, or repair of nuclear vessels for the United States Navy, including their subsidiary companies, for  
 3387 the conduct of investigations of applications for employment or for access to facilities, by contractors, leased  
 3388 laborers, and other visitors;

3389 36. Any employer of individuals whose employment requires that they enter the homes of others; for the  
 3390 purpose of screening individuals who apply for, are offered, or have accepted such employment;

3391 37. Public agencies when and as required by federal or state law to investigate (i) applicants as providers  
 3392 of adult foster care and home-based services or (ii) any individual with whom the agency is considering  
 3393 placing an adult on an emergency, temporary, or permanent basis pursuant to § 63.2-1601.1, subject to the  
 3394 restriction that the data shall not be further disseminated by the agency to any party other than a federal or  
 3395 state authority or court as may be required to comply with an express requirement of law for such further  
 3396 dissemination, subject to limitations set out in subsection G;

3397 38. The Department of Medical Assistance Services, or its designee, for the purpose of screening  
 3398 individuals who, through contracts, subcontracts, or direct employment, volunteer, apply for, are offered, or  
 3399 have accepted a position related to the provision of transportation services to enrollees in the Medicaid  
 3400 Program or the Family Access to Medical Insurance Security (FAMIS) Program, or any other program  
 3401 administered by the Department of Medical Assistance Services;

3402 39. The State Corporation Commission for the purpose of investigating individuals who are current or  
 3403 proposed members, senior officers, directors, and principals of an applicant or person licensed under Chapter  
 3404 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.  
 3405 Notwithstanding any other provision of law, if an application is denied based in whole or in part on  
 3406 information obtained from the Central Criminal Records Exchange pursuant to Chapter 16, 19, or 26 of Title

3407 6.2, the Commissioner of Financial Institutions or his designee may disclose such information to the applicant  
3408 or its designee;

3409 40. The Department of Professional and Occupational Regulation for the purpose of investigating  
3410 individuals for initial licensure pursuant to § 54.1-2106.1;

3411 41. The Department for Aging and Rehabilitative Services and the Department for the Blind and Vision  
3412 Impaired for the purpose of evaluating an individual's fitness for various types of employment and for the  
3413 purpose of delivering comprehensive vocational rehabilitation services pursuant to Article 11 (§ 51.5-170 et  
3414 seq.) of Chapter 14 of Title 51.5 that will assist the individual in obtaining employment;

3415 42. Bail bondsmen; in accordance with the provisions of § 19.2-120;

3416 43. The State Treasurer for the purpose of determining whether a person receiving compensation for  
3417 wrongful incarceration meets the conditions for continued compensation under § 8.01-195.12;

3418 44. The Department of Education or its agents or designees for the purpose of screening individuals  
3419 seeking to enter into a contract with the Department of Education or its agents or designees for the provision  
3420 of child care services for which child care subsidy payments may be provided;

3421 45. The Department of Juvenile Justice to investigate any parent, guardian, or other adult members of a  
3422 juvenile's household when completing a predispositional or postdispositional report required by § 16.1-273 or  
3423 a Board of Juvenile Justice regulation promulgated pursuant to § 16.1-233;

3424 46. The State Corporation Commission, for the purpose of screening applicants for insurance licensure  
3425 under Chapter 18 (§ 38.2-1800 et seq.) of Title 38.2;

3426 47. Administrators and board presidents of and applicants for licensure or registration as a child day  
3427 program or family day system, as such terms are defined in § 22.1-289.02, for dissemination to the  
3428 Superintendent of Public Instruction's representative pursuant to § 22.1-289.013 for the conduct of  
3429 investigations with respect to employees of and volunteers at such facilities pursuant to §§ 22.1-289.034  
3430 through 22.1-289.037, subject to the restriction that the data shall not be further disseminated by the facility  
3431 or agency to any party other than the data subject, the Superintendent of Public Instruction's representative, or  
3432 a federal or state authority or court as may be required to comply with an express requirement of law for such  
3433 further dissemination; however, nothing in this subdivision shall be construed to prohibit the Superintendent  
3434 of Public Instruction's representative from issuing written certifications regarding the results of prior  
3435 background checks in accordance with subsection J of § 22.1-289.035 or § 22.1-289.039;

3436 48. The National Center for Missing and Exploited Children for the purpose of screening individuals who  
3437 are offered or accept employment or will be providing volunteer or contractual services with the National  
3438 Center for Missing and Exploited Children;

3439 49. The Executive Director or investigators of the Board of Accountancy for the purpose of the  
3440 enforcement of laws relating to the Board of Accountancy in accordance with § 54.1-4407; and

3441 50. Other entities as otherwise provided by law.

3442 Upon an ex parte motion of a defendant in a felony case and upon the showing that the records requested  
3443 may be relevant to such case, the court shall enter an order requiring the Central Criminal Records Exchange  
3444 to furnish the defendant, as soon as practicable, copies of any records of persons designated in the order on  
3445 whom a report has been made under the provisions of this chapter.

3446 Notwithstanding any other provision of this chapter to the contrary, upon a written request sworn to  
3447 before an officer authorized to take acknowledgments, the Central Criminal Records Exchange, or the  
3448 criminal justice agency in cases of offenses not required to be reported to the Exchange, shall furnish a copy  
3449 of conviction data covering the person named in the request to the person making the request; however, such  
3450 person on whom the data is being obtained shall consent in writing, under oath, to the making of such  
3451 request. A person receiving a copy of his own conviction data may utilize or further disseminate that data as  
3452 he deems appropriate. In the event no conviction data is maintained on the data subject, the person making  
3453 the request shall be furnished at his cost a certification to that effect.

3454 B. Use of criminal history record information disseminated to noncriminal justice agencies under this  
3455 section shall be limited to the purposes for which it was given and may not be disseminated further, except as  
3456 otherwise provided in subdivision A 47.

3457 C. No criminal justice agency or person shall confirm the existence or nonexistence of criminal history  
3458 record information for employment or licensing inquiries except as provided by law.

3459 D. Criminal justice agencies shall establish procedures to query the Central Criminal Records Exchange  
3460 prior to dissemination of any criminal history record information on offenses required to be reported to the  
3461 Central Criminal Records Exchange to ensure that the most up-to-date disposition data is being used.  
3462 Inquiries of the Exchange shall be made prior to any dissemination except in those cases where time is of the  
3463 essence and the normal response time of the Exchange would exceed the necessary time period. A criminal  
3464 justice agency to whom a request has been made for the dissemination of criminal history record information  
3465 that is required to be reported to the Central Criminal Records Exchange may direct the inquirer to the  
3466 Central Criminal Records Exchange for such dissemination. Dissemination of information regarding offenses  
3467 not required to be reported to the Exchange shall be made by the criminal justice agency maintaining the  
3468 record as required by § 15.2-1722.

3469        E. Criminal history information provided to licensed nursing homes, hospitals, and to home care  
 3470 organizations pursuant to subdivision A 16 shall be limited to the convictions on file with the Exchange for  
 3471 any offense specified in §§ 32.1-126.01, 32.1-126.02, and 32.1-162.9:1.

3472        F. Criminal history information provided to licensed assisted living facilities and licensed adult day  
 3473 centers pursuant to subdivision A 17 shall be limited to the convictions on file with the Exchange for any  
 3474 offense specified in § 63.2-1720.

3475        G. Criminal history information provided to public agencies pursuant to subdivision A 37 shall be limited  
 3476 to the convictions on file with the Exchange for any offense set forth in clause (i) of the definition of barrier  
 3477 crime in § 19.2-392.02.

3478        H. Upon receipt of a written request from an employer or prospective employer, the Central Criminal  
 3479 Records Exchange, or the criminal justice agency in cases of offenses not required to be reported to the  
 3480 Exchange, shall furnish at the employer's cost a copy of conviction data covering the person named in the  
 3481 request to the employer or prospective employer making the request, provided that the person on whom the  
 3482 data is being obtained has consented in writing to the making of such request and has presented a photo-  
 3483 identification to the employer or prospective employer. In the event no conviction data is maintained on the  
 3484 person named in the request, the requesting employer or prospective employer shall be furnished at his cost a  
 3485 certification to that effect. The criminal history record search shall be conducted on forms provided by the  
 3486 Exchange.

3487        I. The attorney for the Commonwealth shall provide a physical or electronic copy of a person's criminal  
 3488 history record information, including criminal history record information maintained in the National Crime  
 3489 Information Center (NCIC) and the Interstate Identification Index System (III System) that is in his  
 3490 possession, pursuant to the rules of court for obtaining discovery or for review by the court. No criminal  
 3491 history record information provided under this subsection shall be disseminated further.

**3492        § 19.2-389. (Effective July 1, 2026) Dissemination of criminal history record information.**

3493        A. Criminal history record information shall be disseminated, whether directly or through an intermediary,  
 3494 only to:

3495        1. Authorized officers or employees of criminal justice agencies, as defined by § 9.1-101, for purposes of  
 3496 the administration of criminal justice and the screening of an employment application or review of  
 3497 employment by a criminal justice agency with respect to its own employees or applicants, and dissemination  
 3498 to the Virginia Parole Board, pursuant to this subdivision, of such information on all state-responsible  
 3499 inmates for the purpose of making parole determinations pursuant to subdivisions 1, 2, 3, 4, and 6 of  
 3500 § 53.1-136 shall include collective dissemination by electronic means every 30 days. For purposes of this  
 3501 subdivision, criminal history record information includes information sent to the Central Criminal Records  
 3502 Exchange pursuant to §§ 37.2-819 and 64.2-2014 when disseminated to any full-time or part-time employee  
 3503 of the State Police, a police department or sheriff's office that is a part of or administered by the  
 3504 Commonwealth or any political subdivision thereof, and who is responsible for the prevention and detection  
 3505 of crime and the enforcement of the penal, traffic, or highway laws of the Commonwealth for the purposes of  
 3506 the administration of criminal justice;

3507        2. Such other individuals and agencies that require criminal history record information to implement a  
 3508 state or federal statute or executive order of the President of the United States or Governor that expressly  
 3509 refers to criminal conduct and contains requirements or exclusions expressly based upon such conduct, except  
 3510 that information concerning the arrest of an individual may not be disseminated to a noncriminal justice  
 3511 agency or individual if an interval of one year has elapsed from the date of the arrest and no disposition of the  
 3512 charge has been recorded and no active prosecution of the charge is pending;

3513        3. Individuals and agencies pursuant to a specific agreement with a criminal justice agency to provide  
 3514 services required for the administration of criminal justice pursuant to that agreement which shall specifically  
 3515 authorize access to data, limit the use of data to purposes for which given, and ensure the security and  
 3516 confidentiality of the data;

3517        4. Individuals and agencies for the express purpose of research, evaluative, or statistical activities pursuant  
 3518 to an agreement with a criminal justice agency that shall specifically authorize access to data, limit the use of  
 3519 data to research, evaluative, or statistical purposes, and ensure the confidentiality and security of the data;

3520        5. Agencies of state or federal government that are authorized by state or federal statute or executive order  
 3521 of the President of the United States or Governor to conduct investigations determining employment  
 3522 suitability or eligibility for security clearances allowing access to classified information;

3523        6. Individuals and agencies where authorized by court order or court rule;

3524        7. Agencies of any political subdivision of the Commonwealth, public transportation companies owned,  
 3525 operated, or controlled by any political subdivision, and any public service corporation that operates a public  
 3526 transit system owned by a local government for the conduct of investigations of applicants for employment,  
 3527 permit, or license whenever, in the interest of public welfare or safety, it is necessary to determine under a  
 3528 duly enacted ordinance if the past criminal conduct of a person with a conviction record would be compatible  
 3529 with the nature of the employment, permit, or license under consideration;

3530        7a. Commissions created pursuant to the Transportation District Act of 1964 (§ 33.2-1900 et seq.) of Title

3531 33.2 and their contractors, for the conduct of investigations of individuals who have been offered a position  
3532 of employment whenever, in the interest of public welfare or safety and as authorized in the Transportation  
3533 District Act of 1964, it is necessary to determine if the past criminal conduct of a person with a conviction  
3534 record would be compatible with the nature of the employment under consideration;

3535 8. Public or private agencies when authorized or required by federal or state law or interstate compact to  
3536 investigate (i) applicants for foster or adoptive parenthood or (ii) any individual, and the adult members of  
3537 that individual's household, with whom the agency is considering placing a child or from whom the agency is  
3538 considering removing a child due to abuse or neglect, on an emergency, temporary, or permanent basis  
3539 pursuant to §§ 63.2-901.1 and 63.2-1505, subject to the restriction that the data shall not be further  
3540 disseminated to any party other than a federal or state authority or court as may be required to comply with an  
3541 express requirement of law;

3542 9. To the extent permitted by federal law or regulation, public service companies, as defined in § 56-1, for  
3543 the conduct of investigations of applicants for employment when such employment involves personal contact  
3544 with the public or when past criminal conduct of an applicant would be incompatible with the nature of the  
3545 employment under consideration;

3546 10. The appropriate authority for purposes of granting citizenship and for purposes of international travel,  
3547 including, ~~but not limited to~~, issuing visas and passports;

3548 11. A person requesting a copy of his own criminal history record information, as defined in § 9.1-101, at  
3549 his cost, except that criminal history record information shall be supplied at no charge to a person who has  
3550 applied to be a volunteer with (i) a Virginia affiliate of Big Brothers/Big Sisters of America; (ii) a volunteer  
3551 fire company; (iii) the Volunteer Emergency Families for Children; (iv) any affiliate of Prevent Child Abuse,  
3552 Virginia; (v) any Virginia affiliate of Compeer; or (vi) any board member or any individual who has been  
3553 offered membership on the board of a Crime Stoppers, ~~Crime Solvers or Crime Line~~ *crime solvers, or crime*  
3554 *line* program as defined in § 15.2-1713.1;

3555 12. Administrators and board presidents of and applicants for licensure or registration as a child welfare  
3556 agency, as defined in § 63.2-100, for dissemination to the Commissioner of Social Services' representative  
3557 pursuant to § 63.2-1702 for the conduct of investigations with respect to employees of and volunteers at such  
3558 facilities, caretakers, and foster and adoptive parent applicants of private child-placing agencies, pursuant to  
3559 §§ 63.2-1719, 63.2-1720, and 63.2-1721, subject to the restriction that the data shall not be further  
3560 disseminated by the facility or agency to any party other than the data subject, the Commissioner of Social  
3561 Services' representative or a federal or state authority or court as may be required to comply with an express  
3562 requirement of law for such further dissemination; however, nothing in this subdivision shall be construed to  
3563 prohibit the Commissioner of Social Services' representative from issuing written certifications regarding the  
3564 results of a background check that was conducted before July 1, 2021, in accordance with subsection J of  
3565 § 22.1-289.035 or § 22.1-289.039;

3566 13. Administrators and board presidents of and applicants for licensure as a prescribed pediatric extended  
3567 care center for dissemination to the State Health Commissioner's representative pursuant to  
3568 §§ 32.1-162.15:1.5 and 32.1-162.15:1.10 for the conduct of investigations with respect to employees of and  
3569 volunteers at such centers, pursuant to § 32.1-162.15:1.17, subject to the restriction that the data shall not be  
3570 further disseminated by the center to any party other than the data subject, the State Health Commissioner's  
3571 representative, or a federal or state authority or court as may be required to comply with an express  
3572 requirement of law;

3573 14. The Department of Social Services for the purpose of screening individuals as a condition of licensure,  
3574 employment, volunteering, or providing services on a regular basis in a licensed child welfare agency  
3575 pursuant to §§ 63.2-1721 and 63.2-1726 or foster or adoptive home approved by a child-placing agency  
3576 pursuant to § 63.2-901.1;

3577 15. The school boards of the Commonwealth for the purpose of screening individuals who are offered or  
3578 who accept public school employment and those current school board employees for whom a report of arrest  
3579 has been made pursuant to § 19.2-83.1;

3580 16. The Virginia Lottery for the conduct of investigations as set forth in the Virginia Lottery Law (§  
3581 58.1-4000 29.5-700 et seq.) and ~~casino gaming as set forth in Chapter 44 (§ 58.1-4100 et seq.) of Title 58.1,~~  
3582 ~~and the Department of Agriculture and Consumer Services, the Virginia Gaming Commission~~ for the conduct  
3583 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*  
3584 (*§ 29.5-200 et seq.*), 3 (*§ 29.5-300 et seq.*), and 6 (*§ 29.5-600 et seq.*), and the Virginia Racing Commission  
3585 *for the conduct of investigations as set forth in Chapter 6 (§29.5-600 et seq.)*;

3586 17. Licensed prescribed pediatric extended care centers for the conduct of investigations of applicants for  
3587 compensated employment and volunteers in licensed prescribed pediatric extended care centers pursuant to  
3588 § 32.1-162.15:1.17;

3589 18. Licensed nursing homes, hospitals, and home care organizations for the conduct of investigations of  
3590 applicants for compensated employment in licensed nursing homes pursuant to § 32.1-126.01, hospital  
3591 pharmacies pursuant to § 32.1-126.02, and home care organizations pursuant to § 32.1-162.9:1, subject to the  
3592 limitations set out in subsection E;

3593        19. Licensed assisted living facilities and licensed adult day centers for the conduct of investigations of  
 3594 applicants for compensated employment in licensed assisted living facilities and licensed adult day centers  
 3595 pursuant to § 63.2-1720, subject to the limitations set out in subsection F;

3596        20. The Virginia Alcoholic Beverage Control Authority for the conduct of investigations as set forth in  
 3597 § 4.1-103.1;

3598        21. The State Board of Elections and authorized officers and employees thereof and general registrars  
 3599 appointed pursuant to § 24.2-110 in the course of conducting necessary investigations with respect to voter  
 3600 registration, limited to any record of felony convictions;

3601        22. The Commissioner of Behavioral Health and Developmental Services (the Commissioner) or his  
 3602 designees for individuals who are committed to the custody of or being evaluated by the Commissioner  
 3603 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,  
 3604 19.2-182.8, and 19.2-182.9 where such information may be beneficial for the purpose of placement,  
 3605 evaluation, treatment, or discharge planning;

3606        23. Any alcohol safety action program certified by the Commission on the Virginia Alcohol Safety Action  
 3607 Program for (i) interventions with first offenders under § 18.2-251 or (ii) services to offenders under  
 3608 § 18.2-51.4, 18.2-266, or 18.2-266.1;

3609        24. Residential facilities for juveniles regulated or operated by the Department of Social Services, the  
 3610 Department of Education, or the Department of Behavioral Health and Developmental Services for the  
 3611 purpose of determining applicants' fitness for employment or for providing volunteer or contractual services;

3612        25. The Department of Behavioral Health and Developmental Services and facilities operated by the  
 3613 Department for the purpose of determining an individual's fitness for employment pursuant to departmental  
 3614 instructions;

3615        26. Pursuant to § 22.1-296.3, the governing boards or administrators of private elementary or secondary  
 3616 schools which are accredited pursuant to § 22.1-19 or a private organization coordinating such records  
 3617 information on behalf of such governing boards or administrators pursuant to a written agreement with the  
 3618 Department of State Police;

3619        27. Public institutions of higher education and nonprofit private institutions of higher education for the  
 3620 purpose of screening individuals who are offered or accept employment;

3621        28. Members of a threat assessment team established by a local school board pursuant to § 22.1-79.4, by a  
 3622 public institution of higher education pursuant to § 23.1-805, or by a private nonprofit institution of higher  
 3623 education, for the purpose of assessing or intervening with an individual whose behavior may present a threat  
 3624 to safety; however, no member of a threat assessment team shall redisclose any criminal history record  
 3625 information obtained pursuant to this section or otherwise use any record of an individual beyond the purpose  
 3626 that such disclosure was made to the threat assessment team;

3627        29. Executive directors of community services boards or the personnel director serving the community  
 3628 services board for the purpose of determining an individual's fitness for employment, approval as a sponsored  
 3629 residential service provider, permission to enter into a shared living arrangement with a person receiving  
 3630 medical assistance services pursuant to a waiver, or permission for any person under contract with the  
 3631 community services board to serve in a direct care position on behalf of the community services board  
 3632 pursuant to §§ 37.2-506, 37.2-506.1, and 37.2-607;

3633        30. Executive directors of behavioral health authorities, as defined in § 37.2-600, for the purpose of  
 3634 determining an individual's fitness for employment, approval as a sponsored residential service provider,  
 3635 permission to enter into a shared living arrangement with a person receiving medical assistance services  
 3636 pursuant to a waiver, or permission for any person under contract with the behavioral health authority to  
 3637 serve in a direct care position on behalf of the behavioral health authority pursuant to §§ 37.2-506,  
 3638 37.2-506.1, and 37.2-607;

3639        31. The Commissioner of Social Services for the purpose of locating persons who owe child support or  
 3640 who are alleged in a pending paternity proceeding to be a putative father, provided that only the name,  
 3641 address, demographics, and social security number of the data subject shall be released;

3642        32. Authorized officers or directors of agencies licensed pursuant to Article 2 (§ 37.2-403 et seq.) of  
 3643 Chapter 4 of Title 37.2 by the Department of Behavioral Health and Developmental Services for the purpose  
 3644 of determining if any applicant who accepts employment in any direct care position or requests approval as a  
 3645 sponsored residential service provider, permission to enter into a shared living arrangement with a person  
 3646 receiving medical assistance services pursuant to a waiver, or permission for any person under contract with  
 3647 the provider to serve in a direct care position has been convicted of a crime that affects his fitness to have  
 3648 responsibility for the safety and well-being of individuals with mental illness, intellectual disability, or  
 3649 substance abuse pursuant to §§ 37.2-416, 37.2-416.1, 37.2-506, 37.2-506.1, and 37.2-607;

3650        33. The Commissioner of the Department of Motor Vehicles, for the purpose of evaluating applicants for,  
 3651 and holders of, a motor carrier certificate or license subject to the provisions of Chapters 20 (§ 46.2-2000 et  
 3652 seq.) and 21 (§ 46.2-2100 et seq.) of Title 46.2;

3653        34. The *Chairman* *Chair* of the Senate Committee for Courts of Justice or the *Chairman* *Chair* of the  
 3654 House Committee for Courts of Justice for the purpose of determining if any person being considered for

3655 election to any judgeship has been convicted of a crime;

3656 35. Heads of state agencies in which positions have been identified as sensitive for the purpose of  
3657 determining an individual's fitness for employment in positions designated as sensitive under Department of  
3658 Human Resource Management policies developed pursuant to § 2.2-1201.1;

3659 36. The Office of the Attorney General, for all criminal justice activities otherwise permitted under  
3660 subdivision 1 and for purposes of performing duties required by the Civil Commitment of Sexually Violent  
3661 Predators Act (§ 37.2-900 et seq.);

3662 37. Shipyards, to the extent permitted by federal law or regulation, engaged in the design, construction,  
3663 overhaul, or repair of nuclear vessels for the United States Navy, including their subsidiary companies, for  
3664 the conduct of investigations of applications for employment or for access to facilities, by contractors, leased  
3665 laborers, and other visitors;

3666 38. Any employer of individuals whose employment requires that they enter the homes of others, for the  
3667 purpose of screening individuals who apply for, are offered, or have accepted such employment;

3668 39. Public agencies when and as required by federal or state law to investigate (i) applicants as providers  
3669 of adult foster care and home-based services or (ii) any individual with whom the agency is considering  
3670 placing an adult on an emergency, temporary, or permanent basis pursuant to § 63.2-1601.1, subject to the  
3671 restriction that the data shall not be further disseminated by the agency to any party other than a federal or  
3672 state authority or court as may be required to comply with an express requirement of law for such further  
3673 dissemination, subject to limitations set out in subsection G;

3674 40. The Department of Medical Assistance Services, or its designee, for the purpose of screening  
3675 individuals who, through contracts, subcontracts, or direct employment, volunteer, apply for, are offered, or  
3676 have accepted a position related to the provision of transportation services to enrollees in the Medicaid  
3677 Program or the Family Access to Medical Insurance Security (FAMIS) Program, or any other program  
3678 administered by the Department of Medical Assistance Services;

3679 41. The State Corporation Commission for the purpose of investigating individuals who are current or  
3680 proposed members, senior officers, directors, and principals of an applicant or person licensed under Chapter  
3681 16 (§ 6.2-1600 et seq.), Chapter 19.1 (§ 6.2-1922 et seq.), or Chapter 26 (§ 6.2-2600 et seq.) of Title 6.2.  
3682 Notwithstanding any other provision of law, if an application is denied based in whole or in part on  
3683 information obtained from the Central Criminal Records Exchange pursuant to Chapter 16, 19, or 26 of Title  
3684 6.2, the Commissioner of Financial Institutions or his designee may disclose such information to the applicant  
3685 or its designee;

3686 42. The Department of Professional and Occupational Regulation for the purpose of investigating  
3687 individuals for initial licensure pursuant to § 54.1-2106.1;

3688 43. The Department for Aging and Rehabilitative Services and the Department for the Blind and Vision  
3689 Impaired for the purpose of evaluating an individual's fitness for various types of employment and for the  
3690 purpose of delivering comprehensive vocational rehabilitation services pursuant to Article 11 (§ 51.5-170 et  
3691 seq.) of Chapter 14 of Title 51.5 that will assist the individual in obtaining employment;

3692 44. Bail bondsmen; in accordance with the provisions of § 19.2-120;

3693 45. The State Treasurer for the purpose of determining whether a person receiving compensation for  
3694 wrongful incarceration meets the conditions for continued compensation under § 8.01-195.12;

3695 46. The Department of Education or its agents or designees for the purpose of screening individuals  
3696 seeking to enter into a contract with the Department of Education or its agents or designees for the provision  
3697 of child care services for which child care subsidy payments may be provided;

3698 47. The Department of Juvenile Justice to investigate any parent, guardian, or other adult members of a  
3699 juvenile's household when completing a predispositional or postdispositional report required by § 16.1-273 or  
3700 a Board of Juvenile Justice regulation promulgated pursuant to § 16.1-233;

3701 48. The State Corporation Commission, for the purpose of screening applicants for insurance licensure  
3702 under Chapter 18 (§ 38.2-1800 et seq.) of Title 38.2;

3703 49. Administrators and board presidents of and applicants for licensure or registration as a child day  
3704 program or family day system, as such terms are defined in § 22.1-289.02, for dissemination to the  
3705 Superintendent of Public Instruction's representative pursuant to § 22.1-289.013 for the conduct of  
3706 investigations with respect to employees of and volunteers at such facilities pursuant to §§ 22.1-289.034  
3707 through 22.1-289.037, subject to the restriction that the data shall not be further disseminated by the facility  
3708 or agency to any party other than the data subject, the Superintendent of Public Instruction's representative, or  
3709 a federal or state authority or court as may be required to comply with an express requirement of law for such  
3710 further dissemination; however, nothing in this subdivision shall be construed to prohibit the Superintendent  
3711 of Public Instruction's representative from issuing written certifications regarding the results of prior  
3712 background checks in accordance with subsection J of § 22.1-289.035 or § 22.1-289.039;

3713 50. The National Center for Missing and Exploited Children for the purpose of screening individuals who  
3714 are offered or accept employment or will be providing volunteer or contractual services with the National  
3715 Center for Missing and Exploited Children;

3716 51. The Executive Director or investigators of the Board of Accountancy for the purpose of the

3717 enforcement of laws relating to the Board of Accountancy in accordance with § 54.1-4407; and  
 3718 52. Other entities as otherwise provided by law.

3719 Upon an ex parte motion of a defendant in a felony case and upon the showing that the records requested  
 3720 may be relevant to such case, the court shall enter an order requiring the Central Criminal Records Exchange  
 3721 to furnish the defendant, as soon as practicable, copies of any records of persons designated in the order on  
 3722 whom a report has been made under the provisions of this chapter.

3723 Notwithstanding any other provision of this chapter to the contrary, upon a written request sworn to  
 3724 before an officer authorized to take acknowledgments, the Central Criminal Records Exchange, or the  
 3725 criminal justice agency in cases of offenses not required to be reported to the Exchange, shall furnish a copy  
 3726 of conviction data covering the person named in the request to the person making the request; however, such  
 3727 person on whom the data is being obtained shall consent in writing, under oath, to the making of such  
 3728 request. A person receiving a copy of his own conviction data may utilize or further disseminate that data as  
 3729 he deems appropriate. In the event no conviction data is maintained on the data subject, the person making  
 3730 the request shall be furnished at his cost a certification to that effect.

3731 B. Use of criminal history record information disseminated to noncriminal justice agencies under this  
 3732 section shall be limited to the purposes for which it was given and may not be disseminated further, except as  
 3733 otherwise provided in subdivision A 49.

3734 C. No criminal justice agency or person shall confirm the existence or nonexistence of criminal history  
 3735 record information for employment or licensing inquiries except as provided by law.

3736 D. Criminal justice agencies shall establish procedures to query the Central Criminal Records Exchange  
 3737 prior to dissemination of any criminal history record information on offenses required to be reported to the  
 3738 Central Criminal Records Exchange to ensure that the most up-to-date disposition data is being used.  
 3739 Inquiries of the Exchange shall be made prior to any dissemination except in those cases where time is of the  
 3740 essence and the normal response time of the Exchange would exceed the necessary time period. A criminal  
 3741 justice agency to whom a request has been made for the dissemination of criminal history record information  
 3742 that is required to be reported to the Central Criminal Records Exchange may direct the inquirer to the  
 3743 Central Criminal Records Exchange for such dissemination. Dissemination of information regarding offenses  
 3744 not required to be reported to the Exchange shall be made by the criminal justice agency maintaining the  
 3745 record as required by § 15.2-1722.

3746 E. Criminal history information provided to licensed nursing homes, hospitals, and to home care  
 3747 organizations pursuant to subdivision A 18 shall be limited to the convictions on file with the Exchange for  
 3748 any offense specified in §§ 32.1-126.01, 32.1-126.02, and 32.1-162.9:1.

3749 F. Criminal history information provided to licensed assisted living facilities and licensed adult day  
 3750 centers pursuant to subdivision A 19 shall be limited to the convictions on file with the Exchange for any  
 3751 offense specified in § 63.2-1720.

3752 G. Criminal history information provided to public agencies pursuant to subdivision A 39 shall be limited  
 3753 to the convictions on file with the Exchange for any offense set forth in clause (i) of the definition of barrier  
 3754 crime in § 19.2-392.02.

3755 H. Upon receipt of a written request from an employer or prospective employer, the Central Criminal  
 3756 Records Exchange, or the criminal justice agency in cases of offenses not required to be reported to the  
 3757 Exchange, shall furnish at the employer's cost a copy of conviction data covering the person named in the  
 3758 request to the employer or prospective employer making the request, provided that the person on whom the  
 3759 data is being obtained has consented in writing to the making of such request and has presented a photo-  
 3760 identification to the employer or prospective employer. In the event no conviction data is maintained on the  
 3761 person named in the request, the requesting employer or prospective employer shall be furnished at his cost a  
 3762 certification to that effect. The criminal history record search shall be conducted on forms provided by the  
 3763 Exchange.

3764 I. The attorney for the Commonwealth shall provide a physical or electronic copy of a person's criminal  
 3765 history record information, including criminal history record information maintained in the National Crime  
 3766 Information Center (NCIC) and the Interstate Identification Index System (III System) that is in his  
 3767 possession, pursuant to the rules of court for obtaining discovery or for review by the court. No criminal  
 3768 history record information provided under this subsection shall be disseminated further.

3769 **§ 19.2-390. Reports to be made by local law-enforcement officers, conservators of the peace, clerks  
 3770 of court, Secretary of the Commonwealth, and Corrections officials to State Police; material submitted  
 3771 by other agencies.**

3772 A. 1. Every state official or agency having the power to arrest, the sheriffs of counties, the police officials  
 3773 of cities and towns, and any other local law-enforcement officer or conservator of the peace having the power  
 3774 to arrest for a felony shall make a report to the Central Criminal Records Exchange, on forms provided by it,  
 3775 of any arrest, including those arrests involving the taking into custody of, or service of process upon, any  
 3776 person on charges resulting from an indictment, presentment, or information, the arrest on capias or warrant  
 3777 for failure to appear, and the service of a warrant for another jurisdiction, for each charge when any person is  
 3778 arrested on any of the following charges:

3779 a. Treason;  
3780 b. Any felony;  
3781 c. Any offense punishable as a misdemeanor under Title 54.1;  
3782 d. Any misdemeanor punishable by confinement in jail (i) under Title 18.2 or 19.2, or any similar  
3783 ordinance of any county, city, or town, (ii) under § 20-61, or (iii) under § 16.1-253.2; or  
3784 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,  
3785 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.

3786 The reports shall contain such information as is required by the Exchange and shall be accompanied by  
3787 fingerprints of the individual arrested for each charge. Effective January 1, 2006, the corresponding  
3788 photograph of the individual arrested shall accompany the report. Fingerprint cards prepared by a  
3789 law-enforcement agency for inclusion in a national criminal justice file shall be forwarded to the Exchange  
3790 for transmittal to the appropriate bureau. Nothing in this section shall preclude each local law-enforcement  
3791 agency from maintaining its own separate photographic database. Fingerprints and photographs required to  
3792 be taken pursuant to this subsection or subdivision A 3c of § 19.2-123 may be taken at the facility where the  
3793 magistrate is located, including a regional jail, even if the accused is not committed to jail.

3794 Law-enforcement agencies and clerks of court shall only submit reports to the Central Criminal Records  
3795 Exchange only for those offenses enumerated in this subsection. Only reports received for those offenses  
3796 enumerated in this subsection shall be included in the Central Criminal Records Exchange.

3797 2. For persons arrested and released on summonses in accordance with subsection B of § 19.2-73 or  
3798 § 19.2-74, such report shall not be required until (i) a conviction is entered and no appeal is noted or if an  
3799 appeal is noted, the conviction is upheld upon appeal or the person convicted withdraws his appeal; (ii) the  
3800 court defers or dismisses the proceeding pursuant to § 18.2-57.3, 18.2-251, or 19.2-303.2; or (iii) an acquittal  
3801 by reason of insanity pursuant to § 19.2-182.2 is entered. Upon such conviction or acquittal, the court shall  
3802 remand the individual to the custody of the office of the chief law-enforcement officer of the county or city. It  
3803 shall be the duty of the chief law-enforcement officer, or his designee who may be the arresting officer, to  
3804 ensure that such report is completed for each charge after a determination of guilt or acquittal by reason of  
3805 insanity. The court shall require the officer to complete the report immediately following the person's  
3806 conviction or acquittal, and the individual shall be discharged from custody forthwith, unless the court has  
3807 imposed a jail sentence to be served by him or ordered him committed to the custody of the Commissioner of  
3808 Behavioral Health and Developmental Services.

3809 3. For persons arrested on a capias for any allegation of a violation of the terms or conditions of a  
3810 suspended sentence or probation for a felony offense pursuant to § 18.2-456, 19.2-306, or 53.1-165, a report  
3811 shall be made to the Central Criminal Records Exchange pursuant to subdivision 1. Upon finding such person  
3812 in violation of the terms or conditions of a suspended sentence or probation for such felony offense, the court  
3813 shall order that the fingerprints and photograph of such person be taken by a law-enforcement officer for each  
3814 such offense and submitted to the Central Criminal Records Exchange.

3815 4. For any person served with a show cause for any allegation of a violation of the terms or conditions of a  
3816 suspended sentence or probation for a felony offense pursuant to § 18.2-456, 19.2-306, or 53.1-165, such  
3817 report to the Central Criminal Records Exchange shall not be required until such person is found to be in  
3818 violation of the terms or conditions of a suspended sentence or probation for such felony offense. Upon  
3819 finding such person in violation of the terms or conditions of a suspended sentence or probation for such  
3820 felony offense, the court shall order that the fingerprints and photograph of such person be taken by a  
3821 law-enforcement officer for each such offense and submitted to the Central Criminal Records Exchange.

3822 5. If the accused is in custody when an indictment or presentment is found or made, or information is  
3823 filed, and no process is awarded, the attorney for the Commonwealth shall so notify the court of such at the  
3824 time of first appearance for each indictment, presentment, or information for which a report is required upon  
3825 arrest pursuant to subdivision 1, and the court shall order that the fingerprints and photograph of the accused  
3826 be taken for each offense by a law-enforcement officer or by the agency that has custody of the accused at the  
3827 time of first appearance. The law-enforcement officer or agency taking the fingerprints and photograph shall  
3828 submit a report to the Central Criminal Records Exchange for each offense.

3829 B. Within 72 hours following the receipt of (i) a warrant or capias for the arrest of any person on a charge  
3830 of a felony or (ii) a Governor's warrant of arrest of a person issued pursuant to § 19.2-92, the  
3831 law-enforcement agency which received the warrant shall enter the person's name and other appropriate  
3832 information required by the Department of State Police into the "information systems" known as the Virginia  
3833 Criminal Information Network (VCIN), established and maintained by the Department pursuant to Chapter 2  
3834 (§ 52-12 et seq.) of Title 52, and the National Crime Information Center (NCIC), maintained by the Federal  
3835 Bureau of Investigation. The report shall include the person's name, date of birth, social security number, and  
3836 such other known information which the State Police or Federal Bureau of Investigation may require. Where  
3837 feasible and practical, the magistrate or court issuing the warrant or capias may transfer information  
3838 electronically into VCIN. When the information is electronically transferred to VCIN, the court or magistrate  
3839 shall forthwith forward the warrant or capias to the local police department or sheriff's office. When criminal  
3840 process has been ordered destroyed pursuant to § 19.2-76.1, the law-enforcement agency destroying such

3841 process shall ensure the removal of any information relating to the destroyed criminal process from the VCIN  
 3842 and NCIC.

3843 B1. Within 72 hours following the receipt of a written statement issued by a parole officer pursuant to  
 3844 § 53.1-149 authorizing the arrest of a person who has violated the provisions of his probation, the  
 3845 law-enforcement agency that received the written statement shall enter, or cause to be entered, the person's  
 3846 name and other appropriate information required by the Department of State Police into the "information  
 3847 systems" known as the Virginia Criminal Information Network (VCIN), established and maintained by the  
 3848 Department pursuant to Chapter 2 (§ 52-12 et seq.) of Title 52.

3849 C. For offenses not charged on a summons in accordance with subsection B of § 19.2-73 or § 19.2-74, the  
 3850 clerk of each circuit court and district court shall make an electronic report to the Central Criminal Records  
 3851 Exchange of (i) any dismissal, including a dismissal pursuant to § 18.2-57.3, 18.2-251, or 19.2-303.2,  
 3852 indefinite postponement or continuance, charge still pending due to mental incompetency or incapacity,  
 3853 deferral, nolle prosequi, acquittal, or conviction of, including any sentence imposed, or failure of a grand jury  
 3854 to return a true bill as to, any person charged with an offense listed in subsection A, including any action that  
 3855 may have resulted from an indictment, presentment, or information, or any finding that the person is in  
 3856 violation of the terms or conditions of a suspended sentence or probation for a felony offense and (ii) any  
 3857 adjudication of delinquency based upon an act that, if committed by an adult, would require fingerprints to be  
 3858 filed pursuant to subsection A. For offenses listed in subsection A and charged on a summons in accordance  
 3859 with subsection B of § 19.2-73 or § 19.2-74, such electronic report by the clerk of each circuit court and  
 3860 district court to the Central Criminal Records Exchange may be submitted but shall not be required until (a) a  
 3861 conviction is entered and no appeal is noted or, if an appeal is noted, the conviction is upheld upon appeal or  
 3862 the person convicted withdraws his appeal; (b) the court defers or dismisses the proceeding pursuant to  
 3863 § 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  
 3864 entered. The clerk of each circuit court shall make an electronic report to the Central Criminal Records  
 3865 Exchange of any finding that a person charged on a summons is in violation of the terms or conditions of a  
 3866 suspended sentence or probation for a felony offense. Upon conviction of any person, including juveniles  
 3867 tried and convicted in the circuit courts pursuant to § 16.1-269.1, whether sentenced as adults or juveniles, for  
 3868 an offense for which registration is required as defined in § 9.1-902, the clerk shall within seven days of  
 3869 sentencing submit a report to the Sex Offender and Crimes Against Minors Registry. The report to the  
 3870 Registry shall include the name of the person convicted and all aliases that he is known to have used, the date  
 3871 and locality of the conviction for which registration is required, his date of birth, social security number, and  
 3872 last known address, and specific reference to the offense for which he was convicted. No report of conviction  
 3873 or adjudication in a district court shall be filed unless the period allowed for an appeal has elapsed and no  
 3874 appeal has been perfected. In the event that the records in the office of any clerk show that any conviction or  
 3875 adjudication has been nullified in any manner, he shall also make a report of that fact to the Exchange and, if  
 3876 appropriate, to the Registry. In addition, each clerk of a circuit court, upon receipt of certification thereof  
 3877 from the Supreme Court, shall report to the Exchange or the Registry, or to the law-enforcement agency  
 3878 making the arrest in the case of offenses not required to be reported to the Exchange, on forms provided by  
 3879 the Exchange or Registry, as the case may be, any reversal or other amendment to a prior sentence or  
 3880 disposition previously reported. When criminal process is ordered destroyed pursuant to § 19.2-76.1, the  
 3881 clerk shall report such action to the law-enforcement agency that entered the warrant or capias into the VCIN.

3882 D. In addition to those offenses enumerated in subsection A, the Central Criminal Records Exchange may  
 3883 receive, classify, and file any other fingerprints, photographs, and records of confinement submitted to it by  
 3884 any correctional institution or the Department of Corrections. Unless otherwise prohibited by law, any such  
 3885 fingerprints, photographs, and records received by the Central Criminal Records Exchange from any  
 3886 correctional institution or the Department of Corrections may be classified and filed as criminal history  
 3887 record information.

3888 E. Corrections officials, sheriffs, and jail superintendents of regional jails, responsible for maintaining  
 3889 correctional status information, as required by the regulations of the Department of Criminal Justice Services,  
 3890 with respect to individuals about whom reports have been made under the provisions of this chapter shall  
 3891 make reports of changes in correctional status information to the Central Criminal Records Exchange. The  
 3892 reports to the Exchange shall include any commitment to, or release or escape from, a state or local  
 3893 correctional facility, including commitment to or release from a parole or probation agency.

3894 F. Any pardon, reprieve, or executive commutation of sentence by the Governor shall be reported to the  
 3895 Exchange by the office of the Secretary of the Commonwealth.

3896 G. Officials responsible for reporting disposition of charges, and correctional changes of status of  
 3897 individuals under this section, including those reports made to the Registry, shall adopt procedures  
 3898 reasonably designed at a minimum (i) to ensure that such reports are accurately made as soon as feasible by  
 3899 the most expeditious means and in no instance later than 30 days after occurrence of the disposition or  
 3900 correctional change of status and (ii) to report promptly any correction, deletion, or revision of the  
 3901 information.

3902 H. Upon receiving a correction, deletion, or revision of information, the Central Criminal Records

3903 Exchange shall notify all criminal justice agencies known to have previously received the information.

3904 I. As used in this section:

3905 "Chief law-enforcement officer" means the chief of police of cities and towns and sheriffs of counties,  
3906 unless a political subdivision has otherwise designated its chief law-enforcement officer by appropriate  
3907 resolution or ordinance, in which case the local designation shall be controlling.

3908 "Electronic report" means a report transmitted to, or otherwise forwarded to, the Central Criminal Records  
3909 Exchange in an electronic format approved by the Exchange. The report shall contain the name of the person  
3910 convicted and all aliases which he is known to have used, the date and locality of the conviction, his date of  
3911 birth, social security number, last known address, and specific reference to the offense including the Virginia  
3912 Code section and any subsection, the Virginia crime code for the offense, and the offense tracking number for  
3913 the offense for which he was convicted.

3914 **§ 22.1-140.1. School Construction Fund and Program.**

3915 A. For the purpose of this section:

3916 "Local school division" includes joint or regional schools established pursuant to § 22.1-26.

3917 "Public school buildings and facilities" or "public school buildings" includes any building or facility used  
3918 for career and technical education programs provided at any regional comprehensive school established  
3919 pursuant to § 22.1-26.

3920 B. There is hereby created in the state treasury a special nonreverting fund to be known as the School  
3921 Construction Fund. The Fund shall be established on the books of the Comptroller. All funds appropriated for  
3922 such purpose, including funds appropriated pursuant to subdivision B 5 of § ~~58.1-4125~~ 29.5-327, and any  
3923 gifts, donations, grants, bequests, and other funds received on its behalf shall be paid into the state treasury  
3924 and credited to the Fund. Interest earned on moneys in the Fund shall remain in the Fund and be credited to it.  
3925 Any moneys remaining in the Fund, including interest thereon, at the end of each fiscal year shall not revert  
3926 to the general fund but shall remain in the Fund. Moneys in the Fund shall be used solely for the purposes of  
3927 awarding grants pursuant to the School Construction Program established in subsection C. Expenditures and  
3928 disbursements from the Fund shall be made by the State Treasurer on warrants issued by the Comptroller  
3929 upon written request signed by the president of the Board.

3930 C. There is hereby established the School Construction Program (the Program) for the purpose of  
3931 awarding grants from the Fund to local school boards to fund the construction of new public school buildings  
3932 or the renovation or expansion of existing public school buildings and facilities in the local school division.  
3933 The Program shall be administered by the Board in accordance with criteria and other requirements set forth  
3934 in the general appropriation act.

3935 **TITLE 29.5.**

3936 **GAMING AND WAGERING.**

3937 **SUBTITLE I.**

3938 **VIRGINIA GAMING COMMISSION.**

3939 **CHAPTER 1.**

3940 **GENERAL PROVISIONS.**

3941 **§ 29.5-100. Definitions.**

3942 As used in this subtitle, unless the context requires a different meaning:

3943 "Board" means the Virginia Gaming Commission Board established pursuant to § 29.5-103.

3944 "Commission" means the Virginia Gaming Commission established pursuant to § 29.5-101.

3945 "Commissioner" means the Commissioner of the Virginia Gaming Commission appointed pursuant  
3946 § 29.5-102.

3947 "Deputy Commissioner" means the Deputy Commissioner of Gaming appointed pursuant to § 29.5-105.

3948 "Racing Commission" means the Virginia Racing Commission established pursuant to § 29.5-602.

3949 **§ 29.5-101. Virginia Gaming Commission.**

3950 Notwithstanding the provisions of Subtitle III (§ 29.5-900 et seq.) or any other provision of law, there is  
3951 hereby established as an independent agency of the Commonwealth, exclusive of the legislative, executive, or  
3952 judicial branches of government, the Virginia Gaming Commission, which shall include the (i) Charitable  
3953 Gaming Advisory Board established pursuant to § 29.5-201, (ii) Virginia Gaming Commission Board  
3954 established pursuant to § 29.5-103, and (iii) the Virginia Racing Commission established pursuant to  
3955 § 29.5-602. A Commissioner of the Virginia Gaming Commission shall be appointed pursuant to § 29.5-102  
3956 for the purpose of overseeing all gaming regulatory operations in the Commonwealth, except as otherwise  
3957 provided in Chapter 6 (§ 29.5-600 et seq.) and Subtitle II (§ 29.5-700 et seq.).

3958 **§ 29.5-102. Commissioner appointed; salary; powers and duties.**

3959 A. The Commission shall be under the immediate supervision and direction of a Commissioner, who shall  
3960 be a person of good reputation, particularly as to honesty and integrity, and shall be subject to a thorough  
3961 background investigation conducted by the Department of State Police prior to appointment. The  
3962 Commissioner shall possess demonstrated experience and expertise in one or more of the following fields:  
3963 law, finance, public policy, or management of a significant regulatory enterprise. The Commissioner shall be  
3964 appointed by and serve at the pleasure of the Governor, subject to confirmation by a majority of the members

3965 elected to each house of the General Assembly if in session when the appointment is made, and if not in  
 3966 session, then at its next succeeding session. The Commissioner shall receive a salary as provided in the  
 3967 general appropriation act.

3968 The Commissioner shall devote his full time to the performance of his official duties and shall not be  
 3969 engaged in any other profession or occupation.

3970 Before entering upon the discharge of his duties, the Commissioner shall take an oath that he will  
 3971 faithfully and honestly execute the duties of his office during his continuance therein and shall give bond in  
 3972 such amount as may be fixed by the Governor, conditioned upon the faithful discharge of his duties. The  
 3973 premium on such bond shall be paid out of the Commonwealth Gaming Operations Fund, established  
 3974 pursuant to § 29.5-119.

3975 B. The Commissioner shall have the following powers and duties:

3976 1. Supervise and administer the operation of the Virginia Gaming Commission in accordance with the  
 3977 provisions of this subtitle and with the rules and regulations promulgated pursuant to this subtitle.

3978 2. Employ such (i) professional, technical, and clerical assistants and (ii) other qualified personnel as  
 3979 may be required to carry out the functions and duties of the Commission, including (a) a Deputy  
 3980 Commissioner of Gaming, (b) a Director of Regulatory Affairs, (c) a Chief Operating Officer, and (d) all  
 3981 necessary regular and special counsel notwithstanding the provisions of Chapter 5 (§ 2.2-500 et seq.) of Title  
 3982 2.2, including at least one associate general counsel whose duties and responsibilities include legal oversight  
 3983 of the Virginia Racing Commission, established pursuant to § 29.5-602.

3984 3. Employ an Executive Secretary to oversee and carry out the functions and duties of the Virginia Racing  
 3985 Commission pursuant to the provisions of this chapter.

3986 4. Act as secretary and executive officer of the Board.

3987 5. Require bond or other surety satisfactory to him from Commission employees with access to  
 3988 Commission funds, in such amount as provided in the rules and regulations of the Board. The Commissioner  
 3989 may also require bond from other employees, as he deems necessary.

3990 6. Confer regularly, but not less than four times each year, with the Board on the operation and oversight  
 3991 of gaming activities regulated by the Commission; make available for inspection by the Board, upon request,  
 3992 all books, records, files, and other information and documents of the Commission; and advise the Board and  
 3993 recommend such matters as he deems necessary and advisable to improve the operation and oversight of  
 3994 gaming activities regulated by the Commission.

3995 7. Suspend, revoke, or refuse to renew any license, permit, or registration issued pursuant to this subtitle  
 3996 or the rules and regulations adopted pursuant to this subtitle.

3997 8. Enter into any arrangements with any foreign or domestic governmental agency for the purposes of  
 3998 exchanging information or performing any other act to better ensure the proper conduct of all gaming  
 3999 activities regulated by the Commission pursuant to this subtitle or the efficient conduct of his duties.

4000 C. The Commissioner shall establish the following divisions within the Commission:

4001 1. A Problem Gambling Division for the purpose of coordinating with local, state, and national  
 4002 stakeholders to manage problem gambling research, prevention, recovery, and treatment efforts. Such  
 4003 division shall provide support to programs funded by the Department of Behavioral Health and  
 4004 Developmental Services related to gambling addiction and recovery efforts and shall conduct strategic  
 4005 research in order to provide benefits through evidence-based education, prevention, and intervention  
 4006 programs to individuals adversely impacted by gambling addiction.

4007 2. An External Affairs and Policy Division for the purpose of communicating with relevant stakeholders in  
 4008 the Commonwealth and recommending gaming policy decisions and legislative proposals to the General  
 4009 Assembly.

4010 3. A Gaming Compliance and Audit Division for the purpose of ensuring the integrity and legality of  
 4011 gaming operations through internal controls and external regulations.

4012 4. Any other division necessary to accomplish the goals of this subtitle.

4013 **§ 29.5-103. Virginia Gaming Commission Board; membership; appointment; terms; compensation.**

4014 A. There is hereby created the Virginia Gaming Commission Board within the Virginia Gaming  
 4015 Commission. The Board shall have a total membership of 10 members that shall consist of nine nonlegislative  
 4016 citizen members with voting privileges and one member with nonvoting privileges. Members shall be  
 4017 appointed as follows: five nonlegislative citizen members, who shall be appointed by and serve at the  
 4018 pleasure of the Governor, subject to confirmation by a majority of the members elected to each house of the  
 4019 General Assembly if in session when the appointment is made, and if not in session, then at its next  
 4020 succeeding session; two nonlegislative citizen members appointed by the Speaker of the House of Delegates  
 4021 from a list of at least four nominees provided by the Chair of the House Committee on General Laws; and  
 4022 two nonlegislative citizen members appointed by the Senate Committee on Rules from a list of at least four  
 4023 nominees provided by the Chair of the Senate Committee on General Laws and Technology. Of the  
 4024 nonlegislative citizen members appointed by the Governor, at least one nonlegislative citizen member shall  
 4025 have experience in criminal investigations and law enforcement, at least one nonlegislative citizen member  
 4026 shall be a certified public accountant authorized to practice in the Commonwealth or have experience in

4027 corporate finance and securities, and at least one nonlegislative citizen member shall have experience in the  
4028 problem gambling or gambling addiction industry. One member of the Virginia Racing Commission,  
4029 appointed by the chair of the Virginia Racing Commission, shall serve in an advisory role with nonvoting  
4030 privileges. Nonlegislative citizen members of the Board shall be individuals of good reputation, particularly  
4031 as to honesty and integrity, and shall be citizens of the Commonwealth. Consideration shall be given with  
4032 respect to the political affiliation and the geographic residence of the nonlegislative citizen members prior to  
4033 their appointment.

4034 B. Appointments to fill vacancies, other than by expiration of a term, shall be for the unexpired terms.  
4035 Vacancies shall be filled in the same manner as the original appointments. All members may be reappointed.

4036 C. After the initial staggering of terms, nonlegislative citizen members shall be appointed for a term of  
4037 five years. No nonlegislative citizen member shall serve more than two consecutive five-year terms. The  
4038 remainder of any term to which a member is appointed to fill a vacancy shall not constitute a term in  
4039 determining the member's eligibility for reappointment.

4040 D. The Board shall elect a chair and vice-chair from among its membership. A majority of the voting  
4041 members shall constitute a quorum. The meetings of the Board shall be held at the call of the chair or  
4042 whenever the majority of the members so request.

4043 E. Members shall receive such compensation for the performance of their duties as provided in  
4044 § 2.2-2813. All members shall be reimbursed for all reasonable and necessary expenses incurred in the  
4045 performance of their duties as provided in §§ 2.2-2813 and 2.2-2825. Funding for the costs of compensation  
4046 and expenses of the members shall be provided by the Virginia Gaming Commission.

4047 F. Before entering upon the discharge of their duties, members shall take an oath that they will faithfully  
4048 and honestly execute the duties of the office during their continuance therein and shall give bond in such  
4049 amount as may be fixed by the Governor, conditioned upon the faithful discharge of their duties. The  
4050 premium on such bond shall be paid out of the Commonwealth Gaming Operations Fund, established  
4051 pursuant to § 29.5-119.

4052 G. No member shall:

4053 1. Have any direct or indirect financial, ownership, or management interest in any gaming activities  
4054 regulated by the Commission or any agency of the Commonwealth.

4055 2. Receive or share in, directly or indirectly, the receipts or proceeds of any gaming activities regulated  
4056 by the Commission or any agency of the Commonwealth.

4057 3. Have an interest in any contract for the manufacture or sale of gaming devices, the conduct of any  
4058 gaming activity, or the provision of independent consulting services in connection with any gaming  
4059 establishment or gaming activity regulated by the Commission or any agency of the Commonwealth.

4060 **§ 29.5-104. Powers and duties of the Board.**

4061 A. The Board shall have the power to promulgate regulations governing the establishment and operation  
4062 of charitable gaming pursuant to Chapter 2 (§ 29.5-200 et seq.), casino gaming pursuant to Chapter 3  
4063 (§ 29.5-300 et seq.), sports betting pursuant to Chapter 4 (§ 29.5-400 et seq.), fantasy contests pursuant to  
4064 Chapter 5 (§ 29.5-500 et seq.), and historical horse racing with pari-mutuel wagering pursuant to Chapter 6  
4065 (§ 29.5-600 et seq.). Such regulations shall be promulgated in accordance with the Administrative Process  
4066 Act (§ 2.2-4000 et seq.). The regulations shall provide for all matters necessary or desirable for the efficient,  
4067 honest, and economical operation and administration of all forms of gaming regulated by the Board.

4068 B. The Board shall also exercise the following powers and duties and such others as may be provided by  
4069 law:

4070 1. Administer a voluntary exclusion program as provided in § 29.5-118.

4071 2. Establish, advertise, and administer a tip line that may be accessed by phone and by internet that  
4072 allows any person to confidentially report to the Commission information regarding conduct that is  
4073 prohibited pursuant to this subtitle. The Board shall investigate all reasonable allegations of prohibited  
4074 conduct and maintain the confidentiality of the identity of any reporting person unless such person authorizes  
4075 disclosure of his identity or until such time as the allegation of prohibited conduct is referred to law  
4076 enforcement. If an allegation of prohibited conduct is referred to law enforcement, the Board shall disclose a  
4077 reporting person's identity only to the applicable law-enforcement agency. The identity of a reporting person  
4078 shall be excluded from the provisions of § 2.2-3705.7.

4079 3. Establish a consumer protection program and publish a consumer protection bill of rights. Such  
4080 program and bill of rights shall include measures to protect sports bettors, as defined in § 29.5-400, with  
4081 respect to identity, funds and accounts, consumer complaints, self-exclusion, and any other consumer  
4082 protection measure the Board determines to be reasonable.

4083 4. Adjust the percentage of uncollectible gaming receivables allowed to be subtracted from adjusted gross  
4084 revenue, as defined in § 29.5-400, if it determines that a different percentage is reasonable and customary in  
4085 the sports betting industry.

4086 5. Hear and decide an appeal of any (i) penalty, (ii) denial of a permit or renewal, or (iii) suspension or  
4087 revocation of a permit imposed by the Commissioner pursuant to Chapter 4 (§ 29.5-400 et seq.).

4088 6. Promulgate regulations for the operation of a sports betting program under the direction of the

4089 *Commissioner, who shall allow applicants to apply for permits to engage in sports betting operations in the*  
 4090 *Commonwealth. The Commission shall not operate a sports betting platform or a sports betting facility.*  
 4091 *7. Partner with law-enforcement authorities, including the Office of the Attorney General pursuant to*  
 4092 *§ 2.2-511 and the Office of the Gaming Enforcement Coordinator in the Department of State Police, to*  
 4093 *address instances of illegal gaming activities in the Commonwealth.*

4094 *C. The Board, in consultation with the External Affairs and Policy Division, shall make policy and*  
 4095 *legislative recommendations to the Governor and General Assembly related to (i) the regulation of existing*  
 4096 *legal gaming and wagering, (ii) the expansion of new gaming types, and (iii) the eradication of illegal*  
 4097 *gaming activity in the Commonwealth.*

4098 **§ 29.5-105. Deputy Commissioner of Gaming; powers and duties.**

4099 *A. The Deputy Commissioner of Gaming shall have the following powers and duties:*

4100 *1. Monitor all forms of gaming conducted in the Commonwealth by collecting and analyzing data,*  
 4101 *coordinating with relevant state agencies, and engaging with stakeholders to promote integrity,*  
 4102 *accountability, and the public interest in the administration of gaming laws, for the purpose of assisting in*  
 4103 *the development of policies and making recommendations to the Commission, Racing Commission, and the*  
 4104 *General Assembly regarding potential legislation or regulations necessary to ensure a consistent,*  
 4105 *transparent, and cohesive regulatory framework for all gaming activities in the Commonwealth.*

4106 *2. Serve as the primary liaison between the Gaming Commission and Virginia Racing Commission (the*  
 4107 *entities). The Deputy Commissioner shall (i) facilitate communication and coordination between the*  
 4108 *Commission in its oversight of historical horse racing and the Racing Commission in its oversight of pari-*  
 4109 *mutuel wagering on live and simulcast horse racing; (ii) ensure the effective sharing of information,*  
 4110 *including regulatory updates, compliance matters, and industry development to promote consistency and*  
 4111 *collaboration between the entities; (iii) provide regular reports to the entities regarding activities, trends,*  
 4112 *and issues affecting horse racing and pari-mutuel wagering in the Commonwealth; and (iv) advise the*  
 4113 *entities on policies and procedures to uphold the integrity of horse racing and pari-mutuel wagering*  
 4114 *activities in the Commonwealth.*

4115 *3. Participate in the Problem Gambling Treatment and Support Advisory Committee established pursuant*  
 4116 *to § 37.2-304 by the Department of Behavioral Health and Developmental Services to enable collaboration*  
 4117 *among prevention and treatment providers and operators of legal gaming in the Commonwealth on efforts to*  
 4118 *reduce the negative effects of problem gambling.*

4119 *4. Exercise and perform such powers and duties as may be delegated to him by the Commissioner or the*  
 4120 *Board or as may be conferred or imposed upon him by law.*

4121 *B. Neither the Deputy Commissioner nor his spouse nor any member of his immediate family shall make*  
 4122 *any contributions to a candidate for office or office holder at the local or state level, or cause such a*  
 4123 *contribution to be made on his behalf.*

4124 **§ 29.5-106. Director of Regulatory Affairs; powers and duties.**

4125 *A. The Director of Regulatory Affairs shall have the following powers and duties:*

4126 *1. Oversee regulation of all gaming activities authorized pursuant to this subtitle, except for pari-mutuel*  
 4127 *wagering on live and simulcast horse racing authorized pursuant to Chapter 6 (§ 29.5-600 et seq.);*

4128 *2. Manage a gaming compliance and audit division for the Commission;*  
 4129 *3. Assume responsibility for all gaming licensing and permitting and related investigations;*  
 4130 *4. Oversee electronic gaming operations authorized pursuant to this subtitle; and*  
 4131 *5. Exercise and perform such powers and duties as may be delegated to him by the Commissioner or the*  
 4132 *Board or as may be conferred or imposed upon him by law.*

4133 *B. Neither the Director of Regulatory Affairs nor his spouse nor any member of his immediate family shall*  
 4134 *make any contributions to a candidate for office or office holder at the local or state level, or cause such a*  
 4135 *contribution to be made on his behalf.*

4136 **§ 29.5-107. Chief Operating Officer; powers and duties.**

4137 *A. The Chief Operating Officer shall have the following powers and duties:*

4138 *1. Oversee and manage human resources, information technology systems, facilities and security, finance*  
 4139 *and accounting, purchasing, and internal auditing departments within the Commission; and*

4140 *2. Exercise and perform such powers and duties as may be delegated to him by the Commissioner or the*  
 4141 *Board or as may be conferred or imposed upon him by law.*

4142 *B. Neither the Chief Operating Officer nor his spouse nor any member of his immediate family shall make*  
 4143 *any contributions to a candidate for office or office holder at the local or state level, or cause such a*  
 4144 *contribution to be made on his behalf.*

4145 **§ 29.5-108. Financial interests of Board, employees, and family members prohibited.**

4146 *A. No Board member or employee of the Commission shall (i) be a principal stockholder or (ii) otherwise*  
 4147 *have any financial interest, direct or indirect, in any licensee or permit holder subject to the provisions of this*  
 4148 *subtitle. No Board member and no spouse or immediate family member of a Board member shall make any*  
 4149 *contribution to a candidate for office or officeholder at the local or state level or cause such a contribution to*  
 4150 *be made on his behalf.*

4151     *B. No employee of the Commission and no spouse or immediate family member of a Board member shall:*  
4152         *1. Have any direct or indirect financial, ownership, or management interest in any gaming activities*  
4153         *regulated by the Commission or any agency of the Commonwealth.*  
4154         *2. Receive or share in, directly or indirectly, the receipts or proceeds of any gaming activities regulated*  
4155         *by the Commission or any agency of the Commonwealth.*  
4156         *3. Have an interest in any contract for the manufacture or sale of gaming devices, the conduct of any*  
4157         *gaming activity, or the provision of independent consulting services in connection with any gaming*  
4158         *establishment or gaming activity regulated by the Commission or any agency of the Commonwealth.*

4159     **§ 29.5-109. Leases and purchases of property by the Board.**

4160     *The making of leases and the purchasing of real estate by the Board under the provisions of this subtitle*  
4161     *are exempt from the Virginia Public Procurement Act (§ 2.2-4300 et seq.). The Commission shall be exempt*  
4162     *from the provisions of § 2.2-1149 and from any rules, regulations, and guidelines of the Division of*  
4163     *Engineering and Buildings of the Department of General Services in relation to leases of real property into*  
4164     *which it enters.*

4165     **§ 29.5-110. Exemption of Commission from personnel and procurement procedures; information**  
4166     **systems; etc.**

4167     *A. The provisions of the Virginia Personnel Act (§ 2.2-2900 et seq.) and the Virginia Public Procurement*  
4168     *Act (§ 2.2-4300 et seq.) shall not apply to the Commission in the exercise of any power conferred under this*  
4169     *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*  
4170     *seq.) of Chapter 11 of Title 51.1 apply to the Commission in the exercise of any power conferred under this*  
4171     *subtitle.*

4172     *B. To effect its implementation, the Commission's procurement of goods, services, insurance, and*  
4173     *construction and the disposition of surplus materials shall be exempt from:*

4174         *1. State agency requirements regarding disposition of surplus materials and distribution of proceeds from*  
4175         *the sale or recycling of surplus materials under §§ 2.2-1124 and 2.2-1125;*

4176         *2. The requirement to purchase from the Department for the Blind and Vision Impaired under § 2.2-1117;*  
4177         *and*

4178         *3. Any other state statutes, rules, regulations, or requirements relating to the procurement of goods,*  
4179         *services, insurance, and construction, including Article 3 (§ 2.2-1109 et seq.) of Chapter 11 of Title 2.2,*  
4180         *regarding the duties, responsibilities, and authority of the Division of Purchases and Supply of the*  
4181         *Department of General Services, and Article 4 (§ 2.2-1129 et seq.) of Chapter 11 of Title 2.2, regarding the*  
4182         *review and the oversight by the Division of Engineering and Buildings of the Department of General Services*  
4183         *of contracts for the construction of the Commission's capital projects and construction-related professional*  
4184         *services under § 2.2-1132.*

4185     *C. The Commission (i) may purchase from and participate in all statewide contracts for goods and*  
4186     *services, including information technology goods and services; (ii) shall use directly or by integration or*  
4187     *interface the Commonwealth's electronic procurement system subject to the terms and conditions agreed*  
4188     *upon between the Commission and the Department of General Services; and (iii) shall post on the*  
4189     *Department of General Services' central electronic procurement website all Invitations to Bid, Requests for*  
4190     *Proposal, sole source award notices, and emergency award notices to ensure visibility and access to the*  
4191     *Commission's procurement opportunities on one website.*

4192     **§ 29.5-111. Assistance from Department of State Police.**

4193     *The Department of State Police shall assist in the conduct of investigations by the Commission.*

4194     **§ 29.5-112. Criminal history records check required on certain employees; reimbursement of costs.**

4195     *All persons hired by the Commission whose job duties involve access to or handling of the Commission's*  
4196     *funds shall be subject to a criminal history records check before, and as a condition of, employment.*

4197     *The Board shall develop policies regarding the employment of persons who have been convicted of a*  
4198     *felony or a crime involving moral turpitude.*

4199     *The Department of State Police shall be reimbursed by the Commission for the cost of investigations*  
4200     *conducted pursuant to this section.*

4201     **§ 29.5-113. Employees of the Commission.**

4202     *Employees of the Commission shall be considered employees of the Commonwealth. Employees of the*  
4203     *Commission shall be eligible for membership in the Virginia Retirement System or other retirement plan as*  
4204     *authorized by Article 4 (§ 51.1-125 et seq.) of Chapter 1 of Title 51.1 and participation in all health and*  
4205     *related insurance and other benefits, including premium conversion and flexible benefits, available to state*  
4206     *employees as provided by law. Employees of the Commission shall be employed on such terms and conditions*  
4207     *as established by the Board. The Board shall develop and adopt policies and procedures that afford its*  
4208     *employees grievance rights, ensure that employment decisions shall be based upon the merit and fitness of*  
4209     *applicants, and prohibit discrimination because of race, color, religion, ethnic or national origin, sex,*  
4210     *pregnancy, childbirth or related medical conditions, age, marital status, sexual orientation, gender identity,*  
4211     *military status, or disability. Notwithstanding any other provision of law, the Board shall develop, implement,*  
4212     *and administer a paid leave program, which may include annual, personal, and sick leave or any*

4213 combination thereof. All other leave benefits shall be administered in accordance with Chapter 11  
 4214 (§ 51.1-1100 et seq.) of Title 51.1, except as otherwise provided in this section.

4215 **§ 29.5-114. Liability of Board members; suits by and against Board members.**

4216 A. No Board member may be sued civilly for doing or omitting to do any act in the performance of his  
 4217 duties as prescribed by this subtitle, except by the Commonwealth, and then only in the Circuit Court of the  
 4218 City of Richmond. Such proceedings by the Commonwealth shall be instituted and conducted by the Attorney  
 4219 General.

4220 B. The Board may, in the name of the Commonwealth, be sued in the Circuit Court of the City of  
 4221 Richmond to enforce any contract made by it or to recover damages for any breach thereof. The Board may  
 4222 defend the proceedings and may institute proceedings in any court. No such proceedings shall be taken  
 4223 against, or in the names of, the members of the Board.

4224 **§ 29.5-115. Counsel for members, agents, and employees of Board.**

4225 If any member, agent, or employee of the Board is arrested, indicted, or otherwise prosecuted on any  
 4226 charge arising out of any act committed in the discharge of his official duties, the Board chair may employ  
 4227 special counsel approved by the Attorney General to defend such member, agent, or employee. The  
 4228 compensation for special counsel employed pursuant to this section shall, subject to the approval of the  
 4229 Attorney General, be paid in the same manner as other expenses incident to the administration of this subtitle  
 4230 are paid.

4231 **§ 29.5-116. Hearings; representation by counsel.**

4232 Any licensee, permittee, registrant, or applicant for a license, permit, or registration authorized by this  
 4233 subtitle shall have the right to be represented by counsel at any Board hearing for which he has received  
 4234 notice. The licensee, permittee, registrant, or applicant shall not be required to be represented by counsel  
 4235 during such hearing. Any officer or director of a corporation may examine, cross-examine, and question  
 4236 witnesses, present evidence on behalf of the corporation, and draw conclusions and make arguments before  
 4237 the Board or hearing officers without being in violation of the provisions of § 54.1-3904.

4238 **§ 29.5-117. Hearings; allowances to witnesses.**

4239 Witnesses subpoenaed to appear on behalf of the Board shall be entitled to the same allowance for  
 4240 expenses as witnesses for the Commonwealth in criminal cases in accordance with § 17.1-611. Such  
 4241 allowances shall be paid out of the fund from which other costs incurred by the Board are paid upon  
 4242 certification to the Comptroller.

4243 **§ 29.5-118. Voluntary exclusion program.**

4244 The Board shall adopt regulations to establish and implement a voluntary exclusion program. The  
 4245 regulations shall include the following provisions:

4246 1. Except as provided by regulation of the Board, a person who participates in the voluntary exclusion  
 4247 program agrees to refrain from (i) participating in charitable gaming, as defined in § 29.5-200; (ii) engaging  
 4248 in any form of casino gaming authorized under the provisions of Chapter 3 (§ 29.5-300 et seq.); (iii)  
 4249 participating in sports betting, as defined in § 29.5-400; (iv) participating in fantasy contests, as defined in  
 4250 § 29.5-500; (v) participating in pari-mutuel wagering on live horse racing, historical horse racing, or  
 4251 simulcast horse racing authorized pursuant to the provisions of Chapter 6 (§ 29.5-600 et seq.); or (vi)  
 4252 playing any account-based lottery game authorized under the provisions of Subtitle II (§ 29.5-700 et seq.).  
 4253 Any state agency, at the request of the Commission, shall assist in administering the voluntary exclusion  
 4254 program pursuant to the provisions of this section.

4255 2. A person who participates in the voluntary exclusion program may choose an exclusion period of two  
 4256 years, five years, or lifetime.

4257 3. Except as provided by regulation of the Board, a person who participates in the voluntary exclusion  
 4258 program may not petition the Board for removal from the voluntary exclusion program for the duration of his  
 4259 exclusion period.

4260 4. The name of a person participating in the voluntary exclusion program shall be included on a list of  
 4261 excluded persons. The list of persons entering the voluntary exclusion program and the personal information  
 4262 of the participants shall be confidential, with dissemination by the Board limited to any parties the Board  
 4263 deems necessary for purposes of enforcement. The list and the personal information of participants in the  
 4264 voluntary exclusion program shall not be subject to disclosure under the Virginia Freedom of Information  
 4265 Act (§ 2.2-3700 et seq.). In addition, the Board may disseminate the list to other parties upon request by the  
 4266 participant and agreement by the Board.

4267 5. Permit holders, as defined in § 29.5-400, and owners and operators of casino gaming establishments  
 4268 shall make all reasonable attempts, as determined by the Board, to cease all direct marketing efforts to a  
 4269 person participating in the voluntary exclusion program. The voluntary exclusion program shall not preclude  
 4270 permit holders or owners and operators of casino gaming establishments from seeking the payment of a debt  
 4271 incurred by a person before entering the voluntary exclusion program. In addition, any permit holder or  
 4272 owner or operator of a casino gaming establishment may share the names of individuals who self-exclude  
 4273 across its corporate enterprise, including sharing such information with any of its affiliates.

4274 **§ 29.5-119. Commonwealth Gaming Operations Fund.**

4275 There is hereby created in the state treasury a special nonreverting fund to be known as the  
4276 Commonwealth Gaming Operations Fund, referred to in this section as "the Fund." The Fund shall be  
4277 established on the books of the Comptroller. All funds appropriated for such purpose and any gifts,  
4278 donations, grants, bequests, and other funds received on its behalf shall be paid into the state treasury and  
4279 credited to the Fund. Interest earned on moneys in the Fund shall remain in the Fund and be credited to it.  
4280 Any moneys remaining in the Fund, including interest thereon, at the end of each fiscal year shall not revert  
4281 to the general fund but shall remain in the Fund. Moneys in the Fund shall be used solely to offset the  
4282 Commission's costs associated with (i) the conduct of investigations required pursuant to any provision of  
4283 Chapters 1 (§ 29.5-100 et seq.) through 5 (§ 29.5-500 et seq.) and any provision of Chapter 6 (§ 29.5-600 et  
4284 seq.) regarding the conduct of historical horse racing with pari-mutuel wagering and (ii) the enforcement of  
4285 regulations promulgated by the Board pursuant to § 29.5-104. Expenditures and disbursements from the  
4286 Fund shall be made by the State Treasurer on warrants issued by the Comptroller upon written request  
4287 signed by the Commissioner.

**§ 29.5-120. General disposition of civil penalties, fines, fees, etc.**

4289 Except as otherwise provided, any civil penalty, fine, fee, or other moneys collected pursuant to any  
4290 provision of this subtitle shall be payable to the State Treasurer for remittance to the Commission.

## CHAPTER 2.

## CHAPTER 2. *CHARITABLE GAMING.*

### § 29.5-200. Definitions.

**4294** As used in this chapter, unless the context requires a different meaning:

**"Advisory Board"** means the Charitable Gaming Advisory Board established in § 29.5-201.

"Bingo" means a specific game of chance played with (i) individual cards having randomly numbered squares ranging from one to 75, (ii) Board-approved electronic devices that display facsimiles of bingo cards and are used for the purpose of marking and monitoring players' cards as numbers are called, or (iii) Board-approved cards, in which prizes are awarded on the basis of designated numbers on such cards conforming to a predetermined pattern of numbers selected at random.

**4301**     *"Bona fide member" means an individual who participates in activities of a qualified organization other*  
**4302**     *than such organization's charitable gaming activities.*

**4303** "Charitable gaming" or "charitable games" means those raffles, Texas Hold'em poker tournaments, and  
**4304** games of chance explicitly authorized by this chapter. Unless otherwise specified, "charitable gaming"  
**4305** includes electronic gaming authorized by this chapter.

**4306 "Charitable gaming permit" or "permit" means a permit issued by the Commissioner to an organization  
4307 that authorizes such organization to conduct charitable gaming, and if such organization is qualified as a  
4308 social organization, electronic gaming.**

**4309**     "Charitable gaming supplies" includes bingo cards or sheets, devices for selecting bingo numbers, instant  
**4310** bingo cards, pull-tab cards and seal cards, playing cards for Texas Hold'em poker, poker chips, and any  
**4311** other equipment or product manufactured for or intended to be used in the conduct of charitable games.  
**4312** However, for the purposes of this chapter, charitable gaming supplies does not include items incidental to the  
**4313** conduct of charitable gaming such as markers, wands, or tape.

**4314 "Conduct" means the actions associated with the provision of a gaming operation during and immediately  
4315 before or after the permitted activity, which may include (i) selling bingo cards or packs, electronic devices,  
4316 instant bingo or pull-tab cards, or raffle tickets, (ii) calling bingo games, (iii) distributing prizes, and (iv) any  
4317 other services provided by volunteer workers.**

**4318** "Electronic gaming" or "electronic games" means any instant bingo, pull tab, or seal card gaming that is  
**4319** conducted primarily by use of an electronic device. "Electronic gaming" does not include (i) the game of  
**4320** chance identified in clause (ii) of the definition of "bingo" or (ii) network bingo.

**4321 "Electronic gaming adjusted gross receipts"** means the gross receipts derived from electronic gaming less  
**4322 the total amount in prize money paid out to players.**

**4323 "Electronic gaming manufacturer"** means a manufacturer of electronic devices used to conduct electronic  
4324 gaming.

**4325** "Fair market rental value" means the rent that a rental property will bring when offered for lease by a  
**4326** lessor who desires to lease the property but is not obligated to do so and leased by a lessee under no  
**4327** necessity of leasing.

**4328 "Gaming expenses"** means prizes, supplies, costs of publicizing gaming activities, audit and  
4329 administration or permit fees, and a portion of the rent, utilities, accounting and legal fees, and such other  
4330 reasonable and proper expenses as are directly incurred for the conduct of charitable gaming.

4331     *"Gross receipts"* means the total amount of money generated by an organization from charitable gaming  
4332 before the deduction of expenses, including prizes.

**4333** "Instant bingo," "pull tabs," or "seal cards" means specific games of chance played by the random  
**4334** selection of one or more individually prepacked cards with winners being determined by the preprinted or  
**4335** predetermined appearance of concealed letters, numbers, or symbols that must be exposed by the player to  
**4336** determine wins and losses and may include the use of a seal card that conceals one or more numbers or

4337 symbols that have been designated in advance as prize winners. Such cards may be dispensed by mechanical  
 4338 equipment.

4339 "Jackpot" means a bingo game that the organization has designated on its game program as a jackpot  
 4340 game in which the prize amount is greater than \$100.

4341 "Landlord" means any person or his agent, firm, association, organization, partnership, corporation,  
 4342 employee, or immediate family member that either owns and leases or leases any premises devoted in whole  
 4343 or in part to the conduct of bingo games or other charitable gaming pursuant to this chapter. "Landlord" also  
 4344 means any person residing in the same household as a landlord.

4345 "Management" means the provision of oversight of a gaming operation, which may include the  
 4346 responsibilities of (i) applying for and maintaining a permit or authorization; (ii) compiling, submitting, and  
 4347 maintaining required records and financial reports; and (iii) ensuring that all aspects of the operation are in  
 4348 compliance with all applicable statutes and regulations.

4349 "Network bingo" means a specific bingo game in which pari-mutuel play is permitted.

4350 "Network bingo provider" means a person licensed by the Commissioner to operate network bingo.

4351 "Operation" means the activities associated with production of a charitable gaming or electronic gaming  
 4352 activity, which may include (i) the direct on-site supervision of the conduct of charitable gaming and  
 4353 electronic gaming; (ii) coordination of volunteers; and (iii) all responsibilities of charitable gaming and  
 4354 electronic gaming designated by the organization's management.

4355 "Organization" means any one of the following:

4356 1. A volunteer fire department or volunteer emergency medical services agency or auxiliary unit thereof  
 4357 that has been recognized in accordance with § 15.2-955 by an ordinance or resolution of the political  
 4358 subdivision where the volunteer fire department or volunteer emergency medical services agency is located  
 4359 as being a part of the safety program of such political subdivision;

4360 2. An organization that is exempt from income tax pursuant to § 501(c)(3) of the Internal Revenue Code,  
 4361 is operated, and has always been operated, exclusively for educational purposes and awards scholarships to  
 4362 accredited public institutions of higher education or other postsecondary schools licensed or certified by the  
 4363 Board of Education or the State Council of Higher Education for Virginia;

4364 3. An athletic association or booster club or a band booster club established solely to raise funds for  
 4365 school-sponsored athletic or band activities for a public school or private school accredited pursuant to  
 4366 § 22.1-19 or to provide scholarships to students attending such school;

4367 4. An association of war veterans or auxiliary units thereof organized in the United States;

4368 5. A fraternal association or corporation operating under the lodge system;

4369 6. An organization that is exempt from income tax pursuant to § 501(c)(3) of the Internal Revenue Code  
 4370 and is operated, and has always been operated, exclusively to provide services and other resources to older  
 4371 Virginians, as defined in § 51.5-116;

4372 7. An organization that is exempt from income tax pursuant to § 501(c)(3) of the Internal Revenue Code  
 4373 and is operated, and has always been operated, exclusively to foster youth amateur sports;

4374 8. An organization that is exempt from income tax pursuant to § 501(c)(3) of the Internal Revenue Code  
 4375 and is operated, and has always been operated, exclusively to provide health care services or conduct  
 4376 medical research;

4377 9. An accredited public institution of higher education or other postsecondary school licensed or certified  
 4378 by the Board of Education or the State Council of Higher Education for Virginia that is exempt from income  
 4379 tax pursuant to § 501(c)(3) of the Internal Revenue Code;

4380 10. A church or religious organization that is exempt from income tax pursuant to § 501(c)(3) of the  
 4381 Internal Revenue Code;

4382 11. An organization that is exempt from income tax pursuant to § 501(c)(3) or 501(c)(4) of the Internal  
 4383 Revenue Code and is operated, and has always been operated, exclusively to (i) create and foster a spirit of  
 4384 understanding among the people of the world; (ii) promote the principles of good government and  
 4385 citizenship; (iii) take an active interest in the civic, cultural, social, and moral welfare of the community; (iv)  
 4386 provide a forum for the open discussion of matters of public interest; (v) encourage individuals to serve the  
 4387 community without personal financial reward; and (vi) encourage efficiency and promote high ethical  
 4388 standards in commerce, industries, professions, public works, and private endeavors;

4389 12. An organization that is exempt from income tax pursuant to § 501(c)(3) of the Internal Revenue Code  
 4390 and is operated, and has always been operated, exclusively to (i) raise awareness of law-enforcement officers  
 4391 who died in the line of duty; (ii) raise funds for the National Law Enforcement Officers Memorial and  
 4392 Museum; and (iii) raise funds for the charitable causes of other organizations that are exempt from income  
 4393 tax pursuant to § 501(c)(3) of the Internal Revenue Code;

4394 13. An organization that is exempt from income tax pursuant to § 501(c)(3) of the Internal Revenue Code  
 4395 and is operated, and has always been operated, exclusively to (i) promote the conservation of the  
 4396 environment, caves, or other natural resources; (ii) promote or develop opportunities for the use of science  
 4397 and technology to advance the conservation of the environment, caves, or other natural resources; and (iii)  
 4398 raise funds for the conservation of the environment, caves, or other natural resources or provide grant

4399 opportunities to other nonprofit organizations that are devoted to such conservation efforts;

4400 14. An organization that is exempt from income tax pursuant to § 501(c)(3) of the Internal Revenue Code  
4401 that manages a museum that is operated, and has always been operated, exclusively for the purposes of  
4402 musical heritage and the legacy of the "1927 Bristol Sessions";

4403 15. An organization (i) established on or before December 31, 1963, as a result of its members being  
4404 prohibited from joining similar existing organizations because of laws such as the Public Assemblages Act of  
4405 1926, which required the racial segregation of all public events in the Commonwealth; (ii) that is exempt  
4406 from income tax pursuant to § 501(c)(7) of the Internal Revenue Code; and (iii) that is operated, and has  
4407 always been operated, for community awareness and action through educational, economic, and cultural  
4408 service activities;

4409 16. An organization established on or before December 31, 1977, that is exempt from income tax pursuant  
4410 to § 501(c)(7) of the Internal Revenue Code and is incorporated, in part, to raise funds for donation to  
4411 organizations whose missions include promoting early detection of and public education about and  
4412 supporting research and treatment options for heart disease and various cancers;

4413 17. A local chamber of commerce; or

4414 18. Any other nonprofit organization that is exempt from income tax pursuant to § 501(c) of the Internal  
4415 Revenue Code and that raises funds by conducting raffles, bingo, instant bingo, pull tabs, or seal cards that  
4416 generate annual gross receipts of \$40,000 or less, provided that such gross receipts, less expenses and prizes,  
4417 are used exclusively for charitable, educational, religious, or community purposes. Notwithstanding  
4418 § 29.5-213, proceeds from instant bingo, pull tabs, and seal cards shall be included when calculating an  
4419 organization's annual gross receipts for the purposes of this subdivision.

4420 "Pari-mutuel play" means an integrated network operated by a licensee of the Commission composed of  
4421 participating charitable organizations for the conduct of network bingo games in which the purchase of a  
4422 network bingo card by a player automatically includes the player in a pool with all other players in the  
4423 network, and where the prize to the winning player is awarded based on a percentage of the total amount of  
4424 network bingo cards sold in a particular network.

4425 "Qualified organization" means any organization to which a valid permit has been issued by the  
4426 Commissioner to conduct charitable gaming or any organization that is exempt pursuant to § 29.5-206.

4427 "Raffle" means a lottery in which the prize is won by (i) a random drawing of the name or prearranged  
4428 number of one or more persons purchasing chances or (ii) a random contest in which the winning name or  
4429 preassigned number of one or more persons purchasing chances is determined by a race involving inanimate  
4430 objects floating on a body of water, commonly referred to as a "duck race."

4431 "Reasonable and proper business expenses" means business expenses actually incurred by a qualified  
4432 organization in the conduct of charitable gaming and not otherwise allowed under this chapter or under  
4433 Board regulations on real estate and personal property tax payments, travel expenses, payments of utilities  
4434 and trash collection services, legal and accounting fees, costs of business furniture, fixtures and office  
4435 equipment and costs of acquisition, maintenance, repair, or construction of an organization's real property.  
4436 For the purpose of this definition, (i) salaries and wages of employees whose primary responsibility is to  
4437 provide services for the principal benefit of an organization's members or (ii) expenses for social or  
4438 recreational activities for the principal benefit of a social organization's members may qualify as a business  
4439 expense, if so determined by the Board. However, payments made pursuant to § 51.1-1204 to the Volunteer  
4440 Firefighters' and Rescue Squad Workers' Service Award Fund shall be deemed a reasonable and proper  
4441 business expense.

4442 "Social organization" means any qualified organization that provides certification to the Commission that  
4443 it is:

4444 1. An accredited public institution of higher education or other postsecondary school licensed or certified  
4445 by the Board of Education or the State Council of Higher Education for Virginia qualified under § 501(c)(3)  
4446 of the Internal Revenue Code;

4447 2. An organization established on or before November 10, 1922, that is (i) qualified under § 501(c)(4) of  
4448 the Internal Revenue Code; (ii) the only federally chartered Marine Corps-related veterans organization in  
4449 the country; and (iii) operated for the purpose of promoting the interest and preserving the traditions of the  
4450 United States Marine Corps;

4451 3. An organization established on or before December 31, 1963, as a result of its members being  
4452 prohibited from joining similar existing organizations because of laws such as the Public Assemblages Act of  
4453 1926, which required the racial segregation of all public events in the Commonwealth, that is qualified under  
4454 § 501(c)(7) of the Internal Revenue Code;

4455 4. An organization established on or before December 31, 1977, that is qualified under § 501(c)(7) of the  
4456 Internal Revenue Code and is incorporated, in part, to raise funds for donation to organizations whose  
4457 missions include promoting early detection of and public education about and supporting research and  
4458 treatment options for heart disease and various cancers;

4459 5. A fraternal beneficiary society, order, or association qualified under § 501(c)(8) of the Internal  
4460 Revenue Code;

4461       6. A domestic fraternal society, order, or association qualified under § 501(c)(10) of the Internal Revenue  
 4462 Code; or

4463       7. A post or organization of past or present members of the Armed Forces of the United States, or an  
 4464 auxiliary unit or society of, or a trust or foundation for, any such post or organization qualified under §  
 4465 501(c)(19) of the Internal Revenue Code.

4466       "Social quarters" means, in addition to any specifications prescribed by the Board, an area at a social  
 4467 organization's primary location that (i) such organization designates to be used predominantly by its  
 4468 members for social and recreational activities, (ii) is accessible exclusively to members of the social  
 4469 organization and their guests, and (iii) is not advertised or open to the general public. It shall not disqualify  
 4470 the area from being considered social quarters if guests occasionally accompany members into the area, so  
 4471 long as such guests do not spend their own funds to participate in charitable gaming or electronic gaming  
 4472 activities conducted in the area. In determining if an area is social quarters for purposes of § 29.5-215, the  
 4473 Board may rely on publications of the Internal Revenue Service regarding the allowable participation of  
 4474 guests in an organization's social and recreational activities for purposes of § 501 of the Internal Revenue  
 4475 Code.

4476       "Supplier" means any person who offers to sell, sells, or otherwise provides charitable gaming supplies to  
 4477 any qualified organization.

4478       "Texas Hold'em poker game" means a variation of poker in which (i) players receive two cards facedown  
 4479 that may be used individually, (ii) five cards shown face up are shared among all players in the game, (iii)  
 4480 players combine any number of their individual cards with the shared cards to make the highest five-card  
 4481 hand to win the value wagered during the game, and (iv) the ranking of hands and the rules of the game are  
 4482 governed by the official rules of the Poker Tournament Directors Association.

4483       "Texas Hold'em poker tournament" or "tournament" means an organized competition of players (i) who  
 4484 pay a fixed fee for entry into the competition and for a certain amount of poker chips for use in the  
 4485 competition; (ii) who may be allowed to pay an additional fee, during set preannounced times of the  
 4486 competition, to receive additional poker chips for use in the competition; (iii) who may be seated at one or  
 4487 more tables simultaneously playing Texas Hold'em poker games; (iv) who upon running out of poker chips  
 4488 are eliminated from the competition; and (v) a pre-set number of whom are awarded prizes of value  
 4489 according to how long such players remain in the competition.

4490       **§ 29.5-201. Charitable Gaming Advisory Board; powers and duties.**

4491       A. The Charitable Gaming Advisory Board is hereby established as an advisory board within the Virginia  
 4492 Gaming Commission for the purpose of advising the Commission on all aspects of the conduct of charitable  
 4493 gaming in the Commonwealth.

4494       B. The Advisory Board shall consist of nine nonlegislative citizen members who shall be appointed by the  
 4495 Governor subject to confirmation by the General Assembly, of whom one is a member of a charitable  
 4496 organization subject to the provisions of this chapter in good standing with the Commission, one is a  
 4497 charitable gaming supplier registered and in good standing with the Commission, one is an owner, lessor, or  
 4498 lessee of premises where charitable gaming is conducted, and at least one is or has been a law-enforcement  
 4499 officer in the Commonwealth but who (i) is not a charitable gaming supplier registered with the Commission,  
 4500 (ii) is not a lessor of premises where charitable gaming is conducted, (iii) is not a member of a charitable  
 4501 organization, and (iv) does not have an interest in or is not affiliated with such supplier or charitable  
 4502 organization or owner, lessor, or lessee of premises where charitable gaming is conducted, and five do not  
 4503 have an interest in nor are affiliated with a charitable organization, charitable gaming supplier, or owner,  
 4504 lessor, or lessee of premises where charitable gaming is conducted.

4505       To the extent practicable, the Advisory Board shall consist of individuals from different geographic  
 4506 regions of the Commonwealth. Each member of the Advisory Board shall have been a resident of the  
 4507 Commonwealth for a period of at least three years next preceding his appointment, and his continued  
 4508 residency shall be a condition of his tenure in office. Members shall be appointed for four-year terms.  
 4509 Vacancies shall be filled by the Governor in the same manner as the original appointment for the unexpired  
 4510 portion of the term. Each Advisory Board member shall be eligible for reappointment for a second  
 4511 consecutive term at the discretion of the Governor. Persons who are first appointed to initial terms of less  
 4512 than four years shall thereafter be eligible for reappointment to two consecutive terms of four years each.  
 4513 The members of the Advisory Board shall serve at the pleasure of the Governor.

4514       C. The Advisory Board shall elect a chair and vice-chair from among its members.

4515       D. A quorum shall consist of five members. The decision of a majority of those members present and  
 4516 voting shall constitute a decision of the Advisory Board.

4517       E. Members shall receive such compensation for the performance of their duties as provided in  
 4518 § 2.2-2813. All members shall be reimbursed for all reasonable and necessary expenses incurred in the  
 4519 performance of their duties as provided in §§ 2.2-2813 and 2.2-2825. Funding for the costs and expenses of  
 4520 the members shall be provided by the Commission.

4521       F. The Advisory Board shall adopt rules and procedures for the conduct of its business, including a  
 4522 provision that Advisory Board members shall abstain or otherwise recuse themselves from voting on any

4523 matter in which they or a member of their immediate family have a personal interest in a transaction as  
4524 defined in § 2.2-3101. The Advisory Board shall meet at least four times a year, and other meetings may be  
4525 held at any time or place determined by the Advisory Board or upon call of the chair or upon a written  
4526 request to the chair by any two members. Except for emergency meetings, all members shall be duly notified  
4527 of the time and place of any regular or other meeting at least 10 days in advance of such meeting.

4528 G. The Advisory Board shall:

4529 1. Advise the Virginia Gaming Commission on the conduct of charitable gaming in the Commonwealth  
4530 and recommend changes to the provisions of this chapter and any applicable regulations;

4531 2. Advise on other matters related to charitable gaming that the Commission may request or the Advisory  
4532 Board may deem necessary; and

4533 3. Keep a complete and accurate record of its proceedings. A copy of such record and any other public  
4534 records not exempt from disclosure under the Virginia Freedom of Information Act (§ 2.2-3700 et seq.) shall  
4535 be available for public inspection and copying during regular office hours at the Commission.

4536 **§ 29.5-202. Powers and duties of the Commission, Commissioner, and the Board; report.**

4537 The Commission, the Commissioner, and the Board shall have all powers and duties necessary to carry  
4538 out the provisions of this chapter and to exercise the control of charitable gaming. Such powers and duties  
4539 shall include the following:

4540 1. The Commission is vested with jurisdiction and supervision over all charitable gaming authorized  
4541 under the provisions of this chapter and including all persons that conduct or provide goods, services, or  
4542 premises used in the conduct of charitable gaming. It may employ such persons as are necessary to ensure  
4543 that charitable gaming is conducted in conformity with the provisions of this chapter and Board regulations.  
4544 The Commission shall designate such agents and employees as it deems necessary and appropriate who shall  
4545 be sworn to enforce the provisions of this chapter and the criminal laws of the Commonwealth and who shall  
4546 be law-enforcement officers as defined in § 9.1-101.

4547 2. The Commission, its agents, and its employees charged with the enforcement of charitable gaming laws  
4548 shall have free access to the offices, facilities, or any other place of business of any organization, including  
4549 any premises devoted in whole or in part to the conduct of charitable gaming. These individuals may enter  
4550 such places or premises for the purpose of carrying out any duty imposed by this chapter, securing records  
4551 required to be maintained by an organization, investigating complaints, or conducting audits.

4552 3. The Board may compel the production of any books, documents, records, or memoranda of any  
4553 organization, electronic gaming manufacturer, or supplier involved in the conduct of charitable gaming for  
4554 the purpose of satisfying itself that this chapter and its regulations are strictly complied with. In addition, the  
4555 Board may require the production of an annual balance sheet and operating statement of any person granted  
4556 a permit pursuant to the provisions of this chapter and may require the production of any contract to which  
4557 such person is or may be a party.

4558 4. The Board may issue subpoenas for the attendance of witnesses before it, administer oaths, and compel  
4559 production of records or other documents and testimony of such witnesses whenever, in the judgment of the  
4560 Commission, it is necessary to do so for the effectual discharge of its duties.

4561 5. The Board may compel any person conducting charitable gaming to file with the Commission such  
4562 documents, information, or data as shall appear to the Commission to be necessary for the performance of its  
4563 duties.

4564 6. The Commissioner may enter into arrangements with any governmental agency of this or any other  
4565 state or any locality in the Commonwealth or any agency of the federal government for the purposes of  
4566 exchanging information or performing any other act to better ensure the proper conduct of charitable  
4567 gaming.

4568 7. The Commissioner may issue a charitable gaming permit while the permittee's tax-exempt status is  
4569 pending approval by the Internal Revenue Service.

4570 8. The Commission shall report annually to the Governor and the General Assembly, which report shall  
4571 include a financial statement of the operation of the Commission and any recommendations for legislation  
4572 applicable to charitable gaming in the Commonwealth.

4573 9. The Commission, its agents, and employees may conduct such audits, in addition to those required by  
4574 § 29.5-223, as deemed necessary and desirable.

4575 10. The Board may limit the number of organizations for which a person may manage, operate, or  
4576 conduct charitable games.

4577 11. The Board may promulgate regulations that require any landlord that leases to a qualified  
4578 organization any premises devoted in whole or in part to the conduct of bingo games or any other charitable  
4579 gaming to register with the Commission.

4580 12. The Commission shall report immediately, upon the receipt of a complaint of an alleged criminal  
4581 violation of this chapter, such complaint to the Commission's general or special counsel hired by the  
4582 Commissioner pursuant to § 29.5-102, the Office of the Gaming Enforcement Coordinator at the Department  
4583 of State Police pursuant to § 52-54, and the attorney for the Commonwealth in the jurisdiction where such  
4584 alleged violation occurred for appropriate action.

4585     13. Beginning July 1, 2026, and at least once every five years thereafter, the Commission shall convene a  
 4586 stakeholder work group to review the limitations on prize amounts and provide any recommendations to the  
 4587 General Assembly by November 30 of the year in which the stakeholder work group is convened.

4588     **§ 29.5-203. Regulations of the Board.**

4589     A. The Board shall adopt regulations that:

4590       1. Require, as a condition of receiving a charitable gaming permit or authorization to conduct electronic  
 4591 gaming, that the applicant use a predetermined percentage of its receipts for those lawful religious,  
 4592 charitable, community, or educational purposes for which the organization is specifically chartered or  
 4593 organized, including (i) those expenses relating to the acquisition, construction, maintenance, or repair of  
 4594 any interest in real property or (ii) expenses related to the rental of real property by an organization as  
 4595 described by subdivision 5, 6, or 7 of the definition of "social organization" in § 29.5-200 where such real  
 4596 property is involved in the operation of the organization and used for lawful religious, charitable,  
 4597 community, or educational purposes, as follows:

4598           a. With respect to charitable gaming, other than electronic gaming, a predetermined percentage of its  
 4599 gross receipts.

4600           b. With respect to electronic gaming, a predetermined percentage of its electronic gaming adjusted gross  
 4601 receipts.

4602       2. Specify the conditions under which a complete list of the organization's members who participate in the  
 4603 management, operation, or conduct of charitable gaming may be required in order for the Commissioner to  
 4604 ascertain the percentage of Virginia residents in accordance with subdivision A 3 of § 29.5-207.

4605       Membership lists furnished to the Commission in accordance with this subdivision shall not be a matter of  
 4606 public record and shall be exempt from disclosure under the provisions of the Virginia Freedom of  
 4607 Information Act (§ 2.2-3700 et seq.).

4608       3. Prescribe fees for processing applications for charitable gaming permits and authorizing social  
 4609 organizations to conduct electronic gaming. Such fees may reflect the nature and extent of the charitable  
 4610 gaming activity proposed to be conducted.

4611       4. Establish requirements for the audit of all reports required in accordance with §§ 29.5-221 and  
 4612 29.5-222.

4613       5. Define electronic and mechanical equipment used in the conduct of charitable gaming. Board  
 4614 regulations shall include capacity for such equipment to provide full automatic daubing as numbers are  
 4615 called. For the purposes of this subdivision, electronic or mechanical equipment for instant bingo, pull tabs,  
 4616 or seal cards shall include such equipment that displays facsimiles of instant bingo, pull tabs, or seal cards  
 4617 and is used solely for the purpose of dispensing or opening such paper or electronic cards, or both, but does  
 4618 not include (i) devices operated by dropping one or more coins or tokens into a slot and pulling a handle or  
 4619 pushing a button or touchpoint on a touchscreen to activate one to three or more reels marked into horizontal  
 4620 segments by varying symbols, where the predetermined prize amount depends on how and how many of the  
 4621 symbols line up when the rotating reels come to rest, or (ii) other similar devices that display flashing lights  
 4622 or illuminations, or bells, whistles, or other sounds, solely intended to entice players to play. Such  
 4623 regulations shall not prohibit (a) devices that display spinning, rotating, or rolling reels or animations or  
 4624 flashing lights; (b) devices that accept vouchers; (c) the purchase and play of an electronic pull tab with a  
 4625 single press or touch of a button; or (d) the use of multiple video monitors or touchscreens on an electronic  
 4626 gaming device.

4627       6. Prescribe the conditions under which a qualified organization may (i) provide food and nonalcoholic  
 4628 beverages to its members who participate in the management, operation, or conduct of bingo; (ii) permit  
 4629 members who participate in the management, operation, or conduct of bingo to play bingo; and (iii) subject  
 4630 to the provisions of subdivision 12 of § 29.5-224, permit nonmembers to participate in the conduct of bingo  
 4631 so long as the nonmembers are under the direct supervision of a bona fide member of the organization during  
 4632 the bingo game.

4633       7. Prescribe the conditions under which a qualified organization may sell raffle tickets for a raffle  
 4634 drawing that will be held outside the Commonwealth pursuant to subsection B of § 29.5-212.

4635       8. Prescribe the conditions under which persons who are bona fide members of a qualified organization  
 4636 or a child, older than 13 years of age, of such member may participate in the conduct or operation of bingo  
 4637 games.

4638       9. Prescribe the conditions under which a person younger than 18 years of age may play bingo, provided  
 4639 that such person is accompanied by his parent or legal guardian.

4640       10. Require all qualified organizations that are subject to Board regulations to post in a conspicuous  
 4641 place in every place where charitable gaming is conducted a sign that bears a toll-free telephone number for  
 4642 the National Problem Gambling Helpline.

4643       11. Require all qualified organizations that are subject to Board regulations to post in a conspicuous  
 4644 place in every place where charitable gaming is conducted a sign that bears the toll-free telephone number  
 4645 and website for the illegal gaming tip line established and administered by the Office of the Gaming  
 4646 Enforcement Coordinator in the Department of State Police pursuant to § 52-54 for members of the public to

4647 report concerns about, or suspected instances of, illegal gaming activities.

4648 12. Prescribe the conditions under which a qualified organization may sell network bingo cards in  
4649 accordance with § 29.5-218 and establish a percentage of proceeds derived from network bingo sales to be  
4650 allocated to (i) prize pools, (ii) the organization conducting the network bingo, and (iii) the network bingo  
4651 provider. The regulations shall also establish procedures for the retainage and ultimate distribution of any  
4652 unclaimed prize.

4653 13. Prescribe the conditions under which a qualified organization may manage, operate, or contract with  
4654 operators of or conduct Texas Hold'em poker tournaments.

4655 14. Prescribe the conditions under which a qualified organization may lease the premises of a permitted  
4656 social organization for the purpose of conducting bingo, network bingo, instant bingo, pull tabs, seal cards,  
4657 and electronic gaming permitted under this chapter and establish requirements for proper financial reporting  
4658 of all disbursements, gross receipts, and electronic gaming adjusted gross receipts and payment of all fees  
4659 required under this chapter.

4660 B. The Board may, by regulation, approve variations to the card formats for bingo games, provided that  
4661 such variations result in bingo games that are conducted in a manner consistent with the provisions of this  
4662 chapter. Board-approved variations may include bingo games commonly referred to as player selection  
4663 games and 90-number bingo.

4664 **§ 29.5-204. Denial, suspension, or revocation of permit; hearings and appeals.**

4665 A. The Commissioner may deny, suspend, or revoke the permit of any organization found not to be in  
4666 strict compliance with the provisions of this chapter and Board regulations. The action of the Commissioner  
4667 in denying, suspending, or revoking any permit shall be subject to the Administrative Process Act (§ 2.2-4000  
4668 et seq.).

4669 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  
4670 charitable gaming or authorization to conduct electronic gaming shall be denied, suspended, or revoked, and  
4671 no charitable games or funds from charitable gaming operations shall be seized, except upon notice stating  
4672 the proposed basis for such action and the time and place for the hearing. At the discretion of the  
4673 Commissioner, hearings may be conducted by hearing officers who shall be selected from the list prepared by  
4674 the Executive Secretary of the Supreme Court. After a hearing on the issues, the Commissioner may suspend,  
4675 revoke, or refuse to issue any such permit or authorization if he determines that the organization has not  
4676 complied with the provisions of this chapter or Board regulations.

4677 C. Any person aggrieved by a refusal of the Commissioner to issue any permit, the suspension or  
4678 revocation of a permit, or any other action of the Commission may seek review of such action in accordance  
4679 with Article 5 (§ 2.2-4025 et seq.) of the Administrative Process Act.

4680 **§ 29.5-205. Permitted forms of gaming; prizes not gaming contracts.**

4681 A. This chapter permits qualified organizations to conduct (i) raffles, bingo, network bingo, instant bingo  
4682 games, and Texas Hold'em poker tournaments and (ii) electronic gaming authorized pursuant to the  
4683 provisions of § 29.5-215. All games not explicitly authorized by this chapter or Board regulations adopted in  
4684 accordance with § 29.5-203 are prohibited. Nothing herein shall be construed to authorize the Board to  
4685 approve the conduct of any other form of poker in the Commonwealth.

4686 B. The award of any prize money for any charitable game shall not be deemed to be part of any gaming  
4687 contract within the purview of § 11-14.

4688 C. Nothing in this chapter shall prohibit an organization from using the Virginia Lottery's Pick-3 number  
4689 or any number or other designation selected by the Virginia Lottery in connection with any lottery as the  
4690 basis for determining the winner of a raffle.

4691 **§ 29.5-206. Organizations exempt from certain fees and reports.**

4692 A. No organization that reasonably expects, on the basis of prior charitable gaming annual results or any  
4693 other quantifiable method, to realize gross receipts of \$40,000 or less in any 12-month period from raffles  
4694 conducted in accordance with the provisions of this chapter shall be required to (i) notify the Commission of  
4695 its intention to conduct raffles or (ii) comply with Board regulations governing raffles.

4696 B. Any organization that reasonably expects, on the basis of prior charitable gaming annual results or  
4697 any other quantifiable method, to realize gross receipts of \$40,000 or less from all charitable gaming other  
4698 than raffles on a total of no more than seven days per calendar year shall register with the Commission  
4699 pursuant to the provisions of § 29.5-208.

4700 C. If any organization's actual gross receipts from raffles for the 12-month period exceed \$40,000 as  
4701 described in subsection A or actual gross receipts from all charitable gaming other than raffles conducted on  
4702 a total of no more than seven days per calendar year exceed \$40,000 as described in subsection B, such  
4703 organization shall obtain a permit pursuant to the provisions of § 29.5-209 and file by a specified date the  
4704 report required by § 29.5-221.

4705 D. Any (i) organization described in subdivision 18 of the definition of "organization" in § 29.5-200 or (ii)  
4706 volunteer fire department or volunteer emergency medical services agency or auxiliary unit thereof that has  
4707 been recognized in accordance with § 15.2-955 by an ordinance or resolution of the political subdivision  
4708 where the volunteer fire department or volunteer emergency medical services agency is located as being part

4709 of the safety program of such political subdivision shall be exempt from the payment of application fees  
 4710 required by § 29.5-209 and the payment of audit fees required by § 29.5-223. Any such organization,  
 4711 department, agency, or unit that conducts electronic gaming shall be subject to such application fees and  
 4712 audit fees for its electronic gaming activities; however, in accordance with the provisions of § 29.5-223, any  
 4713 audit fees may be paid by either the organization or the electronic gaming manufacturer whose electronic  
 4714 gaming devices are present on the premises of the organization, department, agency, or unit. Nothing in this  
 4715 subsection shall be construed as exempting any organizations described in subdivision 18 of the definition of  
 4716 "organization" in § 29.5-200, volunteer fire departments, or volunteer emergency medical services agencies  
 4717 from any other provisions of this chapter or other Board regulations.

4718 E. Nothing in this section shall prevent the Commission from conducting any investigation or audit it  
 4719 deems appropriate to ensure an organization's compliance with the provisions of this chapter and, to the  
 4720 extent applicable, Board regulations.

4721 **§ 29.5-207. Eligibility for permit; exceptions; where valid.**

4722 A. To be eligible for a permit to conduct charitable gaming, an organization shall:

4723 1. Have been in existence and met on a regular basis in the Commonwealth for a period of at least three  
 4724 years immediately prior to applying for a permit.

4725 The three-year residency requirement shall not apply (i) to any lodge or chapter of a national or  
 4726 international fraternal order or of a national or international civic organization that is exempt under §  
 4727 501(c) of the Internal Revenue Code and that has a lodge or chapter holding a charitable gaming permit  
 4728 issued under the provisions of this chapter anywhere within the Commonwealth; (ii) to booster clubs that  
 4729 have been operating for less than three years and that have been established solely to raise funds for school-  
 4730 sponsored activities in public schools or private schools accredited pursuant to § 22.1-19; (iii) to recently  
 4731 established volunteer fire and rescue companies or departments, after county, city, or town approval; or (iv)  
 4732 to an organization that relocates its meeting place on a permanent basis from one jurisdiction to another,  
 4733 complies with the requirements of subdivision 2, and was the holder of a valid permit at the time of its  
 4734 relocation.

4735 2. Be currently operating, and have always operated, as a nonprofit organization.

4736 3. Have at least 50 percent of its membership consist of residents of the Commonwealth; however, if an  
 4737 organization (i) does not consist of bona fide members and (ii) is exempt under § 501(c)(3) of the Internal  
 4738 Revenue Code, the Commission shall exempt such organization from the requirements of this subdivision.

4739 B. Any organization whose gross receipts from all charitable gaming exceeds or can be expected to  
 4740 exceed \$40,000 in any calendar year shall have been granted tax-exempt status pursuant to § 501(c) of the  
 4741 Internal Revenue Code. At the same time tax-exempt status is sought from the Internal Revenue Service, the  
 4742 same documentation may be filed with the Commission in conjunction with an application for a charitable  
 4743 gaming permit. If such documentation is filed, the Commissioner may, after reviewing such documentation he  
 4744 deems necessary, issue a charitable gaming permit.

4745 C. A permit shall be valid only for the dates and times designated in the permit.

4746 **§ 29.5-208. Registration requirements; certain organizations.**

4747 A. Any organization seeking to conduct charitable gaming in accordance with subsection B of § 29.5-206  
 4748 shall first register with the Commission on a form prescribed by the Board. The Board shall only require the  
 4749 organization to provide (i) proof of the organization's nonprofit status; (ii) contact information for the chief  
 4750 executive officer of the organization or his designee; (iii) the location, dates, and times of any expected  
 4751 charitable gaming activity; (iv) a description of the general nature of the anticipated charitable gaming  
 4752 activity; and (v) a signed attestation that the organization (a) does not reasonably expect to realize more than  
 4753 \$40,000 in gross receipts on a total of no more than seven days per calendar year for the charitable gaming  
 4754 activities listed on the registration form; (b) understands that should the organization exceed the \$40,000  
 4755 threshold, it will be required to file the report in accordance with § 29.5-221; and (c) understands it shall be  
 4756 required to comply with the provisions of this chapter and Board regulations.

4757 B. Any organization that registers with the Commission pursuant to this section is subject to random  
 4758 audits of its charitable gaming activities by the Commission and is subject to the penalties specified in  
 4759 §§ 29.5-228 and 29.5-230 for gross violations of this chapter.

4760 C. The Commissioner may deny, suspend, or revoke the registration of any organization found not to be in  
 4761 compliance with the provisions of this chapter and Board regulations. The action of the Commissioner in  
 4762 denying, suspending, or revoking any registration shall be subject to the Administrative Process Act  
 4763 (§ 2.2-4000 et seq.).

4764 D. Any person aggrieved by the denial, suspension, or revocation of a registration or any other action of  
 4765 the Commissioner may seek review of such action in accordance with Article 5 (§ 2.2-4025 et seq.) of the  
 4766 Administrative Process Act.

4767 **§ 29.5-209. Permit required; application fee; form of application.**

4768 A. Except as provided for in § 29.5-206, prior to the commencement of any charitable game, an  
 4769 organization shall obtain a permit from the Commission.

4770 B. All complete applications for a permit shall be acted upon by the Commissioner within 45 days from

4771 the filing thereof. Upon compliance by the applicant with the provisions of this chapter, and at the discretion  
4772 of the Commissioner, a permit may be issued. All permits when issued shall be valid for the period specified  
4773 in the permit unless it is sooner suspended or revoked. No permit shall be valid for longer than two years.  
4774 The application shall be a matter of public record.

4775 All permits shall be subject to regulation by the Board to ensure the public safety and welfare in the  
4776 operation of charitable games. The permit shall only be granted after a reasonable investigation has been  
4777 conducted by the Commission. The Commission may require any prospective employee, permit holder, or  
4778 applicant to submit to fingerprinting and to provide personal descriptive information to be forwarded along  
4779 with employee's, licensee's, or applicant's fingerprints through the Central Criminal Records Exchange to the  
4780 Federal Bureau of Investigation for the purposes of obtaining criminal history record information regarding  
4781 such prospective employee, permit holder, or applicant. The Central Criminal Records Exchange, upon  
4782 receipt of a prospective employee, licensee, or applicant record or notification that no record exists, shall  
4783 forward the report to the Commissioner or his designee, who shall belong to a governmental entity. However,  
4784 nothing in this subsection shall be construed to require the routine fingerprinting of volunteer bingo workers.

4785 C. In no case shall an organization receive more than one permit allowing it to conduct charitable  
4786 gaming, except that an organization may also apply for and receive a temporary permit pursuant to  
4787 § 29.5-211.

4788 D. Application for a charitable gaming permit shall be made on forms prescribed by the Board and shall  
4789 be accompanied by payment of the fee for processing the application.

4790 E. Applications for renewal of permits shall be made in accordance with Board regulations. If a complete  
4791 renewal application is received 45 days or more prior to the expiration of the permit, the permit shall  
4792 continue to be effective until such time as the Commissioner has taken final action. Otherwise, the permit  
4793 shall expire at the end of its term.

4794 F. The failure to meet any of the requirements of § 29.5-207 shall cause the automatic denial of the  
4795 permit, and no organization shall conduct any charitable gaming until the requirements are met and a permit  
4796 is obtained.

4797 **§ 29.5-210. Authorization to conduct electronic gaming required; fee.**

4798 A. In addition to a charitable gaming permit, a social organization shall receive authorization from the  
4799 Commissioner prior to conducting any electronic gaming pursuant to the provisions of § 29.5-215. A social  
4800 organization may request such authorization from the Commissioner by providing certain information, as  
4801 determined by the Board, on a form prescribed by the Board.

4802 B. All requests for authorization to conduct electronic gaming shall be acted upon by the Commissioner  
4803 within 45 days from the date of the request. A social organization that meets the necessary requirements  
4804 pursuant to this chapter may be, at the discretion of the Commissioner, authorized to conduct electronic  
4805 gaming pursuant to the provisions of § 29.5-215. Any such authorization granted by the Commissioner shall  
4806 be noted on the social organization's charitable gaming permit and shall be valid for the time specified in the  
4807 permit unless it is sooner suspended or revoked. No authorization to conduct electronic gaming shall be valid  
4808 for longer than two years. All requests received by the Commission shall be a matter of public record.

4809 All authorizations to conduct electronic gaming shall be subject to regulation by the Board to ensure the  
4810 public safety and welfare in the operation of electronic games. The authorization shall only be granted after  
4811 a reasonable investigation has been conducted by the Commission.

4812 C. In no case shall a social organization be authorized to conduct electronic gaming at more than one  
4813 location.

4814 D. Requests for authorization to conduct electronic gaming shall be made on forms prescribed by the  
4815 Board and shall be accompanied by payment of a fee.

4816 E. Requests for renewal of such authorizations shall be made in accordance with Board regulations. If a  
4817 complete renewal request is received 45 days or more prior to the expiration of the authorization, the  
4818 authorization shall continue to be effective until such time as the Commissioner has taken final action.  
4819 Otherwise, the authorization shall expire at the end of its term.

4820 **§ 29.5-211. Temporary permits authorized; limitations.**

4821 A. Any qualified organization described in subdivision 4 or 5 of the definition of "organization" in  
4822 § 29.5-200 may obtain a temporary permit from the Commissioner allowing such organization to sell instant  
4823 bingo, pull tabs, or seal cards upon premises located anywhere in the Commonwealth during a convention,  
4824 conference, or related event lasting no more than seven consecutive days held by such organization's  
4825 affiliated state, regional, or national organization up to once per quarter as designated in the permit.

4826 B. All complete applications for a permit shall be acted upon by the Commissioner within 45 days from  
4827 the filing thereof. Upon compliance by the applicant with the provisions of this chapter, and at the discretion  
4828 of the Commissioner, a temporary permit may be issued. All temporary permits when issued shall be valid for  
4829 the period specified in the permit unless it is sooner suspended or revoked. No permit shall be valid for  
4830 longer than one year. The application shall be a matter of public record.

4831 All temporary permits shall be subject to regulation by the Board to ensure the public safety and welfare  
4832 in the operation of charitable games. The temporary permit shall only be granted after a reasonable

4833 investigation has been conducted by the Commission. The Commission may require any prospective  
 4834 employee, permit holder, or applicant to submit to fingerprinting and to provide personal descriptive  
 4835 information to be forwarded along with the employee's, permit holder's, or applicant's fingerprints through  
 4836 the Central Criminal Records Exchange to the Federal Bureau of Investigation for the purposes of obtaining  
 4837 criminal history record information regarding such prospective employee, permit holder, or applicant. The  
 4838 Central Criminal Records Exchange, upon receipt of a prospective employee, permit holder, or applicant  
 4839 record or notification that no record exists, shall forward the report to the Commissioner or his designee,  
 4840 who shall belong to a governmental entity. However, nothing in this subsection shall be construed to require  
 4841 the routine fingerprinting of volunteer bingo workers.

4842 C. In no case shall an organization receive more than one temporary permit allowing it to conduct  
 4843 charitable gaming; however, an organization may also receive a permit in accordance with the provisions of  
 4844 § 29.5-209.

4845 D. Application for a temporary permit shall be made on forms prescribed by the Board and shall be  
 4846 accompanied by payment of the fee for processing the application.

4847 E. Applications for renewal of temporary permits shall be made in accordance with Board regulations. If  
 4848 a complete renewal application is received 45 days or more prior to the expiration of the temporary permit,  
 4849 the temporary permit shall continue to be effective until such time as the Commissioner has taken final  
 4850 action. Otherwise, the temporary permit shall expire at the end of its term.

4851 F. The failure to meet any of the requirements of § 29.5-207 shall cause the automatic denial of the  
 4852 temporary permit, and no organization shall conduct any charitable gaming in accordance with the  
 4853 provisions of subsection A until such requirements are met and a temporary permit is obtained.

4854 **§ 29.5-212. Sale of raffle tickets; drawings.**

4855 A. Except as provided in subsection B, a qualified organization may sell raffle tickets both in and out of  
 4856 the jurisdiction designated in its permit and shall conduct the drawing within the Commonwealth.

4857 B. A qualified organization may sell raffle tickets for a raffle drawing that will be held outside the  
 4858 Commonwealth, provided the raffle is conducted in accordance with (i) Board regulations and (ii) the laws  
 4859 and regulations of the jurisdiction in which the raffle drawing will be held.

4860 C. Before a prize drawing, each stub or other detachable section of each ticket sold or won through some  
 4861 other authorized charitable game conducted by the same organization holding the raffle shall be placed into  
 4862 a receptacle from which the winning tickets are drawn. The receptacle shall be designed so that each ticket  
 4863 placed in it has an equal chance of being drawn.

4864 **§ 29.5-213. Sale of instant bingo, pull tabs, or seal cards.**

4865 A. Except as provided in subsection D, instant bingo, pull tabs, or seal cards may be sold only (i) by a  
 4866 qualified organization, as defined in § 29.5-200, (ii) upon premises that are owned or exclusively and entirely  
 4867 leased by the qualified organization or leased by the qualified organization pursuant to subsection C, and  
 4868 (iii) at such times that the premises in which the instant bingo, pull tabs, or seal cards are sold is open only to  
 4869 members and their guests via controlled access. Except as provided in subsections C and D, no organization  
 4870 may sell instant bingo, pull tabs, or seal cards (a) at a location outside of the county, city, or town in which  
 4871 the organization's principal office, as registered with the State Corporation Commission, is located or in an  
 4872 adjoining county, city, or town or (b) at an establishment that has been granted a license pursuant to Chapter  
 4873 2 (§ 4.1-200 et seq.) of Title 4.1 unless such license is held by the organization. Nothing in this chapter shall  
 4874 be construed to prohibit the conduct of games of chance involving the sale of pull tabs or seal cards,  
 4875 commonly known as last sale games, conducted in accordance with this section or, if such games are  
 4876 electronic games, in accordance with § 29.5-215.

4877 B. It is prohibited to use an electronic device to conduct instant bingo, pull tabs, or seal cards except as  
 4878 permitted under § 29.5-215.

4879 C. Notwithstanding the provisions of subsection A, a qualified organization may lease the premises of any  
 4880 social organization authorized pursuant to § 29.5-215 for the purpose of selling instant bingo, pull tabs, or  
 4881 seal cards.

4882 D. Notwithstanding the provisions of subsection A, instant bingo, pull tabs, or seal cards may be sold by a  
 4883 qualified organization that has received a temporary permit from the Commissioner pursuant to § 29.5-211  
 4884 upon premises located anywhere in the Commonwealth during a convention, conference, or related event  
 4885 lasting no more than seven consecutive days held by such organization's affiliated state, regional, or national  
 4886 organization up to once per quarter as designated in the temporary permit.

4887 **§ 29.5-214. Sale of instant bingo, pull tabs, or seal cards dispensed by mechanical equipment.**

4888 As a part of its annual fundraising event, any qualified organization may sell instant bingo, pull tabs, or  
 4889 seal cards, provided that (i) any such instant bingo, pull tabs, or seal cards are dispensed by mechanical  
 4890 equipment only; (ii) the sale of the same is limited to a single event of no more than seven days per calendar  
 4891 year; (iii) any such event is open to the public; and (iv) no such organization realizes actual gross receipts of  
 4892 more than \$40,000 from the conduct of all charitable gaming other than raffles on a total of no more than  
 4893 seven days per calendar year. Notwithstanding the provisions of § 29.5-217, an organization authorized  
 4894 under this section shall not be required to sell such instant bingo, pull tabs, or seal cards at such times

4895 designated in the permit for regular bingo games or at a location at which the organization is authorized to  
4896 conduct regular bingo games pursuant to subsections E and F of § 29.5-216. If any organization's actual  
4897 gross receipts from the sale of instant bingo, pull tabs, or seal cards pursuant to this section exceed \$40,000,  
4898 the Commission shall require the organization to obtain a permit pursuant to the provisions of § 29.5-209  
4899 and file by a specified date the report required by § 29.5-221. The Commission may require organizations  
4900 authorized under this section to make such financial reporting as it deems necessary.

4901 Nothing in this section shall be construed as exempting organizations authorized to sell instant bingo, pull  
4902 tabs, or seal cards under this section from any other provisions of this chapter or other Board regulations.

4903 **§ 29.5-215. Electronic gaming; penalty.**

4904 A. The Commissioner may authorize a social organization to conduct electronic gaming (i) within its  
4905 social quarters and (ii) elsewhere on the premises of its primary location. Any such authorized social  
4906 organization may lease its premises to any qualified organization for the purpose of conducting electronic  
4907 gaming. A qualified organization that leases the premises of a social organization pursuant to this section  
4908 shall be subject to the rules and regulations prescribed by the Board. No other electronic gaming shall be  
4909 allowed under this chapter. Any person who conducts or participates in electronic gaming that is not  
4910 authorized under this section shall be subject to the penalties specified in § 29.5-230.

4911 B. A social organization may request authorization from the Commissioner to conduct electronic gaming  
4912 pursuant to this section in accordance with the procedures established under §§ 29.5-204 and 29.5-209. Any  
4913 fee charged by the Commission for the purpose of such authorization shall be in addition to any fee charged  
4914 for a charitable gaming permit. Any charitable gaming permit that also authorizes a social organization to  
4915 conduct electronic gaming shall identify the expiration date of such authorization and the number of  
4916 electronic gaming devices authorized at the location.

4917 C. A social organization and any qualified organization that leases the premises of a social organization  
4918 pursuant to this section are prohibited from advertising any electronic gaming activities to the general  
4919 public.

4920 D. The Commission may authorize a maximum of 18 electronic gaming devices at a location. Each such  
4921 device shall bear a mark indicating it has been authorized and approved by the Commission.

4922 E. An electronic gaming manufacturer that has been issued a permit by the Commissioner in accordance  
4923 with § 29.5-225 shall report all electronic gaming adjusted gross receipts pursuant to the provisions of  
4924 § 29.5-222.

4925 F. The use of electronic gaming devices utilizing multiple video monitors or touchscreens shall be limited  
4926 to one player at a time.

4927 G. No social organization or qualified organization leasing the premises of a social organization shall  
4928 allow any individual younger than 21 years of age to participate in electronic gaming. No individual younger  
4929 than 21 years of age shall participate in electronic gaming or otherwise use an electronic device to play or  
4930 redeem any instant bingo, pull tabs, or seal cards.

4931 H. No social organization or any qualified organization leasing the premises of a social organization  
4932 shall extend lines of credit or accept any credit or other electronic fund transfer other than debit cards in  
4933 payment of any charges or assessments for players to participate in electronic gaming.

4934 **§ 29.5-216. Conduct of bingo games.**

4935 A. A qualified organization shall accept only cash or, at its option, checks or debit cards in payment of  
4936 any charges or assessments for players to participate in bingo games. However, no such organization shall  
4937 accept postdated checks in payment of any charges or assessments for players to participate in bingo games.

4938 B. No qualified organization or any person on the premises shall extend lines of credit or accept any  
4939 credit or other electronic fund transfer other than debit cards in payment of any charges or assessments for  
4940 players to participate in bingo games.

4941 C. Bingo games may be held by qualified organizations on any calendar day.

4942 D. Qualified organizations may hold an unlimited number of bingo sessions on any calendar day.

4943 E. Except as provided in subsection F, no organization may conduct bingo games (i) at a location outside  
4944 of the county, city, or town in which its principal office, as registered with the State Corporation Commission,  
4945 is located or in an adjoining county, city, or town or (ii) at an establishment that has been granted a license  
4946 pursuant to Chapter 2 (§ 4.1-200 et seq.) of Title 4.1 unless such license is held by the organization.

4947 F. Notwithstanding the provisions of subsection E, a qualified organization may lease the premises of any  
4948 social organization authorized pursuant to § 29.5-215 for the purpose of conducting bingo games.

4949 **§ 29.5-217. Conduct of instant bingo, network bingo, pull tabs, and seal cards.**

4950 A. Any organization qualified to conduct bingo games pursuant to the provisions of this chapter may also  
4951 play instant bingo, network bingo, pull tabs, or seal cards; however, such games shall be played only at such  
4952 times designated in the permit for regular bingo games and only at locations at which the organization is  
4953 authorized to conduct regular bingo games pursuant to subsections E and F of § 29.5-216, except that a  
4954 qualified organization that is issued a temporary permit pursuant to § 29.5-211 shall be authorized to play  
4955 instant bingo, pull tabs, or seal cards in accordance with subsection D of § 29.5-213. It is prohibited to use  
4956 an electronic device to conduct instant bingo, pull tabs, or seal cards except as permitted under § 29.5-215.

4957     B. Any organization conducting instant bingo, network bingo, pull tabs, or seal cards shall maintain a  
 4958 record of the date, quantity, and card value of instant bingo supplies purchased as well as the name and  
 4959 address of the supplier of such supplies. The organization shall also maintain a written invoice or receipt  
 4960 from a nonmember of the organization verifying any information required by this subsection. Such supplies  
 4961 shall be paid for only by check drawn on the gaming account of the organization. A complete inventory of all  
 4962 such gaming supplies shall be maintained by the organization on the premises where the gaming is being  
 4963 conducted.

4964     C. No qualified organization shall sell any instant bingo, network bingo, pull tabs, or seal cards to any  
 4965 individual younger than 18 years of age. No individual younger than 18 years of age shall play or redeem  
 4966 any instant bingo, network bingo, pull tabs, or seal cards.

4967     D. No qualified organization or any person on the premises shall extend lines of credit or accept any  
 4968 credit or other electronic fund transfer other than debit cards in payment of any charges or assessments for  
 4969 players to participate in instant bingo, network bingo, pull tabs, or seal cards.

4970     § 29.5-218. **Conduct of network bingo.**

4971     A. Any organization qualified to conduct bingo games pursuant to the provisions of this chapter may also  
 4972 sell network bingo cards; however, network bingo shall be sold only at such times designated in the permit  
 4973 for regular bingo games and only at locations at which the organization is authorized to conduct regular  
 4974 bingo games pursuant to subsections E and F of § 29.5-216.

4975     B. Any organization selling network bingo cards shall maintain a record of the date and quantity of  
 4976 network bingo cards purchased from a licensed network bingo provider. The organization shall also maintain  
 4977 a written invoice or receipt from a licensed supplier verifying any information required by this subsection.  
 4978 Such supplies shall be paid for only by check drawn on the gaming account of the organization or by  
 4979 electronic fund transfer. A complete inventory of all such gaming supplies shall be maintained by the  
 4980 organization on the premises where network bingo cards are sold.

4981     C. No qualified organization shall sell any network bingo cards to any individual younger than 18 years  
 4982 of age. No individual younger than 18 years of age shall play or redeem any network bingo cards.

4983     D. A qualified organization shall accept only cash or, at its option, checks or debit cards in payment of  
 4984 any charges or assessments for players to participate in any network bingo game. However, no such  
 4985 organization shall accept postdated checks in payment of any charges or assessments for players to  
 4986 participate in network bingo games.

4987     E. No qualified organization or any person on the premises shall extend lines of credit or accept any  
 4988 credit or other electronic fund transfer other than debit cards in payment of any charges or assessments for  
 4989 players to participate in network bingo games.

4990     F. No qualified organization shall conduct network bingo more frequently than one day in any calendar  
 4991 week, which shall not be the same day of each week.

4992     G. No qualified organization shall sell network bingo cards on the internet or other online service or  
 4993 allow the play of network bingo on the internet or other online service. However, the location where network  
 4994 bingo games are conducted shall be equipped with a video monitor, television, or video screen, or any other  
 4995 similar means of visually displaying a broadcast or signal, that relays live, real-time video of the numbers as  
 4996 they are called by a live caller. The internet or other online service may be used to relay information about  
 4997 winning players.

4998     H. Qualified organizations may award network bingo prizes on a graduated scale; however, no single  
 4999 network bingo prize shall exceed \$25,000.

5000     I. Nothing in this section shall be construed to prohibit an organization from participating in more than  
 5001 one network bingo network.

5002     § 29.5-219. **Conduct of Texas Hold'em poker tournaments by qualified organizations; limitation of  
 5003 operator fee; conditions.**

5004     A. Any organization qualified to conduct bingo games on or after July 1, 2019, may conduct Texas  
 5005 Hold'em poker tournaments; however, no such organization may conduct individual Texas Hold'em poker  
 5006 games. The Board shall promulgate regulations establishing circumstances under which organizations  
 5007 qualified to conduct bingo games prior to July 1, 2019, may conduct Texas Hold'em poker tournaments.

5008     B. A qualified organization may contract with an operator to administer Texas Hold'em poker  
 5009 tournaments. Limitations on operator fees shall be established by Board regulations.

5010     C. A qualified organization shall accept only cash or, at its option, checks in payment of any charges or  
 5011 assessments for players to participate in Texas Hold'em poker tournaments. However, no such organization  
 5012 shall accept postdated checks in payment of any charges or assessments for players to participate in Texas  
 5013 Hold'em poker tournaments.

5014     D. No qualified organization or any person on the premises shall extend lines of credit or accept any  
 5015 credit or debit card or other electronic fund transfer in payment of any charges or assessments for players to  
 5016 participate in Texas Hold'em poker tournaments.

5017     E. No qualified organization shall allow any individual younger than 18 years of age to participate in  
 5018 Texas Hold'em poker tournaments.

**5019 § 29.5-220. Joint operation of bingo games; written reports; joint permit required.**

5020 A. Any two or more qualified organizations may jointly organize and conduct bingo games provided both  
5021 have fully complied with all other provisions of this chapter.

5022 B. Any two or more qualified organizations jointly conducting such games shall be (i) subject to the same  
5023 restrictions and prohibitions contained in this chapter that would apply to a single organization conducting  
5024 bingo games and (ii) required to furnish to the Commission a written report setting forth the location where  
5025 such games will be held and the division of manpower, costs, and proceeds for each game to be jointly  
5026 conducted.

5027 Upon a finding that the division of manpower and costs for each game bears a reasonable relationship to  
5028 the division of proceeds, the Commissioner shall issue a joint permit.

5029 C. No bingo game shall be jointly conducted until the joint permit issued pursuant to subsection B is  
5030 obtained by the organizations.

**5031 § 29.5-221. Reports of gross receipts, electronic gaming adjusted gross receipts, and disbursements  
5032 required; form of reports; failure to file.**

5033 A. 1. Each qualified organization shall keep a complete record of all:

5034 a. Inventory of charitable gaming supplies purchased.

5035 b. Receipts from its charitable gaming operation, including a breakdown of receipts attributable to each  
5036 type of game offered.

5037 c. Electronic gaming adjusted gross receipts.

5038 d. Disbursements related to charitable gaming and electronic gaming operations, including a breakdown  
5039 of disbursements for each purpose specified in subdivision 1 of § 29.5-224.

5040 2. Except as provided in §§ 29.5-206 and 29.5-222, each qualified organization shall file under penalty of  
5041 perjury and at least annually, on a form prescribed by the Board, a report of all receipts and disbursements  
5042 specified in subdivision 1, the amount of money on hand attributable to charitable gaming as of the end of the  
5043 period covered by the report, and any other information related to its charitable gaming operation that the  
5044 Commission may require. In addition, the Board, by regulation, may require any qualified organization,  
5045 except any qualified organization that realizes annual gross receipts of \$40,000 or less, whose net receipts  
5046 exceed a specified amount during any three-month period to file a report of its receipts and disbursements for  
5047 such period. All reports filed pursuant to this section shall be a matter of public record.

5048 B. All reports required by this section shall be filed on or before the date prescribed by the Commissioner.  
5049 The Board, by regulation, shall establish a schedule of late fees to be assessed for any organization that fails  
5050 to submit required reports by the due date.

5051 C. Except as provided in § 29.5-206, each qualified organization shall designate or compensate an  
5052 outside individual or group who shall be responsible for filing an annual, and, if required, quarterly,  
5053 financial report if the organization goes out of business or otherwise ceases to conduct charitable gaming  
5054 activities. The Commission shall require such reports as it deems necessary until all proceeds of any  
5055 charitable gaming have been used for the purposes specified in § 29.5-203 or have been disbursed in a  
5056 manner approved by the Commission.

5057 D. Each qualified organization shall maintain for three years a complete written record of (i) all  
5058 charitable gaming sessions using Board-prescribed forms or reasonable facsimiles thereof approved by the  
5059 Commission; (ii) the name and address of each individual to whom is awarded any charitable gaming prize  
5060 or jackpot that meets or exceeds the requirements of Internal Revenue Service Publication 3079, as well as  
5061 the amount of the award; and (iii) an itemized record of all receipts and disbursements, including operating  
5062 costs and use of proceeds incurred in operating bingo games.

5063 E. The failure to file reports within 30 days of the time such reports are due shall cause the automatic  
5064 revocation of the permit, and no organization shall conduct any bingo game or raffle thereafter until the  
5065 report is properly filed and a new permit is obtained. However, the Commissioner may grant an extension of  
5066 time for filing such reports for a period not to exceed 45 days if requested by an organization, provided the  
5067 organization requests an extension within 15 days of the time such reports are due and all projected fees are  
5068 paid. For the term of any such extension, the organization's permit shall not be automatically revoked, such  
5069 organization may continue to conduct charitable gaming, or electronic gaming if authorized to do so  
5070 pursuant to the provisions of this chapter, and no new permit shall be required.

5071 F. For purposes of this section, the requirement to file a report shall also include the payment of any  
5072 applicable fees required to accompany such report.

**5073 § 29.5-222. Reports of electronic gaming adjusted gross receipts by electronic gaming manufacturer  
5074 required; form of reports; failure to file.**

5075 A. Each electronic gaming manufacturer that holds a permit issued by the Commissioner pursuant to  
5076 § 29.5-225 shall keep a complete record of all electronic gaming adjusted gross receipts and shall file at  
5077 least annually, on a form prescribed by the Board, a report of all such receipts and any other information  
5078 related to the manufacture of electronic gaming devices that the Commission may require.

5079 B. The report required by this section shall be filed on or before the date prescribed by the Commissioner.  
5080 The Board, by regulation, shall establish a schedule of late fees to be assessed for any electronic gaming

5081 manufacturer that fails to submit required reports by the due date.

5082 C. Each electronic gaming manufacturer shall maintain for three years a complete written record of all  
5083 electronic gaming adjusted gross receipts.

5084 D. The failure to file the report required by this section within 30 days of the time such report is due shall  
5085 cause the automatic revocation of the electronic gaming manufacturer's permit, and no such manufacturer  
5086 shall manufacture any new electronic gaming device until the report is properly filed and a new permit is  
5087 obtained. However, the Commissioner may grant an extension of time for filing such report for a period not  
5088 to exceed 45 days if requested by a manufacturer, provided that the manufacturer requests an extension  
5089 within 15 days of the time such report is due and all projected fees are paid. For the term of any such  
5090 extension, the manufacturer's permit shall not be automatically revoked, such manufacturer may continue to  
5091 manufacture electronic gaming devices, and no new permit shall be required.

5092 E. For purposes of this section, the requirement to file a report shall also include the payment of any  
5093 applicable fees required to accompany such report.

5094 § 29.5-223. Audit of reports; exemption; audit and administration fee; additional assessment of gross  
5095 receipts and electronic gaming adjusted gross receipts.

5096 A. All reports filed pursuant to §§ 29.5-221 and 29.5-222 shall be subject to audit by the Commission in  
5097 accordance with Board regulations. The Commission may engage the services of independent certified public  
5098 accountants to perform any audits deemed necessary to fulfill the Commission's responsibilities under this  
5099 chapter.

5100 B. The Board shall prescribe a reasonable audit and administration fee to be paid by (i) any organization  
5101 conducting charitable gaming under a permit issued by the Commissioner unless the organization is exempt  
5102 from such fee pursuant to § 29.5-206 or (ii) any electronic gaming manufacturer that holds a permit issued  
5103 by the Commissioner pursuant to § 29.5-225. Such fee shall not exceed one-half of one percent of the gross  
5104 receipts that an organization reports pursuant to § 29.5-221 or one-half of one percent of the electronic  
5105 gaming adjusted gross receipts that an electronic gaming manufacturer reports pursuant to § 29.5-222. The  
5106 audit and administration fee shall accompany each report for each calendar quarter.

5107 C. The audit and administration fee shall be payable to the State Treasurer. All such fees received by the  
5108 State Treasurer shall be separately accounted for and shall only be used by the Commission for the purposes  
5109 of auditing and regulating charitable gaming.

5110 D. In addition to the fee imposed under subsection B, an additional fee of (i) one-quarter of one percent of  
5111 the gross receipts that an organization reports pursuant to § 29.5-221 shall be paid by the organization or  
5112 (ii) one-quarter of one percent of the electronic gaming adjusted gross receipts that an electronic gaming  
5113 manufacturer reports pursuant to § 29.5-222 shall be paid by the electronic gaming manufacturer to the State  
5114 Treasurer. All such amounts shall be collected and deposited in the same manner as prescribed in  
5115 subsections B and C and shall be used for the same purposes.

5116 § 29.5-224. Prohibited practices.

5117 In addition to those other practices prohibited by this chapter, the following acts or practices are  
5118 prohibited:

5119 1. No part of the gross receipts or electronic gaming adjusted gross receipts derived by a qualified  
5120 organization may be used for any purpose other than (i) gaming expenses; (ii) reasonable and proper  
5121 business expenses; and (iii) those lawful religious, charitable, community, or educational purposes for which  
5122 the organization is specifically chartered or organized.

5123 2. Except as provided in § 29.5-226, no qualified organization shall enter into a contract with or  
5124 otherwise employ for compensation any person for the purpose of organizing, managing, or conducting any  
5125 charitable games. However, organizations composed of or for deaf or blind persons may use a part of their  
5126 gross receipts for costs associated with providing clerical assistance in the management and operation but  
5127 not the conduct of charitable gaming.

5128 The provisions of this subdivision shall not prohibit the joint operation of bingo games held in accordance  
5129 with § 29.5-220.

5130 3. No person shall pay or receive for use of any premises wholly devoted to the conduct of any charitable  
5131 games any consideration in excess of the current fair market rental value of such property. Fair market  
5132 rental value consideration shall not be based upon or determined by reference to a percentage of the  
5133 proceeds derived from the operation of any charitable games or to the number of people in attendance at  
5134 such charitable games.

5135 4. No person shall participate in the management or operation of any charitable game unless such person  
5136 is and, for a period of at least 30 days immediately preceding such participation, has been a bona fide  
5137 member of the organization. For any organization that is not composed of members, a person who is not a  
5138 bona fide member may volunteer in the conduct of a charitable game as long as that person is directly  
5139 supervised by a bona fide official member of the organization.

5140 The provisions of this subdivision shall not apply to (i) persons employed as clerical assistants by  
5141 qualified organizations composed of or for deaf or blind persons; (ii) employees of a corporate sponsor of a  
5142 qualified organization, provided such employees' participation is limited to the management, operation, or

5143 *conduct of no more than one raffle per year; (iii) the spouse or family member of any such bona fide member*  
5144 *of a qualified organization, provided at least one bona fide member is present; or (iv) persons employed by a*  
5145 *qualified organization authorized to sell pull tabs or seal cards in accordance with § 29.5-200, provided (a)*  
5146 *such sales are conducted by no more than two on-duty employees and (b) such employees receive no*  
5147 *compensation for or based on the sale of the pull tabs or seal cards.*

5148 *5. No person shall receive any remuneration for participating in the management, operation, or conduct*  
5149 *of any charitable game, except that:*

5150 *a. Persons employed by organizations composed of or for deaf or blind persons may receive remuneration*  
5151 *not to exceed \$30 per event for providing clerical assistance in the management and operation but not the*  
5152 *conduct of charitable games only for such organizations;*

5153 *b. Persons younger than 19 years of age who sell raffle tickets for a qualified organization to raise funds*  
5154 *for youth activities in which they participate may receive nonmonetary incentive awards or prizes from the*  
5155 *organization;*

5156 *c. Remuneration may be paid to off-duty law-enforcement officers from the jurisdiction in which such*  
5157 *bingo games are played for providing uniformed security for such bingo games even if such officer is a*  
5158 *member of the sponsoring organization, provided the remuneration paid to such member is in accordance*  
5159 *with off-duty law-enforcement personnel work policies approved by the local law-enforcement official and*  
5160 *further provided that such member is not otherwise engaged in the management, operation, or conduct of the*  
5161 *bingo games of that organization, or to private security services businesses licensed pursuant to § 9.1-139*  
5162 *providing uniformed security for such bingo games, provided that employees of such businesses shall not*  
5163 *otherwise be involved in the management, operation, or conduct of the bingo games of that organization;*

5164 *d. A member of a qualified organization lawfully participating in the management, operation, or conduct*  
5165 *of a bingo game may be provided food and nonalcoholic beverages by such organization for on-premises*  
5166 *consumption during the bingo game, provided the food and beverages are provided in accordance with*  
5167 *Board regulations;*

5168 *e. Remuneration may be paid to bingo managers or callers who have a current registration certificate*  
5169 *issued by the Commissioner in accordance with § 29.5-226, or who are exempt from such registration*  
5170 *requirement. Except as provided for in subdivision f and subsection E of § 29.5-226, such remuneration shall*  
5171 *not exceed \$200 per session;*

5172 *f. For services provided on any day designated as a legal holiday pursuant to § 2.2-3300, remuneration*  
5173 *shall be paid at a rate not less than one and one-half times the remuneration rate paid pursuant to*  
5174 *subdivision e to bingo managers or callers who have a current registration certificate issued by the*  
5175 *Commissioner in accordance with § 29.5-226, or who are exempt from such registration requirement; and*

5176 *g. Volunteers of a qualified organization may be reimbursed for their reasonable and necessary travel*  
5177 *expenses, not to exceed \$50 per session.*

5178 *6. No landlord shall, at bingo games conducted on the landlord's premises, (i) participate in the conduct,*  
5179 *management, or operation of any bingo games; (ii) sell, lease, or otherwise provide for consideration any*  
5180 *bingo supplies, including bingo cards, instant bingo cards, or other game pieces; or (iii) require as a*  
5181 *condition of the lease or by contract that a particular manufacturer, distributor, or supplier of bingo supplies*  
5182 *or equipment be used by the organization.*

5183 *The provisions of this subdivision shall not apply to any qualified organization conducting bingo games*  
5184 *on its own behalf at premises owned by it.*

5185 *7. No qualified organization shall enter into any contract with or otherwise employ or compensate any*  
5186 *member of the organization on account of the sale of bingo supplies or equipment.*

5187 *8. No organization shall award any bingo prize money or any merchandise valued in excess of the*  
5188 *following amounts:*

5189 *a. No bingo door prize shall exceed \$250 for a single door prize or \$500 in cumulative door prizes in any*  
5190 *one session;*

5191 *b. No regular bingo or special bingo game prize shall exceed \$100. However, up to 10 games per bingo*  
5192 *session may feature a regular bingo or special bingo game prize of up to \$200;*

5193 *c. No instant bingo, pull tab, or seal card prize for a single card shall exceed \$2,000;*

5194 *d. Except as provided in this subdivision 8, no bingo jackpot of any nature whatsoever shall exceed*  
5195 *\$1,000, nor shall the total amount of bingo jackpot prizes awarded in any one session exceed \$1,000.*  
5196 *Proceeds from the sale of bingo cards and the sheets used for bingo jackpot games shall be accounted for*  
5197 *separately from the bingo cards or sheets used for any other bingo games; and*

5198 *e. No single network bingo prize shall exceed \$25,000. Proceeds from the sale of network bingo cards*  
5199 *shall be accounted for separately from bingo cards and sheets used for any other bingo game.*

5200 *9. The provisions of subdivision 8 shall not apply to any progressive bingo game in which (i) a regular or*  
5201 *special prize, not to exceed \$100, is awarded on the basis of predetermined numbers or patterns selected at*  
5202 *random and (ii) a progressive prize, not to exceed \$500 for the initial progressive prize and \$5,000 for the*  
5203 *maximum progressive prize, is awarded if the predetermined numbers or patterns are covered when a certain*  
5204 *number of numbers is called, provided that (a) there are no more than six such games per session per*

5205 organization, (b) the amount of increase of the progressive prize per session is no more than \$200, (c) the  
 5206 bingo cards or sheets used in such games are sold separately from the bingo cards or sheets used for any  
 5207 other bingo games, (d) the organization separately accounts for the proceeds from such sale, and (e) such  
 5208 games are otherwise operated in accordance with the Commission's rules of play.

5209 10. No organization shall award any raffle prize valued at more than \$100,000.

5210 The provisions of this subdivision shall not apply to a raffle conducted no more than three times per  
 5211 calendar year by a qualified organization qualified as a tax-exempt organization pursuant to § 501(c) of the  
 5212 Internal Revenue Code for a prize consisting of a lot improved by a residential dwelling where 100 percent of  
 5213 the moneys received from such a raffle, less deductions for the fair market value for the cost of acquisition of  
 5214 the land and materials, are donated to lawful religious, charitable, community, or educational organizations  
 5215 specifically chartered or organized under the laws of the Commonwealth and qualified as a § 501(c) tax-  
 5216 exempt organization. No more than one such raffle shall be conducted in any one geographical region of the  
 5217 Commonwealth.

5218 11. No qualified organization composed of or for deaf or blind persons that employs a person not a  
 5219 member to provide clerical assistance in the management and operation but not the conduct of any charitable  
 5220 games shall conduct such games unless it has in force fidelity insurance, as defined in § 38.2-120, written by  
 5221 an insurer licensed to do business in the Commonwealth.

5222 12. No person shall participate in the management or operation of any charitable game if he has ever  
 5223 been convicted of any felony or if he has been convicted of any misdemeanor involving fraud, theft, or  
 5224 financial crimes within the preceding five years. No person shall participate in the conduct of any charitable  
 5225 game if, within the preceding 10 years, he has been convicted of any felony or if, within the preceding five  
 5226 years, he has been convicted of any misdemeanor involving fraud, theft, or financial crimes. In addition, no  
 5227 person shall participate in the management, operation, or conduct of any charitable game if that person,  
 5228 within the preceding five years, has participated in the management, operation, or conduct of any charitable  
 5229 game that was found by the Commission or a court of competent jurisdiction to have been operated in  
 5230 violation of state law, local ordinance, or Board regulation.

5231 13. Qualified organizations jointly conducting bingo games pursuant to § 29.5-220 shall not circumvent  
 5232 any restrictions and prohibitions that would otherwise apply if a single organization were conducting such  
 5233 games. These restrictions and prohibitions shall include the frequency with which bingo games may be held,  
 5234 the value of merchandise or money awarded as prizes, or any other practice prohibited under this section.

5235 14. A qualified organization shall not purchase any charitable gaming supplies for use in the  
 5236 Commonwealth from any person who is not currently registered with the Commission as a supplier pursuant  
 5237 to § 29.5-225.

5238 15. Unless otherwise permitted in this chapter, no part of an organization's charitable gaming gross  
 5239 receipts shall be used for an organization's social or recreational activities.

5240 16. No organization qualified to conduct Texas Hold'em poker tournaments pursuant to § 29.5-219 shall  
 5241 conduct any Texas Hold'em poker games where the game has no predetermined end time and the players  
 5242 wager actual money or poker chips that have cash value.

5243 **§ 29.5-225. Suppliers of charitable gaming supplies; manufacturers of electronic gaming devices;  
 5244 permit; qualification; suspension, revocation, or refusal to renew certificate; maintenance, production,  
 5245 and release of records.**

5246 A. No person shall offer to sell, sell, or otherwise provide charitable gaming supplies to any qualified  
 5247 organization and no manufacturer shall distribute electronic gaming devices for charitable gaming in the  
 5248 Commonwealth unless and until such person has made application for and has been issued a permit by the  
 5249 Commissioner. An application for permit shall be made on forms prescribed by the Board and shall be  
 5250 accompanied by a fee in the amount of \$1,000. Each permit shall remain valid for a period of one year from  
 5251 the date of issuance. Application for renewal of a permit shall be accompanied by a fee in the amount of  
 5252 \$1,000 and shall be made on forms prescribed by the Board.

5253 B. The Board shall have authority to prescribe by regulation reasonable criteria consistent with the  
 5254 provisions of this chapter for the registration of suppliers and manufacturers of electronic gaming devices for  
 5255 charitable gaming. The Commissioner shall refuse to issue a permit to any supplier or manufacturer who  
 5256 has, or who has any officer, director, partner, or owner who has, (i) been convicted of or pleaded nolo  
 5257 contendere to a felony in any state or federal court or has been convicted of any offense that, if committed in  
 5258 the Commonwealth, would be a felony; (ii) been convicted of or pleaded nolo contendere to a crime involving  
 5259 gambling; (iii) violated the gaming laws of any jurisdiction within the last five years, including violations for  
 5260 failure to register; or (iv) had any license, permit, certificate, or other authority related to charitable gaming  
 5261 suspended or revoked in the Commonwealth or in any other jurisdiction within the last five years. The  
 5262 Commissioner may refuse to issue a permit to any supplier or manufacturer who has, or who has any officer,  
 5263 director, partner, or owner who has, (a) failed to file or has been delinquent in excess of one year in the filing  
 5264 of any tax returns or the payment of any taxes due the Commonwealth or (b) failed to establish a registered  
 5265 office or registered agent in the Commonwealth if so required by § 13.1-634 or 13.1-763.

5266 C. The Commissioner shall suspend, revoke, or refuse to renew the permit of any supplier or

5267 manufacturer for any conduct described in clause (i), (ii), (iii), or (iv) of subsection B. The Commissioner  
5268 shall suspend, revoke, or refuse to renew the permit of any supplier or manufacturer for any conduct  
5269 described in clause (a) or (b) of subsection B or for any violation of this chapter or regulation of the Board.  
5270 Before taking any such action, the Commissioner shall give the supplier or manufacturer a written statement  
5271 of the grounds upon which he proposes to take such action and an opportunity to be heard. Every hearing in  
5272 a contested case shall be conducted in accordance with the Administrative Process Act (§ 2.2-4000 et seq.).

5273 D. Each supplier shall document each sale of charitable gaming supplies, including electronic gaming  
5274 devices, and other items incidental to the conduct of charitable gaming, such as markers, wands, or tape, to a  
5275 qualified organization on an invoice that clearly shows (i) the name and address of the qualified organization  
5276 to which such supplies or items were sold; (ii) the date of the sale; (iii) the name or form and serial number  
5277 of each deal of instant bingo cards and pull-tab raffle cards, the quantity of deals sold, and the price per deal  
5278 paid by the qualified organization; (iv) the serial number of the top sheet in each packet of bingo paper, the  
5279 serial number for each series of uncollated bingo paper, and the cut, color, and quantity of bingo paper sold;  
5280 and (v) any other information with respect to charitable gaming supplies, including electronic gaming  
5281 devices, or other items incidental to the conduct of charitable gaming as the Board may prescribe by  
5282 regulation. A legible copy of the invoice shall accompany the charitable gaming supplies when delivered to  
5283 the qualified organization.

5284 Each manufacturer of electronic gaming devices shall document each distribution of such devices to a  
5285 qualified organization or supplier on an invoice that clearly shows (a) the name and address of the qualified  
5286 organization or supplier to which such systems were distributed; (b) the date of distribution; (c) the serial  
5287 number of each such device; and (d) any other information with respect to electronic gaming devices as the  
5288 Board may prescribe by regulation. A legible copy of the invoice shall accompany the electronic gaming  
5289 devices when delivered to the qualified organization or supplier.

5290 E. Each supplier and manufacturer shall maintain a legible copy of each invoice required by subsection D  
5291 for a period of three years from the date of sale. Each supplier and manufacturer shall make such documents  
5292 immediately available for inspection and copying to any agent or employee of the Commission upon request  
5293 made during normal business hours. This subsection shall not limit the right of the Commission to require the  
5294 production of any other documents in the possession of the supplier or manufacturer that relate to its  
5295 transactions with qualified organizations. All documents and other information of a proprietary nature  
5296 furnished to the Commission in accordance with this subsection shall not be a matter of public record and  
5297 shall be exempt from disclosure under the provisions of the Virginia Freedom of Information Act (§ 2.2-3700  
5298 et seq.).

5299 F. Each supplier and manufacturer shall provide to the Commission the results of background checks and  
5300 any other records or documents necessary for the Commission to enforce the provisions of subsections B and  
5301 C.

5302 **§ 29.5-226. Bingo managers and callers; remuneration; registration; qualification; suspension,  
5303 revocation, or refusal to renew certificate; exceptions.**

5304 A. No person shall receive remuneration as a bingo manager or caller from any qualified organization  
5305 unless and until such person has made application for and has been issued a registration certificate by the  
5306 Commissioner. Application for registration shall be made on forms prescribed by the Board and shall be  
5307 accompanied by a fee in the amount of \$75. Each registration certificate shall remain valid for a period of  
5308 one year from the date of issuance. Application for renewal of a registration certificate shall be accompanied  
5309 by a fee in the amount of \$75 and shall be made on forms prescribed by the Board.

5310 B. As a condition of registration as a bingo manager, the applicant shall (i) have been a bona fide  
5311 member of the qualified organization for at least 12 consecutive months prior to making application for  
5312 registration and (ii) be required to complete a reasonable training course developed and conducted by the  
5313 Board.

5314 As a condition of registration as a bingo caller, the applicant shall be required to complete a reasonable  
5315 training course developed and conducted by the Board.

5316 The Commissioner may refuse to register any bingo manager or caller who has (a) been convicted of or  
5317 pleaded nolo contendere to a felony in any state or federal court or has been convicted of any offense that, if  
5318 committed in the Commonwealth, would be a felony; (b) been convicted of or pleaded nolo contendere to a  
5319 crime involving gambling; (c) had any license, permit, certificate, or other authority related to activities  
5320 defined as charitable gaming in the Commonwealth suspended or revoked in the Commonwealth or in any  
5321 other jurisdiction; or (d) failed to file or has been delinquent in excess of one year in the filing of any tax  
5322 returns or the payment of any taxes due the Commonwealth.

5323 C. The Commissioner may suspend, revoke, or refuse to renew the registration certificate of any bingo  
5324 manager or caller for any conduct described in subsection B or for any violation of this chapter or Board  
5325 regulations. Before taking any such action, the Commissioner shall give the bingo manager or caller a  
5326 written statement of the grounds upon which he proposes to take such action and an opportunity to be heard.  
5327 Every hearing in a contested case shall be conducted in accordance with the Administrative Process Act  
5328 (§ 2.2-4000 et seq.).

5329        D. The provisions of subsection A requiring registration for bingo callers with the Commission shall not  
 5330 apply to a bingo caller for a volunteer fire department or volunteer emergency medical services agency or  
 5331 auxiliary unit thereof that has been recognized in accordance with § 15.2-955 by an ordinance or resolution  
 5332 of the political subdivision where the volunteer fire department or volunteer emergency medical services  
 5333 agency is located as being a part of the safety program of such political subdivision.

5334        E. By October 1, 2029, and annually thereafter, the Board shall adjust the dollar amount of \$200  
 5335 specified in subdivision 5 e of § 29.5-224 to reflect the rate of inflation from the previous date that the dollar  
 5336 amount was established, as measured by the Consumer Price Index or other method of measuring the rate of  
 5337 inflation that the Department determines is reliable and generally accepted. The amount of each annual  
 5338 adjustment shall not be less than zero and shall be rounded to the nearest whole dollar.

5339        § 29.5-227. **Licensing of network bingo providers; qualification; suspension, revocation, or refusal to**  
 5340 **renew license; maintenance, production, and release of records.**

5341        A. No person shall sell, offer to sell, or otherwise provide access to a network bingo network to any  
 5342 qualified organization unless and until such person has made application for and has been issued a license  
 5343 by the Commissioner. An application for license shall be made on forms prescribed by the Board and shall be  
 5344 accompanied by a fee in the amount of \$500. Each license shall remain valid for a period of two years from  
 5345 the date of issuance. Application for renewal of a license shall be accompanied by a fee in the amount of  
 5346 \$500 and shall be made on forms prescribed by the Board.

5347        B. The Board shall have authority to prescribe by regulation reasonable criteria consistent with the  
 5348 provisions of this chapter for the licensure of network bingo providers. The Commissioner may refuse to issue  
 5349 a license to any network bingo provider that has any officer, director, partner, or owner who has (i) been  
 5350 convicted of or pleaded nolo contendere to a felony in any state or federal court or has been convicted of any  
 5351 offense that, if committed in the Commonwealth, would be a felony; (ii) been convicted of or pleaded nolo  
 5352 contendere to a crime involving gambling; (iii) had any license, permit, certificate, or other authority related  
 5353 to activities defined as charitable gaming in the Commonwealth suspended or revoked in the Commonwealth  
 5354 or in any other jurisdiction; (iv) failed to file or been delinquent in excess of one year in the filing of any tax  
 5355 returns or the payment of any taxes due the Commonwealth; or (v) failed to establish a registered office or  
 5356 registered agent in the Commonwealth if so required by § 13.1-634 or 13.1-763.

5357        C. The Commissioner may suspend, revoke, or refuse to renew the license of any network bingo provider  
 5358 for any conduct described in subsection B or for any violation of this chapter or regulation of the Board.  
 5359 Before taking any such action, the Commissioner shall give the network bingo provider a written statement of  
 5360 the grounds upon which he proposes to take such action and an opportunity to be heard. Every hearing in a  
 5361 contested case shall be conducted in accordance with the Administrative Process Act (§ 2.2-4000 et seq.).

5362        D. The Board by regulation shall require network bingo providers to have onsite independent supervision  
 5363 of network bingo games as the numbers are called.

5364        E. Each network bingo provider shall document each sale of network bingo supplies and other items  
 5365 incidental to the conduct of network bingo to a qualified organization on an invoice that clearly shows (i) the  
 5366 name and address of the qualified organization to which such supplies or items were sold; (ii) the date of the  
 5367 sale; (iii) the name or form and serial number of each network bingo card, the quantity of cards sold, and the  
 5368 price per card paid by the qualified organization; and (iv) any other information required by the  
 5369 Commission. A legible copy of the invoice shall accompany the network bingo supplies when delivered to the  
 5370 qualified organization.

5371        F. Each network bingo provider shall maintain a legible copy of each invoice required by subsection E for  
 5372 a period of three years from the date of sale. Each network bingo provider shall make such documents  
 5373 immediately available for inspection and copying to any agent or employee of the Commission upon request  
 5374 made during normal business hours. This subsection shall not limit the right of the Commission to require the  
 5375 production of any other documents in the possession of the network bingo provider that relate to its  
 5376 transactions with qualified organizations. All documents and other information of a proprietary nature  
 5377 furnished to the Commission in accordance with this subsection shall be exempt from disclosure under the  
 5378 provisions of the Virginia Freedom of Information Act (§ 2.2-3700 et seq.).

5379        § 29.5-228. **Suspension of permit and registration.**

5380        A. When any officer charged with the enforcement of the charitable gaming laws of the Commonwealth  
 5381 has reasonable cause to believe that the conduct of charitable gaming is being conducted by an organization  
 5382 in violation of this chapter or Board regulations, he may apply to any judge, magistrate, or other person  
 5383 having authority to issue criminal warrants for the immediate suspension of the permit or registration of the  
 5384 organization conducting charitable gaming. If the judge, magistrate, or person to whom such application is  
 5385 presented is satisfied that probable cause exists to suspend the permit or registration, he shall suspend the  
 5386 permit or registration. Immediately upon such suspension, the officer shall notify the organization in writing  
 5387 of such suspension.

5388        B. Written notice specifying the particular basis for the immediate suspension shall be provided by the  
 5389 officer to the organization within one business day of the suspension and a hearing held thereon by the  
 5390 Commission or its designated hearing officer within 10 days of the suspension unless the organization

5391 consents to a later date. No charitable gaming shall be conducted by the organization until the suspension  
5392 has been lifted by the Commission or a court of competent jurisdiction.

5393 **§ 29.5-229. Civil penalty.**

5394 A. Any person or organization, whether permitted or qualified pursuant to this chapter or not, that (i) conducts charitable gaming without first obtaining a permit to do so, (ii) continues to conduct such games after revocation or suspension of such permit, or (iii) otherwise violates any provision of this chapter shall, in addition to any other penalties provided, be subject to a civil penalty of not less than \$25,000 and not more than \$50,000 per incident. Any civil penalties collected pursuant to this section shall be payable to the State Treasurer for remittance to the Commission.

5400 B. Any electronic gaming manufacturer, whether permitted pursuant to this chapter or not, shall, in addition to any other penalties provided, be subject to the penalty identified in subsection A for any violation of any provision of this chapter.

5403 **§ 29.5-230. Criminal penalties.**

5404 A. Any person who (i) violates the provisions of this chapter; (ii) willfully and knowingly files, or causes to be filed, a false application, report, or other document; or (iii) willfully and knowingly makes a false statement, or causes a false statement to be made, on any application, report, or other document required to be filed with or made to the Commission is guilty of a Class 1 misdemeanor.

5408 B. Each day in violation of this section shall constitute a separate offense.

5409 C. Any person who converts funds derived from any charitable gaming to his own or another's use, when the amount of funds is less than \$1,000, is guilty of petit larceny and, when the amount of funds is \$1,000 or more, is guilty of grand larceny. The provisions of this section shall not preclude the applicability of any other provision of the criminal law of the Commonwealth that may apply to any course of conduct that violates this section.

5414 *CHAPTER 3.*

5415 *CASINO GAMING.*

5416 *Article 1.*

5417 *General Provisions.*

5418 **§ 29.5-300. Definitions.**

5419 As used in this chapter, unless the context requires a different meaning:

5420 "Adjusted gross receipts" means the gross receipts from casino gaming less winnings paid to winners.

5421 "Casino gaming" or "game" means baccarat, blackjack, twenty-one, poker, craps, dice, slot machines, roulette wheels, Klondike tables, Mah Jongg, electronic table games, hybrid table games, punchboards, faro layouts, numbers tickets, push cards, jar tickets, or pull tabs, or any variation of the aforementioned games, and any other activity that is authorized by the Board as a wagering game or device under this chapter. "Casino gaming" or "game" includes on-premises mobile casino gaming.

5422 "Casino gaming establishment" means the premises, including the entire property located at the address of the licensed casino, upon which lawful casino gaming is authorized and licensed as provided in this chapter. "Casino gaming establishment" does not include a riverboat or similar vessel.

5423 "Casino gaming operator" means any person issued a license by the Commissioner to operate a casino gaming establishment.

5424 "Cheat" means to alter the selection criteria that determine the result of a game or the amount or frequency of payment in a game for the purpose of obtaining an advantage for one or more participants in a game over other participants in a game.

5425 "Counter check" means an interest-free negotiable instrument for a specified amount executed by a player and held by the casino that serves as evidence of the casino gaming patron's obligation to pay the casino and that can be exchanged by the casino gaming patron for the specified amount in chips, tokens, credits, electronic credits, electronic cash, or electronic cards.

5426 "Eligible host city" means any city described in § 29.5-307 in which a casino gaming establishment is authorized to be located.

5427 "Entity" means a person that is not a natural person.

5428 "Gaming operation" means the conduct of authorized casino gaming within a casino gaming establishment.

5429 "Gross receipts" means the total amount of money exchanged for the purchase of chips, tokens, electronic credits, electronic cash, or electronic cards by casino gaming patrons. "Gross receipts" does not include the cash value of promotions or credits provided to and exchanged by casino gaming patrons for chips, tokens, electronic credits, electronic cash, or electronic cards. "Gross receipts" also does not include uncollectable counter checks.

5430 "Immediate family" means (i) a spouse and (ii) any other person residing in the same household as an officer or employee and who is a dependent of the officer or employee or of whom the officer or employee is a dependent.

5431 "Individual" means a natural person.

5432 "Licensee" or "license holder" means any person holding an operator's license under § 29.5-312.

**5453 "On-premises mobile casino gaming"** means casino gaming offered by a casino gaming operator at a  
**5454 casino gaming establishment using a computer network of both federal and nonfederal interoperable packet-**  
**5455 switched data networks through which the casino gaming operator may offer casino gaming to individuals**  
**5456 who have established an on-premises mobile casino gaming account with the casino gaming operator and**  
**5457 who are physically present on the premises of the casino gaming establishment, as authorized by regulations**  
**5458 promulgated by the Board.**

**5459 "Permit holder"** means any person holding a supplier or service permit pursuant to this chapter.

**5460 "Person"** means an individual, partnership, joint venture, association, limited liability company, stock

**5461 corporation, or nonstock corporation and includes any person that directly or indirectly controls or is under**

**5462 common control with another person.**

**5463 "Preferred casino gaming operator"** means the proposed casino gaming establishment and operator

**5464 thereof submitted by an eligible host city to the Board as an applicant for licensure.**

**5465 "Prepaid access instrument"** means a system device that allows a casino gaming patron access to funds

**5466 that have been paid in advance and can be retrieved or transferred at some point in the future through such a**

**5467 device. In order to transfer funds for gaming purposes, a prepaid access instrument shall be redeemed for**

**5468 tokens, chips, credits, electronic credits, electronic cash, or electronic cards or used in conjunction with an**

**5469 approved cashless wagering system or interactive gaming account.**

**5470 "Principal"** means any individual who solely or together with his immediate family members (i) owns or

**5471 controls, directly or indirectly, five percent or more of the pecuniary interest in any entity that is a licensee or**

**5472 (ii) has the power to vote or cause the vote of five percent or more of the voting securities or other ownership**

**5473 interests of such entity, and any person who manages a gaming operation on behalf of a licensee.**

**5474 "Professional sports"** means the same as that term is defined in § 29.5-400.

**5475 "Security"** has the same meaning as provided in § 13.1-501. If the Board finds that any obligation, stock,

**5476 or other equity interest creates control of or voice in the management operations of an entity in the manner of**

**5477 a security, then such interest shall be considered a security.**

**5478 "Sports betting"** means the same as that term is defined in § 29.5-400.

**5479 "Sports betting facility"** means an area, kiosk, or device located inside a casino gaming establishment

**5480 licensed pursuant to this chapter that is designated for sports betting.**

**5481 "Supplier"** means any person that sells or leases, or contracts to sell or lease, any casino gaming

**5482 equipment, devices, or supplies, or provides any management services, to a licensee.**

**5483 "Voluntary exclusion program"** means a program established by the Board pursuant to § 29.5-118 that

**5484 allows individuals to voluntarily exclude themselves from engaging in the activities described in subdivision**

**5485 1 of § 29.5-118 by placing their names on a voluntary exclusion list and following the procedures set forth by**

**5486 the Board.**

**5487 "Youth sports"** means the same as that term is defined in § 29.5-400.

**5488 § 29.5-301. Regulation and control of casino gaming; limitation.**

**5489 A. Casino gaming shall be licensed and permitted as herein provided to benefit the people of the**

**5490 Commonwealth. The Board is vested with authority to prescribe regulations and conditions under this**

**5491 chapter. The Commissioner shall retain control of all other facets of control for all casino gaming in the**

**5492 Commonwealth. The purposes of this chapter are to assist economic development, promote tourism, and**

**5493 provide for the implementation of casino gaming operations of the highest quality, honesty, and integrity and**

**5494 free of any corrupt, incompetent, dishonest, or unprincipled practices.**

**5495 B. The conduct of casino gaming shall be limited to the qualified locations established in § 29.5-307. The**

**5496 Commissioner shall be limited to the issuance of a single operator's license for each such qualified location.**

**5497 C. The conduct of any casino gaming and entrance to such establishment is a privilege that may be**

**5498 granted or denied by the Commissioner or his duly authorized representatives in his discretion in order to**

**5499 effectuate the purposes set forth in this chapter. Any proposed site for a casino gaming establishment shall be**

**5500 privately owned property subject to the local land use and property taxation authority of the eligible host city**

**5501 in which the casino gaming establishment is located.**

**5502 § 29.5-302. Additional powers of the Commissioner.**

**5503 In addition to the powers and duties set forth in § 29.5-102, the Commissioner shall:**

**5504 1. Issue permits and licenses under this chapter and supervise all gaming operations licensed under the**

**5505 provisions of this chapter, including all persons conducting or participating in any gaming operation. The**

**5506 Commissioner shall employ such persons to be present during gaming operations as are necessary to ensure**

**5507 that such gaming operations are conducted with order and the highest degree of integrity.**

**5508 2. Issue an operator's license only to a person who meets the criteria of § 29.5-309.**

**5509 3. Suspend, revoke, or refuse to renew any license or permit issued pursuant to this chapter.**

**5510 4. Eject or exclude from a casino gaming establishment any person, whether or not he possesses a license**

**5511 or permit, whose conduct or reputation is such that his presence may, in the opinion of the Commissioner,**

**5512 reflect negatively on the honesty and integrity of casino gaming or interfere with the orderly gaming**

**5513 operations.**

**5514 5. Report immediately, upon the receipt of a complaint of an alleged criminal violation of this chapter,**

5515 such complaint to the Commission's general or special counsel hired by the Commissioner pursuant to  
5516 § 29.5-102, the Office of the Gaming Enforcement Coordinator at the Department of State Police pursuant to  
5517 § 52-54, and the attorney for the Commonwealth in the jurisdiction where such alleged violation occurred for  
5518 appropriate action.

5519 6. Inspect and investigate, and have free access to, the offices, facilities, or other places of business of any  
5520 licensee or permit holder and may compel the production of any of the books, documents, records, or  
5521 memoranda of any licensee or permit holder for the purpose of ensuring compliance with this chapter and  
5522 Board regulations.

5523 7. Compel any person holding a license or permit pursuant to this chapter to file with the Commission  
5524 such information as shall appear to the Commissioner to be necessary for the performance of the  
5525 Commission's functions, including financial statements and information relative to principals and all others  
5526 with any pecuniary interest in such person.

5527 8. Impose a fine or penalty not to exceed \$1 million upon any person determined, in proceedings  
5528 commenced pursuant to § 29.5-305, to have violated any of the provisions of this chapter or regulations  
5529 promulgated by the Board.

5530 9. Report annually to the Governor and the General Assembly on the expenses incurred in the regulation  
5531 of casino gaming operations. Such annual report shall also include recommendations for changes in this  
5532 chapter, as the Commissioner and Board deem necessary or desirable.

5533 10. Report immediately to the Governor and the General Assembly any matters that require immediate  
5534 changes in the laws of the Commonwealth in order to prevent abuses and evasions of this chapter or the rules  
5535 and regulations adopted hereunder or to rectify undesirable conditions in connection with the operation or  
5536 regulation of casino gaming in the Commonwealth.

5537 **§ 29.5-303. Additional powers and duties of the Board; regulations.**

5538 In addition to the powers and duties set forth in § 29.5-104, the Board shall have the power and duty to:

5539 1. Adopt regulations regarding the conditions under which casino gaming shall be conducted in the  
5540 Commonwealth and all such other regulations it deems necessary and appropriate to further the purposes of  
5541 this chapter.

5542 2. Issue subpoenas for the attendance of witnesses before the Board, administer oaths, and compel  
5543 production of records or other documents and testimony of such witnesses whenever in the judgment of the  
5544 Board it is necessary to do so for the effectual discharge of its duties.

5545 3. Order such audits as it deems necessary and desirable.

5546 4. Provide for the withholding of the applicable amount of state and federal income tax of persons  
5547 claiming a prize or payoff for winning a game and establish the thresholds for such withholdings.

5548 **§ 29.5-304. Fingerprints and background investigations.**

5549 The Commission, in conjunction with an accredited law-enforcement agency, shall conduct a background  
5550 investigation, including a criminal history records check and fingerprinting, of the following individuals: (i)  
5551 every individual applying for a license or permit pursuant to this chapter; (ii) every individual who is an  
5552 officer, director, or principal of a licensee or applicant for a license and every employee of the licensee who  
5553 conducts gaming operations; (iii) all security personnel of any licensee; and (iv) all permit holders and  
5554 officers, directors, principals, and employees of permit holders whose duties relate to gaming operations in  
5555 the Commonwealth. Each such individual shall submit his fingerprints and personal descriptive information  
5556 to the Central Criminal Records Exchange to be forwarded to the Federal Bureau of Investigation for a  
5557 national criminal records search and to the Department of State Police for a Virginia criminal history  
5558 records check. The results of the background check and national and state criminal records check shall be  
5559 returned to the Commission.

5560 **§ 29.5-305. Hearing and appeal.**

5561 Any person aggrieved by a refusal of the Commissioner to issue any license or permit, the suspension or  
5562 revocation of a license or permit, the imposition of a fine, or any other action of the Commission may seek  
5563 review of such action in accordance with Board regulations and Article 3 (§ 2.2-4018 et seq.) of the  
5564 Administrative Process Act in the Circuit Court of the City of Richmond. Further appeals shall also be in  
5565 accordance with Article 5 (§ 2.2-4025 et seq.) of the Administrative Process Act.

5566 **§ 29.5-306. Injunction.**

5567 The Commissioner may apply to the appropriate circuit court for an injunction against any person who  
5568 has violated or may violate any provision of this chapter, Board regulation, or final decision of the  
5569 Commissioner. The order granting or refusing such injunction shall be subject to appeal as in other cases in  
5570 equity.

5571 **Article 2.**

5572 **Eligible Host City; Certification of Preferred Casino Gaming Operator.**

5573 **§ 29.5-307. Eligible host city; certification of preferred casino gaming operator.**

5574 A. The conduct of casino gaming shall be limited to the following eligible host cities:

5575 1. Any city (i) in which at least 40 percent of the assessed value of all real estate in such city is exempt  
5576 from local property taxation, according to the Virginia Department of Taxation Annual Report for Fiscal

5577 Year 2018, and (ii) that experienced a population decrease of at least seven percent from 1990 to 2016,  
 5578 according to data provided by the U.S. Census Bureau;

5579 2. Any city that had (i) an annual unemployment rate of at least five percent in 2018, according to data  
 5580 provided by the U.S. Bureau of Labor Statistics; (ii) an annual poverty rate of at least 20 percent in 2017,  
 5581 according to data provided by the U.S. Census Bureau; and (iii) a population decrease of at least 20 percent  
 5582 from 1990 to 2016, according to data provided by the U.S. Census Bureau;

5583 3. Any city that (i) had an annual unemployment rate of at least 3.6 percent in 2018, according to data  
 5584 provided by the U.S. Bureau of Labor Statistics; (ii) had an annual poverty rate of at least 20 percent in  
 5585 2017, according to data provided by the U.S. Census Bureau; (iii) experienced a population decrease of at  
 5586 least four percent from 1990 to 2016, according to data provided by the U.S. Census Bureau; and (iv) is  
 5587 located adjacent to a state that has adopted a Border Region Retail Tourism Development District Act;

5588 4. Any city (i) with a population greater than 200,000 according to the 2018 population estimates from  
 5589 the Weldon Cooper Center for Public Service of the University of Virginia; (ii) in which at least 24 percent of  
 5590 the assessed value of all real estate in such city is exempt from local property taxation, according to the  
 5591 Virginia Department of Taxation Annual Report for Fiscal Year 2018; and (iii) that experienced a population  
 5592 decrease of at least five percent from 1990 to 2016, according to data provided by the U.S. Census Bureau;  
 5593 and

5594 5. Any city (i) in which at least 17 percent of the assessed value of all real estate in such city is exempt  
 5595 from local property taxation, according to the Virginia Department of Taxation Annual Report for Fiscal  
 5596 Year 2016; (ii) that had a poverty rate of at least 21 percent in 2019, according to data provided by the U.S.  
 5597 Census Bureau; and (iii) that had an annual unemployment rate of at least 13 percent in 2020, according to  
 5598 data provided by the U.S. Bureau of Labor and Statistics.

5599 B. In selecting a preferred casino gaming operator, an eligible host city shall have considered and given  
 5600 substantial weight to factors such as:

5601 1. The potential benefit and prospective revenues of the proposed casino gaming establishment.

5602 2. The total value of the proposed casino gaming establishment.

5603 3. The proposed capital investment and the financial health of the proposer and any proposed  
 5604 development partners.

5605 4. The experience of the proposer and any development partners in the operation of a casino gaming  
 5606 establishment.

5607 5. Security plans for the proposed casino gaming establishment.

5608 6. The economic development value of the proposed casino gaming establishment and the potential for  
 5609 community reinvestment and redevelopment in an area in need of such.

5610 7. Availability of city-owned assets and privately owned assets, such as real property, including where  
 5611 there is only one location practicably available or land under a development agreement between a potential  
 5612 operator and the city, incorporated in the proposal.

5613 8. The best financial interest of the city.

5614 9. The proposer's status as a minority-owned business as defined in § 2.2-1604 or the proposer's  
 5615 commitment to solicit equity investment in the proposed casino gaming establishment from one or more  
 5616 minority-owned businesses and the proposer's commitment to solicit contracts with minority-owned  
 5617 businesses for the purchase of goods and services.

5618 C. The Commissioner shall, upon request of any eligible host city, provide a list of resources that may be  
 5619 of assistance in evaluating the technical merits of any proposal submitted pursuant to this section, provided  
 5620 that selection of the preferred casino gaming operator shall be at the city's sole discretion.

5621 D. The eligible host city described in subdivision A 4 shall provide substantial and preferred  
 5622 consideration to a proposer who is a Virginia Indian tribe recognized in House Joint Resolution No. 54  
 5623 (1983) and acknowledged by the Assistant Secretary-Indian Affairs for the U.S. Department of the Interior as  
 5624 an Indian tribe within the meaning of federal law that has the authority to conduct gaming activities as a  
 5625 matter of claimed inherent authority or under the authority of the Indian Gaming Regulatory Act (25 U.S.C. §  
 5626 2701 et seq.).

5627 E. An eligible host city shall promptly submit its preferred casino gaming operator to the Commission for  
 5628 review prior to scheduling the referendum required by § 29.5-325. An eligible host city shall include with the  
 5629 submission any written or electronic documentation considered as part of the criteria in subsection B,  
 5630 including any memorandums of understanding, incentives, development agreements, land purchase  
 5631 agreements, or local infrastructure agreements. The Commissioner shall conduct a preliminary review of the  
 5632 financial status and ability of the preferred casino gaming operator to operate and properly support ongoing  
 5633 operations in an eligible host city, as well as current casino operations in other states and territories. The  
 5634 Commissioner shall conduct such review within 45 days of receipt of the submission by the eligible host city.  
 5635 An eligible host city and preferred casino gaming operator shall fully cooperate with all necessary requests  
 5636 by the Commissioner in that regard. Upon successful preliminary review, the Commissioner shall certify  
 5637 approval for the eligible host city to proceed to the referendum required by § 29.5-325. The Board shall  
 5638 develop guidelines establishing procedures and criteria for conducting the preliminary review required by

5639 this subsection. Certification by the Commissioner to proceed to referendum shall in no way entitle the  
5640 preferred casino gaming operator to approval of any application to operate a casino gaming establishment.

5641 **§ 29.5-308. Regional Improvement Commission.**

5642 There is hereby established the Regional Improvement Commission (the RIC). The membership of the RIC  
5643 shall consist of one member appointed by the local governing body of each jurisdiction composing the  
5644 transportation district created pursuant to the Transportation District Act of 1964 (§ 33.2-1900 et seq.) that  
5645 includes the eligible host city described in subdivision A 3 of § 29.5-307. Each member shall be appointed to  
5646 serve a two-year term. Notwithstanding the provisions of subdivision B 1 of § 29.5-327, for a casino gaming  
5647 establishment located in the eligible host city described in subdivision A 3 of § 29.5-307, such transfer,  
5648 otherwise returned to the city where it was collected, shall instead be made to the RIC. The purpose of the  
5649 RIC shall be to (i) receive disbursements made to it; (ii) establish funding priorities for member localities  
5650 related to improvements in the areas of education, transportation, and public safety; and (iii) make annual  
5651 payments divided equally among the jurisdictions to fund the established priorities as determined by the RIC.

5652 Article 3.

5653 *Licenses and Supplier's Permits.*

5654 **§ 29.5-309. Operator's license required; capital investment; equity interest; transferability; fee.**

5655 A. No person shall operate a casino gaming establishment unless he has obtained an operator's license  
5656 issued by the Commissioner in accordance with the provisions of this chapter and the regulations  
5657 promulgated pursuant to this chapter.

5658 B. To obtain an operator's license issued under the provisions of this chapter, the applicant shall (i) make  
5659 a capital investment of at least \$300 million in a casino gaming establishment, including the value of the real  
5660 property upon which such establishment is located and all furnishings, fixtures, and other improvements, and  
5661 (ii) possess an equity interest equal to at least 20 percent of the casino gaming establishment.

5662 C. A license issued under the provisions of this chapter shall be transferable, provided that the  
5663 Commissioner has approved the proposed transfer and all licensure requirements are satisfied at the time the  
5664 transfer takes effect.

5665 D. A nonrefundable fee of \$15 million shall be paid by the applicant to the Commission upon the issuance  
5666 of a license and upon any subsequent transfer of a license to operate a casino gaming establishment. Such  
5667 fees shall be deposited by the Commission into the Commonwealth Gaming Operations Fund established  
5668 pursuant to § 29.5-119.

5669 E. No person issued a license pursuant to this chapter shall be precluded from obtaining a license for  
5670 online sports betting pursuant to Chapter 4 (§ 29.5-400 et seq.) or any subsequently created online sports  
5671 betting license.

5672 **§ 29.5-310. Submission of preferred casino gaming operator by eligible host city; application for  
5673 operator's license; penalty.**

5674 A. If a majority of those voting in a referendum held pursuant to § 29.5-325 vote in the affirmative, the  
5675 eligible host city shall certify its preferred casino gaming operator and submit such certification to the  
5676 Commission within 30 days.

5677 B. Any preferred casino gaming operator desiring to operate a casino gaming establishment shall file  
5678 with the Commission an application for an operator's license. Such application shall be filed at the place  
5679 prescribed by the Board and shall be in such form and contain such information as prescribed by the Board,  
5680 including the following:

5681 1. The name and address of such person; if a corporation, the state of its incorporation, the full name and  
5682 address of each officer and director thereof, and, if a foreign corporation, whether it is qualified to do  
5683 business in the Commonwealth; if a partnership or joint venture, the name and address of each general  
5684 partner thereof; if a limited liability company, the name and address of each manager thereof; or, if another  
5685 entity, the name and address of each person performing duties similar to those of officers, directors, and  
5686 general partners;

5687 2. The name and address of each principal and of each person who has contracted to become a principal  
5688 of the applicant, including providing management services with respect to any part of gaming operations; the  
5689 nature and cost of such principal's interest; and the name and address of each person who has agreed to lend  
5690 money to the applicant;

5691 3. Such information as the Board considers appropriate regarding the character, background, and  
5692 responsibility of the applicant and the principals, officers, and directors of the applicant;

5693 4. A description of the casino gaming establishment in which such gaming operations are to be conducted,  
5694 the city where such casino gaming establishment will be located, and the applicant's capital investment plan  
5695 for the site. The Board shall require such information about a casino gaming establishment and its location  
5696 as it deems necessary and appropriate to determine whether it complies with the minimum standards  
5697 provided in this chapter and whether gaming operations at such location will be in furtherance of the  
5698 purposes of this chapter;

5699 5. Such information relating to the financial responsibility of the applicant, including the applicant's  
5700 financing plan for the casino gaming establishment, and the applicant's ability to perform under its license as

5701 the Board considers appropriate;

5702 6. If any of the facilities necessary for the conduct of gaming operations are to be leased, the terms of  
5703 such lease;

5704 7. Evidence of compliance by the applicant with the economic development and land use plans and design  
5705 review criteria of the local governing body of the city in which the casino gaming establishment is proposed  
5706 to be located, including certification that the project complies with all applicable land use ordinances  
5707 pursuant to Chapter 22 (§ 15.2-2200 et seq.) of Title 15.2;

5708 8. Such information necessary to enable the Commissioner to review the application based upon the best  
5709 financial interests of the Commonwealth;

5710 9. Such information necessary to enable the Commissioner to authorize on-premises mobile casino  
5711 gaming pursuant to this chapter;

5712 10. Submission of the following: (i) a minority investment plan disclosing any equity interest owned by a  
5713 minority individual or minority-owned business or the applicant's efforts to seek equity investment from  
5714 minority individuals or minority-owned businesses and (ii) a plan for the participation of minority individuals  
5715 or minority-owned businesses in the applicant's purchase of goods and services related to the casino gaming  
5716 establishment. As used in this subdivision, "minority individual" and "minority-owned business" mean the  
5717 same as those terms are defined in § 2.2-1604; and

5718 11. Any other information that the Board in its discretion considers appropriate.

5719 C. A nonrefundable application fee of \$50,000 shall be paid for each principal at the time of filing to  
5720 defray the costs associated with the background investigation conducted for the Commission. If the  
5721 reasonable costs of the investigation exceed the application fee, the applicant shall pay the additional amount  
5722 to the Commission. The Board may establish regulations calculating the reasonable costs to the Commission  
5723 in performing its functions under this chapter and allocating such costs to the applicants for licensure at the  
5724 time of filing.

5725 D. Any license application from an Indian tribe as described in subsection D of § 29.5-307 shall certify  
5726 that the material terms of the relevant development agreements between the Indian tribe and any  
5727 development partner have been determined in the opinion of the Office of General Counsel of the National  
5728 Indian Gaming Commission after review not to deprive the Indian tribe of the sole proprietor interest in the  
5729 gaming operations for purposes of federal Indian gaming law.

5730 E. Any application filed pursuant to this chapter shall be verified by the oath or affirmation of the  
5731 applicant. Any person who knowingly makes a false statement on an application is guilty of a Class 4 felony.

5732 F. The licensed operator shall be the person primarily responsible for the gaming operations under its  
5733 license and compliance of such operations with the provisions of this chapter.

5734 G. The Commissioner may use or rely on any application, supporting documentation, or information  
5735 submitted pursuant to § 29.5-402 in reviewing and verifying an application submitted pursuant to this  
5736 chapter.

5737 **§ 29.5-311. Issuance of operator's license to preferred casino gaming operator; standards for licensure;**  
5738 **temporary casino gaming allowed under certain conditions.**

5739 A. If a preferred casino gaming operator, as certified by the applicable eligible host city, submits an  
5740 application that meets the standards for licensure set forth in this chapter, the Commissioner shall issue an  
5741 operator's license to such preferred casino gaming operator. The Commissioner shall not consider an  
5742 application from any applicant that has not been certified as a preferred casino gaming operator by an  
5743 eligible host city.

5744 B. The Commissioner may issue an operator's license to an applicant only if he finds that:

5745 1. The applicant submits a plan for addressing responsible gaming issues, including the goals of the plan,  
5746 procedures, and deadlines for implementation of the plan;

5747 2. The applicant has established a policy requiring all license and permit holders who interact directly  
5748 with the public in the casino gaming establishment to complete a training course acceptable to the Board in  
5749 how to recognize and report suspected human trafficking;

5750 3. The casino gaming establishment the applicant proposes to use on a permanent basis is or will be  
5751 appropriate for gaming operations consistent with the purposes of this chapter;

5752 4. The city where the casino gaming establishment will be located certifies that the proposed project  
5753 complies with all applicable land use ordinances pursuant to Chapter 22 (§ 15.2-2200 et seq.) of Title 15.2;

5754 5. Any required local infrastructure or site improvements, including necessary sewerage, water, drainage  
5755 facilities, or traffic flow, are to be paid exclusively by the applicant without state or local financial  
5756 assistance;

5757 6. If the applicant is an entity, its securities are fully paid and, in the case of stock, nonassessable and  
5758 have been subscribed and will be paid for only in cash or property to the exclusion of past services;

5759 7. All principals meet the criteria of this subsection and have submitted to the jurisdiction of the courts of  
5760 the Commonwealth, and all nonresident principals have designated the Commissioner as their agent for  
5761 receipt of process;

5762 8. If the applicant is an entity, it has the right to purchase at fair market value the securities of, and

5763 require the resignation of, any person who is or becomes disqualified under subsection C;

5764 9. The applicant meets any other criteria established by this chapter and the Board's regulations for the  
5765 granting of an operator's license;

5766 10. The applicant is qualified to do business in the Commonwealth or is subject to the jurisdiction of the  
5767 courts of the Commonwealth; and

5768 11. The applicant has not previously been denied a license pursuant to subsection C.

5769 C. The Commissioner shall deny a license to an applicant if he finds that for any reason the issuance of a  
5770 license to the applicant would reflect adversely on the honesty and integrity of the casino gaming industry in  
5771 the Commonwealth or that the applicant, or any officer, principal, manager, or director of the applicant:

5772 1. Is, or has been found, guilty of any illegal act, conduct, or practice in connection with gaming  
5773 operations in this or any other state or has been convicted of a felony;

5774 2. Has had a license or permit to hold or conduct a gaming operation denied for cause, suspended, or  
5775 revoked, in this or any other state or country, unless the license or permit was subsequently granted or  
5776 reinstated;

5777 3. Has at any time during the previous five years knowingly failed to comply with the provisions of this  
5778 chapter or any Board regulation;

5779 4. Has knowingly made a false statement of material fact to the Commission or has deliberately failed to  
5780 disclose any information requested by the Commission;

5781 5. Has defaulted in the payment of any obligation or debt due to the Commonwealth and has not cured  
5782 such default; or

5783 6. Has operated, or caused to be operated, a casino gaming establishment for which a license is required  
5784 under this chapter without obtaining such license.

5785 D. The Commissioner shall make a determination regarding whether to issue the operator's license within  
5786 12 months of the receipt of a completed application.

5787 E. The Commissioner shall be limited to the issuance of one operator's license for each eligible host city.

5788 F. If, at the time of application, the applicant has not satisfied the capital investment requirement of at  
5789 least \$300 million pursuant to subsection B of § 29.5-309 but otherwise meets the standards for licensure set  
5790 forth in this chapter, the Commissioner shall issue the operator's license, which, prior to satisfying the  
5791 capital investment requirement, may not be used to conduct gaming other than temporary casino gaming  
5792 pursuant to subsection G.

5793 G. The Commissioner may authorize casino gaming to occur on a temporary basis for a period of one  
5794 year under the following conditions:

5795 1. The request to authorize casino gaming is made by a preferred casino gaming operator that has been  
5796 issued a license consistent with this section.

5797 2. The preferred casino gaming operator has submitted as a part of its application for licensure a  
5798 construction schedule for a casino gaming establishment that has been approved by the eligible host city and  
5799 the Commissioner.

5800 3. The temporary casino gaming is to be conducted at the same site referenced in the referendum held  
5801 pursuant to § 29.5-325.

5802 4. The preferred casino gaming operator has secured suppliers and employees holding the appropriate  
5803 permits required by this chapter and sufficient for the routine operation of the site where the temporary  
5804 casino gaming is authorized.

5805 5. A performance bond is posted in an amount acceptable to the Board.

5806 H. No portion of any facility developed with the assistance of any grants or loans provided by a  
5807 redevelopment and housing authority created pursuant to § 36-4 shall be used as a casino gaming  
5808 establishment.

5809 The Commissioner may renew the authorization to conduct temporary casino gaming for an additional  
5810 year if he determines that the preferred casino gaming operator has made a good faith effort to comply with  
5811 the approved construction schedule.

5812 I. An operator issued a license under this chapter shall not be precluded from operating a sports betting  
5813 facility for individuals to participate in sports betting activities in a casino gaming establishment, which may  
5814 include in-person sports betting where the bettor places a bet directly with an employee of the casino or the  
5815 sports betting permit holder, or through a kiosk or device.

5816 **§ 29.5-312. Duration and form of operator's license; bond.**

5817 A. A casino gaming operator license under this chapter shall be valid for a period of 10 years from its  
5818 date of issuance but shall be reviewed no less frequently than annually to determine compliance with this  
5819 chapter and Board regulations. Such annual review shall include a certification by the eligible host city of  
5820 the status of the operator's compliance with local ordinances and regulations. If the certification states that  
5821 the operator is not in compliance, the Commissioner shall require the operator to submit a plan of  
5822 compliance, corrective action, or request for variance.

5823 B. The Board shall establish by regulation the criteria and procedures for license renewal and for  
5824 amending licenses to conform to changes in a licensee's gaming operations. Such regulations shall require

5825 the operator to submit to the Commissioner any updates or revisions to the capital investment plan provided  
 5826 with the initial license application pursuant to subdivision B 4 of § 29.5-310. Renewal shall not be  
 5827 unreasonably refused.

5828 C. The Board shall require a bond with surety acceptable to it, and in an amount determined by it, to be  
 5829 sufficient to cover any indebtedness incurred by the licensee to the Commonwealth.

5830 **§ 29.5-313. Records to be kept; reports; reinvestment projection.**

5831 A. A licensed operator shall keep his books and records so as to clearly indicate the total amount of gross  
 5832 receipts and adjusted gross receipts.

5833 B. The licensed operator shall furnish to the Commission reports and information as the Commission may  
 5834 require with respect to its activities on forms designated and supplied for such purpose by the Board.

5835 C. Every five years the licensed operator shall submit to the Commission for review and approval a  
 5836 reinvestment projection related to the casino gaming establishment to cover the succeeding five-year period  
 5837 of operations.

5838 **§ 29.5-314. Electronic accounting and reporting requirements; annual audit of licensed gaming  
 5839 operations.**

5840 A. Each casino game that operates electronically shall be connected to a central monitoring and audit  
 5841 system established and operated by the Commission. Such system shall provide the ability to audit and  
 5842 account for terminal revenues and distributions in real time. The central monitoring and audit system shall  
 5843 collect the following information from each electronically operated casino game, as applicable: (i) cash in,  
 5844 (ii) cash out, (iii) points played, (iv) points won, (v) gross terminal income, (vi) net terminal income, (vii) the  
 5845 number of plays of the game, (viii) the amounts paid to play the game, (ix) door openings, (x) power failures,  
 5846 (xi) remote activations and disabling, and (xii) any other information required by Board regulations.

5847 B. Within 90 days after the end of each fiscal year, the licensed operator shall transmit to the Commission  
 5848 a third-party, independent audit of the financial transactions and condition of the licensee's total operations.  
 5849 All audits required by this section shall conform to Board regulations.

5850 **§ 29.5-315. Supplier's permits; penalty.**

5851 A. The Commissioner may issue a supplier's permit to any person upon application and payment of a  
 5852 nonrefundable application fee set by the Board, a determination by the Commissioner that the applicant is  
 5853 eligible for a supplier's permit, and payment of a \$5,000 initial permit fee. A supplier's permit shall be  
 5854 renewed at a fee to be determined by the Board, not to exceed \$5,000 per year of licensure. Such fees shall be  
 5855 deposited by the Commission into the Commonwealth Gaming Operations Fund established pursuant to §  
 5856 29.5-119. The Board shall prescribe by regulation the criteria for the issuance, duration, and renewal of  
 5857 supplier's permits.

5858 B. The holder of a supplier's permit may sell or lease, or contract to sell or lease, casino gaming  
 5859 equipment and supplies, or provide management services, to any licensee involved in the ownership or  
 5860 management of gaming operations to the extent provided in the permit.

5861 C. Gaming equipment, devices, and supplies shall not be distributed unless such equipment, devices, and  
 5862 supplies conform to standards adopted by the Board.

5863 D. A person is ineligible to receive a supplier's permit if:

5864 1. The person has been convicted of a felony under the laws of the Commonwealth or any other state or of  
 5865 the United States;

5866 2. The person has submitted an application for a license under this chapter that contains false  
 5867 information;

5868 3. The person is a Board member, employee of the Commission, or a member of the immediate household  
 5869 of a Board member or Commission employee;

5870 4. The person is an entity in which a person described in subdivision 1, 2, or 3 is an officer, director,  
 5871 principal, or managerial employee;

5872 5. The firm or corporation employs a person who participates in the management or operation of casino  
 5873 gaming authorized under this chapter; or

5874 6. A prior permit issued to such person to own or operate casino gaming establishments or supply goods  
 5875 or services to a gaming operation under this chapter or any laws of any other jurisdiction has been revoked.

5876 E. Any person that supplies any casino gaming equipment, devices, or supplies to a licensed gaming  
 5877 operation or manages any operation, including a computerized network, of a casino gaming establishment  
 5878 shall first obtain a supplier's permit. A supplier shall furnish to the Commission a list of all management  
 5879 services, equipment, devices, and supplies offered for sale or lease in connection with the games authorized  
 5880 under this chapter. A supplier shall keep books and records for the furnishing of casino gaming equipment,  
 5881 devices, and supplies to gaming operations separate and distinct from any other business that the supplier  
 5882 might operate. A supplier shall file a quarterly return with the Commission listing all sales and leases for  
 5883 which a permit is required. A supplier shall permanently affix its name to all its equipment, devices, and  
 5884 supplies for gaming operations. Any supplier's equipment, devices, or supplies that are used by any person in  
 5885 an unauthorized gaming operation shall be forfeited to the Commonwealth.

5886 F. A licensed operator may operate its own equipment, devices, and supplies and may utilize casino

5887 *gaming equipment, devices, and supplies at such locations as may be approved by the Commission for the*  
5888 *purpose of training enrollees in a school operated by the licensee to train individuals who desire to become*  
5889 *qualified for employment or promotion in gaming operations. The Board may promulgate regulations for the*  
5890 *conduct of any such schools.*

5891 *G. Each holder of an operator's license under this chapter shall file an annual report with the*  
5892 *Commission listing its inventories of casino gaming equipment, devices, and supplies related to its operations*  
5893 *in the Commonwealth.*

5894 *H. Any person who knowingly makes a false statement on an application for a supplier's permit is guilty*  
5895 *of a Class 4 felony.*

5896 **§ 29.5-316. Denial of permit final.**

5897 *The denial of a supplier's permit by the Commissioner shall be final unless appealed under § 29.5-305. A*  
5898 *permit may not be applied for again for a period of five years from the date of denial without the permission*  
5899 *of the Commissioner.*

5900 **§ 29.5-317. Suspension or revocation of license or supplier's permit.**

5901 *A. The Commissioner may suspend, revoke, refuse to renew, or assess a civil penalty against the holder of*  
5902 *a license or supplier's permit in a sum not to exceed \$100,000, after notice and a hearing. Such license or*  
5903 *permit may, however, be temporarily suspended by the Commissioner without prior notice, pending any*  
5904 *prosecution, hearing, or investigation, whether by a third party or by the Commissioner. A license may be*  
5905 *suspended, revoked, or refused renewal by the Commissioner for one or more of the following reasons:*

5906 *1. Failure to comply with, or violation of, any provision of this chapter or any regulation or condition of*  
5907 *the Board;*

5908 *2. Failure to disclose facts during the application process that indicate that such license or permit should*  
5909 *not have been issued;*

5910 *3. Conviction of a felony under the laws of the Commonwealth or any other state or of the United States*  
5911 *subsequent to issuance of a license or permit;*

5912 *4. Failure to file any return or report, to keep any records, or to pay any fees or other charges required by*  
5913 *this chapter;*

5914 *5. Any act of fraud, deceit, misrepresentation, or conduct prejudicial to public confidence in the integrity*  
5915 *of gaming operations;*

5916 *6. A material change, since issuance of the license or permit, with respect to any matters required to be*  
5917 *considered by the Commissioner under this chapter; or*

5918 *7. Other factors established by Board regulation.*

5919 *B. Such action by the Commissioner shall be final unless appealed in accordance with § 29.5-305.*  
5920 *Suspension or revocation of a license or permit for any violation shall not preclude criminal liability for such*  
5921 *violation.*

5922 **§ 29.5-318. Acquisition of interest in licensee or permit holder.**

5923 *The Commission shall require any person desiring to become a principal of, or other investor in, any*  
5924 *licensee or holder of a supplier's permit to apply to the Commissioner for approval and may demand such*  
5925 *information of the applicant as it finds necessary. The Commissioner shall consider such application within*  
5926 *60 days of its receipt, and if in his judgment the acquisition by the applicant would be detrimental to the*  
5927 *public interest, to the honesty and integrity of gaming operations, or to its reputation, the application shall be*  
5928 *denied. All reasonable costs for review by the Commissioner shall be borne by the applicant.*

5929 **Article 4.**

5930 **Service Permits.**

5931 **§ 29.5-319. Service permit required.**

5932 *No person shall participate in any gaming operation as a casino gaming employee or concessionaire or*  
5933 *employee of either or in any other occupation that the Board has determined necessary to regulate in order*  
5934 *to ensure the integrity of casino gaming in the Commonwealth unless such person possesses a service permit*  
5935 *to perform such occupation issued by the Commissioner. The Board shall prescribe by regulation the criteria*  
5936 *for the issuance, duration, and renewal of service permits.*

5937 **§ 29.5-320. Application for service permit.**

5938 *A. Any person desiring to obtain a service permit as required by this chapter shall apply on a form*  
5939 *prescribed by the Board. The application shall be accompanied by a fee prescribed by the Board. Such fees*  
5940 *shall be deposited by the Commission into the Commonwealth Gaming Operations Fund established pursuant*  
5941 *to § 29.5-119.*

5942 *B. Any application filed hereunder shall be verified by the oath or affirmation of the applicant.*

5943 **§ 29.5-321. Consideration of service permit application.**

5944 *A. The Commissioner shall promptly consider any application for a service permit and issue or deny such*  
5945 *service permit on the basis of the information in the application and all other information provided, including*  
5946 *any investigation he considers appropriate. If an application for a service permit is approved, the*  
5947 *Commissioner shall issue a service permit containing such information as the Board considers appropriate.*

5948 *B. The Commissioner shall deny the application and refuse to issue the service permit, which denial shall*

5949 be final unless an appeal is taken under § 29.5-305, if he finds that the issuance of such service permit to  
 5950 such applicant would not be in the best interests of the Commonwealth or would reflect negatively on the  
 5951 honesty and integrity of casino gaming in the Commonwealth or that the applicant:

5952 1. Has knowingly made a false statement of a material fact in the application or has deliberately failed to  
 5953 disclose any information requested by the Commission;

5954 2. Is or has been guilty of any corrupt or fraudulent practice or conduct in connection with gaming  
 5955 operations in the Commonwealth or any other state;

5956 3. Has knowingly failed to comply with the provisions of this chapter or the regulations promulgated  
 5957 pursuant to this chapter;

5958 4. Has had a service permit to engage in activity related to casino gaming denied for cause, suspended, or  
 5959 revoked in the Commonwealth or any other state, and such denial, suspension, or revocation is still in effect;

5960 5. Is unqualified to perform the duties required for the service permit sought; or

5961 6. Has been convicted of a misdemeanor or felony involving unlawful conduct of wagering, fraudulent use  
 5962 of a gaming credential, unlawful transmission of information, touting, bribery, embezzlement, distribution or  
 5963 possession of drugs, excluding misdemeanor possession of marijuana, or any crime considered by the  
 5964 Commission to be detrimental to the honesty and integrity of casino gaming in the Commonwealth.

5965 C. The Commissioner may refuse to issue a service permit if for any reason he determines the granting of  
 5966 such service permit is not consistent with the provisions of this chapter or its responsibilities or any  
 5967 regulations promulgated by any other agency of the Commonwealth.

5968 **§ 29.5-322. Suspension or revocation of service permit; civil penalty.**

5969 A. The Commissioner may suspend, revoke, refuse to renew, or assess a civil penalty against the holder of  
 5970 a service permit in a sum not to exceed \$10,000, after notice and a hearing. Such service permit may,  
 5971 however, be temporarily suspended by the Commissioner without prior notice, pending any prosecution,  
 5972 hearing, or investigation, whether by a third party or by the Commissioner. A service permit may be  
 5973 suspended, revoked, or refused renewal by the Commissioner for one or more of the following reasons:

5974 1. Failure to comply with, or violation of, any provision of this chapter or any regulation or condition of  
 5975 the Board;

5976 2. Failure to disclose facts during the application process that indicate that such service permit should  
 5977 not have been issued;

5978 3. Conviction of a felony under the laws of the Commonwealth or any other state or of the United States  
 5979 subsequent to issuance of a service permit;

5980 4. Failure to file any return or report, keep any record, or pay any fees or other charges required by this  
 5981 chapter;

5982 5. Any act of fraud, deceit, misrepresentation, or conduct prejudicial to public confidence in the integrity  
 5983 of gaming operations;

5984 6. A material change, since issuance of the service permit, with respect to any matters required to be  
 5985 considered by the Commissioner under this chapter; or

5986 7. Other factors established by Board regulation.

5987 B. Actions taken by the Commissioner pursuant to this section shall be final unless appealed in  
 5988 accordance with § 29.5-305. Suspension or revocation of a service permit for any violation shall not preclude  
 5989 criminal liability for such violation.

5990 Article 5.

5991 *Conduct of Casino Gaming; Local Referendum.*

5992 **§ 29.5-323. Conduct of casino gaming.**

5993 A. Casino gaming may be conducted by licensed operators, subject to the following:

5994 1. Minimum and maximum wagers on games shall be set by Board regulations.

5995 2. Agents of the Commission, the Department of State Police, and the local law-enforcement and fire  
 5996 departments may enter any casino gaming establishment and inspect such facility at any time for the purpose  
 5997 of determining compliance with this chapter and other applicable fire prevention and safety laws.

5998 3. Employees of the Commission shall have the right to be present in any facilities under the control of the  
 5999 licensee.

6000 4. Gaming equipment, devices, and supplies customarily used in conducting casino gaming shall be  
 6001 purchased or leased only from suppliers holding permits for such purpose under this chapter.

6002 5. Persons licensed under this chapter shall permit no form of wagering on games except as permitted by  
 6003 this chapter.

6004 6. Wagers may be received only from a person present at the licensed casino gaming establishment. No  
 6005 person present at such facility shall place or attempt to place a wager on behalf of another person who is not  
 6006 present at the facility.

6007 7. No person younger than 21 years of age shall be permitted to make a wager under this chapter or be  
 6008 present where casino gaming is being conducted. A licensee or permit holder may employ persons between  
 6009 the ages of 18 and 21 for positions in nongaming areas and such employees may traverse the gaming floor,  
 6010 while on duty.

6011 8. No person shall place or accept a wager on youth sports.

6012 9. No licensee or permit holder shall accept postdated checks in payment for participation in any gaming  
6013 operation. No licensee or permit holder, or any person on the premises of a casino gaming establishment,  
6014 shall extend lines of credit or accept any credit card or other electronic fund transfer in payment for  
6015 participation in any gaming operation. A licensee or permit holder may accept prepaid access instruments. In  
6016 order to transfer funds for gaming purposes, a prepaid access instrument shall be redeemed for tokens, chips,  
6017 credits, electronic credits, electronic cash, or electronic cards or used in conjunction with an approved  
6018 cashless wagering system or interactive gaming account. A licensee or permit holder may issue interest-free  
6019 counter checks to a player provided (i) the player submits an application and (ii) the licensee or permit  
6020 holder verifies funds sufficient to cover the face value of the counter check. Such counter checks shall be  
6021 subject to the tax reporting requirements under state and federal law. Nothing shall preclude a player from  
6022 making a wire transfer to licensees or permit holders.

6023 B. Casino gaming wagers shall be conducted only with tokens, chips, electronic credits, electronic cash,  
6024 or electronic cards purchased from a licensed casino gaming operator. The conversion of cash to tokens,  
6025 chips, credits, electronic credits, electronic cash, or electronic cards at a slot machine or any other casino  
6026 game is permissible and does not constitute conducting a wager. Such tokens, chips, credits, electronic  
6027 credits, electronic cash, or electronic cards may be used only for the purpose of (i) making wagers on games,  
6028 (ii) redeeming for cash or check, or (iii) making a donation to a charitable entity granted tax-exempt status  
6029 under § 501(c)(3) of the Internal Revenue Code, provided that the donated tokens, chips, credits, electronic  
6030 credits, electronic cash, or electronic cards are redeemed by the same charitable entity accepting the  
6031 donation. The provisions of this subsection shall not apply to sports betting in a sports betting facility, which  
6032 may be conducted using cash.

6033 **§ 29.5-324. Posting of illegal gaming tip line.**

6034 Every casino gaming operator shall post in a conspicuous place in its casino gaming establishment a sign  
6035 that bears (i) the toll-free telephone number and website for the illegal gaming tip line established and  
6036 administered by the Office of the Gaming Enforcement Coordinator in the Department of State Police  
6037 pursuant to § 52-54 for members of the public to report concerns about, or suspected instances of, illegal  
6038 gaming activities and (ii) the toll-free telephone number for the National Problem Gambling Helpline.

6039 **§ 29.5-325. Local referendum required.**

6040 A. The Commissioner shall not grant any initial license to operate a gaming operation in an eligible host  
6041 city until a referendum on the question of whether casino gaming shall be permitted in such city is approved  
6042 by the voters of such city.

6043 B. The governing body of any city containing an eligible host city shall petition the court, by resolution,  
6044 asking that a referendum be held on the question of whether casino gaming shall be permitted within the city.  
6045 The court, by order entered of record in accordance with Article 5 (§ 24.2-681 et seq.) of Chapter 6 of Title  
6046 24.2, shall require the regular election officials of the city to open the polls and take the sense of the voters  
6047 on the question as herein provided.

6048 C. The clerk of such court of record of such city shall publish notice of such election in a newspaper of  
6049 general circulation in such city once a week for three consecutive weeks prior to such election.

6050 D. The regular election officers of such city shall open the polls at the various voting places in such city  
6051 on the date specified in such order and conduct such election in the manner provided by law. The election  
6052 shall be by ballot, which shall be prepared by the electoral board of the city and on which shall be printed  
6053 the following question:

6054 "Shall casino gaming be permitted at a casino gaming establishment in (name of city and location) as  
6055 may be approved by the Virginia Gaming Commission?"

6056 [ ] Yes

6057 [ ] No"

6058 In the blank shall be inserted the name of the city in which such election is held and the proposed location  
6059 of the casino gaming establishment. Any voter desiring to vote "Yes" shall mark in the square provided for  
6060 such purpose immediately preceding the word "Yes," leaving the square immediately preceding the word  
6061 "No" unmarked. Any voter desiring to vote "No" shall mark in the square provided for such purpose  
6062 immediately preceding the word "No," leaving the square immediately preceding the word "Yes" unmarked.

6063 E. The ballots shall be counted, the returns made and canvassed as in other elections, and the results  
6064 certified by the electoral board to the court ordering such election. Thereupon, such court shall enter an  
6065 order proclaiming the results of such election and a duly certified copy of such order shall be transmitted to  
6066 the Commission and to the governing body of such city.

6067 F. A subsequent local referendum shall be required if a license has not been granted by the Commissioner  
6068 within five years of the court order proclaiming the results of the election.

6069 G. The governing body of any eligible host city that holds a local referendum pursuant to this section that  
6070 subsequently fails shall be prohibited from holding another local referendum on the same question for a  
6071 period of three years from the date of the last referendum.

6073

*Taxation.*

6074

**§ 29.5-326. Tax rate on adjusted gross receipts.**

6075

A tax on the adjusted gross receipts of each licensed operator received from games authorized under this chapter shall be imposed as follows:

6076

1. On the first \$200 million of adjusted gross receipts of an operator each calendar year, a rate of 18 percent.

6077

2. On the adjusted gross receipts of an operator that exceed \$200 million but do not exceed \$400 million each calendar year, a rate of 23 percent.

6078

3. On the adjusted gross receipts of an operator that exceed \$400 million each calendar year, a rate of 30 percent.

6079

B. All tax revenues collected pursuant to the provisions of this section shall accrue to the Gaming Proceeds Fund and be allocated as provided in § 29.5-327.

6080

C. The taxes imposed by this section shall be paid by the licensed operator to the Commission no later than the close of the fifth day of each month for the preceding month when the adjusted gross receipts were received and shall be accompanied by forms and returns prescribed by the Board. Revenues collected pursuant to this section shall be credited to the Gaming Proceeds Fund to be appropriated as set forth in § 29.5-327. The Commissioner may suspend or revoke the license of an operator for willful failure to submit the wagering tax payment or the return within the specified time.

6081

D. The tax imposed under this section shall not apply to the receipts of a licensed operator from sports betting, whether such receipts were generated from a sports betting facility or sports betting platform; instead, such receipts shall be taxable under § 29.5-407.

6082

**§ 29.5-327. Gaming Proceeds Fund; distribution of revenue.**

6083

A. There is hereby created in the state treasury a special nonreverting fund to be known as the Gaming Proceeds Fund, referred to in this section as "the Fund." The Fund shall be established on the books of the Comptroller. All moneys required to be deposited into the Fund pursuant to this chapter shall be paid into the state treasury and credited to the Fund. Any moneys remaining in the Fund, including interest thereon, at the end of each fiscal year shall not revert to the general fund but shall remain in the Fund.

6084

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

6085

1. The following amounts shall be distributed to the city in which they were collected by warrants of the Comptroller drawn on the State Treasurer on a quarterly basis:

6086

a. An amount equal to a six percent tax on the first \$200 million of adjusted gross receipts;

6087

b. An amount equal to a seven percent tax on the adjusted gross receipts that exceed \$200 million but do not exceed \$400 million; and

6088

c. An amount equal to an eight percent tax on the adjusted gross receipts that exceed \$400 million.

6089

2. For any casino gaming establishment operated by a Virginia Indian tribe recognized in House Joint Resolution No. 54 (1983) and acknowledged by the Assistant Secretary-Indian Affairs of the U.S. Department of the Interior as an Indian tribe within the meaning of federal law that has the authority to conduct gaming activities as a matter of claimed inherent authority or under the authority of the Indian Gaming Regulatory Act (25 U.S.C. § 2701 et seq.), an amount equal to a tax of one percent on the adjusted gross receipts of such establishment shall be deposited in the Virginia Indigenous People's Trust Fund established pursuant to § 2.2-401.01.

6090

3. Eight-tenths of one percent of the Fund shall be deposited in the Problem Gambling Treatment and Support Fund established pursuant to § 37.2-314.2.

6091

4. Two-tenths of one percent of the Fund shall be deposited in the Family and Children's Trust Fund established pursuant to § 63.2-2100.

6092

5. Any remaining revenues not apportioned pursuant to subdivisions 1 through 4 shall be deposited in the School Construction Fund established pursuant to § 22.1-140.1.

6093

*Article 7.*

6094

*Prohibited Acts; Penalties.*

6095

**§ 29.5-328. Illegal operation; penalty.**

6096

A. No person shall:

6097

1. Operate casino gaming where wagering is used or to be used without a license issued by the Commissioner.

6098

2. Operate casino gaming where wagering is permitted other than in the manner specified by this chapter.

6099

3. Offer, promise, or give anything of value or benefit to a person who is connected with a gaming operation, including an officer or employee of a licensed operator or permit holder, pursuant to an agreement or arrangement or with the intent that the promise or thing of value or benefit will influence the actions of the person to whom the offer, promise, or gift was made in order to affect or attempt to affect the outcome of a game, or to influence official action of a member of the Board, the Commissioner, a Commission employee, or a local governing body.

6100

4. Solicit or knowingly accept a promise of anything of value or benefit while the person is connected with a gaming operation, including an officer or employee of a licensed operator or permit holder, pursuant to an

6135 *understanding or arrangement or with the intent that the promise or thing of value or benefit will influence*  
6136 *the actions of the person to affect or attempt to affect the outcome of a game, or to influence official action of*  
6137 *a member of the Board, the Commissioner, a Commission employee, or a local governing body.*

6138 5. Use or possess with the intent to use a device to assist in:

6139 a. Projecting the outcome of a game;

6140 b. Keeping track of the cards played;

6141 c. Analyzing the probability of the occurrence of an event relating to a game; or

6142 d. Analyzing the strategy for playing or betting to be used in a game except as permitted by Board  
6143 regulation.

6144 6. Cheat at gaming.

6145 7. Manufacture, sell, or distribute any card, chip, dice, game, or device that is intended to be used to  
6146 violate any provision of this chapter.

6147 8. Alter or misrepresent the outcome of a game on which wagers have been made after the outcome is  
6148 made sure but before it is revealed to the players.

6149 9. Place a bet after acquiring knowledge, not available to all players, of the outcome of the game that is  
6150 the subject of the bet or to aid a person in acquiring the knowledge for the purpose of placing a bet  
6151 contingent on that outcome.

6152 10. Claim, collect, or take, or attempt to claim, collect, or take, money or anything of value in or from a  
6153 game, with intent to defraud, without having made a wager contingent on winning the game or claim, collect,  
6154 or take an amount of money or thing of value of greater value than the amount won.

6155 11. Use counterfeit chips or tokens in a game.

6156 12. Possess any key or device designed for the purpose of opening, entering, or affecting the operation of  
6157 a game, drop box, or electronic or mechanical device connected with the game or for removing coins, tokens,  
6158 chips, or other contents of a game. This subdivision does not apply to a casino gaming licensee or employee  
6159 of a casino gaming licensee acting in furtherance of the employee's employment.

6160 B. Any person convicted of a violation of this section is guilty of a Class 6 felony, and any person  
6161 convicted of a violation of subsection A shall be barred for life from gaming operations under the jurisdiction  
6162 of the Commission.

6163 **§ 29.5-329. Fraudulent use of credential; penalty.**

6164 A. Any person, other than the lawful holder thereof, who (i) has in his possession (a) any credential,  
6165 license, or permit issued by the Commissioner, or (b) any forged or simulated credential, license, or permit of  
6166 the Commission, and (ii) uses such credential, license, or permit for the purposes of misrepresentation, fraud,  
6167 or touting, is guilty of a Class 4 felony.

6168 B. Any credential, license, or permit issued by the Commissioner, if used by the holder thereof for a  
6169 purpose other than identification and in the performance of legitimate duties in a casino gaming  
6170 establishment, shall be automatically revoked.

6171 **§ 29.5-330. Prohibition on persons younger than 21 years of age placing wagers and sports betting on  
6172 youth sports; penalty.**

6173 A. No person shall wager on or conduct any wagering on the outcome of a game pursuant to the  
6174 provisions of this chapter unless such person is 21 years of age or older. No person shall accept any wager  
6175 from a person younger than 21 years of age.

6176 B. No person shall wager on or conduct any wagering on the outcome of a youth sports game. No person  
6177 shall accept any wager from a person on a youth sports game.

6178 C. Violation of this section is a Class 1 misdemeanor.

6179 **§ 29.5-331. Conspiracies and attempts to commit violations; penalty.**

6180 A. Any person who conspires, confederates, or combines with another, within or outside the  
6181 Commonwealth, to commit a felony prohibited by this chapter is guilty of a Class 6 felony.

6182 B. Any person who attempts to commit any act prohibited by this chapter is guilty of a criminal offense  
6183 and shall be punished as provided in § 18.2-26, 18.2-27, or 18.2-28, as appropriate.

6184 **§ 29.5-332. Civil penalties.**

6185 Any person who conducts a gaming operation without first obtaining a license to do so, or who continues  
6186 to conduct such games after revocation of his license, in addition to other penalties provided, shall be subject  
6187 to a civil penalty assessed by the Commission equal to the amount of gross receipts derived from wagering on  
6188 games, whether unauthorized or authorized, conducted on the day, as well as confiscation and forfeiture of  
6189 all casino gaming equipment, devices, and supplies used in the conduct of unauthorized games. Any civil  
6190 penalties collected pursuant to this section shall be payable to the State Treasurer for deposit to the general  
6191 fund.

6192 **§ 29.5-333. Use of the phrase "Virginia is for Bettors" prohibited; civil penalty.**

6193 A. No licensee, or any affiliate thereof, shall use the phrase "Virginia is for Bettors" in an advertisement  
6194 in association with its product or service. Any licensee, or affiliate thereof, that violates this section shall be  
6195 subject to a civil penalty of not more than \$50,000. The Commissioner shall enforce the provisions of this  
6196 section.

*B. All civil penalties collected pursuant to this section shall accrue to the general fund.*

## *Article 8.*

## *On-Premises Mobile Casino Gaming.*

**§ 29.5-334. Federal law applicable.**

*On-premises mobile casino gaming shall be subject to the provisions of, and preempted and superseded by any applicable federal law.*

**§ 29.5-335. Authorized on-premises mobile casino gaming.**

*On-premises mobile casino gaming is prohibited except when offered by a casino gaming operator to individuals who participate in on-premises mobile casino gaming on the premises of the casino gaming establishment. Any casino gaming operator that offers on-premises mobile casino gaming shall comply with any regulations promulgated by the Board related to on-premises mobile casino gaming.*

**§ 29.5-336. Location of primary on-premises mobile casino gaming operation.**

**6209 A. A casino gaming operator's primary on-premises mobile casino gaming operation, including facilities,**  
**6210 equipment, and personnel who are directly engaged in the conduct of on-premises mobile casino gaming,**  
**6211 shall be located within a restricted area on the premises of the casino gaming establishment. Backup**  
**6212 equipment used on a temporary basis pursuant to regulations promulgated by the Board to conduct on-**  
**6213 premises mobile casino gaming may, with the approval of the Commissioner, be located outside the**  
**6214 territorial limits of a casino gaming establishment.**

***B. Facilities used to conduct and support on-premises mobile casino gaming shall:***

1. Be arranged in a manner promoting optimum security;
2. Include a closed circuit visual monitoring system according to specifications approved by the Board, with access on the premises to the system or its signal provided to the Commission;
3. Not be designed in any way that might interfere with the ability of the Commission to supervise on-premises mobile casino gaming operations; and
4. Comply in all respects with regulations of the Board pertaining thereto.

**§ 29.5-337. On-premises mobile casino gaming accounts.**

6223 A. A casino gaming operator may offer on-premises mobile casino gaming only to an individual who has  
6224 established an on-premises mobile casino gaming account and uses such account to place wagers as follows:

1. Any wager shall be placed directly with the casino gaming operator by the account holder;
2. The casino gaming operator shall verify the account holder's physical presence on the premises of the casino gaming establishment; and
3. The account holder shall provide the casino licensee with the correct authentication information for access to the wagering account.

**6230**    *B. A casino gaming operator shall not accept a wager in an amount in excess of funds on deposit in the*  
**6231** *account of the individual placing the wager.*

**§ 29.5-338. Disposition of inactive, dormant accounts.**

**6233** *All amounts remaining in inactive or dormant on-premises mobile casino gaming accounts for such*  
**6234** *period and under such conditions as established by regulation by the Board shall be closed. Any funds*  
**6235** *remaining in the account at such time shall be paid 50 percent to the casino gaming operator and 50 percent*  
**6236** *to the general fund. Before closing an account pursuant to this section, the casino gaming operator shall*  
**6237** *attempt to contact the account holder by mail, phone, and electronic mail.*

### § 29.5-339. Assistance to people with gambling problem.

**6239** A. *In order to assist those persons who may have a gambling problem, a casino gaming operator shall:*

6240 1. Cause the words "If you or someone you know has a gambling problem and wants help, call 1-800-  
6241 GAMBLER," or some comparable language approved by the Commission, which language shall include the  
6242 words "gambling problem" and "call 1-800 GAMBLER," to be displayed prominently at log-on and log-off  
6243 times to any person visiting or logged onto on-premises mobile casino gaming; and

2. Provide a mechanism by which an account holder may establish the following controls on wagering activity through the wagering account:

a. A limit on the amount of money deposited within a specified period of time and the length of time the account holder will be unable to participate in gaming if the holder reaches the established deposit limit.

b. A temporary suspension of gaming through the account for any number of hours or days.

*b. A temporary suspension of gaming through the account for any number of hours or days.*

**B. The casino gaming operator shall not send gaming-related electronic mail to an account holder while gaming through his account is suspended, if the suspension is for at least 72 hours. The casino gaming operator shall provide a mechanism by which an account holder may change these controls, except that, while gaming through the wagering account is suspended, the account holder may not change gaming controls until the suspension expires, but the account holder shall continue to have access to the account and shall be permitted to withdraw funds from the account upon proper application therefor.**

**§ 29.5-340. Offering of on-premises mobile casino gaming without approval; penalties.**

**6256** Any person who offers on-premises mobile casino gaming in violation of this chapter or regulations  
**6257** promulgated pursuant to this chapter is guilty of a Class 6 felony and subject to a fine of not more than  
**6258** \$25,000 and, in the case of a person other than a natural person, to a fine of not more than \$100,000.

**§ 29.5-341. Tampering with equipment; penalties.**

A. Any person who knowingly tampers with software, computers, or other equipment used to conduct on-premises mobile casino gaming to alter the odds or the payout of a game or disables the game from operating according to the rules of the game as promulgated by the Board is guilty of a Class 5 felony and 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 of not more than \$200,000.

B. In addition to the penalties provided in subsection A, an employee of the casino gaming operator who violates this section shall have his permit revoked and shall be subject to such further penalty as the Commission deems appropriate.

C. In addition to the penalties provided in subsection A, a casino gaming operator that violates this section shall have its license to conduct casino gaming suspended for a period determined by the Commissioner and shall be subject to such further penalty as the Commission deems appropriate.

**§ 29.5-342. Tampering affecting odds, payout; penalties.**

A. Any person who knowingly offers or allows to be offered any on-premises mobile casino game that has been tampered with in a way that affects the odds or the payout of a game or disables the game from operating according to the rules of the game as promulgated by the Board is guilty of a Class 5 felony and 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 of not more than \$200,000.

B. In addition to the penalties provided in subsection A, an employee of the casino gaming operator who violates this section shall have his permit suspended for a period of not less than 30 days.

C. In addition to the penalties provided in subsection A, a casino gaming operator that violates this section shall have its license to conduct casino gaming suspended for a period of not less than 30 days.

**§ 29.5-343. Facilities permitted to conduct on-premises mobile casino gaming; violations, penalties.**

No person shall make its premises available for on-premises mobile casino gaming or advertise that its premises may be used for such purpose, other than a casino gaming operator that (i) has located all of its equipment used to conduct on-premises mobile casino gaming, including computers, servers, monitoring rooms, and hubs, on the premises of its casino gaming establishment and (ii) offers on-site mobile casino gaming only to individuals who participate in such gaming on the premises of the casino gaming establishment. Any person that is determined by the Commission to have violated the provisions of this section shall be subject to a penalty of \$1,000 per player per day for making its premises available for on-premises mobile casino gaming and of \$10,000 per violation for advertising that its premises may be used for such purpose.

**§ 29.5-344. Taxation.**

Any gross receipts from on-premises mobile casino gaming shall be included in a casino gaming operator's adjusted gross receipts and subject to taxation pursuant to the provisions of §§ 29.5-326 and 29.5-327.

**CHAPTER 4.**  
**SPORTS BETTING.**  
**Article 1.**  
**General Provisions.**

**§ 29.5-400. Definitions.**

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

"Adjusted gross revenue" means gross revenue minus:

1. All cash and the cash value of merchandise paid out as winnings to bettors, and the value of all bonuses or promotions provided to patrons as an incentive to place or as a result of their having placed internet sports betting wagers in an operator's first 12 months of operations;

2. Uncollectible gaming receivables, which shall not exceed two percent, or a different percentage as determined by the Board pursuant to § 29.5-104, of gross revenue minus all cash paid out as winnings to bettors;

3. If the permit holder is a significant infrastructure limited licensee, as defined in § 29.5-601, any funds paid into the horsemen's purse account pursuant to the provisions of subdivision 13 of § 29.5-604; and

4. All excise taxes on sports betting paid pursuant to federal law.

"Amateur sports" means any sports or athletic event that is not professional sports, college sports, Virginia college sports, or youth sports. "Amateur sports" includes domestic, international, and Olympic sports or athletic events. "Amateur sports" does not include charitable gaming, as defined in § 29.5-200; fantasy contests, as defined in § 29.5-500; or horse racing, as defined in § 29.5-601.

"College sports" means an athletic event (i) in which at least one participant is a team from a public or private institution of higher education, regardless of where such institution is located, and (ii) that does not include a team from a Virginia public or private institution of higher education.

"Covered persons" means athletes; umpires, referees, and officials; personnel associated with clubs, teams, leagues, and athletic associations; medical professionals and athletic trainers who provide services to athletes and players; and the immediate family members and associates of such persons.

6321     "Gross revenue" means the total of all cash, property, or any other form of remuneration, whether  
 6322     collected or not, received by a permittee from its sports betting operations.

6323     "Major league sports franchise" means a professional baseball, basketball, football, hockey, or soccer  
 6324     team that is at the highest-level league of play for its respective sport.

6325     "Motor sports facility" means an outdoor motor sports facility that hosts a National Association for Stock  
 6326     Car Auto Racing (NASCAR) national touring race.

6327     "Official league data" means statistics, results, outcomes, and other data relating to a professional sports  
 6328     event obtained by a permit holder under an agreement with a sports governing body or with an entity  
 6329     expressly authorized by a sports governing body for determining the outcome of tier 2 bets.

6330     "Permit holder" means a person to which the Commissioner issues a permit pursuant to §§ 29.5-402 and  
 6331     29.5-403.

6332     "Personal biometric data" means any information about an athlete that is derived from his DNA, heart  
 6333     rate, blood pressure, perspiration rate, internal or external body temperature, hormone levels, glucose levels,  
 6334     hydration levels, vitamin levels, bone density, muscle density, or sleep patterns, or other information as may  
 6335     be prescribed by the Board by regulation.

6336     "Principal" means any individual who solely or together with his immediate family members (i) owns or  
 6337     controls, directly or indirectly, five percent or more of the pecuniary interest in any entity that is a permit  
 6338     holder or (ii) has the power to vote or cause the vote of five percent or more of the voting securities or other  
 6339     ownership interests of such entity. "Principal" includes any individual who is employed in a managerial  
 6340     capacity for a sports betting platform or sports betting facility on behalf of a permit holder.

6341     "Professional sports" means an athletic event involving at least two human competitors who receive  
 6342     compensation, in excess of their expenses, for participating in such event. "Professional sports" does not  
 6343     include charitable gaming, as defined in § 29.5-200; fantasy contests, as defined in § 29.5-500; or horse  
 6344     racing, as defined in § 29.5-601.

6345     "Prohibited conduct" means any statement, action, or other communication intended to influence,  
 6346     manipulate, or control a betting outcome of a sports event or of any individual occurrence or performance in  
 6347     a sports event in exchange for financial gain or to avoid financial or physical harm. "Prohibited conduct"  
 6348     includes statements, actions, and communications made to a covered person by a third party. "Prohibited  
 6349     conduct" does not include statements, actions, or communications made or sanctioned by a sports team or  
 6350     sports governing body.

6351     "Proposition bet" means a bet on an individual action, statistic, occurrence, or non-occurrence to be  
 6352     determined during an athletic event and includes any such action, statistic, occurrence, or non-occurrence  
 6353     that does not directly affect the final outcome of the athletic event to which it relates.

6354     "Sports betting" means placing wagers on professional sports, college sports, amateur sports, sporting  
 6355     events, or any other event approved by the Commissioner, and any portion thereof, and includes placing  
 6356     wagers related to the individual performance statistics of athletes in such sports and events. "Sports betting"  
 6357     includes any system or method of wagering approved by the Commissioner, including single-game bets,  
 6358     teaser bets, parlays, over-under, moneyline, pools, exchange wagering, in-game wagering, in-play bets,  
 6359     proposition bets, and straight bets. "Sports betting" does not include participating in charitable gaming  
 6360     authorized by Chapter 2 (§ 29.5-200 et seq.); participating in fantasy contests authorized by Chapter 5  
 6361     (§ 29.5-500 et seq.); wagering on horse racing, historical horse racing, or simulcast horse racing authorized  
 6362     by Chapter 6 (§ 29.5-600 et seq.); or participating in any lottery game authorized under Subtitle II (§  
 6363     29.5-700 et seq.). "Sports betting" does not include placing a wager on a college sports event in which a  
 6364     Virginia public or private institution of higher education is a participant.

6365     "Sports betting facility" means an area, kiosk, or device located inside a casino gaming establishment  
 6366     licensed pursuant to Chapter 3 (§ 29.5-300 et seq.) that is designated for sports betting.

6367     "Sports betting permit" means a permit to operate a sports betting platform or sports betting facility  
 6368     issued pursuant to the provisions of §§ 29.5-402, 29.5-403, and 29.5-404.

6369     "Sports betting platform" means a website, app, or other platform accessible via the internet or mobile,  
 6370     wireless, or similar communications technology that sports bettors use to participate in sports betting.

6371     "Sports betting program" means the program established by the Board to allow sports betting as  
 6372     described in this chapter.

6373     "Sports bettor" means a person physically located in the Commonwealth who participates in sports  
 6374     betting.

6375     "Sports event" or "sporting event" means professional sports, college sports, amateur sports, and any  
 6376     athletic event, motor race event, electronic sports event, competitive video game event, or any other event  
 6377     approved by the Commissioner.

6378     "Sports governing body" means an organization, headquartered in the United States, that prescribes rules  
 6379     and enforces codes of conduct with respect to a professional sports or college sports event and the  
 6380     participants therein. "Sports governing body" includes a designee of the sports governing body.

6381     "Stadium" means the physical facility that is the primary location at which a major league sports  
 6382     franchise hosts athletic events and any appurtenant facilities.

6383     "Tier 1 bet" means a bet that is placed using the internet and that is not a tier 2 bet.

6384     "Tier 2 bet" means a bet that is placed using the internet and that is placed after the event it concerns has  
6385     started.

6386     "Virginia college sports" means an athletic event in which at least one participant is a team from a  
6387     Virginia public or private institution of higher education.

6388     "Youth sports" means an athletic event (i) involving a majority of participants younger than 18 years of  
6389     age or (ii) in which at least one participant is a team from a public or private elementary, middle, or  
6390     secondary school, regardless of where such school is located. However, if an athletic event meets the  
6391     definition of college sports or professional sports, such event shall not be considered youth sports regardless  
6392     of the age of the participants. An international athletic event organized by the International Olympic  
6393     Committee shall not be considered to be youth sports, regardless of the age of the participants.

6394     **§ 29.5-401. Additional powers and duties of the Commissioner; reporting.**

6395     A. In addition to the powers and duties set forth in § 29.5-102, the Commissioner may:

6396       1. Require bond or other surety satisfactory to him from permit holders in such amount as provided in the  
6397       rules and regulations of the Board adopted under this chapter;

6398       2. Suspend, revoke, or refuse to renew any permit issued pursuant to this chapter or the rules and  
6399       regulations adopted under this chapter; and

6400       3. Enter into contracts for the operation of the sports betting program, and enter into contracts with other  
6401       states related to sports betting, provided that a contract awarded or entered into by the Commissioner shall  
6402       not be assigned by the holder thereof except by specific approval of the Commissioner; and

6403       B. The Commissioner shall:

6404       1. Certify monthly to the State Comptroller and the Board a full and complete statement of sports betting  
6405       revenues and expenses for the previous month;

6406       2. Report monthly to the Governor, the Secretary of Finance, and the Chairs of the Senate Committee on  
6407       Finance and Appropriations, House Committee on Finance, and House Committee on Appropriations the  
6408       total sports betting revenues and expenses for the previous month and make an annual report, which shall  
6409       include a full and complete statement of sports betting revenues and expenses, to the Governor and the  
6410       General Assembly, including recommendations for changes in this chapter as the Commissioner and Board  
6411       deem prudent;

6412       3. In accordance with sports betting program regulations, approve methods for sports bettors to fund  
6413       sports betting accounts, including automated clearing house payments, credit cards, debit cards, wire  
6414       transfers, and any other method that the Board determines is appropriate for sports betting;

6415       4. Report immediately, upon the receipt of a complaint of an alleged criminal violation of this chapter,  
6416       such complaint to the Commission's general or special counsel hired by the Commissioner pursuant to  
6417       § 29.5-102, the Office of the Gaming Enforcement Coordinator at the Department of State Police pursuant to  
6418       § 52-54, and the attorney for the Commonwealth in the jurisdiction where such alleged violation occurred for  
6419       appropriate action; and

6420       5. Report immediately to the Governor and the General Assembly any matters that require immediate  
6421       changes in the laws of the Commonwealth in order to prevent abuses and evasions of this chapter or the rules  
6422       and regulations adopted under this chapter or to rectify undesirable conditions in connection with the  
6423       administration or operation of the sports betting program.

6424       Article 2.

6425       Permits.

6426     **§ 29.5-402. Application for a sports betting permit; penalty.**

6427       A. An applicant for a sports betting permit shall:

6428       1. Submit an application to the Commission, on forms prescribed by the Board, containing the  
6429       information prescribed in subsection B; and

6430       2. Pay to the Commission a nonrefundable fee of \$50,000 for each principal at the time of filing to defray  
6431       the costs associated with the background investigations conducted by the Commission. If the reasonable costs  
6432       of the investigation exceed the application fee, the applicant shall pay the additional amount to the  
6433       Commission. The Board may establish regulations calculating the reasonable costs to the Commission in  
6434       performing its functions under this chapter and allocating such costs to the applicants for licensure at the  
6435       time of filing. The fees for each principal and any additional investigation costs paid to the Commission shall  
6436       be deposited into the Commonwealth Gaming Operations Fund established pursuant to § 29.5-119.

6437       B. An application for a sports betting permit shall include the following information:

6438       1. The applicant's background in sports betting;

6439       2. The applicant's experience in wagering activities in other jurisdictions, including the applicant's  
6440       history and reputation of integrity and compliance;

6441       3. The applicant's proposed internal controls, including controls to ensure that no prohibited or  
6442       voluntarily excluded person will be able to participate in sports betting;

6443       4. The applicant's history of working to prevent compulsive gambling, including training programs for its  
6444       employees;

5. If applicable, any supporting documentation necessary to establish eligibility for substantial and preferred consideration pursuant to the provisions of this section;

6. The applicant's proposed procedures to detect and report suspicious or illegal betting activity; and

7. Any other information the Board deems necessary.

C. The Commission shall conduct a background investigation on the applicant. The background investigation shall include a credit history check, a tax record check, and a criminal history records check.

D. 1. The Commissioner shall not issue any permit pursuant to this chapter until the Board has established a consumer protection program and published a consumer protection bill of rights pursuant to § 29.5-104.

2. The Commissioner shall issue no fewer than four and no more than 12 permits pursuant to this section; however, if an insufficient number of applicants apply for the Commissioner to satisfy the minimum, this provision shall not be interpreted to direct the Commissioner to issue a permit to an unqualified applicant. A permit shall not count toward the minimum or maximum if it is (i) issued pursuant to subdivision 4 or 5 to a major league sports franchise or to the operator of a facility; (ii) issued pursuant to subdivision 6 to an applicant that operates or intends to operate a casino gaming establishment; or (iii) revoked, expires, or otherwise becomes not effective.

3. In issuing permits to operate sports betting platforms and sports betting facilities, the Commissioner shall consider the following factors:

- The contents of the applicant's application as required by subsection B;
- The extent to which the applicant demonstrates past experience, financial viability, compliance with applicable laws and regulations, and success with sports betting operations in other states;
- The extent to which the applicant will be able to meet the duties of a permit holder, as specified in § 29.5-404;
- Whether the applicant has demonstrated to the Commission that it has made serious, good-faith efforts to solicit and interview a reasonable number of investors that are minority individuals, as defined in § 2.2-1604;
- The amount of adjusted gross revenue and associated tax revenue that an applicant is expected to generate;
- The effect of issuing an additional permit on the amount of gross revenue and associated tax revenue generated by all existing permit holders, considered in the aggregate; and
- Any other factor the Board considers relevant.

4. In issuing permits to operate sports betting platforms and sports betting facilities, the Commissioner shall give substantial and preferred consideration to any applicant that has (i) made or intends to make a capital investment of at least \$300 million in a casino gaming establishment, including the value of the real property upon which such establishment is located and all furnishings, fixtures, and other improvements; (ii) had its name submitted as a preferred casino gaming operator to the Commissioner by an eligible host city; and (iii) been certified by the Commissioner to proceed to a local referendum on whether casino gaming will be allowed in the locality in which the applicant intends to operate a casino gaming establishment.

5. In a manner as may be required by Board regulation, any entity that applies pursuant to subdivision 4 may demonstrate compliance with the requirements of an application, the duties of a permit holder, and any other provision of this chapter through the use of a partner, subcontractor, or other affiliate of the applicant.

E. The Commissioner shall make a determination on an initial application for a sports betting permit within 90 days of receipt. The Commissioner's action shall be final unless appealed in accordance with § 29.5-104.

F. The following shall be grounds for denial of a permit or renewal of a permit:

- The Commissioner reasonably believes the applicant will be unable to satisfy the duties of a permit holder as described in subsection A of § 29.5-404;
- The Commissioner reasonably believes that the applicant or its directors lack good character, honesty, or integrity;
- The Commissioner reasonably believes that the applicant's prior activities, criminal record, reputation, or associations are likely to (i) pose a threat to the public interest, (ii) impede the regulation of sports betting, or (iii) promote unfair or illegal activities in the conduct of sports betting;
- The applicant or its directors knowingly make a false statement of material fact or deliberately fail to disclose information requested by the Commissioner;
- The applicant or its directors knowingly fail to comply with the provisions of this chapter or any requirements of the Commissioner;
- The applicant or its directors were convicted of a felony, a crime of moral turpitude, or any criminal offense involving dishonesty or breach of trust within the 10 years prior to the submission date of the permit application;
- The applicant's license, registration, or permit to conduct a sports betting operation issued by any other jurisdiction has been suspended or revoked;
- The applicant defaults in payment of any obligation or debt due to the Commonwealth; or

6507 9. The applicant's application is incomplete.

6508 G. The Commissioner shall have the discretion to waive any of the grounds for denial of a permit or  
6509 renewal of a permit if he determines that denial would limit the number of applicants or permit holders in a  
6510 manner contrary to the best interests of the Commonwealth.

6511 H. Prior to issuance of a permit, each permit holder shall either (i) be bonded by a surety company  
6512 entitled to do business in the Commonwealth in such amount and penalty as may be prescribed by the  
6513 regulations of the Board or (ii) provide other surety, letter of credit, or reserve as may be satisfactory to the  
6514 Commissioner. Such surety shall be prescribed by Board regulations and shall not exceed a reasonable  
6515 amount.

6516 I. Any person who knowingly and willfully falsifies, conceals, or misrepresents a material fact or  
6517 knowingly and willfully makes a false, fictitious, or fraudulent statement or representation in any application  
6518 pursuant to this chapter is guilty of a Class 1 misdemeanor.

6519 J. In addition to the fee required pursuant to subdivision A 2, any applicant to which the Commissioner  
6520 issues a permit shall pay a nonrefundable fee of \$250,000 to the Commission prior to the issuance of such  
6521 permit. Such fees shall be deposited by the Commission into the Commonwealth Gaming Operations Fund  
6522 established pursuant to § 29.5-119.

6523 **§ 29.5-403. Renewals of permits.**

6524 A. A permit issued pursuant to § 29.5-402 shall be valid for three years from the date issued.

6525 B. At least 60 days before the expiration of a permit, the permit holder shall submit a renewal application,  
6526 on forms prescribed by the Board, with a nonrefundable renewal fee of \$200,000. Such fees shall be  
6527 deposited into the Commonwealth Gaming Operations Fund established pursuant to § 29.5-119.

6528 C. The Commissioner may deny a permit renewal if he finds grounds for denial as described in subsection  
6529 F of § 29.5-402. The Commissioner's action shall be final unless appealed in accordance with § 29.5-104.

6530 D. The Commissioner shall make a determination on an application for a renewal of a sports betting  
6531 permit within 60 days of receipt. The Commissioner's action shall be final unless appealed in accordance  
6532 with § 29.5-104.

6533 **§ 29.5-404. Duties of permit holders.**

6534 A. A permit holder shall ensure that its sports betting operation takes reasonable measures to:

6535 1. Ensure that only persons physically located in the Commonwealth are able to place bets through its  
6536 sports betting platform, if applicable;

6537 2. Protect the confidential information of bettors using its sports betting platform or placing bets at its  
6538 sports betting facility;

6539 3. Prevent betting on events that are prohibited pursuant to § 29.5-409, underage betting as prohibited by  
6540 § 29.5-410, and bets by persons who are prohibited from sports betting pursuant to § 29.5-411;

6541 4. Allow persons to restrict themselves from placing bets with the permit holder, including sharing, at the  
6542 person's request, his request for self-exclusion with the Commission for the sole purpose of disseminating the  
6543 request to other permit holders;

6544 5. Establish procedures to detect suspicious or illegal betting activity, including measures to immediately  
6545 report such activity to the Commission;

6546 6. Provide for the issuance of applicable tax forms to persons who meet the reporting threshold for  
6547 income from sports betting; and

6548 7. If applicable, allow sports bettors to establish and fund sports betting accounts over the internet on a  
6549 sports betting platform, which may be funded through methods including automated clearing house  
6550 payments, credit cards, debit cards, wire transfers, or any other method approved by the Commissioner  
6551 under § 29.5-401.

6552 B. A permit holder shall maintain records on:

6553 1. All bets, including the bettor's personal information, the amount and type of bet, the time and location  
6554 of the bet, and the outcome of the bet; and

6555 2. Suspicious or illegal betting activity.

6556 C. A permit holder shall disclose the records described in subsection B to the Commission upon request  
6557 and shall maintain such records for at least three years after the related sports event occurs.

6558 D. 1. If a sports governing body notifies the Commission that real-time information-sharing for bets  
6559 placed on its sporting events is necessary and desirable, permit holders shall, as soon as is commercially  
6560 reasonable, share the information required to be retained pursuant to subdivision B 1 of § 29.5-404 with the  
6561 sports governing body or its designee with respect to bets on its sporting events. The information shared  
6562 pursuant to this subsection shall be shared pseudonymously and does not include personal information  
6563 associated with any bettor. A permit holder shall not be required to share any information that is required to  
6564 be kept confidential under federal or state law.

6565 2. A sports governing body shall use information shared pursuant to this subsection only for the purpose  
6566 of integrity monitoring and shall not use such information for any commercial purpose. A sports governing  
6567 body shall provide for security measures with respect to such information so as to prevent unauthorized  
6568 access and distribution.

6569 *E. In advertising its sports betting operations, a permit holder shall ensure that its advertisements:*

- 6570 *1. Do not target persons younger than 21 years of age;*
- 6571 *2. Disclose the identity of the permit holder;*
- 6572 *3. Provide information about, or links to, resources related to gambling addiction; and*
- 6573 *4. Are not misleading to a reasonable person.*

6574 *F. A permit holder shall not sublicense, convey, concede, or otherwise transfer its permit to a third party*  
 6575 *unless granted approval by the Commissioner. The Commissioner shall charge a nonrefundable fee of*  
 6576 *\$200,000 for a permit transfer. Such fees shall be deposited into the Commonwealth Gaming Operations*  
 6577 *Fund established pursuant to § 29.5-119.*

6578 *G. 1. A permit holder may operate its sports betting platform under a brand other than its own but is*  
 6579 *prohibited from holding itself out to the public as a sports betting operation under more than one brand, and*  
 6580 *a permit holder shall conspicuously display its utilized brand to sports bettors; however, if a permit holder is*  
 6581 *a major league sports franchise, it shall not be required to associate the name of its sports betting platform*  
 6582 *with the name of the major league sports franchise and shall be allowed to hold its sports betting platform*  
 6583 *out to the public under a separate brand name.*

6584 *2. A permit holder is prohibited from cooperatively marketing its sports betting platform with any*  
 6585 *business issued a license pursuant to the provisions of Title 4.1. If casino gaming is authorized under the*  
 6586 *laws of the Commonwealth and a casino gaming operator is licensed by the Commissioner as a permit*  
 6587 *holder, the prohibition in this subdivision shall not apply to such operator, provided that such operator shall*  
 6588 *be authorized to cooperatively market only on the premises of its casino gaming establishment. A permit*  
 6589 *holder shall not be allowed an exemption from the prohibition in this subdivision unless (i) such permit*  
 6590 *holder complies with any applicable local zoning ordinances and (ii) the local governing body approves by*  
 6591 *ordinance cooperative marketing with respect to the permit holder's stadium or casino gaming establishment.*

6592 *H. A permit holder shall not purchase or use any personal biometric data unless the permit holder has*  
 6593 *received written permission from the athlete's exclusive bargaining representative.*

6594 *I. Permit holders shall at all times maintain cash reserves in amounts to be established by Board*  
 6595 *regulation.*

**§ 29.5-405. Suspension and revocation of permits; civil penalties.**

6597 *If the Commissioner determines that a permit holder has violated this chapter, he may, with at least 15*  
 6598 *days' notice and a hearing, (i) suspend or revoke the permit holder's permit and (ii) impose a monetary*  
 6599 *penalty of not more than \$1,000 for each violation per day of this chapter. The Commissioner shall enforce*  
 6600 *civil penalties under this section and shall deposit all collected penalties to the general fund. The*  
 6601 *Commissioner's action shall be final unless appealed in accordance with § 29.5-104.*

**§ 29.5-406. Use of official league data.**

6602 *A. A permit holder may use any data source for determining the result of a tier 1 bet.*

6603 *B. A sports governing body may notify the Commission that it desires permit holders to use official league*  
 6604 *data to settle tier 2 bets. A notification under this subsection shall be made according to forms and*  
 6605 *procedures prescribed by the Board. The Commissioner shall notify each permit holder of the sports*  
 6606 *governing body's notification within five days after the Commission's receipt of the notification. If a sports*  
 6607 *governing body does not notify the Commission of its desire to supply official league data, a permit holder*  
 6608 *may use any data source for determining the result of a tier 2 bet on a professional sports event of the league*  
 6609 *governed by the sports governing body.*

6610 *C. Within 60 days after the Commissioner notifies each permit holder as required under subsection B,*  
 6611 *permit holders shall use only official league data to determine the results of tier 2 bets on professional sports*  
 6612 *events of the league governed by the sports governing body, unless any of the following apply:*

6613 *1. The sports governing body is unable to provide a feed, on commercially reasonable terms, of official*  
 6614 *league data to determine the results of a tier 2 bets, in which case permit holders may use any data source for*  
 6615 *determining the results of tier 2 bets until the data feed becomes available on commercially reasonable terms.*

6616 *2. A permit holder demonstrates to the Commission that the sports governing body has not provided or*  
 6617 *offered to provide a feed of official league data to such permit holder on commercially reasonable terms,*  
 6618 *according to criteria identified in subsection D.*

6619 *D. The Commissioner shall consider the following information in determining whether a sports governing*  
 6620 *body has provided or offered to provide a feed of official league data on commercially reasonable terms:*

6621 *1. The availability of a sports governing body's official league data for tier 2 bets from more than one*  
 6622 *authorized source;*

6623 *2. Market information regarding the purchase, in the Commonwealth and in other states, by permit*  
 6624 *holders of data from all authorized sources;*

6625 *3. The nature and quantity of the data, including the quality and complexity of the process used for*  
 6626 *collecting the data; and*

6627 *4. Any other information he deems relevant.*

6628 *E. During any time period in which the Commissioner is determining whether official league data is*  
 6629 *available on commercially reasonable terms pursuant to the provisions of subsections C and D, a permit*  
 6630 *holder may use any data source for determining the results of tier 2 bets on professional sports events of the*  
*league governed by the sports governing body.*



6693 the related permit holder, but shall not be prohibited from placing sports bets with other permit holders.

6694 C. Any competitor, coach, trainer, employee, or owner of a team in a professional or college sports event,  
 6695 or any referee for a professional or college sports event, shall be prohibited from placing a bet on any event  
 6696 in a league in which such person participates. In determining which persons are prohibited from placing  
 6697 wagers under this subsection, a permit holder shall use publicly available information and any lists of  
 6698 persons that a sports governing body may provide to the Commission.

6699 D. Any person convicted of violating this section is guilty of a Class 1 misdemeanor.

6700 **§ 29.5-412. Operation and advertising of unpermitted facilities prohibited; penalty.**

6701 A. No person, except for a permit holder authorized pursuant to the provisions of this chapter, shall make  
 6702 its premises available for placing sports bets using the internet or advertise that its premises may be used for  
 6703 such purpose.

6704 B. The Commissioner may impose a monetary penalty for each violation of this section. For a person  
 6705 determined to have made its premises available for placing sports bets using the internet, the penalty shall  
 6706 not exceed \$1,000 per day per individual who places a sports bet. For a person determined to have  
 6707 advertised that its premises may be used for such purpose, the penalty shall not exceed \$10,000 per violation.

6708 **§ 29.5-413. Use of the phrase "Virginia is for Bettors" prohibited; civil penalty.**

6709 A. No permit holder, or any affiliate thereof, shall use the phrase "Virginia is for Bettors" in an  
 6710 advertisement in association with its product or service. Any permit holder, or affiliate thereof, that violates  
 6711 this section shall be subject to a civil penalty of not more than \$50,000. The Commissioner shall enforce the  
 6712 provisions of this section.

6713 B. All civil penalties collected pursuant to this section shall accrue to the general fund.

6714 **§ 29.5-414. Reporting and investigating prohibited conduct.**

6715 If the Commission receives a complaint of prohibited conduct by an athlete, it shall notify the appropriate  
 6716 sport governing body of such athlete to review the complaint. The Commission and permit holders shall  
 6717 cooperate with investigations conducted by sports governing bodies or law-enforcement agencies. Such  
 6718 cooperation shall include providing or facilitating the provision of account-level betting information and  
 6719 audio or video files relating to persons placing wagers.

6720 **§ 29.5-415. Required direct notification to the Commission and to sports governing bodies.**

6721 A. A permit holder shall, as soon as commercially reasonable, report to the Commission any information  
 6722 relating to:

6723 1. Criminal or disciplinary proceedings commenced against the permit holder in connection with its  
 6724 operations in the Commonwealth or in any other jurisdiction;

6725 2. Abnormal betting activity or patterns that may indicate a risk to the integrity of a bet or wager;

6726 3. Any potential breach of a sports governing body's rules and codes of conduct pertaining to sports  
 6727 betting, to the extent that such rules and codes of conduct are provided to and known by the permit holder;

6728 4. Any conduct that may alter the outcome of an athletic event for purposes of financial gain, including  
 6729 match fixing; and

6730 5. Suspicious or illegal wagering activities, including using funds derived from illegal activity to place  
 6731 bets, using bets to conceal or launder funds derived from illegal activity, using agents to place bets, and  
 6732 using false identification to place bets.

6733 B. A permit holder shall, as soon as is commercially practicable, report the information described in  
 6734 subdivisions A 2, 3, and 4 to any sports governing body that may be affected by the activities described in  
 6735 subdivisions A 2, 3, and 4.

6736 **§ 29.5-416. Liquidity pools.**

6737 The Board may promulgate rules authorizing permit holders to offset loss and manage risk, directly or  
 6738 with a third party approved by the Commissioner, through the use of a liquidity pool in the Commonwealth or  
 6739 another jurisdiction so long as such permit holder, or an affiliate of such permit holder, is licensed by such  
 6740 jurisdiction to operate a sports betting business. However, a permit holder's use of a liquidity pool shall not  
 6741 eliminate its duty to ensure that it has sufficient funds available to pay bettors.

6742 **§ 29.5-417. Intermediate routing of electronic data.**

6743 All sports betting shall be initiated and received within the Commonwealth unless otherwise permitted by  
 6744 federal law. Consistent with the intent of the United States Congress as expressed in the Unlawful Internet  
 6745 Gambling Enforcement Act, 31 U.S.C. § 5361 et seq., the intermediate routing of electronic data relating to  
 6746 lawful intrastate sports betting authorized under this chapter shall not determine the location in which such  
 6747 bet is initiated and received.

6748 **CHAPTER 5.**  
 6749 **FANTASY CONTESTS.**

6750 **§ 29.5-500. Definitions.**

6751 As used in this chapter, unless the context requires otherwise:

6752 "Confidential information" means information related to the play of a fantasy contest by fantasy contest  
 6753 players obtained as a result of, or by virtue of, a person's employment.

6754 "Entry fee" means cash or cash equivalent that is required to be paid by a fantasy contest participant to a

6755 fantasy contest operator in order to participate in a fantasy contest.

6756 "Fantasy contest" includes any online fantasy or simulated game or contest with an entry fee in which (i)  
6757 the value of all prizes and awards offered to winning participants is established and made known to the  
6758 participants in advance of the contest; (ii) all winning outcomes reflect the relative knowledge and skill of the  
6759 participants and shall be determined by accumulated statistical results of the performance of individuals,  
6760 including athletes in the case of sports events; and (iii) no winning outcome is based on the score, point  
6761 spread, or any performance of any single actual team or combination of teams or solely on any single  
6762 performance of an individual athlete or player in any single actual event.

6763 "Fantasy contest operator" or "operator" means a person or entity that offers fantasy contests for a cash  
6764 prize to members of the public.

6765 "Fantasy contest player" or "player" means a person who participates in a fantasy contest offered by a  
6766 fantasy contest operator.

6767 "Principal stockholder" means any person who individually or in concert with his spouse and immediate  
6768 family members beneficially owns or controls, directly or indirectly, 15 percent or more of the equity  
6769 ownership of a fantasy contest operator or who in concert with his spouse and immediate family members has  
6770 the power to vote or cause the vote of 15 percent or more of the equity ownership of any such operator.

6771 **§ 29.5-501. Registration of fantasy contest operators required; application for registration; issuance of  
6772 registration certificate; penalty.**

6773 A. No fantasy contest operator shall offer any fantasy contest in the Commonwealth without first being  
6774 registered with the Commission. Applications for registration shall be on forms prescribed by the Board. Any  
6775 registration issued by the Commissioner shall be valid for one year from the date of issuance.

6776 B. The application for registration submitted by a fantasy contest operator shall contain the following  
6777 information:

6778 1. The name and principal address of the applicant; if a corporation, the state of its incorporation, the full  
6779 name and address of each officer and director thereof, and, if a foreign corporation, whether it is qualified to  
6780 do business in the Commonwealth; if a partnership or joint venture, the name and address of each officer  
6781 thereof;

6782 2. The address of any offices of the applicant in the Commonwealth and its designated agent for process  
6783 within the Commonwealth. If no such agent is designated, the applicant shall be deemed to have designated  
6784 the Commissioner. If the operator does not maintain an office, the name and address of the person having  
6785 custody of its financial records;

6786 3. The place where and the date when the applicant was legally established and the form of its  
6787 organization;

6788 4. The names and addresses of the officers, directors, trustees, and principal salaried executive staff  
6789 officer;

6790 5. The name and address of each principal stockholder or member of such corporation; and

6791 6. Such information as the Board deems necessary to ensure compliance with the provisions of this  
6792 chapter.

6793 C. Every registration filed pursuant to this chapter shall be accompanied by a nonrefundable, initial  
6794 application fee set by the Board.

6795 D. As a condition of registration, a fantasy contest operator shall submit evidence satisfactory to the  
6796 Board that the operator has established and will implement procedures for fantasy contests that:

6797 1. Prevent him or his employees and relatives living in the same household as the operator from  
6798 competing in any public fantasy contest offered by such operator in which the operator offers a cash prize;

6799 2. Prevent the sharing of confidential information that could affect fantasy contest play with third parties  
6800 until the information is made publicly available;

6801 3. Verify that any fantasy contest player is 21 years of age or older;

6802 4. Ensure that players who are the subject of a fantasy contest are restricted from entering a fantasy  
6803 contest that is determined, in whole or part, on the accumulated statistical results of a team of individuals in  
6804 which such players are participants;

6805 5. Allow individuals to restrict themselves from entering a fantasy contest upon request and take  
6806 reasonable steps to prevent those individuals from entering the operator's fantasy contests;

6807 6. Disclose the number of entries a single fantasy contest player may submit to each fantasy contest and  
6808 take reasonable steps to prevent such players from submitting more than the allowable number; and

6809 7. Segregate player funds from operational funds in separate accounts and maintain a reserve in the form  
6810 of cash, cash equivalents, irrevocable letter of credit, bond, or a combination thereof in an amount sufficient  
6811 to pay all prizes and awards offered to winning participants.

6812 E. If the registration forms are filed online using a website approved by the Commissioner, the operator  
6813 shall follow the procedures on that website for signing the forms.

6814 F. Any operator that allows its registration to lapse, without requesting an extension of time to file, shall  
6815 be required to resubmit an initial registration. An extension may be granted by the Commissioner upon  
6816 receipt of a written request.

**§ 29.5-502. Issuance of registration; denial of same.**

6817 A. The Commissioner shall consider all applications for registration and shall issue a valid registration to  
 6818 an applicant that meets the criteria set forth in this chapter.

6820 B. The Commissioner shall deny registration to any applicant unless he finds that:

6821 1. If the corporation is a stock corporation, such stock is fully paid and nonassessable and has been  
 6822 subscribed and paid for only in cash or property to the exclusion of past services and, if the corporation is a  
 6823 nonstock corporation, that there are at least five members;

6824 2. All principal stockholders or members have submitted to the jurisdiction of the courts of the  
 6825 Commonwealth for the purposes of this chapter, and all nonresident principal stockholders or members have  
 6826 designated the Commissioner as their agent for receipt of process;

6827 3. The applicant's articles of incorporation provide that the corporation may, on vote of a majority of the  
 6828 stockholders or members, purchase at fair market value the entire membership interest of any stockholder or  
 6829 require the resignation of any member who is or becomes unqualified for such position under subsection C;  
 6830 and

6831 4. The applicant meets the criteria established by the Board for the granting of registration.

6832 C. The Commissioner may deny registration to an applicant if he finds that the applicant, or any officer,  
 6833 partner, principal stockholder, or director of the applicant:

6834 1. Has knowingly made a false statement of material fact or has deliberately failed to disclose any  
 6835 information requested;

6836 2. Is or has been found guilty of any illegal, corrupt, or fraudulent act, practice, or conduct in connection  
 6837 with any fantasy contest in the Commonwealth or any other state or has been convicted of a felony, a crime of  
 6838 moral turpitude, or any criminal offense involving dishonesty or breach of trust within the 10 years prior to  
 6839 the date of application for registration;

6840 3. Has at any time knowingly failed to comply with the provisions of this chapter or of any requirements of  
 6841 the Board;

6842 4. Has had a registration or permit to hold or conduct fantasy contests denied for just cause, suspended,  
 6843 or revoked in any other state or country;

6844 5. Has legally defaulted in the payment of any obligation or debt due to the Commonwealth; or

6845 6. Is not qualified to do business in the Commonwealth or is not subject to the jurisdiction of the courts of  
 6846 the Commonwealth.

6847 D. Any operator applying for registration or renewal of a registration may operate during the application  
 6848 period unless the Commissioner has reasonable cause to believe that such operator is or may be in violation  
 6849 of the provisions of this chapter and the Commissioner requires such operator to suspend the operation of  
 6850 any fantasy contest until registration or renewal of registration is issued.

6851 E. The Commissioner shall issue such registration within 60 days of receipt of the application for  
 6852 registration. If the registration is not issued, the Commissioner shall provide the operator with specific  
 6853 justification for not issuing such registration.

**§ 29.5-503. Independent audit required; submission to Commission.**

6855 A registered operator shall (i) annually contract with a certified public accountant to conduct an  
 6856 independent audit, consistent with the standards accepted by the Board of Accountancy; (ii) annually  
 6857 contract with a testing laboratory recognized by the Commission to verify compliance with the provisions of  
 6858 subsection D of § 29.5-501; and (iii) submit to the Commission a copy of the (a) audit report and (b) report  
 6859 of the testing laboratory as required by clause (ii).

**§ 29.5-504. Powers and duties of the Board and the Commission.**

6861 A. The Commission shall have all powers and duties necessary to carry out the provisions of this chapter.  
 6862 The Board may establish procedures deemed necessary to carry out the provisions of this chapter.

6863 B. Whenever it appears to the Commission that any person has violated any provision of this chapter, it  
 6864 may apply to the appropriate circuit court for an injunction against such person. The order granting or  
 6865 refusing such injunction shall be subject to appeal as in other cases in equity.

6866 C. Whenever the Commission has reasonable cause to believe that a violation of this chapter may have  
 6867 occurred, the Commission, upon its own motion or upon complaint of any person, may investigate any  
 6868 fantasy contest operator to determine whether such operator has violated the provisions of this chapter. In  
 6869 the conduct of such investigation, the Commission:

6870 1. May require or permit any person to file a statement in writing, under oath or otherwise as it  
 6871 determines, as to all facts and circumstances concerning the matter to be investigated;

6872 2. May administer oaths or affirmations and, upon its own motion or upon request of any party, subpoena  
 6873 witnesses and compel their attendance, take evidence, and require the production of any matter that is  
 6874 relevant to the investigation, including the existence, description, nature, custody, condition, and location of  
 6875 any books, documents, or other tangibles and the identity and location of persons having knowledge of  
 6876 relevant facts or any other matter reasonably calculated to lead to the discovery of material evidence; and

6877 3. Shall report immediately, upon the receipt of a complaint of an alleged criminal violation of this  
 6878 chapter, such complaint to the Commission's general or special counsel hired by the Commissioner pursuant

6879 to § 29.5-102, the Office of the Gaming Enforcement Coordinator at the Department of State Police pursuant  
6880 to § 52-54, and the attorney for the Commonwealth in the jurisdiction where such alleged violation occurred  
6881 for appropriate action.

6882 D. Any proceedings or hearings by the Commission under this chapter, where witnesses are subpoenaed  
6883 and their attendance is required for evidence to be taken or any matter is to be produced to ascertain  
6884 material evidence, shall take place within the City of Richmond.

6885 E. Upon failure to obey a subpoena and upon reasonable notice to all persons affected thereby, the  
6886 Commission may apply to the Circuit Court of the City of Richmond for an order imposing punishment for  
6887 contempt of the subpoena or compelling compliance.

6888 **§ 29.5-505. Suspension or revocation of registration.**

6889 A. After a hearing with 15 days' notice, the Commissioner may suspend or revoke any registration or  
6890 impose on such operator a monetary penalty of not more than \$1,000 for each violation of this chapter, not to  
6891 exceed \$50,000, in any case where a violation of this chapter has been shown by a preponderance of the  
6892 evidence. The Commissioner may revoke a registration if he finds that facts not known by him at the time he  
6893 considered the application indicate that such registration should not have been issued.

6894 B. The Commissioner may summarily suspend any registration for a period of not more than seven days,  
6895 pending a hearing and final determination by the Board, if he determines that a violation of this chapter has  
6896 occurred and emergency action is required to protect the public health, safety, and welfare. The Commission  
6897 shall (i) schedule a hearing within seven business days after the registration is summarily suspended and (ii)  
6898 notify the registered operator not less than five business days before the hearing of the date, time, and place  
6899 of the hearing.

6900 C. If any such registration is suspended or revoked, the Commissioner shall state his reasons for doing so,  
6901 which shall be entered of record. Such action shall be final unless appealed in accordance with § 29.5-506.  
6902 Suspension or revocation of a registration issued by the Commissioner for any violation shall not preclude  
6903 civil liability for such violation.

6904 **§ 29.5-506. Hearing and appeal.**

6905 Any person aggrieved by a denial of the Commissioner to issue a registration, the suspension or  
6906 revocation of a registration, the imposition of a fine, or any other action of the Board may seek review of  
6907 such action in accordance with Article 5 (§ 2.2-4025 et seq.) of the Administrative Process Act in the Circuit  
6908 Court of the City of Richmond. Further appeals shall also be in accordance with Article 5 (§ 2.2-4025 et  
6909 seq.) of the Administrative Process Act.

6910 **§ 29.5-507. Fees and charges.**

6911 All fees, charges, and monetary penalties collected by the Commission as provided in this chapter shall be  
6912 paid into a special fund of the state treasury. Such funds shall be used to finance the administration and  
6913 operation of this chapter.

6914 **§ 29.5-508. Commission to adjust fees; certain transfer of money collected prohibited.**

6915 A. Nongeneral funds generated by fees collected in accordance with this chapter on behalf of the  
6916 Commission and accounted for and deposited into a special fund by the Commissioner shall be held  
6917 exclusively to cover the expenses of the Commission in administering this chapter and shall not be  
6918 transferred to any other agency.

6919 B. Following the close of any biennium, when the account for the Commission maintained under this  
6920 chapter shows expenses allocated to it for the past biennium to be more than 10 percent greater or less than  
6921 moneys collected on behalf of the Commission, it shall revise the fees levied by it for registration and renewal  
6922 thereof so that the fees are sufficient but not excessive to cover expenses.

6923 **§ 29.5-509. Public inspection of information filed with the Commission; charges for production.**

6924 A. Except as provided in subsection B, registrations required to be filed under this chapter shall be open  
6925 to the public for inspection at such time and under such conditions as the Board may prescribe. A charge not  
6926 exceeding \$1 per page may be made for any copy of such documents as may be furnished to any person by  
6927 the Commission.

6928 B. Reports, data, or documents submitted to the Commission pursuant to the audit requirements of  
6929 § 29.5-503 and records submitted to the Commission as part of an application for registration or renewal  
6930 that contain information about the character or financial responsibility of the operator or its principal  
6931 stockholders shall be deemed confidential and shall be exempt from disclosure under the Virginia Freedom of  
6932 Information Act (§ 2.2-3700 et seq.).

6933 **§ 29.5-510. Registration not endorsement.**

6934 No registered operator shall use or exploit the fact of registration under this chapter so as to lead the  
6935 public to believe that such registration in any manner constitutes an endorsement or approval by the  
6936 Commonwealth.

6937 **§ 29.5-511. Acquisition of interest in fantasy contest operator.**

6938 A. If any person acquires actual control of a registered operator, such person shall register with the  
6939 Commission in accordance with § 29.5-501.

6940 B. Where any such acquisition of control is without prior approval of the Commissioner, the

6941 Commissioner may suspend any registration he has issued to such operator, order compliance with this  
 6942 section, or take such other action as may be appropriate within his authority.

6943 **§ 29.5-512. Civil penalty.**

6944 In addition to the provisions of § 29.5-505, any person, firm, corporation, association, agent, or employee  
 6945 who knowingly violates any procedure implemented under subsection D of § 29.5-501 or any other provision  
 6946 of this chapter shall be liable for a civil penalty of not more than \$1,000 for each such violation. Such  
 6947 amount shall be recovered in a civil action brought by the Commission and be paid into the Literary Fund.

6948 **§ 29.5-513. Fantasy contests conducted under this chapter not illegal gambling.**

6949 A. Nothing contained in Chapter 9 (§ 29.5-900 et seq.) shall be applicable to a fantasy contest conducted  
 6950 in accordance with this chapter. The award of any prize money for any fantasy contest shall not be deemed to  
 6951 be part of any gaming contract within the purview of § 11-14.

6952 B. This section shall not apply to any sports betting or related activity that is lawful under Chapter 4  
 6953 (§ 29.5-400 et seq.), which shall be regulated pursuant to such chapter.

6954 **§ 29.5-514. Liability imposed by other laws not decreased.**

6955 Except as provided in § 29.5-513, nothing contained in this chapter shall be construed as making lawful  
 6956 any act or omission that is now unlawful or as decreasing the civil or criminal liability of any person imposed  
 6957 by existing laws.

6958 **CHAPTER 6.**

6959 **LIVE HORSE RACING, HISTORICAL HORSE RACING, AND SIMULCAST HORSE RACING WITH PARI-  
 6960 MUTUEL WAGERING.**

6961 **Article 1.**

6962 **General Provisions.**

6963 **§ 29.5-600. Control of live horse racing, historical horse racing, and simulcast horse racing with pari-  
 6964 mutuel wagering.**

6965 A. Horse racing with pari-mutuel wagering licensed pursuant to this chapter is permitted in the  
 6966 Commonwealth for the promotion, sustenance, and growth of a native industry, in a manner consistent with  
 6967 the health, safety, and welfare of the people. The Virginia Racing Commission is vested with plenary power  
 6968 and control of all live horse racing and simulcast horse racing with pari-mutuel wagering in the  
 6969 Commonwealth with the power to prescribe regulations and conditions under which such horse racing with  
 6970 pari-mutuel wagering shall be conducted, so as to maintain horse racing in the Commonwealth of the highest  
 6971 quality and free of any corrupt, incompetent, dishonest, or unprincipled practices and to maintain in such  
 6972 racing complete honesty and integrity. The Virginia Racing Commission shall encourage participation by  
 6973 local individuals and businesses in those activities associated with horse racing.

6974 B. The conduct of any horse racing or historical horse racing with pari-mutuel wagering, participation in  
 6975 such horse racing or wagering, and entrance to any place where such racing or wagering is conducted is a  
 6976 privilege that may be granted or denied by the Gaming Commission, the Racing Commission, and their duly  
 6977 authorized representatives in their discretion in order to effectuate the purposes set forth in this chapter.

6978 C. The award of any prize money for any pari-mutuel wager placed at a racetrack or satellite facility  
 6979 licensed by the Commission or Racing Commission shall not be construed as a part of any gaming contract  
 6980 within the purview of § 11-14.

6981 D. This section shall not apply to any sports betting or related activity that is lawful under Chapter 3  
 6982 (§ 29.5-300 et seq.) or 4 (§ 29.5-400 et seq.), which shall be regulated pursuant to such chapters.

6983 **§ 29.5-601. Definitions.**

6984 As used in this chapter, unless the context requires a different meaning:

6985 "Advance deposit account wagering" means a method of pari-mutuel wagering conducted in the  
 6986 Commonwealth that is permissible under the Interstate Horseracing Act (15 U.S.C. § 3001 et seq.) in which  
 6987 an individual may establish an account with an entity, licensed by the Racing Commission, to place pari-  
 6988 mutuel wagers in person or electronically.

6989 "Breakage," with respect to historical horse racing, means the odd cents by which the amount payable on  
 6990 each dollar wagered exceeds a multiple of 10 cents (\$0.10).

6991 "Breakage," with respect to horse racing other than historical horse racing, means the odd cents by which  
 6992 the amount payable on each dollar wagered exceeds one cent (\$0.01).

6993 "Commission" or "Gaming Commission" means the Virginia Gaming Commission established pursuant to  
 6994 § 29.5-101.

6995 "Dependent" means a son, daughter, father, mother, brother, sister, or other person, whether or not  
 6996 related by blood or marriage, if such person receives from an officer or employee more than one-half of his  
 6997 financial support.

6998 "Drug" means the same as that term is defined in § 54.1-3401. The Racing Commission shall, by  
 6999 regulation, define and designate those drugs the use of which is prohibited or restricted.

7000 "Enclosure" means all areas of the property of a racetrack to which admission can be obtained only by  
 7001 payment of an admission fee or upon presentation of authorized credentials, and any additional areas  
 7002 designated by the Racing Commission.

7003     "E-permit" means a historical horse racing employee permit issued pursuant to § 29.5-630 or a live horse  
7004     racing employee permit issued pursuant to § 29.5-631.

7005     "Executive Secretary" means the Executive Secretary of the Virginia Racing Commission appointed by the  
7006     Commissioner pursuant to § 29.5-102.

7007     "Force majeure" means an event reasonably beyond the ability of the Racing Commission to anticipate or  
7008     control. "Force majeure" includes acts of God, incidences of terrorism, war or riots, labor strikes or civil  
7009     disturbances, floods, earthquakes, fires, explosions, epidemics, hurricanes, tornadoes, and governmental  
7010     actions or restrictions.

7011     "Handle" means the total amount of all pari-mutuel wagering sales excluding refunds and cancellations.

7012     "Historical horse racing" means a form of horse racing that creates pari-mutuel pools from wagers  
7013     placed on previously conducted horse races and is hosted at (i) a racetrack owned or operated by a  
7014     significant infrastructure limited licensee or (ii) a satellite facility that is owned or operated by (a) a  
7015     significant infrastructure limited licensee or (b) the recognized industry stakeholder organization licensed to  
7016     own or operate such satellite facility.

7017     "Historical horse racing license" means a license issued by the Commissioner authorizing the operation  
7018     of historical horse racing at a licensed significant infrastructure facility or a licensed satellite facility.

7019     "Horse racing" or "live horse racing" means a competition on a set course involving a race between  
7020     horses on which pari-mutuel wagering is permitted. Unless the context requires otherwise, "horse racing"  
7021     does not include historical horse racing.

7022     "Immediate family" means (i) a spouse and (ii) any other person residing in the same household as an  
7023     officer or employee, who is a dependent of the officer or employee or of whom the officer or employee is a  
7024     dependent.

7025     "Licensee" includes any person holding an owner's, operator's, or historical horse racing license  
7026     pursuant to this chapter.

7027     "Member" includes any person designated a member of a nonstock corporation, and any person who, by  
7028     means of a pecuniary or other interest, in such corporation exercises the power of a member.

7029     "Pari-mutuel wagering" means the system of wagering on horse races in which those who wager on  
7030     horses that finish in the position or positions for which wagers are taken share in the total amounts wagered,  
7031     plus any amounts provided by a licensee, less deductions required or permitted by law and includes pari-  
7032     mutuel wagering on historical horse racing and simulcast horse racing originating within the Commonwealth  
7033     or from any other jurisdiction.

7034     "Participant" means any person who (i) has an ownership interest in any horse entered to race in the  
7035     Commonwealth or who acts as the trainer, jockey, or driver of any horse entered to race in the  
7036     Commonwealth or (ii) takes part in any horse racing subject to the jurisdiction of the Racing Commission or  
7037     in the conduct of a race meeting or pari-mutuel wagering there, including a horse owner, trainer, jockey, or  
7038     driver, groom, stable foreman, valet, veterinarian, agent, pari-mutuel employee, vendor or employee thereof,  
7039     track employee, or other position the Executive Secretary deems necessary to regulate to ensure the integrity  
7040     of horse racing in the Commonwealth.

7041     "Permit holder" includes any person holding a (i) historical horse racing employee permit (HHR e-  
7042     permit) to participate in historical horse racing subject to the jurisdiction of the Virginia Gaming  
7043     Commission or (ii) live horse racing employee permit (LHR e-permit) to participate in any horse racing  
7044     subject to the jurisdiction of the Racing Commission or in the conduct of a race meeting or pari-mutuel  
7045     wagering thereon.

7046     "Person" means the same as that term is defined in § 1-230.

7047     "Pool" means the amount wagered during a race meeting or during a specified period of a race meeting.

7048     "Principal stockholder" means any person who individually or in concert with his spouse and immediate  
7049     family members, beneficially owns or controls, directly or indirectly, five percent or more of the stock of any  
7050     person that is a licensee, or who in concert with his spouse and immediate family members, has the power to  
7051     vote or cause the vote of five percent or more of any such stock. However, "principal stockholder" does not  
7052     include a broker-dealer registered under the Securities Exchange Act of 1934 (15 U.S.C. § 78A et seq.), as  
7053     amended, which holds in inventory shares for sale on the financial markets for a publicly traded corporation  
7054     holding, directly or indirectly, a license from the Gaming Commission or the Racing Commission, as  
7055     applicable.

7056     "Race meeting" means the whole consecutive period of time during which live horse racing with pari-  
7057     mutuel wagering is conducted by a licensee.

7058     "Racetrack" means an outdoor course located in the Commonwealth that is laid out for live horse racing  
7059     and is licensed by the Racing Commission.

7060     "Racing Commission" means the Virginia Racing Commission established pursuant to § 29.5-602.

7061     "Recognized industry stakeholder organization" means the nonprofit industry stakeholder organization  
7062     recognized by the Racing Commission to include the recognized majority horsemen's group, a breeder's  
7063     organization, and a licensed racetrack operator for the purpose of promoting, sustaining, and advancing  
7064     horse racing within the Commonwealth.

**7065 "Recognized majority horsemen's group"** means the organization recognized by the Racing Commission  
**7066 as the representative of the majority of owners and trainers racing at race meetings subject to the Racing**  
**7067 Commission's jurisdiction.**

**7068 "Retainage"** means the total amount deducted from the pari-mutuel wagering pool for (i) a license fee to  
**7069 the Gaming Commission or Racing Commission, as applicable, and localities, (ii) the licensee, (iii) purse**  
**7070 money for the participants, (iv) the Virginia Breeders Fund, and (v) certain enumerated organizations as**  
**7071 required or permitted by law, regulation, or contract approved by the Gaming Commission or Racing**  
**7072 Commission, as applicable.**

**7073 "Satellite facility"** means all areas of the property at which simulcast horse racing is received for the  
**7074 purposes of pari-mutuel wagering, and any additional areas designated by the Racing Commission.**

**7075 "Significant infrastructure facility"** means a horse racing facility that has been approved by a local  
**7076 referendum pursuant to § 29.5-634 and has a minimum racing infrastructure consisting of (i) a one-mile dirt**  
**7077 racetrack for flat racing, (ii) a seven-eighths-mile turf course for flat or jump racing, (iii) covered seating for**  
**7078 no fewer than 500 persons, and (iv) barns with no fewer than 400 permanent stalls.**

**7079 "Significant infrastructure limited licensee"** means a person who owns or operates a significant  
**7080 infrastructure facility and holds a limited license under § 29.5-616.**

**7081 "Simulcast horse racing"** means the simultaneous transmission of the audio or video portion, or both, of  
**7082 horse races from a licensed horse racetrack or satellite facility to another licensed horse racetrack or**  
**7083 satellite facility, regardless of state of licensure, whether such races originate within the Commonwealth or**  
**7084 any other jurisdiction, by satellite communication devices, television cables, telephone lines, or any other**  
**7085 means for the purposes of conducting pari-mutuel wagering.**

**7086 "Steward"** means a racing official, employed by the Executive Secretary, with powers and duties  
**7087 prescribed by Racing Commission regulations.**

**7088 "Stock"** includes all classes of stock, partnership interest, membership interest, or similar ownership  
**7089 interest of an applicant or licensee, and any debt or other obligation of such person or an affiliated person if**  
**7090 the Commission or Racing Commission, as applicable, finds that the holder of such interest or stock derives**  
**7091 therefrom such control of or voice in the operation of the applicant or licensee that he should be deemed an**  
**7092 owner of stock.**

**7093 "Virginia Breeders Fund"** means the fund established pursuant to § 29.5-611 to foster the industry of  
**7094 breeding race horses in the Commonwealth.**

**7095 § 29.5-602. Virginia Racing Commission; purpose; membership; compensation; duties.**

**7096 A. The Virginia Racing Commission is established as a policy commission for the purpose of controlling**  
**7097 and regulating all aspects of the horse racing industry in the Commonwealth with respect to live and**  
**7098 simulcast horse racing with pari-mutuel wagering. The Racing Commission shall have a total membership of**  
**7099 six members to be appointed as follows: five nonlegislative citizen members with voting privileges appointed**  
**7100 by the Governor, subject to confirmation by the General Assembly, and one member of the Virginia Gaming**  
**7101 Commission Board appointed by the chair of the Board who shall serve in an advisory role with nonvoting**  
**7102 privileges. Nonlegislative citizen members shall be citizens of the Commonwealth.**

**7103 Appointments to fill vacancies, other than by expiration of a term, shall be for the unexpired terms.**  
**7104 Vacancies shall be filled in the same manner as the original appointments. All members may be reappointed.**

**7105 After the initial staggering of terms, nonlegislative citizen members shall be appointed for a term of five**  
**7106 years.**

**7107 The Racing Commission shall elect a chair and vice-chair from among its membership. A majority of the**  
**7108 voting members shall constitute a quorum. The meetings of the Racing Commission shall be held at the call of**  
**7109 the chair or whenever the majority of the members so request.**

**7110 Members shall receive such compensation for the performance of their duties as provided in § 2.2-2813.**  
**7111 All members shall be reimbursed for all reasonable and necessary expenses incurred in the performance of**  
**7112 their duties as provided in §§ 2.2-2813 and 2.2-2825. Funding for the costs of compensation and expenses of**  
**7113 the members shall be provided by the Virginia Gaming Commission.**

**7114 B. The Racing Commission, or the Executive Secretary acting on its behalf, shall have the power and duty**  
**7115 to:**

**7116 1. Visit, investigate, and have free access to the office, track, facilities, satellite facilities, or other places**  
**7117 of business of any licensee or permit holder, and compel the production of any of the books, documents,**  
**7118 records, or memoranda of any licensee or permit holder for the purpose of satisfying itself that the provisions**  
**7119 of this chapter and its regulations are strictly complied with. The Racing Commission may require any**  
**7120 person granted a permit by the Racing Commission and shall require any person licensed by the Racing**  
**7121 Commission pursuant to this chapter, the recognized majority horsemen's group, and the recognized industry**  
**7122 stakeholder organization to produce an annual balance sheet and operating statement prepared by a certified**  
**7123 public accountant approved by the Racing Commission. The Racing Commission may require the production**  
**7124 of any contract to which such person is or may be a party.**

**7125 2. Promulgate regulations and conditions under which live horse racing and simulcast horse racing with**  
**7126 pari-mutuel wagering shall be conducted in the Commonwealth, and all such other regulations the Racing**

7127 *Commission deems necessary and appropriate to effect the purposes of this chapter, including a requirement*  
7128 *that licensees post, in a conspicuous location in every place where pari-mutuel wagering is conducted, (i) a*  
7129 *sign that bears the toll-free telephone number for the National Problem Gambling Helpline and (ii) a sign*  
7130 *that bears the toll-free number and website for the illegal gaming tip line established and administered by the*  
7131 *Office of the Gaming Enforcement Coordinator in the Department of State Police pursuant to § 52-54 for*  
7132 *members of the public to report concerns about, or suspected instances of, illegal gaming activities. To the*  
7133 *extent permitted by law, such regulations shall include provisions for affirmative action to assure*  
7134 *participation by minority persons in contracts granted by the Racing Commission and its licensees. Nothing*  
7135 *in this subdivision shall be deemed to preclude private local ownership or participation in any horse*  
7136 *racetrack. Such regulations may include penalties for violations. The promulgation of such regulations shall*  
7137 *be subject to the provisions of the Administrative Process Act (§ 2.2-4000 et seq.).*

7138 *3. Promulgate regulations and conditions under which simulcast horse racing shall be conducted at a*  
7139 *licensed racetrack or satellite facility in the Commonwealth and all such other regulations it deems necessary*  
7140 *and appropriate to effect the purposes of this chapter. Such regulations shall include provisions that all*  
7141 *simulcast horse racing shall comply with the Interstate Horse Racing Act of 1978 (15 U.S.C. § 3001 et seq.)*  
7142 *and shall require the holder of a license to schedule no more than 125 live racing days in the Commonwealth*  
7143 *each calendar year; however, the Racing Commission shall have the authority to alter the required number*  
7144 *of live racing days in the event of force majeure. Such regulations shall authorize up to 10 satellite facilities*  
7145 *and restrict majority ownership of satellite facilities to an entity licensed by the Racing Commission that is a*  
7146 *significant infrastructure limited licensee. In no event shall the Racing Commission authorize any such*  
7147 *entities to own or operate more than a combined total of 10 satellite facilities. Nothing in this subdivision*  
7148 *shall be deemed to preclude private local ownership or participation in any satellite facility. Except as*  
7149 *authorized pursuant to subdivision 4, wagering on simulcast horse racing shall take place only at a licensed*  
7150 *racetrack or satellite facility.*

7151 *4. Promulgate regulations controlling advance deposit account wagering. Such regulations shall include*  
7152 *(i) standards, qualifications, and procedures for the issuance of a license to an entity for the operation of*  
7153 *pari-mutuel wagering in the Commonwealth, except that the Racing Commission shall not issue a license to,*  
7154 *and shall revoke the license of, an entity that, either directly or through an entity under common control with*  
7155 *it, withholds the sale at fair market value to a licensee of simulcast horse racing signals that such entity or an*  
7156 *entity under common control with it sells to other racetracks, satellite facilities, or advance deposit account*  
7157 *wagering providers located in or outside of the Commonwealth; (ii) provisions regarding access to books,*  
7158 *records, and memoranda, and submission to investigations and audits, as authorized by subdivisions 1 and 7;*  
7159 *and (iii) provisions regarding the collection of all revenues due to the Commonwealth from the placing of*  
7160 *such wagers. No pari-mutuel wager may be made on or with any computer owned or leased by the*  
7161 *Commonwealth, or any of its political subdivisions, or at any public elementary or secondary school or*  
7162 *institution of higher education. The Racing Commission also shall ensure that, except for advance deposit*  
7163 *account wagering, all wagering on simulcast horse racing shall take place only at a licensed racetrack or*  
7164 *satellite facility.*

7165 *Nothing in this subdivision shall be construed to limit the Racing Commission's authority as set forth*  
7166 *elsewhere in this section.*

7167 *5. Compel any person holding a license or permit issued by the Racing Commission to file with the Racing*  
7168 *Commission such data as shall appear to the Racing Commission to be necessary for the performance of its*  
7169 *duties including all financial statements and information relative to stockholders and all others with*  
7170 *pecuniary interest in such person. It may prescribe the manner in which books and records of such persons*  
7171 *shall be kept.*

7172 *6. Report annually on or before March 1 to the Gaming Commission, which report shall include a*  
7173 *financial statement of the operation of the Racing Commission.*

7174 *7. Order such audits, in addition to those required by § 29.5-610, as it deems necessary and desirable.*

7175 *8. Report immediately, upon the receipt of a complaint of an alleged criminal violation of this chapter,*  
7176 *such complaint to the associate general counsel hired by the Commissioner to represent the interests of the*  
7177 *Racing Commission, the Office of the Gaming Enforcement Coordinator at the Department of State Police*  
7178 *pursuant to § 52-54, and the attorney for the Commonwealth in the jurisdiction where such alleged violation*  
7179 *occurred for appropriate action.*

7180 *9. Provide for the withholding of the applicable amount of state and federal income tax of persons*  
7181 *claiming a prize or pay-off for a winning wager and shall establish the threshold for such withholdings.*

7182 *10. Promulgate regulations defining and designating those drugs the use of which is prohibited or*  
7183 *restricted.*

7184 *11. Subject, within the enclosure, stable, or other facility related to the conduct of horse racing, and*  
7185 *during regular or usual business hours, any (i) permit holder to personal inspections, including alcohol and*  
7186 *drug testing for illegal drugs, inspections of personal property, and inspections of other property or premises*  
7187 *under the control of such permit holder and (ii) horse eligible to race at a race meeting licensed by the*  
7188 *Racing Commission to testing for substances foreign to the natural horse within the racetrack enclosure or*

7189 other place where such horse is kept. Any item, document, or record indicative of a violation of any provision  
 7190 of this chapter or Racing Commission regulations may be seized as evidence of such violation. All permit  
 7191 holders shall consent to the searches and seizures authorized by this subdivision, including breath, blood,  
 7192 and urine sampling for alcohol and illegal drugs. The Racing Commission may revoke or suspend the permit  
 7193 of any person who fails or refuses to comply with this subdivision or any rules and regulations of the Racing  
 7194 Commission.

7195 12. Require the existence of a contract between each licensee and the recognized horsemen's group for  
 7196 such licensee. Such contract shall be subject to the approval of the Racing Commission, which shall have the  
 7197 power to approve or disapprove any of its items, including the provisions regarding purses and prizes. Such  
 7198 contracts shall provide that on pools generated by wagering on simulcast horse racing from outside the  
 7199 Commonwealth, (i) for the first \$75 million of the total pari-mutuel handle for each breed, the licensee shall  
 7200 deposit funds at the minimum rate of five percent in the horsemen's purse account; (ii) for any amount in  
 7201 excess of \$75 million but less than \$150 million of the total pari-mutuel handle for each breed, the licensee  
 7202 shall deposit funds at the minimum rate of six percent in the horsemen's purse account; and (iii) for amounts  
 7203 in excess of \$150 million for each breed, the licensee shall deposit funds at the minimum rate of seven  
 7204 percent in the horsemen's purse account. Such deposits shall be made in the horsemen's purse accounts of the  
 7205 breed that generated the pools and such deposits shall be made within five days from the date on which the  
 7206 licensee receives wagers. In the absence of the required contract between the licensee and the recognized  
 7207 majority horsemen's group, the Racing Commission may permit wagering to proceed on simulcast horse  
 7208 racing from outside of the Commonwealth, provided that the licensee deposits into the Horse Racing  
 7209 Operations Fund, created pursuant to § 29.5-606, an amount equal to the minimum percentage of the total  
 7210 pari-mutuel handles as required in clauses (i), (ii), and (iii) or such lesser amount as the Racing Commission  
 7211 may approve. The deposits shall be made within five days from the date on which the licensee receives  
 7212 wagers. Once a contract between the licensee and the recognized majority horsemen's group is executed and  
 7213 approved by the Racing Commission, the Racing Commission shall transfer the funds to the licensee and the  
 7214 horsemen's purse accounts.

7215 13. Grant to an applicant, notwithstanding the provisions of § 29.5-634, provisional limited licenses or  
 7216 provisional unlimited licenses to own or operate racetracks or satellite facilities prior to the applicant  
 7217 securing the approval through the local referendum required by § 29.5-634. The provisional licenses issued  
 7218 by the Racing Commission shall only become effective upon the approval of the racetrack or satellite  
 7219 wagering facilities in a referendum conducted pursuant to § 29.5-634 in the jurisdiction in which the  
 7220 racetrack or satellite wagering facility is to be located.

7221 14. Keep a complete and accurate record of its proceedings. A copy of such record and any other public  
 7222 records not exempt from disclosure under the Virginia Freedom of Information Act (§ 2.2-3700 et seq.) shall  
 7223 be available for public inspection and copying during regular office hours at the Racing Commission.

7224 15. Promote the growth of the equine industry by implementing strategic initiatives aimed at enhancing  
 7225 industry visibility and economic viability. The Racing Commission shall also focus on sustaining the industry  
 7226 through support programs for existing stakeholders and infrastructure development. Further, the Racing  
 7227 Commission shall encourage participation by local individuals and businesses in activities associated with  
 7228 horse racing.

7229 **§ 29.5-603. Financial interests of Racing Commission members and family members prohibited.**

7230 No member of the Racing Commission, and no spouse or immediate family member of any such member  
 7231 shall have any financial interest, direct or indirect, in (i) any horse racetrack, satellite facility, or operation  
 7232 incident thereto subject to the provisions of this chapter; (ii) any entity that has submitted an application for  
 7233 a license pursuant to this chapter; (iii) the operation of any such racetrack or satellite facility within the  
 7234 Commonwealth; or (iv) the operation of any wagering authorized under this chapter. No member of the  
 7235 Racing Commission and no spouse or immediate family member of any such member shall (a) participate as  
 7236 owner of a horse or otherwise as a contestant in any horse race subject to the jurisdiction of the Racing  
 7237 Commission; (b) have any pecuniary interest in the purse or prize contested for in any such horse race; or (c)  
 7238 make any contribution to a candidate for office or office holders on the local or state level, or cause a  
 7239 contribution to be made on their behalf.

7240 **§ 29.5-604. Powers and duties of the Gaming Commission; historical horse racing.**

7241 The Virginia Gaming Commission and the Board shall have all powers and duties necessary to carry out  
 7242 the provisions of this chapter related to the administration and regulation of historical horse racing.

7243 Such powers and duties shall include:

7244 1. The Commission, its representatives, and employees shall visit, investigate, and have free access to the  
 7245 office, racetrack, facilities, satellite facilities, or other places of business of any historical horse racing  
 7246 licensee, and may compel the production of any of the books, documents, records, or memoranda of any  
 7247 licensee for the purpose of satisfying itself that this chapter and its regulations are strictly complied with.

7248 2. The Board shall promulgate regulations and conditions under which historical horse racing shall be  
 7249 conducted in the Commonwealth, and all such other regulations it deems necessary and appropriate to effect  
 7250 the purposes of this chapter, including a requirement that licensees post, in a conspicuous place in every

7251 place where pari-mutuel wagering is conducted, (i) a sign that bears the toll-free telephone number for the  
7252 National Problem Gambling Helpline and (ii) a sign that bears the toll-free number and website for the  
7253 illegal gaming tip line established and administered by the Office of the Gaming Enforcement Coordinator in  
7254 the Department of State Police pursuant to § 52-54 for members of the public to report concerns about, or  
7255 suspected instances of, illegal gaming activities. Such regulations shall include provisions for affirmative  
7256 action to assure participation by minority persons in contracts granted by the Commission and its licensees.  
7257 Nothing in this subdivision shall be deemed to preclude private local ownership or participation in any horse  
7258 racetrack. Such regulations may include penalties for violations. The promulgation of such regulations shall  
7259 be subject to the provisions of the Administrative Process Act (§ 2.2-4000 et seq.).

7260 3. The Board may issue subpoenas for the attendance of witnesses before it, administer oaths, and compel  
7261 production of records or other documents and testimony of such witnesses whenever, in the judgment of the  
7262 Board, it is necessary to do so for the effectual discharge of its duties.

7263 4. The Board may compel any person holding a historical horse racing license to file with the Commission  
7264 such data as shall appear to the Board to be necessary for the performance of its duties including financial  
7265 statements and information relative to stockholders and all others with any pecuniary interest in such person.  
7266 It may prescribe the manner in which books and records of such persons shall be kept.

7267 5. The Commission shall report annually on or before October 1 to the Governor and the General  
7268 Assembly, which report shall include a financial statement of the operation of the Commission with respect to  
7269 historical horse racing and the information reported to the Commission by the Racing Commission pursuant  
7270 to subdivision B 6 of § 29.5-602.

7271 6. The Commission may order such audits, in addition to those required by § 29.5-610, as it deems  
7272 necessary and desirable.

7273 7. The Commission, shall upon the receipt of a complaint of an alleged criminal violation of this chapter,  
7274 immediately report the complaint to the Commission's general or special counsel hired by the Commissioner  
7275 pursuant to § 29.5-102, the Office of the Gaming Enforcement Coordinator at the Department of State Police  
7276 pursuant to § 52-54, and the attorney for the Commonwealth in the jurisdiction where such alleged violation  
7277 occurred for appropriate action.

7278 8. The Commission shall provide for the withholding of the applicable amount of state and federal income  
7279 tax of persons claiming a prize or pay-off for a winning wager and shall establish the thresholds for such  
7280 withholdings.

7281 9. The Board, in consultation and with the advice and consent of the Racing Commission, shall  
7282 promulgate regulations requiring, for each calendar year, any significant infrastructure limited licensee that  
7283 offers pari-mutuel wagering on historical horse racing to hold at least one live Thoroughbred horse racing  
7284 day, consisting of not less than eight races per day, for every 100 historical horse racing terminals installed  
7285 at its significant infrastructure facility together with any satellite facility owned, operated, controlled,  
7286 managed, or otherwise directly or indirectly affiliated with such licensee. The regulations shall require any  
7287 such significant infrastructure limited licensee that holds more than one live Thoroughbred horse racing day  
7288 in accordance with the provisions of this subdivision to hold at least one of those racing days on a weekend.  
7289 The number of historical horse racing terminals installed at a significant infrastructure facility shall be  
7290 calculated as of December 31 of the calendar year in question; however, only historical horse racing  
7291 terminals that are fully operational shall be included in such calculation.

7292 **§ 29.5-605. Executive Secretary; duties; staff and stewards.**

7293 A. The Commissioner of the Gaming Commission shall employ an Executive Secretary of the Racing  
7294 Commission to supervise and oversee the conduct of the Virginia Racing Commission. The Executive  
7295 Secretary, in addition to any other duties prescribed by the Commissioner, shall keep a true and full record  
7296 of all proceedings of the Racing Commission and preserve all books, documents, and papers of the Racing  
7297 Commission. Neither the Executive Secretary nor the spouse or any member of the immediate family of the  
7298 Executive Secretary shall make any contributions to a candidate for office or office holder at the local or  
7299 state level, or cause such a contribution to be made on his behalf.

7300 B. The Executive Secretary shall have the power and duty to:

7301 1. Employ such persons to be present at race meetings as are necessary to ensure that such meetings are  
7302 conducted with order and the highest degree of integrity and to allow the Racing Commission to eject or  
7303 exclude from the enclosure or from any part of such enclosure any person, whether or not he possesses a  
7304 license or permit, whose conduct or reputation is such that his presence may, in the opinion of the Racing  
7305 Commission, reflect on the honesty and integrity of horse racing or interfere with the orderly conduct of  
7306 horse racing.

7307 2. Issue subpoenas for the attendance of witnesses before the Racing Commission, administer oaths, and  
7308 compel production of records or other documents and testimony of such witnesses whenever, in his judgment,  
7309 it is necessary to do so for the effectual discharge of his duties or the duties of the Racing Commission.

7310 3. Enter into arrangements with any foreign or domestic government or governmental agency, for the  
7311 purposes of exchanging information or performing any other act to better ensure the proper conduct of live  
7312 or simulcast horse racing.

7313     C. The Commissioner of the Gaming Commission and the Executive Secretary of the Racing Commission  
 7314 shall employ such persons as they deem essential to perform the relevant duties pursuant to this chapter,  
 7315 each of whom shall possess such authority and perform such functions as the Commissioner or Executive  
 7316 Secretary shall prescribe or delegate to them. Such employees may include stewards, chemists, veterinarians,  
 7317 inspectors, accountants, guards, and such other employees deemed to be necessary for the supervision and  
 7318 the proper conduct of the highest standard of live, historical, and simulcast horse racing. Such employees  
 7319 shall be compensated as provided by the Gaming Commission.

7320     D. The stewards employed by the Executive Secretary shall act as racing officials to oversee the conduct  
 7321 of (i) horse racing at licensed racetracks and (ii) simulcast horse racing at satellite facilities. The stewards  
 7322 shall have the authority to interpret and enforce the Racing Commission's regulations and to decide all  
 7323 questions of live horse racing and simulcast horse racing not specifically covered by the regulations of the  
 7324 Racing Commission. Nothing in this subsection shall limit the authority of the Commissioner to carry out the  
 7325 provisions of this chapter and to exercise control of horse racing as set forth in this chapter, including the  
 7326 power to review all decisions and rulings of the stewards.

7327     § 29.5-606. Horse Racing Operations Fund.

7328     There is hereby created in the state treasury a special nonreverting fund to be known as the Horse Racing  
 7329 Operations Fund, referred to in this section as "the Fund." The Fund shall be established on the books of the  
 7330 Comptroller. All moneys and revenues received by the Virginia Gaming Commission or the Virginia Racing  
 7331 Commission pursuant to the provisions of this chapter and all funds appropriated for the operations of the  
 7332 Racing Commission shall be paid into the state treasury and credited to the Fund. Interest earned on moneys  
 7333 in the Fund shall remain in the Fund and be credited to it. Any moneys remaining in the Fund, including  
 7334 interest thereon, at the end of each fiscal year shall not revert to the general fund but shall remain in the  
 7335 Fund. Moneys in the Fund shall be used for paying (i) administrative and operational expenses of the Racing  
 7336 Commission; (ii) costs associated with participation in federally mandated programs, including the  
 7337 Horseracing Integrity and Safety Authority and the Horseracing Integrity and Welfare Unit; and (iii) costs  
 7338 association with the promotion, sustenance, and growth of the equine industry in the Commonwealth.  
 7339 Expenditures and disbursements from the Fund shall be made by the State Treasurer on warrants issued by  
 7340 the Comptroller upon written request signed by the Executive Secretary.

7341     § 29.5-607. Fingerprints and background investigations; investigations from other states.

7342     A. The Commission, in conjunction with an accredited law-enforcement agency, shall conduct a  
 7343 background investigation, including a criminal history records check and fingerprinting of the following  
 7344 persons: (i) every person licensed to hold race meetings within the Commonwealth; (ii) every person who is  
 7345 an officer, director, or principal stockholder of a corporation that holds such a license, and every employee  
 7346 of the holder of any such license whose duties relate to the horse racing business in the Commonwealth,  
 7347 including historical horse racing; (iii) all security personnel of any license holder; (iv) members of the  
 7348 Virginia Racing Commission; (v) all permit holders, including owners, trainers, jockeys, apprentices, stable  
 7349 employees, managers, agents, blacksmiths, veterinarians, and employees of any licensee or permit holder;  
 7350 and (vi) any person who actively participates in the horse racing activities of any licensee or permit holder.  
 7351 Each such person shall submit his fingerprints and personal descriptive information to the Central Criminal  
 7352 Records Exchange to be forwarded to the Federal Bureau of Investigation for a national criminal records  
 7353 search and to the Department of State Police for a Virginia criminal history records check. The results of the  
 7354 background check and national and state criminal records check shall be returned to the Commission.

7355     § 29.5-608. Hearing and appeal.

7356     Any person aggrieved by (i) a refusal of the Commissioner or the Racing Commission to issue any license  
 7357 or e-permit, (ii) the suspension or revocation of a license or e-permit, (iii) the imposition of a fine, or (iv) any  
 7358 other action of the Gaming Commission, Board, or Racing Commission pursuant to this chapter, may seek  
 7359 review of such action in accordance with Article 5 (§ 2.2-4025 et seq.) of the Administrative Process Act in  
 7360 the Circuit Court of the City of Richmond, and any further appeals shall also be in accordance with such  
 7361 article.

7362     § 29.5-609. Injunction.

7363     Whenever it appears to the Gaming Commission or Racing Commission, as applicable, that any person  
 7364 has violated or may violate any provision of this chapter, any Board or Racing Commission regulation, or  
 7365 final decision of the Gaming Commission or Racing Commission, such Commission may apply to the  
 7366 appropriate circuit court for an injunction against such person. The order granting or refusing such  
 7367 injunction shall be subject to appeal as in other cases in equity.

7368     § 29.5-610. Audit required.

7369     A regular post-audit shall be conducted of all accounts and transactions of the Gaming Commission and  
 7370 the Racing Commission conducted pursuant to this chapter. An audit of a fiscal and compliance nature of  
 7371 such accounts and transactions of the Gaming Commission and the Racing Commission shall be conducted  
 7372 by the Auditor of Public Accounts as determined necessary by him. The cost of the audit and post-audit  
 7373 examinations shall be paid by the Gaming Commission or the Racing Commission, as applicable.

7374     § 29.5-611. Virginia Breeders Fund.

7375 *There is hereby created within the State Treasury the Virginia Breeders Fund, referred to in this section*  
7376 *as "the Fund," which Fund, together with the interest thereon, shall be administered in whole or in part by*  
7377 *the Commission or by an entity designated by the Commission, with the advice of, in consultation with, and*  
7378 *with the consent of the Racing Commission. The cost of administering and promoting the Fund shall be*  
7379 *deducted from the Fund, and the balance shall be disbursed by the Commission or designated entity to the*  
7380 *breeders of Virginia-bred horses that finish first, second, or third in races at race meetings designated by the*  
7381 *Racing Commission, to the owners of Virginia sires of Virginia-bred horses that finish first, second, or third*  
7382 *in races at race meetings designated by the Racing Commission, to the owners of Virginia-bred horses that*  
7383 *win or earn purse money in nonrestricted races at racetracks in the Commonwealth licensed by the Racing*  
7384 *Commission, to the owners of Virginia-bred horses that win races at race meetings designated by the Racing*  
7385 *Commission, and for purses for races restricted to Virginia-bred or Virginia-sired horses or both at race*  
7386 *meetings designated by the Racing Commission. To assist the Commission in establishing this awards and*  
7387 *incentive program to foster the industry of breeding racehorses in the Commonwealth, the Board shall*  
7388 *appoint an advisory committee composed of two members from each of the registered breed associations*  
7389 *representing each breed of horse participating in the Fund program, one member representing the owners*  
7390 *and operators of racetracks, and one member representing all of the meets sanctioned by the National*  
7391 *Steeplechase Association.*

## Article 2.

### Live Horseracing Compact.

#### § 29.5-612. Live Horseracing Compact; form of compact.

7395 *The Live Horseracing Compact is enacted into law and entered into with all other jurisdictions legally*  
7396 *joining therein in the form substantially as follows:*

##### ARTICLE I. Purposes.

###### § 1. Purposes.

7399 *The purposes of this compact are to:*

7400 *1. Establish uniform requirements among the party states for the licensing of participants in live horse*  
7401 *racing with pari-mutuel wagering, and ensure that all such participants who are licensed pursuant to this*  
7402 *compact meet a uniform minimum standard of honesty and integrity.*

7403 *2. Facilitate the growth of the horse racing industry in each party state and nationwide by simplifying the*  
7404 *process for licensing participants in live racing, and reduce the duplicative and costly process of separate*  
7405 *licensing by the regulatory agency in each state that conducts live horse racing with pari-mutuel wagering.*

7406 *3. Authorize the Virginia Gaming Commission to participate in this compact.*

7407 *4. Provide for participation in this compact by officials of the party states, and permit those officials,*  
7408 *through the compact committee established by this compact, to enter into contracts with governmental*  
7409 *agencies and nongovernmental persons to carry out the purposes of this compact.*

7410 *5. Establish the compact committee created by this compact as an interstate governmental entity duly*  
7411 *authorized to request and receive criminal history record information from the Federal Bureau of*  
7412 *Investigation and other state and local law-enforcement agencies.*

##### ARTICLE II. Definitions.

###### § 2. Definitions.

7415 *"Compact committee" means the organization of officials from the party states that is authorized and*  
7416 *empowered by this compact to carry out the purposes of this compact.*

7417 *"Official" means the appointed, elected, designated, or otherwise duly selected representative of a racing*  
7418 *commission or the equivalent thereof in a party state who represents that party state as a member of the*  
7419 *compact committee.*

7420 *"Participants in live racing" means participants in live horse racing with pari-mutuel wagering in the*  
7421 *party states.*

7422 *"Party state" means each state that has enacted this compact.*

7423 *"State" means each of the several states of the United States, the District of Columbia, the Commonwealth*  
7424 *of Puerto Rico, and each territory or possession of the United States.*

##### ARTICLE III. Entry into Force, Eligible Parties, and Withdrawal.

###### § 3. Entry into force.

7427 *This compact shall come into force when enacted by any four states. Thereafter, this compact shall*  
7428 *become effective as to any other state upon (i) that state's enactment of this compact and (ii) the affirmative*  
7429 *vote of a majority of the officials on the compact committee as provided in § 8.*

###### § 4. States eligible to join compact.

7431 *Any state that has adopted or authorized horse racing with pari-mutuel wagering shall be eligible to*  
7432 *become party to this compact.*

###### § 5. Withdrawal from compact and impact thereof on force and effect of compact.

7434 *Any party state may withdraw from this compact by enacting a statute repealing this compact, but no such*  
7435 *withdrawal shall become effective until the head of the executive branch of the withdrawing state has given*  
7436 *notice in writing of such withdrawal to the head of the executive branch of all other party states. If as a result*

7437 of withdrawals participation in this compact decreases to less than three party states, this compact no longer  
 7438 shall be in force and effect unless and until there are at least three or more party states again participating in  
 7439 this compact.

7440 **ARTICLE IV. Compact Committee.**

7441 **§ 6. Compact committee established.**

7442 There is hereby created an interstate governmental entity to be known as the "compact committee," which  
 7443 shall be composed of one official from the racing commission or its equivalent in each party state who shall  
 7444 be appointed, serve, and be subject to removal in accordance with the laws of the party state he represents.  
 7445 Pursuant to the laws of his party state, each official shall have the assistance of his state's racing commission  
 7446 or the equivalent thereof in considering issues related to licensing of participants in live racing and in  
 7447 fulfilling his responsibilities as the representative from his state to the compact committee. If an official is  
 7448 unable to perform any duty in connection with the powers and duties of the compact committee, the racing  
 7449 commission or equivalent thereof from his state shall designate an alternate who shall serve in his place and  
 7450 represent the party state as its official on the compact committee until that racing commission or equivalent  
 7451 thereof determines that the original representative official is able once again to perform his duties as that  
 7452 party state's representative official on the compact committee. The designation of an alternate shall be  
 7453 communicated by the affected state's racing commission or equivalent thereof to the compact committee as  
 7454 the committee's bylaws may provide.

7455 **§ 7. Powers and duties of compact committee.**

7456 In order to carry out the purposes of this compact, the compact committee is hereby granted the power  
 7457 and duty to:

7458 1. Determine which categories of participants in live racing, including but not limited to owners, trainers,  
 7459 jockeys, grooms, mutuel clerks, racing officials, veterinarians, and farriers, and which categories of  
 7460 equivalent participants in live racing with pari-mutuel wagering authorized in two or more of the party  
 7461 states, should be licensed by the committee, and establish the requirements for the initial licensure of  
 7462 applicants in each such category, the term of the license for each category, and the requirements for renewal  
 7463 of licenses in each category, provided, however, that with regard to requests for criminal records on the  
 7464 issuance or renewal of a license, the compact committee shall determine for each category of participants in  
 7465 live racing which licensure requirements for that category are, in its judgment, the most restrictive licensure  
 7466 requirements of any party state for that category and shall adopt licensure requirements for that category  
 7467 that are, in its judgment, comparable to those most restrictive requirements.

7468 2. Investigate applicants for a license from the compact committee and, as permitted by federal and state  
 7469 law, gather information on such applicants, including criminal history record information from the Federal  
 7470 Bureau of Investigation and relevant state and local law-enforcement agencies, and, where appropriate, from  
 7471 the Royal Canadian Mounted Police and law-enforcement agencies of other countries, necessary to  
 7472 determine whether a license should be issued under the licensure requirements established by the committee  
 7473 as provided in subdivision 1. Only officials on, and employees of, the compact committee may receive and  
 7474 review such criminal history record information, and those officials and employees may use that information  
 7475 only for the purposes of this compact. No such official or employee may disclose or disseminate such  
 7476 information to any person or entity other than another official or employee of the compact committee. The  
 7477 fingerprints of each applicant for a license from the compact committee shall be taken by the compact  
 7478 committee, its employees, or its designee and, pursuant to Public Law 92-544 or Public Law 100-413, shall  
 7479 be forwarded to a state identification bureau, or an association of state officials regulating pari-mutuel  
 7480 wagering designated by the Attorney General of the United States, for submission to the Federal Bureau of  
 7481 Investigation for a criminal history records check. Such fingerprints may be submitted on a fingerprint card  
 7482 or by electronic or other means authorized by the Federal Bureau of Investigation or other receiving law-  
 7483 enforcement agency.

7484 3. Issue licenses to, and renew the licenses of, participants in live racing listed in subdivision 1 who are  
 7485 found by the committee to have met the licensure and renewal requirements established by the committee.  
 7486 The compact committee shall not have the power or authority to deny a license. If it determines that an  
 7487 applicant will not be eligible for the issuance or renewal of a compact committee license, the compact  
 7488 committee shall notify the applicant that it will not be able to process his application further. Such  
 7489 notification does not constitute and shall not be considered to be the denial of a license. Any such applicant  
 7490 shall have the right to present additional evidence to, and to be heard by, the compact committee, but the  
 7491 final decision on issuance or renewal of the license shall be made by the compact committee using the  
 7492 requirements established pursuant to subdivision 1.

7493 4. Enter into contracts or agreements with governmental agencies and with nongovernmental persons to  
 7494 provide personal services for its activities and such other services as may be necessary to effectuate the  
 7495 purposes of this compact.

7496 5. Create, appoint, and abolish those offices, employments, and positions, including an executive director,  
 7497 as it deems necessary for the purposes of this compact, prescribe their powers, duties, and qualifications,  
 7498 hire persons to fill those offices, employments, and positions, and provide for the removal, term, tenure,

7499 compensation, fringe benefits, retirement benefits, and other conditions of employment of its officers,  
7500 employees, and other positions.

7501 6. Borrow, accept, or contract for the services of personnel from any state, the United States, or any other  
7502 governmental agency, or from any person, firm, association, corporation, or other entity.

7503 7. Acquire, hold, and dispose of real and personal property by gift, purchase, lease, license, or in other  
7504 similar manner, in furtherance of the purposes of this compact.

7505 8. Charge a fee to each applicant for an initial license or renewal of a license.

7506 9. Receive other funds through gifts, grants, and appropriations.

7507 § 8. Voting requirements.

7508 A. Each official shall be entitled to one vote on the compact committee.

7509 B. All action taken by the compact committee with regard to the addition of party states as provided in §  
7510 3, the licensure of participants in live racing, and the receipt and disbursement of funds shall require a  
7511 majority vote of the total number of officials, or their alternates, on the committee. All other action by the  
7512 compact committee shall require a majority vote of those officials, or their alternates, present and voting.

7513 C. No action of the compact committee may be taken unless a quorum is present. A majority of the  
7514 officials, or their alternates, on the compact committee shall constitute a quorum.

7515 § 9. Administration and management.

7516 A. The compact committee shall elect annually from among its members a chairman, a vice-chairman,  
7517 and a secretary/treasurer.

7518 B. The compact committee shall adopt bylaws for the conduct of its business by a two-thirds vote of the  
7519 total number of officials, or their alternates, on the committee at that time and shall have the power by the  
7520 same vote to amend and rescind such bylaws. The committee shall publish its bylaws in convenient form and  
7521 shall file a copy thereof and a copy of any amendments thereto with the secretary of state or equivalent  
7522 agency of each of the party states.

7523 C. The compact committee may delegate the day-to-day management and administration of its duties and  
7524 responsibilities to an executive director and his support staff.

7525 D. Employees of the compact committee shall be considered governmental employees.

7526 § 10. Immunity from liability for performance of official responsibilities and duties.

7527 No official of a party state or employee of the compact committee shall be held personally liable for any  
7528 good faith act or omission that occurs during the performance and within the scope of his responsibilities and  
7529 duties under this compact.

7530 ARTICLE V. Rights and Responsibilities of Each Party State.

7531 § 11. Rights and responsibilities of each party state.

7532 A. By enacting this compact, each party state:

7533 1. Agrees (i) to accept the decisions of the compact committee regarding the issuance of compact  
7534 committee licenses to participants in live racing pursuant to the committee's licensure requirements and (ii)  
7535 to reimburse or otherwise pay the expenses of its official representative on the compact committee or his  
7536 alternate.

7537 2. Agrees not to treat a notification to an applicant by the compact committee under subdivision 3 of § 7  
7538 that the compact committee will not be able to process his application further as the denial of a license, or to  
7539 penalize such an applicant in any other way based solely on such a decision by the compact committee.

7540 3. Reserves the right (i) to charge a fee for the use of a compact committee license in that state; (ii) to  
7541 apply its own standards in determining whether, on the facts of a particular case, a compact committee  
7542 license should be suspended or revoked; (iii) to apply its own standards in determining licensure eligibility,  
7543 under the laws of that party state, for categories of participants in live racing that the compact committee  
7544 determines not to license and for individual participants in live racing who do not meet the licensure  
7545 requirements of the compact committee; and (iv) to establish its own licensure standards for the licensure of  
7546 nonracing employees at horse racetracks and employees at separate satellite wagering facilities. Any party  
7547 state that suspends or revokes a compact committee license shall, through its racing commission or the  
7548 equivalent thereof or otherwise, promptly notify the compact committee of that suspension or revocation.

7549 B. No party state shall be held liable for the debts or other financial obligations incurred by the compact  
7550 committee.

7551 ARTICLE VI. Construction and Severability.

7552 § 12. Construction and severability.

7553 This compact shall be liberally construed so as to effectuate its purposes. The provisions of this compact  
7554 shall be severable, and if any phrase, clause, sentence, or provision of this compact is declared to be  
7555 contrary to the Constitution of the United States or of any party state, or the applicability of this compact to  
7556 any government, agency, person, or circumstance is held invalid, the validity of the remainder of this  
7557 compact and the applicability thereof to any government, agency, person, or circumstance shall not be  
7558 affected thereby. If all or some portion of this compact is held to be contrary to the constitution of any party  
7559 state, the compact shall remain in full force and effect as to the remaining party states and in full force and  
7560 effect as to the state affected as to all severable matters.

**§ 29.5-613. Compact Committee members.**

7561     The Governor shall appoint one official to represent the Commonwealth on the Compact Committee for a  
 7562     term of four years. No official shall serve more than three consecutive terms. A vacancy shall be filled by the  
 7563     Governor for the unexpired term.

**§ 29.5-614. Cooperation of departments, agencies, and officers of the Commonwealth.**

7564     All departments, agencies, and officers of the Commonwealth and its political subdivisions are hereby  
 7565     authorized to cooperate with the Compact Committee in furtherance of any of its activities pursuant to the  
 7566     Compact.

**Article 3.****Licenses and Permits.****§ 29.5-615. License required.**

7567     A. No person shall (i) construct, establish, or own a racetrack or satellite facility where pari-mutuel  
 7568     wagering is permitted unless he has obtained an owner's license issued by the Racing Commission in  
 7569     accordance with the provisions of this chapter or (ii) operate historical horse racing at a racetrack or  
 7570     satellite facility, unless he has obtained a historical horse racing license issued by the Commissioner in  
 7571     accordance with the provisions of this chapter.

7572     B. No person shall operate (i) pari-mutuel wagering on live horse racing or conduct any race meeting at  
 7573     which wagering is permitted with his knowledge or acquiescence unless he has obtained an operator's license  
 7574     issued by the Racing Commission in accordance with the provisions of this chapter, or (ii) historical horse  
 7575     racing unless he has obtained a historical horse racing license issued by the Commission in accordance with  
 7576     the provisions of this chapter.

7577     C. No license issued under the provisions of this chapter shall be transferable.

**§ 29.5-616. Limited licenses; transfer of meet; taxation; authority to issue; limitations.**

7578     A. Notwithstanding the provisions of § 29.5-615 or 29.5-618, but subject to such regulations and criteria  
 7579     as it may prescribe, the Racing Commission is authorized to issue limited licenses, provided such licenses  
 7580     shall permit any holder to conduct a race meeting or meetings for a period not to exceed 14 days in any  
 7581     calendar year, or in the case of a significant infrastructure limited licensee, 75 days in any calendar year.

7582     B. The Racing Commission may at any time, in its discretion, authorize any organization or association  
 7583     licensed under this section to transfer its race meeting or meetings from its own racetrack or place for  
 7584     holding races to the racetrack or place for holding races of any other organization or association licensed  
 7585     under this chapter upon the payment of any and all appropriate license fees. No such authority to transfer  
 7586     shall be granted without the express consent of the organization or association owning or leasing the  
 7587     racetrack to which such transfer is made.

7588     C. For any such meeting the licensee shall retain and pay from the pool the tax as provided in Article 5  
 7589     (§ 29.5-635 et seq.).

7590     D. On and after July 1, 2026, in addition to all other taxes and fees imposed by law, there is hereby levied  
 7591     a significant infrastructure facility limited license tax upon any significant infrastructure limited licensee.  
 7592     Any such licensee shall pay to the locality in which a significant infrastructure facility for such licensee is  
 7593     located \$110,000 for each live racing day at such facility.

**§ 29.5-617. Application for owner's license; penalty.**

7600     A. Any person desiring to construct or own a racetrack or satellite facility where pari-mutuel wagering is  
 7601     permitted shall file with the Racing Commission an application for an owner's license. Such application shall  
 7602     be filed at the time and place, and in such form and containing such information, as prescribed by the Racing  
 7603     Commission with the following:

7604     1. The name and address of such person; if a corporation, the state of its incorporation, and the full name  
 7605     and address of each officer and director thereof, and if a foreign corporation, whether it is qualified to do  
 7606     business in the Commonwealth; if a partnership or joint venture, the name and address of each officer  
 7607     thereof;

7608     2. The name and address of each stockholder or member of such corporation, or each partner of such  
 7609     partnership or joint venture, and of each person who has contracted for a pecuniary interest in the applicant  
 7610     where pari-mutuel wagering will be conducted, whether such interest is an ownership or a security interest,  
 7611     and the nature and value of such interest, and the name and address of each person who has agreed to lend  
 7612     money to the applicant;

7613     3. Such information as the Racing Commission deems appropriate regarding the character, background,  
 7614     and responsibility of the applicant and the members, partners, stockholders, officers, and directors of the  
 7615     applicant;

7616     4. The location and description of the racetrack, place, or enclosure where such person proposes to hold  
 7617     such wagering, including the name of any locality in which any property of such satellite facility is or will be  
 7618     located. The Racing Commission shall require such information about the enclosure and location of such  
 7619     racetrack or satellite facility as it deems necessary and appropriate to determine whether it complies with the  
 7620     minimum standards provided in this chapter, and whether the conduct of pari-mutuel wagering at such  
 7621     location would be in the best interests of the people of the Commonwealth;

7623     5. Such information relating to the financial responsibility of the applicant as the Racing Commission  
7624     deems appropriate;

7625     6. If any of the facilities necessary for the conduct of pari-mutuel wagering are to be leased, the terms of  
7626     such lease; and

7627     7. Any other information that the Racing Commission, in its discretion, deems appropriate.

7628     B. Any application filed hereunder shall be verified by the oath or affirmation of an officer of the  
7629     applicant and accompanied by a nonrefundable application fee as prescribed by the Racing Commission.  
7630     Each such application shall be provided by the Racing Commission to the Gaming Commission. The Gaming  
7631     Commission, on behalf of the Racing Commission, shall conduct a background investigation, including a  
7632     criminal history record information check, of such applicant and advise the Racing Commission of its  
7633     findings. The Racing Commission shall review each application and determine the suitability of each such  
7634     applicant on all other matters, including the applicant's racetrack or satellite facility where pari-mutuel  
7635     wagering is subject to be permitted. If the Gaming Commission makes a final adverse determination with  
7636     respect to any applicant, the Racing Commission shall not issue an owner's license to such applicant.

7637     C. Any person who knowingly makes a false statement to the Racing Commission for the purposes of  
7638     obtaining a license under this chapter is guilty of a Class 4 felony.

7639     **§ 29.5-618. Issuance of owner's license.**

7640     A. The Racing Commission shall consider all applications for an owner's license and may grant a valid  
7641     owner's license to applicants who (i) satisfy the background investigation, including a criminal history record  
7642     information check, and (ii) meet the criteria set forth in this chapter and established by the Racing  
7643     Commission. The Racing Commission shall deny a license to any applicant unless it finds that the applicant's  
7644     facilities are or will be appropriate for the finest quality of horse racing.

7645     B. The Racing Commission shall deny a license to an applicant if it finds that (i) for any reason, the  
7646     issuance of a license to the applicant would not be in the interest of the people of the Commonwealth or  
7647     would reflect adversely on the honesty and integrity of the horse racing industry in the Commonwealth or (ii)  
7648     that the applicant, or any officer, partner, principal stockholder, or director of the applicant:

7649         1. Has knowingly made a false statement of material fact or has deliberately failed to disclose any  
7650         information requested;

7651         2. Is or has been found guilty of any illegal, corrupt, or fraudulent act, practice, or conduct in connection  
7652         with any horse racing in this or any other state, or has been convicted of a felony;

7653         3. Has at any time knowingly failed to comply with the provisions of this chapter or of any regulations of  
7654         the Racing Commission;

7655         4. Has had a license or permit to hold or conduct a horse race meeting denied for just cause, suspended,  
7656         or revoked in any other state or country;

7657         5. Has legally defaulted in the payment of any obligation or debt due to the Commonwealth;

7658         6. Has constructed or caused to be constructed a racetrack or satellite facility for which a license was  
7659         required under § 29.5-617 without obtaining such license, or has deviated substantially, without the  
7660         permission of the Racing Commission, from the plans and specifications submitted to the Racing  
7661         Commission; or

7662         7. Is not qualified to do business in the Commonwealth or is not subject to the jurisdiction of the courts of  
7663         the Commonwealth.

7664         C. The Racing Commission shall deny a license to any applicant unless it finds:

7665         1. That, if the corporation is a stock corporation, that such stock is fully paid and nonassessable, has been  
7666         subscribed and paid for only in cash or property to the exclusion of past services, and, if the corporation is a  
7667         nonstock corporation, that there are at least 20 members;

7668         2. That all principal stockholders or members have submitted to the jurisdiction of the courts of the  
7669         Commonwealth, and all nonresident principal stockholders or members have designated the Executive  
7670         Secretary as their agent for receipt of process;

7671         3. That the applicant's articles of incorporation provide that the corporation may, on vote of a majority of  
7672         the stockholders or members, purchase at fair market value the entire membership interest of any stockholder  
7673         or require the resignation of any member who is or becomes unqualified for such position under § 29.5-619;  
7674         and

7675         4. That the applicant meets the criteria established by the Racing Commission for the granting of an  
7676         owner's license.

7677     **§ 29.5-619. Refusal of owner's license.**

7678     No owner's license or renewal thereof shall be granted to any corporation if the Racing Commission finds  
7679     that any principal stockholder of such stock corporation, or any member of such nonstock corporation:

7680         1. Is or has been guilty of any illegal, corrupt, or fraudulent act, conduct, or practice in connection with  
7681         horse racing in the Commonwealth or any other state, or has knowingly failed to comply with the provisions  
7682         of this chapter or Racing Commission regulations;

7683         2. Has had a license or permit to hold or conduct a race meeting denied for cause, suspended, or revoked  
7684         in any other state or country; or

7685     3. Has at any time during the previous five years knowingly failed to comply with the provisions of this  
 7686 chapter or any Racing Commission regulations.

7687     **§ 29.5-620. Duration, form of owner's license; bond.**

7688     Any license issued pursuant to § 29.5-618 shall be valid for a period set by the Racing Commission, but in  
 7689 no case less than 20 years from its date of issuance. Such license shall be reviewed no less frequently than  
 7690 annually to determine compliance with this chapter and Racing Commission regulations. The Racing  
 7691 Commission shall designate on the license the duration of such license, the location of the racetrack, satellite  
 7692 facility, or proposed satellite facility and such other information as it deems proper. The Racing Commission  
 7693 shall establish criteria and procedures for licensure renewal.

7694     The Racing Commission shall require (i) a bond with surety or (ii) a letter of credit, acceptable to the  
 7695 Racing Commission, and in an amount determined by it, to be sufficient to cover any indebtedness incurred  
 7696 by the licensee to the Commonwealth.

7697     **§ 29.5-621. Application for operator's license.**

7698     A. Any person desiring to hold a race meeting or operate a satellite facility shall file with the Racing  
 7699 Commission an application for an operator's license. Such application may be made in conjunction with an  
 7700 application for an owner's license, if appropriate, and shall be filed at the time and place, and in such form  
 7701 and containing such information, as prescribed by the Racing Commission, including all information  
 7702 prescribed for an owner's license under § 29.5-617.

7703     B. Any application filed pursuant to this section shall be verified by the oath or affirmation of an officer of  
 7704 the applicant and accompanied by a nonrefundable application fee as prescribed by the Racing Commission.  
 7705 Each such application shall be provided by the Racing Commission to the Gaming Commission. The Gaming  
 7706 Commission, on behalf of the Racing Commission, shall conduct a background investigation, including a  
 7707 criminal history record information check, of such applicant and advise the Racing Commission of its  
 7708 findings. The Racing Commission shall review each application and determine the suitability of each such  
 7709 applicant on all other matters, including the applicant's racetrack or satellite facility where pari-mutuel  
 7710 wagering is subject to be permitted. If the Gaming Commission makes a final adverse determination with  
 7711 respect to any applicant, the Racing Commission shall not issue an operator's license to such applicant.

7712     **§ 29.5-622. Issuance of operator's license.**

7713     The Racing Commission shall promptly consider any application for an operator's license and grant a  
 7714 valid operator's license to any applicant who (i) satisfies the background investigation, including a  
 7715 background investigation, conducted by the Gaming Commission, and (ii) meets the criteria set forth in this  
 7716 chapter and established by the Racing Commission. The Racing Commission shall deny a license to any  
 7717 applicant, unless it finds:

7718       1. That such applicant is a corporation organized under Title 13.1 or comparable law of another state,  
 7719 and qualified to do business in the Commonwealth;

7720       2. That, if the corporation is a stock corporation, all principal stockholders have submitted to the  
 7721 jurisdiction of the courts of the Commonwealth and all nonresident principal stockholders have designated  
 7722 the Executive Secretary as their agent for process, and further, that an application shall also contain  
 7723 information as required by § 29.5-617;

7724       3. That the applicant's articles of incorporation provide that the corporation may, on vote of a majority of  
 7725 the stockholders or members, purchase at fair market value the entire membership interest of any  
 7726 stockholder, or require the resignation of any member, who is or becomes unqualified for such position under  
 7727 § 29.5-619;

7728       4. That the applicant would be qualified for a license to own such racetrack or satellite facility under the  
 7729 provisions of §§ 29.5-618 and 29.5-619;

7730       5. That the applicant has made provisions satisfactory to the Racing Commission for the detection and  
 7731 prosecution of any illegal, corrupt, or fraudulent act, practice, or conduct in connection with any race  
 7732 meeting or pari-mutuel wagering, that the applicant has made provision for membership in the Thoroughbred  
 7733 Racing Association or other equivalent applicable association, and that the applicant shall utilize the  
 7734 services of the Thoroughbred Racing Protective Bureau or any other protective agency acceptable to the  
 7735 Racing Commission; and

7736       6. That the applicant has met the criteria established by the Racing Commission for the granting of an  
 7737 operator's license.

7738     **§ 29.5-623. Duration, form of operator's license; bond.**

7739     Any license issued pursuant to § 29.5-622 shall be valid for a period of 20 years from the date of issuance,  
 7740 but shall be reviewed no less frequently than annually to determine compliance with this chapter and Racing  
 7741 Commission regulations. The Racing Commission may, as it deems appropriate, change at the beginning of  
 7742 any year the dates on which the licensee is authorized to conduct pari-mutuel wagering. An applicant for  
 7743 renewal of a license may omit any information that in the opinion of the Racing Commission is already  
 7744 available to it. The Racing Commission shall establish criteria and procedures for license renewal.

7745     Any license issued under § 29.5-622 shall designate on its face (i) the type or types of pari-mutuel  
 7746 wagering for which it is issued, (ii) the location of the racetrack or satellite facility where the meeting or

7747 wagering is to be conducted, (iii) the period during which such license is in effect, and (iv) such other  
7748 information as the Racing Commission deems proper.

7749 The Racing Commission shall require a bond with surety acceptable to it, and in an amount determined  
7750 by it to be sufficient to cover any indebtedness incurred by such licensee during the days allotted for racing.

7751 **§ 29.5-624. Licensing of owners or operators of certain pari-mutuel facilities.**

7752 A. Notwithstanding the provisions of § 29.5-634, the Racing Commission may grant a license, for a  
7753 duration to be determined by the Racing Commission, to the owner or operator of a facility for the purpose of  
7754 conducting pari-mutuel wagering on (i) Thoroughbred and Standardbred race meetings and (ii) simulcast  
7755 horse racing at such facility in conjunction with the race meetings for a period not to exceed 14 days in any  
7756 calendar year, provided that, prior to submitting an application for such license, (a) the facility has been  
7757 approved by the Racing Commission and (b) the owner or operator of such facility has been granted tax-  
7758 exempt status under § 501(c)(3) or (4) of the Internal Revenue Code.

7759 B. In deciding whether to grant any license pursuant to this section, the Racing Commission shall  
7760 consider (i) the results of, circumstances surrounding, and any issues involved in any referendum conducted  
7761 under the provisions of § 29.5-634 and (ii) whether the Racing Commission previously granted a license to  
7762 such facility, owner, or operator.

7763 C. In no event shall the Racing Commission issue more than 12 licenses in a calendar year pursuant to  
7764 this section.

7765 **§ 29.5-625. Application for historical horse racing license.**

7766 A. Any person desiring to conduct historical horse racing at a racetrack or a satellite facility shall file  
7767 with the Commission an application for a historical horse racing license. Such application shall be filed at  
7768 the time and place, and in such form and containing such information, as prescribed by the Board.

7769 B. Any application filed pursuant to this section shall be verified by the oath or affirmation of an officer of  
7770 the applicant and accompanied by a nonrefundable application fee as prescribed by the Board.

7771 **§ 29.5-626. Issuance of historical horse racing license.**

7772 The Commissioner shall promptly consider any application for a historical horse racing license and grant  
7773 a valid historical horse racing license to an applicant who meets the criteria set forth in this chapter and  
7774 established by the Board. The Commissioner shall deny a license to any applicant, unless he finds:

7775 1. That such applicant is a corporation organized under Title 13.1 or comparable law of another state,  
7776 and qualified to do business in the Commonwealth;

7777 2. That, if the corporation is a stock corporation, all principal stockholders have submitted to the  
7778 jurisdiction of the courts of the Commonwealth and all nonresident principal stockholders have designated  
7779 the Deputy Commissioner of Gaming as their agent for process, and further, that an application also  
7780 contains information as required by § 29.5-617;

7781 3. That the applicant's articles of incorporation provide that the corporation may, on vote of a majority of  
7782 the stockholders or members, purchase at fair market value the entire membership interest of any  
7783 stockholder, or require the resignation of any member, who is or becomes unqualified for such position under  
7784 § 29.5-619;

7785 4. That the applicant would be qualified for a license to own such horse racetrack or satellite facility  
7786 under the provisions of §§ 29.5-618 and 29.5-619;

7787 5. That the applicant has made provisions satisfactory to the Board for the detection and prosecution of  
7788 any illegal, corrupt, or fraudulent act, practice, or conduct in connection with any race meeting or pari-  
7789 mutuel wagering, that the applicant has made provision for membership in the Thoroughbred Racing  
7790 Association or other equivalent applicable association, and that the applicant shall utilize the services of the  
7791 Thoroughbred Racing Protective Bureau or any other protective agency acceptable to the Racing  
7792 Commission; and

7793 6. That the applicant has met the criteria established by the Board for the granting of a historical horse  
7794 racing license.

7795 **§ 29.5-627. Denial of owner's, operator's, or historical horse racing license final.**

7796 The denial of (i) an owner's or operator's license by the Racing Commission or (ii) a historical horse  
7797 racing license by the Commissioner shall be final unless appealed under § 29.5-608.

7798 **§ 29.5-628. Suspension or revocation of license or permit final.**

7799 A. After a hearing with 15 days' notice, the Commissioner or the Racing Commission, as applicable, may  
7800 (i) suspend or revoke any issued license or permit or (ii) fine the holder of such license or permit a sum not to  
7801 exceed \$100,000 in any case where there is reason to believe that any provision of this chapter, or any  
7802 regulation or condition of the Board or the Racing Commission, has not been complied with or has been  
7803 violated. The Commissioner or the Racing Commission may revoke a license or permit if facts not known at  
7804 the time the application was considered indicate that such license or permit should not have been issued.

7805 B. The Commissioner or the Racing Commission, as applicable, shall revoke any license or permit issued  
7806 under § 29.5-622 for the operation of a satellite facility if the licensee, within one year of issuance of the  
7807 satellite facility license, fails to conduct (i) live horse racing at a racetrack licensed pursuant to § 29.5-622  
7808 or (ii) the live racing days assigned to the licensee by the Racing Commission without the permission of the

7809 *Racing Commission.*

7810 C. The Commissioner or the Racing Commission may summarily suspend any license or permit for a  
 7811 period of not more than 90 days pending a hearing and final determination by the Board or the Racing  
 7812 Commission, as applicable, if emergency action is required to protect the public health, safety, and welfare  
 7813 including revenues due the Commonwealth, its localities, or the horsemen's purse account. The Board or  
 7814 Racing Commission, as applicable, shall (i) schedule a hearing within 14 business days after the license or  
 7815 permit is summarily suspended and (ii) notify the licensee or permit holder not less than five business days  
 7816 before the hearing of the date, time, and place of the hearing.

7817 D. Deliberations of the Board or the Racing Commission pursuant to this section shall be conducted  
 7818 pursuant to the provisions of the Virginia Freedom of Information Act (§ 2.2-3700 et seq.). If any such license  
 7819 or permit is suspended or revoked, the Commissioner or Racing Commission shall state the reasons for doing  
 7820 so, which shall be entered of record. Such action shall be final unless appealed in accordance with the  
 7821 provisions of § 29.5-608. Suspension or revocation of a license or permit by the Commissioner or the Racing  
 7822 Commission for any violation shall not preclude criminal liability for such violation.

7823 **§ 29.5-629. Acquisition of interest in licensee.**

7824 A. The Commission or Racing Commission shall require any person desiring to become a partner,  
 7825 member, or principal stockholder of any licensee to apply to the Commission or Racing Commission, as  
 7826 applicable, for such approval and may demand such information of the applicant as it finds necessary. The  
 7827 Commissioner or Racing Commission shall promptly consider such application and shall approve or deny  
 7828 the application within 60 days of receipt. The Commissioner or Racing Commission shall approve an  
 7829 application that meets the criteria set forth in this chapter. The Commissioner or Racing Commission shall  
 7830 deny an application if the acquisition by the applicant would be detrimental to the public interest or to the  
 7831 honesty, integrity, and reputation of horse racing. The Commissioner or Racing Commission shall approve  
 7832 an application to acquire actual control of a licensee only if the applicant meets the criteria set forth in  
 7833 subsection B.

7834 B. If an applicant proposes to acquire actual control of a licensee, such person shall, pursuant to  
 7835 subsection A, submit to the Commission or Racing Commission, as applicable, (i) its proposal for the future  
 7836 operation of any existing or planned satellite facility owned or operated by the licensee, (ii) such additional  
 7837 information as it desires, and (iii) such information as may be required by the Board or the Racing  
 7838 Commission to assure the Commissioner or the Racing Commission that the licensee, under the actual  
 7839 control of such person, will have the experience, expertise, financial responsibility, and commitment to  
 7840 comply with (a) the provisions of this chapter, (b) Board or Racing Commission regulations and orders, (c)  
 7841 the requirements for the continued operation of the licensee pursuant to the terms and conditions in effect on  
 7842 the date of the application of all licenses held by the licensee, (d) any existing contract with a recognized  
 7843 majority horseman's group, and (e) any proposal submitted to the Commission or Racing Commission by  
 7844 such person. The provisions of this subsection shall apply regardless of whether the control acquired is direct  
 7845 or indirect or whether its acquisition is accomplished individually or in concert with others.

7846 C. Any such acquisition of control without prior approval of the Commissioner or the Racing  
 7847 Commission, as applicable, shall be voidable by the Gaming Commission or the Racing Commission, as  
 7848 applicable, and, in such instance, the Commissioner or the Racing Commission may revoke any license  
 7849 issued to such licensee, order compliance with this section, or take such other action as may be appropriate.

7850 **§ 29.5-630. Historical horse racing employee permit (HHR e-permit); application.**

7851 A. No person shall participate in historical horse racing subject to the jurisdiction of the Commission,  
 7852 including as an employee of a historical horse racing licensee, who serves in a role that influences, manages,  
 7853 operates, or oversees historical horse racing activities or any other position that the Commission deems  
 7854 necessary to ensure the integrity of historical horse racing, unless such person possesses a historical horse  
 7855 racing employee permit (HHR e-permit) from the Commission and complies with the provisions of this  
 7856 chapter and all Board regulations. No HHR e-permit issued under the provisions of this chapter shall be  
 7857 transferable.

7858 B. Any person desiring to obtain a HHR e-permit as required by this chapter shall submit an application  
 7859 on a form, and accompanied by a fee, as prescribed by the Board and verified by oath or affirmation of the  
 7860 applicant.

7861 **§ 29.5-631. Live horse racing employee permit (LHR e-permit) required; application; exception.**

7862 A. No participant shall engage in any horse racing subject to the jurisdiction of the Racing Commission  
 7863 or in the conduct of a race meeting or pari-mutuel wagering thereon, including as a horse owner, trainer,  
 7864 jockey, exercise rider, groom, stable foreman, valet, veterinarian, agent, pari-mutuel employee, vendor or  
 7865 employee thereof, track employee, or other position the Executive Secretary or the Racing Commission deems  
 7866 necessary to regulate to ensure the integrity of horse racing in the Commonwealth, unless such person (i)  
 7867 possesses an LHR e-permit from the Racing Commission and (ii) complies with the provisions of this chapter  
 7868 and all Racing Commission regulations. No LHR e-permit issued under the provisions of this chapter shall be  
 7869 transferable.

7870 B. Any person desiring to obtain a live horse racing employee permit (LHR e-permit) as required by this

7871 chapter shall submit an application on a form, and accompanied by a fee, as prescribed by the Racing  
7872 Commission and verified by oath or affirmation of the applicant.

7873 C. The Racing Commission may waive the e-permit requirement for any person who possesses a valid  
7874 permit or license to participate in the conduct of horse racing in another racing jurisdiction and participates  
7875 in horse racing in the Commonwealth on nonconsecutive racing days.

7876 D. Once a horse is entered to run in the Commonwealth, all participants shall come under the jurisdiction  
7877 of the Racing Commission, the Executive Secretary, and the stewards and shall be subject to regulations of  
7878 the Racing Commission and sanctions it or the stewards may impose.

7879 **§ 29.5-632. Consideration of e-permit applications.**

7880 A. The Commissioner or Racing Commission shall promptly consider any application for a HHR e-permit  
7881 or a LHR e-permit and issue or deny either such e-permit based on the information in the application and all  
7882 other information provided, including any background investigation deemed appropriate. If an application  
7883 for an e-permit is approved, the Commissioner or Racing Commission shall issue such e-permit, as  
7884 applicable, which shall contain such information as the Board or the Racing Commission deems appropriate.  
7885 Such e-permit shall be valid for one year; however, it shall expire automatically when such permit holder  
7886 leaves the employment of the licensee or at the end of one year, whichever occurs first. The permit holder  
7887 shall promptly notify the Commission or the Racing Commission when they leave the employment of the  
7888 licensee. The Board and the Racing Commission, as applicable, shall establish criteria and procedures for e-  
7889 permit renewal.

7890 B. The Commissioner or the Racing Commission shall deny an application and refuse to issue an e-  
7891 permit, which denial shall be final unless an appeal is brought under § 29.5-608, if (i) the issuance of such e-  
7892 permit would not be in the interests of the people of the Commonwealth or would reflect on the honesty and  
7893 integrity of the horse racing industry in the Commonwealth, or (ii) the applicant:

7894 1. Has knowingly made a false statement of a material fact in the application, or has deliberately failed to  
7895 disclose any information requested by the Commission or the Racing Commission;

7896 2. Is or has been found guilty of any corrupt or fraudulent practice or conduct in connection with horse  
7897 racing in the Commonwealth or any other state;

7898 3. Has knowingly failed to comply with the provisions of this chapter or the regulations of the Board or  
7899 the Racing Commission;

7900 4. Has had a permit to engage in activity related to historical horse racing or live horse racing denied for  
7901 just cause, suspended, or revoked in any other state, and such denial, suspension, or revocation is still in  
7902 effect; or

7903 5. Is unqualified to perform the duties required for the e-permit sought.

7904 C. The Commissioner or the Racing Commission shall deny an application and refuse to issue an e-permit  
7905 if, within the five years immediately preceding the date of an application, the applicant has been convicted of  
7906 a crime involving the unlawful conduct of wagering, fraudulent use of a credential, unlawful transmission of  
7907 information, touting, bribery, administration or possession of drugs, or any felony considered by the  
7908 Commission or Racing Commission to be detrimental to historical horse racing or live horse racing in the  
7909 Commonwealth, or the Gaming Commission has made an adverse determination with respect to an e-permit  
7910 applicant's background investigation; the denial shall be final unless an appeal is brought under § 29.5-608.  
7911 Additionally, the Commissioner or the Racing Commission may deny an application and refuse to issue any  
7912 e-permit if an applicant has been convicted of any such crime committed prior to the five years immediately  
7913 preceding the date of his application.

7914 D. The Commissioner or Racing Commission may refuse to issue an e-permit if for any reason granting  
7915 such permit is not consistent with the provisions of this chapter.

7916 **§ 29.5-633. Suspension or revocation of e-permit; fine.**

7917 A. The (i) Executive Secretary, acting by and through his stewards or at a Racing Commission meeting at  
7918 which a quorum is present, or (ii) the Commissioner or the Board, at a Board meeting at which a quorum is  
7919 present, may (a) suspend or revoke an e-permit issued pursuant to this chapter or fine the holder of such e-  
7920 permit a sum not to exceed \$10,000 or (b) suspend an e-permit issued pursuant to this chapter and fine the  
7921 holder of such e-permit a sum not to exceed \$10,000 after a hearing for which proper notice has been given  
7922 to the permit holder, in any case where it is determined by a preponderance of the evidence that any  
7923 provision of this chapter, or any regulation or condition of the Board or Racing Commission, has not been  
7924 complied with or has been violated. The Commissioner or Racing Commission may revoke such e-permit,  
7925 after such hearing, if facts not known at the time the application was being considered indicate that such  
7926 permit should not have been issued. Deliberations of the Board or Racing Commission under this section  
7927 shall be conducted pursuant to the provisions of the Virginia Freedom of Information Act (§ 2.2-3700 et  
7928 seq.). If any e-permit is suspended or revoked, the Commissioner or Racing Commission shall state the  
7929 reasons for doing so, which shall be entered of record. Such action shall be final unless an appeal is brought  
7930 in accordance with § 29.5-608. Suspension or revocation of an e-permit by the Commissioner or Racing  
7931 Commission for any violation shall not preclude criminal liability for such violation.

7932 B. The (i) Executive Secretary, acting by and through his stewards, or at a Racing Commission meeting at

7933 which a quorum is present, or (ii) the Commissioner or the Board, at a Board meeting at which a quorum is  
7934 present, may summarily suspend an e-permit for a period of not more than 90 days pending a hearing and  
7935 final determination. A hearing shall be scheduled by the Commission or the Racing Commission within 14  
7936 business days after such permit is summarily suspended and the permit holder shall be notified not less than  
7937 five business days before the hearing, of the date, time, and place of the hearing.

#### *Article 4.*

### *Local Referendum.*

**§ 29.5-634. Local referendum required.**

**7941**      *The Racing Commission shall not grant any initial license to construct, establish, operate, or own a*  
**7942** *racetrack or satellite facility until a referendum approving the question is held in each county, city, or town*  
**7943** *in which such racetrack or satellite facility is to be located, in the following manner:*

1. A petition, signed by five percent of the qualified voters of such county, city, or town shall be filed with the circuit court of such county, city, or town asking that a referendum be held on the question, "Shall pari-mutuel wagering be permitted at a licensed racetrack in (name of such county, city, or town) on live horse racing at, and on simulcast horse racing transmitted from another jurisdiction to, the licensed racetrack on such days as may be approved by the Virginia Racing Commission in accordance with Chapter 6 (§ 29.5-600 et seq.) of Title 29.5 of the Code of Virginia?" In addition, or in the alternative, such petition may ask that a referendum be held on the question, "Shall pari-mutuel wagering be permitted in \_\_\_\_\_ (the name of such county, city, or town) at satellite facilities in accordance with Chapter 6 (§ 29.5-600 et seq.) of Title 29.5 of the Code of Virginia?"

2. Following the filing of such petition, the court shall, by order of record entered in accordance with § 24.2-684.1, require the regular election officers of such county, city, or town to cause a special election to be held to take the sense of the qualified voters on the question. Such election shall be on a day designated by order of such court, but shall not be later than the next general election unless such general election is within 60 days of the date of the entry of such order, nor shall it be held on a date designated as a primary election.

**7958**      *3. The clerk of such court of record of such county, city, or town shall publish notice of such election in a*  
**7959** *newspaper of general circulation in such county, city, or town once a week for three consecutive weeks prior*  
**7960** *to such election.*

4. The regular election officers of such county or city shall open the polls at the various voting places in such county or city on the date specified in such order and conduct such election in the manner provided by law. The election shall be by ballot, which shall be prepared by the electoral board of the county, city, or town and on which shall be printed either or both of the following questions:

7965 "Shall pari-mutuel wagering be permitted at a licensed racetrack in \_\_\_\_\_ on live horse  
7966 racing at, and on simulcast horse racing transmitted from another jurisdiction to, the licensed racetrack on  
7967 such days as may be approved by the Virginia Racing Commission in accordance with Chapter 6 (§ 29.5-600  
7968 et seq.) of Title 29.5 of the Code of Virginia?

[ ] Yes

[ ] No"

7971 "Shall pari-mutuel wagering be permitted in \_\_\_\_\_ at satellite facilities in accordance with  
7972 Chapter 6 (§ 29.5-600 et seq.) of Title 29.5 of the Code of Virginia?"

[ ] Yes

[ ] No"

**7975**     *In the blank shall be inserted the name of the county, city, or town in which such election is held. Any*  
**7976** *voter desiring to vote "Yes" shall mark a check mark () or a cross mark (x or +) or a line (-) in the square*  
**7977** *provided for such purpose immediately preceding the word "Yes," leaving the square immediately preceding*  
**7978** *the word "No" unmarked. Any voter desiring to vote "No" shall mark a check mark () or a cross mark (x or*  
**7979** *+) or a line (-) in the square provided for such purpose immediately preceding the word "No," leaving the*  
**7980** *square immediately preceding the word "Yes" unmarked.*

**7981**    *The ballots shall be counted, the returns made and canvassed as in other elections, and the results*  
**7982**    *certified by the electoral board to the court ordering such election. Thereupon, such court shall enter an*  
**7983**    *order proclaiming the results of such election and a duly certified copy of such order shall be transmitted to*  
**7984**    *the Commission and to the governing body of such county, city, or town.*

**7985**     *No such referendum as described above shall be held more often than every three years in the same  
7986     county, city, or town.*

**7987** A subsequent local referendum shall be required if a license has not been granted by the Racing  
**7988** Commission within five years of the court order proclaiming the results of the election. "Town," for purposes  
**7989** of this section, means any town with a population of 5,000 or more.

## *Article 5.*

### *Taxation; Retainage; Distribution.*

**§ 29.5-635. Taxation and retainage generally.**

**7993**      *A. Moneys payable to the Commonwealth shall be deposited in the general fund. Gross receipts for*  
**7994**      *license tax purposes under Chapter 37 (§ 58.1-3700 et seq.) of Title 58.1 does not include pari-mutuel*

7995 wagering pools and license taxes authorized by this article.

7996 B. All payments by the licensee to the Commonwealth or any locality shall be made within five days from  
7997 the date on which such wagers are received by the licensee. All payments by the licensee to the Virginia  
7998 Breeders Fund shall be made to the Commission within five days from the date on which such wagers are  
7999 received by the licensee. All payments by the licensee to the Virginia-Maryland Regional College of  
8000 Veterinary Medicine, the Virginia Horse Center Foundation, the Virginia Horse Industry Board, and the  
8001 Virginia Thoroughbred Association shall be made by the first day of each quarter of the calendar year. All  
8002 payments made under this article shall be used in support of the policy of the Commonwealth to sustain and  
8003 promote the growth of a native industry.

8004 C. If a satellite facility is located in more than one locality, any amount a licensee is required to pay  
8005 under this article to the locality in which the satellite facility is located shall be prorated in equal shares  
8006 among those localities.

8007 D. Any contractual agreement between a licensee and other entities concerning the distribution of the  
8008 remaining portion of the retainage under subsections B through G of § 29.5-637 shall be subject to the  
8009 approval of the Racing Commission and subsections A and B of § 29.5-638 shall be subject to the approval of  
8010 the Board.

8011 E. The recognized majority horsemen's group racing at a licensed race meeting may, subject to the  
8012 approval of the Racing Commission, withdraw for administrative costs associated with serving the interests  
8013 of the horsemen an amount not to exceed two percent of the amount in the horsemen's account.

8014 F. One-hundred percent of the legitimate breakage from each pari-mutuel pool for historical horse racing  
8015 shall be distributed to the Problem Gambling Treatment and Support Fund established pursuant to § 37.2-  
8016 314.2.

8017 G. The Gaming Commission and the Racing Commission shall complete an annual review of all taxation,  
8018 retainage, and breakage amounts allocated pursuant to this article to ensure that such amounts are being  
8019 appropriately distributed in a manner that sustains and promotes the growth of the horse racing industry,  
8020 and shall report its findings to the General Assembly on or before October 1 of each year.

8021 **§ 29.5-636. Percentage retained; tax; live horse racing.**

8022 A. On pari-mutuel pools generated by wagering at the racetrack on live horse racing conducted within the  
8023 Commonwealth involving win, place, and show wagering, the licensee shall retain a percentage amount  
8024 approved by the Racing Commission as jointly requested by a recognized majority horsemen's group and a  
8025 licensee and the legitimate breakage, out of which shall be paid 1.25 percent to be distributed as follows: 1.0  
8026 percent to the Commonwealth as a license tax and 0.25 percent to the locality in which the racetrack is  
8027 located. The remainder of the retainage shall be paid as provided in subsection C, provided, however, that if  
8028 the percentage amount approved by the Racing Commission is other than 18 percent, the amounts provided  
8029 in subdivisions C 1, 2, and 3 shall be adjusted by the proportion that the approved percentage amount bears  
8030 to 18 percent.

8031 B. On pari-mutuel pools generated by wagering at each Virginia satellite facility on live horse racing  
8032 conducted within the Commonwealth involving win, place, and show wagering, the licensee shall retain a  
8033 percentage amount approved by the Racing Commission as jointly requested by a recognized majority  
8034 horsemen's group and a licensee and the legitimate breakage, out of which shall be paid 1.25 percent to be  
8035 distributed as follows: 0.75 percent to the Commonwealth as a license tax, 0.25 percent to the locality in  
8036 which the satellite facility is located, and 0.25 percent to the locality in which the racetrack is located. The  
8037 remainder of the retainage shall be paid as provided in subsection C, provided, however, that if the  
8038 percentage amount approved by the Racing Commission is other than 18 percent, the amounts provided in  
8039 subdivisions C 1, 2, and 3 shall be adjusted by the proportion that the approved percentage amount bears to  
8040 18 percent.

8041 C. On pari-mutuel pools generated by wagering at the racetrack and each Virginia satellite facility on  
8042 live horse racing conducted within the Commonwealth involving win, place, and show wagering, the licensee  
8043 shall retain a percentage amount approved by the Racing Commission as jointly requested by a recognized  
8044 majority horsemen's group and a licensee and the legitimate breakage, out of which shall be paid:

- 8045 1. Eight percent as purses or prizes to the participants in such race meeting;
- 8046 2. Seven and one-half percent and all of the breakage and the proceeds of pari-mutuel tickets unredeemed  
8047 180 days from the date on which the race was conducted, to the operator;
- 8048 3. One percent to the Virginia Breeders Fund;
- 8049 4. Fifteen one-hundredths percent to the Virginia-Maryland Regional College of Veterinary Medicine;
- 8050 5. Five one-hundredths percent to the Virginia Horse Center Foundation;
- 8051 6. Five one-hundredths percent to the Virginia Horse Industry Board; and
- 8052 7. The remainder as appropriate under subsection A or B.

8053 D. On pari-mutuel pools generated by wagering at the racetrack on live horse racing conducted within  
8054 the Commonwealth involving wagering other than win, place, and show wagering, the licensee shall retain a  
8055 percentage amount approved by the Racing Commission as jointly requested by a recognized majority  
8056 horsemen's group and a licensee and the legitimate breakage, out of which shall be paid 2.75 percent to be

**8057** distributed as follows: 2.25 percent to the Commonwealth as a license tax, and 0.5 percent to the locality in  
**8058** which the racetrack is located. The remainder of the retainage shall be paid as provided in subsection F,  
**8059** provided, however, that if the percentage amount approved by the Racing Commission is other than 22  
**8060** percent, the amounts provided in subdivisions F 1, 2, and 3 shall be adjusted by the proportion that the  
**8061** approved percentage amount bears to 22 percent.

**8062** E. On pari-mutuel pools generated by wagering at each Virginia satellite facility on live horse racing  
**8063** conducted within the Commonwealth involving wagering other than win, place, and show wagering, the  
**8064** licensee shall retain a percentage amount approved by the Racing Commission as jointly requested by a  
**8065** recognized majority horsemen's group and a licensee and the legitimate breakage, out of which shall be paid  
**8066** 2.75 percent to be distributed as follows: 1.75 percent to the Commonwealth as a license tax, 0.5 percent to  
**8067** the locality in which the satellite facility is located, and 0.5 percent to the locality in which the racetrack is  
**8068** located. The remainder of the retainage shall be paid as provided in subsection F, provided, however, that if  
**8069** the percentage amount approved by the Racing Commission is other than 22 percent, the amounts provided  
**8070** in subdivisions F 1, 2, and 3 shall be adjusted by the proportion that the approved percentage amount bears  
**8071** to 22 percent.

**8072** F. On pari-mutuel pools generated by wagering at the racetrack and each Virginia satellite facility on live  
**8073** horse racing conducted within the Commonwealth involving wagering other than win, place, and show  
**8074** wagering, the licensee shall retain a percentage amount approved by the Racing Commission as jointly  
**8075** requested by a recognized majority horsemen's group and a licensee and the legitimate breakage, out of  
**8076** which shall be paid:

- 8077** 1. Nine percent as purses or prizes to the participants in such race meeting;
- 8078** 2. Nine percent and the proceeds of the pari-mutuel tickets unredeemed 180 days from the date on which  
**8079** the race was conducted, to the operator;
- 8080** 3. One percent to the Virginia Breeders Fund;
- 8081** 4. Fifteen one-hundredths percent to the Virginia-Maryland Regional College of Veterinary Medicine;
- 8082** 5. Five one-hundredths percent to the Virginia Horse Center Foundation;
- 8083** 6. Five one-hundredths percent to the Virginia Horse Industry Board; and
- 8084** 7. The remainder as appropriate under subsection D or E.

**8085** § 29.5-637. **Percentage retained; tax; simulcast horse racing.**

**8086** A. On pari-mutuel wagering generated by simulcast horse racing transmitted from jurisdictions outside  
**8087** the Commonwealth, the licensee may, with the approval of the Racing Commission, commingle pools with the  
**8088** racetrack where the transmission emanates or establish separate pools for wagering within the  
**8089** Commonwealth. All simulcast horse racing in this subsection must comply with the Interstate Horse Racing  
**8090** Act of 1978 (15 U.S.C. § 3001 et seq.).

**8091** B. On pari-mutuel pools generated by wagering at the racetrack on simulcast horse racing transmitted  
**8092** from jurisdictions outside the Commonwealth involving win, place, and show wagering, the licensee shall  
**8093** retain 1.25 percent of such pool to be distributed as follows: 0.75 percent to the Commonwealth as a license  
**8094** tax and 0.5 percent to the Virginia locality in which the racetrack is located.

**8095** C. On pari-mutuel pools generated by wagering at each Virginia satellite facility on simulcast horse  
**8096** racing transmitted from jurisdictions outside the Commonwealth involving win, place, and show wagering,  
**8097** the licensee shall retain 1.25 percent of such pool to be distributed as follows: 0.75 percent to the  
**8098** Commonwealth as a license tax, 0.25 percent to the locality in which the satellite facility is located, and 0.25  
**8099** percent to the Virginia locality in which the racetrack is located.

**8100** D. On pari-mutuel pools generated by wagering at the racetrack and each Virginia satellite facility on  
**8101** simulcast horse racing transmitted from jurisdictions outside the Commonwealth involving win, place, and  
**8102** show wagering, the licensee shall retain 1.3 percent of such pool to be distributed as follows:

- 8103** 1. One percent of the pool to the Virginia Breeders Fund;
- 8104** 2. Fifteen one-hundredths percent to the Virginia-Maryland Regional College of Veterinary Medicine;
- 8105** 3. Five one-hundredths percent to the Virginia Horse Center Foundation;
- 8106** 4. Five one-hundredths percent to the Virginia Horse Industry Board; and
- 8107** 5. Five one-hundredths percent to the Virginia Thoroughbred Association for the promotion of breeding  
**8108** in the Commonwealth.

**8109** E. On pari-mutuel pools generated by wagering at the racetrack on simulcast horse racing transmitted  
**8110** from jurisdictions outside the Commonwealth involving wagering other than win, place, and show  
**8111** wagering, the licensee shall retain 2.75 percent of such pool to be distributed as follows: 1.75 percent to the  
**8112** Commonwealth as a license tax and 1.0 percent to the Virginia locality in which the racetrack is located.

**8113** F. On pari-mutuel pools generated by wagering at each Virginia satellite facility on simulcast horse  
**8114** racing transmitted from jurisdictions outside the Commonwealth involving wagering other than win, place,  
**8115** and show wagering, the licensee shall retain 2.75 percent of such pool to be distributed as follows: 1.75  
**8116** percent to the Commonwealth as a license tax, 0.5 percent to the locality in which the satellite facility is  
**8117** located, and 0.5 percent to the Virginia locality in which the racetrack is located.

**8118** G. On pari-mutuel pools generated by wagering at the racetrack and each Virginia satellite facility on

8119 simulcast horse racing transmitted from jurisdictions outside the Commonwealth involving wagering other  
8120 than win, place, and show wagering, the licensee shall retain 1.3 percent of such pool to be distributed as  
8121 follows:

- 8122 1. One percent of the pool to the Virginia Breeders Fund;
- 8123 2. Fifteen one-hundredths percent to the Virginia-Maryland Regional College of Veterinary Medicine;
- 8124 3. Five one-hundredths percent to the Virginia Horse Center Foundation;
- 8125 4. Five one-hundredths percent to the Virginia Horse Industry Board; and
- 8126 5. Five one-hundredths percent to the Virginia Thoroughbred Association for the promotion of breeding  
8127 in the Commonwealth.

8128 **§ 29.5-638. Percentage retained; tax; historical horse racing.**

8129 On pari-mutuel pools generated by wagering on historical horse racing, the licensee shall retain 1.30  
8130 percent of such pool to be distributed as follows:

- 8131 1. a. If generated at a racetrack, 0.56 percent to the locality in which the racetrack is located; or
- 8132 b. If generated at a satellite facility before July 1, 2026, 0.28 percent to the locality in which the satellite  
8133 facility is located and 0.28 percent to the Virginia locality in which the racetrack is located. If generated at a  
8134 satellite facility on and after July 1, 2026, 0.56 percent to the locality in which the satellite facility is located;
- 8135 2. To the Problem Gambling Treatment and Support Fund established pursuant to § 37.2-314.2, 0.025  
8136 percent;
- 8137 3. To the Virginia Breeders Fund established pursuant to § 29.5-611, 0.05 percent;
- 8138 4. To the (i) Virginia-Maryland Regional College of Veterinary Medicine for its equine programs, (ii)  
8139 Virginia Horse Center Foundation, and (iii) Virginia Horse Industry Board, 0.025 percent each; and
- 8140 5. The remainder to the Commonwealth as a license tax.

8141 **§ 29.5-639. Advance deposit account wagering revenues; distribution.**

8142 A. Notwithstanding the provisions of this article, the allocation of revenue from advance deposit account  
8143 wagering shall include (i) a licensee fee of 1.5 percent paid to the Racing Commission; (ii) an additional fee  
8144 equal to one percent of all wagers made within the Commonwealth placed through an advance deposit  
8145 account wagering licensee, which shall be paid to the Virginia Breeders Fund, and (iii) an additional fee  
8146 equal to nine percent of all wagers made within the Commonwealth placed through an advance deposit  
8147 account wagering licensee, out of which shall be paid:

- 8148 1. Four percent to the recognized industry stakeholder organization; and
- 8149 2. Five percent to representatives of the recognized majority horsemen's group by breed to be used for  
8150 purse funds at horse races conducted in the Commonwealth, unless otherwise authorized by the Racing  
8151 Commission.

8152 Notwithstanding the foregoing, if the advance deposit account wagering licensee is a significant  
8153 infrastructure limited licensee, the additional fee equal to nine percent of the wagers placed through such  
8154 advance deposit account wagering licensee since November 1, 2014, shall instead be retained by such  
8155 licensee for operational expenses, including defraying the costs of live horse racing.

8156 B. The recognized industry stakeholder organization shall make distributions from fees received from  
8157 advance deposit wagering to organizations within the Commonwealth providing care for retired race horses,  
8158 the Virginia-Maryland Regional College of Veterinary Medicine, the Virginia Horse Center Foundation, the  
8159 Virginia Horse Industry Board, and the Virginia Thoroughbred Association in the percentages of wagering  
8160 handles set forth in subsections D and G of § 29.5-637, and shall make a distribution of thirty-five one-  
8161 hundredths of one percent of all wagers made within the Commonwealth placed through such advance  
8162 deposit account wagering licensee to the locality where live racing licensed by the Commission occurred  
8163 prior to January 1, 2012, and beginning January 1, 2020, to the locality or localities where such live horse  
8164 racing occurs to be shared in a ratio of the number of such annual live horse races in a locality to the total  
8165 number of such annual live horse races in the Commonwealth. Distributions under this section from the  
8166 recognized industry stakeholder organization to the foregoing entities and locality or localities, when added  
8167 to the distributions to such entities and locality or localities under this article, shall be capped at the sum  
8168 necessary to equal distributions made in the 2013 calendar year to each entity under this article, and shall be  
8169 capped at the sum necessary to equal \$400,000 for a locality or localities.

8170 C. Any additional distribution of fees received from advance deposit account licensees by the recognized  
8171 industry stakeholder organization shall be approved by the Racing Commission.

8172 **§ 29.5-640. Admissions tax.**

8173 The governing body of any county or city may, by ordinance, impose a \$0.25 admissions tax on any  
8174 licensee for each person at a race meeting conducted at a track located solely in such county or city on each  
8175 day, except that those persons holding a valid e-permit pursuant to the provisions of this chapter and actually  
8176 employed at such track in the capacity for which such permit was issued shall not be taxed. The licensee may  
8177 collect the amount of such tax from the ticket holder in addition to the amount charged for the price of  
8178 admission.

8179 If such racetrack or its enclosure is located in two or in three localities, each locality may impose a tax  
8180 pursuant to this section of 12 and one-half cents or eight and one-third cents per person, respectively.

**8181**     *Gross receipts for license tax purposes under Chapter 37 (§ 58.1-3700 et seq.) of Title 58.1 does not*  
**8182**     *include the admissions tax imposed under this section.*

## Article 6.

### *Article 3. Prohibited Acts; Penalties.*

**§ 29.5-641. Unlawful conduct of wagering; penalty.**

**8186** Any person not licensed pursuant to this chapter who conducts (i) pari-mutuel wagering or (ii) horse  
**8187** racing on which wagering is conducted with his knowledge or consent is guilty of a Class 4 felony.

**§ 29.5-642. *Fraudulent use of credential; penalty.***

**8189**     A. Any person who has in his possession (i) any credential, license, or permit issued by the Commissioner  
**8190** or the Racing Commission other than the lawful holder thereof or (ii) a forged or simulated credential,  
**8191** license, or permit of the Commission or the Racing Commission, and uses such credential, license, or permit  
**8192** for the purpose of misrepresentation, fraud, or touting is guilty of a Class 4 felony.

**B. Any credential, license, or permit issued by the Commissioner or the Racing Commission shall be automatically revoked if used by the holder thereof for a purpose other than identification and in the performance of legitimate duties on a racetrack or within a satellite facility, whether so used on or off a racetrack or satellite facility.**

**§ 29.5-643. Unlawful transmission of information; penalty.**

**8198 A. Any person who knowingly transmits information as to the progress or results of a horse race, or**  
**8199 information as to wagers, betting odds, post or off times, or jockey changes in any horse race by any means**  
**8200 whatsoever for the purposes of carrying on illegal gambling operations as defined in § 29.5-900, or to a**  
**8201 person engaged in illegal gambling operations is guilty of a Class 4 felony.**

**8202 B. This section shall not be construed to prohibit (i) a newspaper from printing such results or**  
**8203 information as news or (ii) any television or radio station from telecasting or broadcasting such results or**  
**8204 information as news.**

**8205 C. This section shall not be so construed as to place in jeopardy any common carrier or its agents**  
**8206 performing operations within the scope of a public franchise or any gambling operation authorized by law.**

**§ 29.5-644. Touting; penalty.**

8208 Any person who (i) knowingly and designedly by false representation persuades, procures, or causes, or  
8209 attempts to persuade, procure, or cause, another person to wager on a horse in a race to be run in the  
8210 Commonwealth or elsewhere, and upon which money is wagered in the Commonwealth, and (ii) asks or  
8211 demands compensation as a reward for information or purported information given in such case is guilty of a  
8212 Class 1 misdemeanor.

**§ 29.5-645. Bribing of a jockey, driver, or other participant; penalty.**

Any person who gives, promises, or offers to any jockey, driver, groom, or any person participating in any race meeting, including owners of racetracks and their employees, stewards, trainers, judges, starters, and special policemen, any valuable thing with intent to influence him to attempt to lose or cause to be lost a horse race in which such person is taking part or expects to take part, or has any duty or connection, or who, being either jockey, driver, groom, or participant in a race meeting, solicits or accepts any valuable thing to influence him to lose or cause to be lost a horse race in which he is taking part, or expects to take part, or has any duty or connection, is guilty of a Class 4 felony.

**§ 29.5-646. Prohibited acts, administration of drugs, etc.; penalties.**

8222      A. Any person who, with the intent to defraud, acts to alter the outcome of a race by (i) the administration  
8223      of any substance foreign to the natural horse, except those substances specifically permitted by the  
8224      regulations of the Racing Commission, or (ii) the use of any device, electrical or otherwise, except those  
8225      specifically permitted by the regulations of the Racing Commission, is guilty of a Class 4 felony.

**B.** Any person who, with the intent to defraud, influences or conspires with another to alter the outcome of a horse race by (i) the administration of any substance foreign to the natural horse, except those substances specifically permitted by the regulations of the Racing Commission, or (ii) the use of any device, electrical or otherwise, except those specifically permitted by the regulations of the Racing Commission, is guilty of a Class 4 felony.

**8231 C. Any person who (i) administers any substance foreign to the natural horse, except those substances**  
**8232 specifically permitted by the regulations of the Racing Commission, when the horse is entered to start or (ii)**  
**8233 at any time, exposes any substance foreign to the natural horse with the intent of impeding or increasing the**  
**8234 speed, endurance, health, or condition of a horse, is guilty of a Class 4 felony.**

**§ 29.5-647. Possessing drugs; penalty.**

8236 A. Except those drugs permitted by regulation of the Racing Commission, no person shall possess or  
8237 transport any drug within the racing enclosure without a bona fide veterinarian's prescription with a  
8238 complete statement of uses and purposes on the container. A copy of such prescription shall be filed with the  
8239 stewards.

**8240**      *B. Any person knowingly violating the provisions of this section relating to the legal possession of drugs*  
**8241**      *is guilty of a Class 1 misdemeanor.*

**8242** *C. The provisions of the Drug Control Act (§ 54.1-3400 et seq.) shall apply in situations where drugs*

8243 regulated by the Drug Control Act are within the racing enclosure.

8244 **§ 29.5-648. Horse racing under false name; penalty.**

8245 Any person who knowingly (i) enters or races any horse in any running or harness race under any name  
8246 or designation other than the name or designation assigned to such horse by and registered with the Jockey  
8247 Club, the United States Trotting Association, the American Quarter Horse Association, or other applicable  
8248 association or (ii) instigates, engages in, or in any way furthers any act by which any horse is entered or  
8249 raced in any running or trotting race under any name or designation other than the name or designation duly  
8250 assigned by and registered with the Jockey Club, the United States Trotting Association, the American  
8251 Quarter Horse Association, or other applicable association, is guilty of a Class 4 felony.

8252 **§ 29.5-649. Prohibition on underage pari-mutuel wagering; penalty.**

8253 A. No person shall wager on or conduct any wagering on the outcome of a horse race pursuant to the  
8254 provisions of this chapter unless such person is 18 years of age or older.

8255 B. No person shall accept any wager from a minor.

8256 C. No person shall be admitted into a satellite facility if such person is younger than 18 years of age  
8257 unless accompanied by a parent or legal guardian.

8258 D. No person younger than 21 years of age shall use any electronic gaming terminal or other electronic  
8259 device in a satellite facility to wager on or conduct any wagering on historical horse racing.

8260 E. Violation of this section is a Class 1 misdemeanor.

8261 **§ 29.5-650. Conspiracies and attempts to commit violations; penalty.**

8262 A. Any person who conspires, confederates, or combines with another, either within or outside of the  
8263 Commonwealth, to commit a felony prohibited by this chapter is guilty of a Class 4 felony.

8264 B. Any person who attempts to commit any act prohibited by this chapter is guilty of a criminal offense  
8265 and punished as provided in either § 18.2-26, 18.2-27, or 18.2-28, as appropriate.

8266 **SUBTITLE II.**

8267 **VIRGINIA LOTTERY.**

8268 **CHAPTER 7.**

8269 **GENERAL PROVISIONS.**

8270 **§ 29.5-700. Short title.**

8271 This subtitle shall be known and may be cited as the "Virginia Lottery Law."

8272 **§ 29.5-701. Establishment of state lottery.**

8273 This subtitle establishes a lottery to be operated by the Commonwealth to produce revenue consonant  
8274 with the probity of the Commonwealth and the general welfare of its people, to be used for the public purpose  
8275 as provided in Article X, Section 7-A of the Constitution of Virginia.

8276 **§ 29.5-702. Definitions.**

8277 As used in this subtitle, unless the context requires a different meaning:

8278 "Board" means the Virginia Lottery Board established by this subtitle.

8279 "Department" means the independent agency responsible for the administration of the Virginia Lottery  
8280 pursuant to this subtitle.

8281 "Director" means the Director of the Virginia Lottery.

8282 "Lottery" or "state lottery" means the lottery or lotteries established and operated pursuant to this  
8283 subtitle.

8284 "Ticket courier service" means a third-party service operated for the purpose of purchasing Virginia  
8285 Lottery tickets on behalf of individuals located within or outside of the Commonwealth and delivering or  
8286 transmitting such tickets, or electronic images thereof, to such individuals as a business-for-profit delivery  
8287 service.

8288 **§ 29.5-703. Virginia Lottery established.**

8289 Notwithstanding the provisions of Subtitle III (§ 29.5-900 et seq.) or any other provision of law, there is  
8290 hereby established as an independent agency of the Commonwealth, exclusive of the legislative, executive, or  
8291 judicial branches of government, the Virginia Lottery, which shall include a Director and a Virginia Lottery  
8292 Board for the purpose of operating a state lottery.

8293 **§ 29.5-704. Membership of Board; appointment; terms; vacancies; removal; expenses.**

8294 A. The Board shall consist of five members, all of whom shall be citizens and residents of the  
8295 Commonwealth and shall be appointed by and serve at the pleasure of the Governor, subject to confirmation  
8296 by a majority of the members elected to each house of the General Assembly if in session when the  
8297 appointment is made, and if not in session, then at its next succeeding session. Prior to the appointment of  
8298 any Board members, the Governor shall consider the political affiliation and the geographic residence of the  
8299 Board members. The members shall be appointed for terms of five years. The members shall annually elect  
8300 one member as chair of the Board.

8301 B. Any vacancy on the Board occurring for any reason other than the expiration of a term shall be filled  
8302 for the unexpired term in the same manner as the original term.

8303 C. The members of the Board shall receive such compensation as provided in § 2.2-2813, shall be subject  
8304 to the requirements of such section, and shall be allowed reasonable expenses incurred in the performance of

8305 their official duties.

8306 D. Before entering upon the discharge of their duties, the members of the Board shall take an oath that  
 8307 they will faithfully and honestly execute the duties of the office during their continuance therein and they  
 8308 shall give bond in such amount as may be fixed by the Governor, conditioned upon the faithful discharge of  
 8309 their duties. The premium on such bond shall be paid out of the Virginia Lottery Fund.

8310 **§ 29.5-705. Appointment, qualifications, and salary of Director.**

8311 A. The Department shall be under the immediate supervision and direction of a Director, who shall be a  
 8312 person of good reputation, particularly as to honesty and integrity, and shall be subject to a thorough  
 8313 background investigation conducted by the Department of State Police prior to appointment. The Director  
 8314 shall be appointed by and serve at the pleasure of the Governor, subject to confirmation by a majority of the  
 8315 members elected to each house of the General Assembly if in session when the appointment is made, and if  
 8316 not in session, then at its next succeeding session. The Director shall receive a salary as provided in the  
 8317 general appropriation act.

8318 B. The Director shall devote his full time to the performance of his official duties and shall not be engaged  
 8319 in any other profession or occupation.

8320 C. Before entering upon the discharge of his duties, the Director shall take an oath that he will faithfully  
 8321 and honestly execute the duties of his office during his continuance therein and shall give bond in such  
 8322 amount as may be fixed by the Governor, conditioned upon the faithful discharge of his duties. The premium  
 8323 on such bond shall be paid out of the Virginia Lottery Fund.

8324 **§ 29.5-706. Powers of the Director.**

8325 A. The Director shall supervise and administer the operation of the lottery in accordance with the  
 8326 provisions of this subtitle and with the rules and regulations promulgated hereunder.

8327 B. The Director shall also:

8328 1. Employ such deputy directors, professional, technical and clerical assistants, and other employees as  
 8329 may be required to carry out the functions and duties of the Department.

8330 2. Act as secretary and executive officer of the Board.

8331 3. Require bond or other surety satisfactory to the Director from licensed agents as provided in  
 8332 subsection E of § 29.5-709 and Department employees with access to Department funds or lottery funds in  
 8333 such amount as provided in the rules and regulations of the Board. The Director may also require bond from  
 8334 other employees as he deems necessary.

8335 4. Confer regularly, but not less than four times each year, with the Board on the operation and  
 8336 administration of the lottery; make available for inspection by the Board, upon request, all books, records,  
 8337 files, and other information and documents of the Department; and advise the Board and recommend such  
 8338 matters as he deems necessary and advisable to improve the operation and administration of the lottery.

8339 5. Suspend, revoke, or refuse to renew any license issued pursuant to this chapter or the rules and  
 8340 regulations adopted hereunder.

8341 6. Enter into contracts for the operation of the lottery, or any part thereof, for the promotion of the lottery  
 8342 and into interstate and international lottery contracts with other states and nations. A contract awarded or  
 8343 entered into by the Director shall not be assigned by the holder thereof except by specific approval of the  
 8344 Director.

8345 7. Certify monthly to the State Comptroller and the Board a full and complete statement of lottery  
 8346 revenues, prize disbursements, and other expenses for the preceding month.

8347 8. Report monthly to the Governor, the Secretary of Finance, and the Chairs of the Senate Committee on  
 8348 Finance and Appropriations, House Committee on Finance, and House Committee on Appropriations the  
 8349 total lottery revenues, prize disbursements, and other expenses for the preceding month and make an annual  
 8350 report, which shall include a full and complete statement of lottery revenues, prize disbursements, and other  
 8351 expenses to the Governor and the General Assembly.

8352 9. Report immediately to the Governor and the General Assembly any matters that require immediate  
 8353 changes in the laws of the Commonwealth in order to prevent abuses and evasions of this subtitle or the rules  
 8354 and regulations adopted hereunder or to rectify undesirable conditions in connection with the administration  
 8355 or operation of the lottery.

8356 10. Notify prize winners and appropriate state and federal agencies of the payment of prizes in excess of  
 8357 \$600 in the manner required by the lottery rules and regulations.

8358 11. Provide for the withholding of the applicable amount of state and federal income tax of persons  
 8359 claiming a prize for a winning ticket in excess of \$5,001.

8360 12. Participate in the Problem Gambling Treatment and Support Advisory Committee, established  
 8361 pursuant to § 37.2-304 by the Department of Behavioral Health and Developmental Services, to enable  
 8362 collaboration among prevention and treatment providers and operators of legal gaming in the  
 8363 Commonwealth on efforts to reduce the negative effects of problem gambling.

8364 C. The Director and the director of security or investigators appointed by the Director shall be vested  
 8365 with the powers of sheriff and sworn to enforce the statutes and regulations pertaining to the Department and  
 8366 to investigate violations of the statutes and regulations that the Director is required to enforce.

8367     D. The Director may authorize temporary bonus or incentive programs for payments to licensed sales  
8368 agents that he determines will be cost effective and support increased sales of lottery products.

8369     § 29.5-707. Powers of the Board.

8370     A. The Board shall have the power to adopt regulations governing the establishment and operation of a  
8371 lottery pursuant to this subtitle. The regulations governing the establishment and operation of the lottery  
8372 shall be promulgated by the Board after consultation with the Director. Such regulations shall be in  
8373 accordance with the Administrative Process Act (§ 2.2-4000 et seq.). The regulations shall provide for all  
8374 matters necessary or desirable for the efficient, honest, and economical operation and administration of the  
8375 lottery and for the convenience of the purchasers of tickets or shares and the holders of winning tickets or  
8376 shares. The regulations, which may be amended, repealed, or supplemented as necessary, shall include the  
8377 following:

8378       1. The type or types of lottery or game to be conducted in accordance with § 29.5-701.

8379       2. The price or prices of tickets or shares in the lottery.

8380       3. The numbers and sizes of the prizes on the winning tickets or shares, including informing the public of  
8381 the approximate odds of winning and the proportion of lottery revenues (i) disbursed as prizes and (ii)  
8382 returned to the Commonwealth as net revenues.

8383       4. The manner of selecting the winning tickets or shares.

8384       5. The manner of payment of prizes to the holders of winning tickets or shares.

8385       6. The frequency of the drawings or selections of winning tickets or shares without limitation.

8386       7. Without limitation as to number, the type or types of locations at which tickets or shares may be sold.

8387       8. The method to be used in selling tickets or shares, including the sale of tickets or shares over the  
8388 internet.

8389       9. The advertisement of the lottery in accordance with the provisions of subsection E of § 29.5-717.

8390       10. The licensing of agents to sell tickets or shares who will best serve the public convenience and  
8391 promote the sale of tickets or shares. No person younger than 18 years of age shall be licensed as an agent. A  
8392 licensed agent may employ a person who is 16 years of age or older to sell or otherwise vend tickets at the  
8393 agent's place of business so long as the employee is supervised in the selling or vending of tickets by the  
8394 manager or supervisor in charge at the location where the tickets are being sold. Employment of such person  
8395 shall be in compliance with Chapter 5 (§ 40.1-78 et seq.) of Title 40.1.

8396       11. The manner and amount of compensation, if any, to be paid licensed sales agents necessary to provide  
8397 for the adequate availability of tickets or shares to prospective buyers and for the convenience of the public.  
8398 Notwithstanding the provisions of this subdivision, the Board shall not be required to approve temporary  
8399 bonus or incentive programs for payments to licensed sales agents.

8400       12. Apportionment of the total revenues accruing from the sale of tickets or shares and from all other  
8401 sources and establishment of the amount of the special reserve fund as provided in § 58.1-4022.

8402       13. Such other matters necessary or desirable for the efficient and economical operation and  
8403 administration of the lottery.

8404     The Department shall not be subject to the provisions of Chapter 43 (§ 2.2-4300 et seq.) of Title 2.2;  
8405 however, the Board shall promulgate regulations, after consultation with the Director, relative to  
8406 departmental procurement that include standards of ethics for procurement consistent with the provisions of  
8407 Article 6 (§ 2.2-4367 et seq.) of Chapter 43 of Title 2.2 and that ensure that departmental procurement will  
8408 be based on competitive principles.

8409     The Board shall have the power to advise and recommend, but shall have no power to veto or modify,  
8410 administrative decisions of the Director. However, the Board shall have the power to accept, modify, or  
8411 reject any revenue projections before such projections are forwarded to the Governor.

8412     B. The Board shall carry on a continuous study and investigation of the lottery throughout the  
8413 Commonwealth to:

8414       1. Ascertain any defects of this subtitle or the regulations issued hereunder that cause abuses in the  
8415 administration and operation of the lottery and any evasions of such provisions.

8416       2. Formulate, with the Director, recommendations for changes in this subtitle and the regulations  
8417 promulgated hereunder to prevent such abuses and evasions.

8418       3. Guard against the use of this subtitle and the regulations promulgated hereunder as a subterfuge for  
8419 organized crime and illegal gambling.

8420       4. Ensure that this law and the regulations of the Board are in such form and are so administered as to  
8421 serve the true purpose of this subtitle.

8422     C. The Board shall make a continuous study and investigation of (i) the operation and the administration  
8423 of similar laws that may be in effect in other states or countries, (ii) any literature on the subject that may be  
8424 published or available, (iii) any federal laws that may affect the operation of the lottery, and (iv) the reaction  
8425 of citizens of the Commonwealth to the potential features of the lottery with a view to recommending or  
8426 effecting changes that will serve the purpose of this subtitle.

8427     D. The Board shall hear and decide an appeal of any denial by the Director of the licensing or revocation  
8428 of a license of a lottery agent pursuant to subdivision A 10 and to subdivision B 5 of § 29.5-706.

8429     E. The Board shall have the authority to initiate procedures for the planning, acquisition, and  
 8430 construction of capital projects as set forth in Article 4 (§ 2.2-1129 et seq.) of Chapter 11 and Article 3  
 8431 (§ 2.2-1819 et seq.) of Chapter 18 of Title 2.2.

8432     **§ 29.5-708. Employees of the Department; background investigations of employees.**

8433     All persons employed by the Department shall be fingerprinted before, and as a condition of, employment.  
 8434     These fingerprints shall be submitted to the Federal Bureau of Investigation for a national criminal records  
 8435 search and to the Department of State Police for a Virginia criminal history records search. All board  
 8436 members, officers, and employees of any vendor of lottery online or instant ticket goods or services working  
 8437 directly on a contract with the Department for such goods or services shall be fingerprinted, and such  
 8438 fingerprints shall be submitted to the Federal Bureau of Investigation for a national criminal records search  
 8439 conducted by the chief security officer of the Department. A background investigation shall be conducted by  
 8440 the chief security officer of the Department on every applicant prior to employment by the Department.  
 8441 However, all division directors of the Department and employees of the Department performing duties  
 8442 primarily related to security matters shall be subject to a background investigation report conducted by the  
 8443 Department of State Police prior to employment by the Department. The Department of State Police shall be  
 8444 reimbursed by the Virginia Lottery for the cost of investigations conducted pursuant to this section or §  
 8445 29.5-705. No person who has been convicted of a felony, bookmaking, or other forms of illegal gambling, or  
 8446 of a crime involving moral turpitude shall be employed by the Department or on contracts with vendors  
 8447 described in this section.

8448     **§ 29.5-709. Licensing of lottery sales agents; penalty.**

8449     A. No license as an agent to sell lottery tickets or shares shall be issued to any person to engage in  
 8450 business primarily as a lottery sales agent. Before issuing such license, the Director shall consider such  
 8451 factors as (i) the financial responsibility and security of the person and his business or activity; (ii) the  
 8452 accessibility of his place of business or activity to the public; (iii) the sufficiency of existing licensees to serve  
 8453 the public convenience; and (iv) the volume of expected sales.

8454     B. For the purposes of this section, the term "person" means an individual, association, partnership,  
 8455 corporation, club, trust, estate, society, company, joint stock company, receiver, trustee, assignee, referee, or  
 8456 any other person acting in a fiduciary or representative capacity, whether appointed by a court or otherwise,  
 8457 and any combination of individuals. "Person" also means all departments, commissions, agencies, and  
 8458 instrumentalities of the Commonwealth, including counties, cities, municipalities, agencies, and  
 8459 instrumentalities thereof.

8460     C. The chief security officer of the Department shall conduct a background investigation, to include a  
 8461 Virginia criminal history records search, and fingerprints that shall be submitted to the Federal Bureau of  
 8462 Investigation if the Director deems a national criminal records search necessary, on applicants for licensure  
 8463 as lottery sales agents. The Director may refuse to issue a license to operate as an agent to sell lottery tickets  
 8464 or shares to any person who has been (i) convicted of a crime involving moral turpitude, (ii) convicted of  
 8465 bookmaking or other forms of illegal gambling, (iii) found guilty of any fraud or misrepresentation in any  
 8466 connection, (iv) convicted of a felony, or (v) engaged in conduct prejudicial to public confidence in the  
 8467 Lottery. The Director may refuse to grant a license or may suspend, revoke, or refuse to renew a license  
 8468 issued pursuant to this subtitle to a partnership or corporation, if he determines that any general or limited  
 8469 partner, or officer or director of such partnership or corporation has been (a) convicted of a crime involving  
 8470 moral turpitude, (b) convicted of bookmaking or other forms of illegal gambling, (c) found guilty of any fraud  
 8471 or misrepresentation in any connection, (d) convicted of a felony, or (e) engaged in conduct prejudicial to  
 8472 public confidence in the Lottery. Whoever knowingly and willfully falsifies, conceals, or misrepresents a  
 8473 material fact or knowingly and willfully makes a false, fictitious, or fraudulent statement or representation in  
 8474 any application for licensure to the Department for lottery sales agent is guilty of a Class 1 misdemeanor.

8475     D. In the event an applicant is a former lottery sales agent whose license was suspended, revoked, or  
 8476 refused renewal pursuant to this section or § 29.5-712, no application for a new license to sell lottery tickets  
 8477 or shares shall be considered for a minimum period of 90 days following the suspension, revocation, or  
 8478 refusal to renew.

8479     E. Prior to issuance of a license, every lottery sales agent shall either (i) be bonded by a surety company  
 8480 entitled to do business in the Commonwealth in such amount and penalty as may be prescribed by the  
 8481 regulations of the Department or (ii) provide such other surety as may be satisfactory to the Director,  
 8482 payable to the Virginia Lottery and conditioned upon the faithful performance of his duties.

8483     F. Every licensed agent shall prominently display his license, or a copy thereof, as provided in the  
 8484 regulations of the Department.

8485     **§ 29.5-710. Authority of persons licensed as lottery sales agents; annual fee.**

8486     A. Notwithstanding any other provision of law, any person licensed as provided in this subtitle is hereby  
 8487 authorized to act as a lottery sales agent.

8488     B. The rules and regulations of the Department shall provide for an initial licensing fee and an annual  
 8489 license review fee to be collected from each lottery sales agent. Such fee, as promulgated by rule and  
 8490 regulation of the Board, shall be designed to recover all or such portion of the installation and annual

8491 *operational costs borne by the Department in providing services to the agent.*

8492 **§ 29.5-711. Meaning of "gross receipts."**

8493 A. Notwithstanding the provisions of Chapter 37 (§ 58.1-3700 et seq.) of Title 58.1 or § 29.5-812 relating  
8494 to local license taxes, the term "gross receipts" as used in Chapter 37 shall include only the compensation  
8495 actually paid to a licensed sales agent as provided by rule or regulation adopted by the Board consistent with  
8496 the provisions of subdivision A 11 of § 29.5-707.

8497 B. Unless otherwise provided by contract, any person licensed as a lottery agent who makes rental  
8498 payments for the business premises on which state lottery tickets are sold on the basis of retail sales shall  
8499 have that portion of rental payment based on sales of state lottery tickets or shares computed on the basis of  
8500 the compensation received as a lottery agent from the Virginia Lottery.

8501 **§ 29.5-712. Suspension and revocation of licenses.**

8502 The Director may suspend, revoke, or refuse to renew, after notice and a hearing, any license issued  
8503 pursuant to this subtitle. Such license may, however, be temporarily suspended by the Director without prior  
8504 notice, pending any prosecution, hearing, or investigation, whether by a third party or by the Director. A  
8505 license may be suspended, revoked, or refused renewal by the Director for one or more of the following  
8506 reasons:

8507 1. Failure to properly account for lottery tickets received or the proceeds of the sale of lottery tickets;

8508 2. Failure to file a bond if required by the Director or to comply with instructions and rules and  
8509 regulations of the Department concerning the licensed activity, especially with regard to the prompt payment  
8510 of claims;

8511 3. Conviction of any offense referenced in subsection C of § 29.5-709 subsequent to licensure;

8512 4. Failure to file any return or report, to keep records, or to pay any fees or other charges required by this  
8513 subtitle;

8514 5. Any act of fraud, deceit, misrepresentation, or conduct prejudicial to public confidence in the  
8515 Commonwealth lottery;

8516 6. If the number of lottery tickets sold by the lottery sales agent is insufficient to meet administrative costs  
8517 and public convenience is adequately served by other licensees;

8518 7. A material change, since issuance of the license, with respect to any matters required to be considered  
8519 by the Director under this subtitle; or

8520 8. Other factors established by Department regulation.

8521 **§ 29.5-713. Prohibited actions; penalty.**

8522 Any person who (i) wrongfully and fraudulently uses, disposes of, conceals, or embezzles any public  
8523 money or funds associated with the operation of the lottery; (ii) wrongfully and fraudulently tampers with any  
8524 equipment or machinery used in the operation of the lottery; or (iii) makes inaccurate entries regarding a  
8525 financial accounting of the lottery in order to conceal the truth, defraud the Commonwealth, and obtain  
8526 money to which he is not entitled is guilty of a Class 3 felony.

8527 **§ 29.5-714. License required for "instant ticket" games or contests; penalty.**

8528 No person who owns or is employed by any retail establishment in the Commonwealth shall use any  
8529 "instant ticket" game or contest for the purpose of promoting or furthering the sale of any product without  
8530 first obtaining a license to do so from the Director. For the purposes of this section, an "instant ticket" game  
8531 or contest means a game of chance played on a paper ticket or card where (i) a person may receive gifts,  
8532 prizes, or gratuities and (ii) winners are determined by preprinted concealed letters, numbers, or symbols  
8533 which, when exposed, reveal immediately whether the player has won a prize or entry into a prize drawing,  
8534 but does not include any "instant ticket" game or contest licensed by the Virginia Gaming Commission  
8535 pursuant to Chapter 2 (§ 29.5-200 et seq.). The fact that no purchase is required in order to participate shall  
8536 not exclude such game or contest from the provisions of this section; however, nothing in this section shall  
8537 prohibit any retail establishment from using a Virginia lottery ticket to promote or further the sale of any  
8538 products except those having both a federal and state excise tax placed on them. Any person who violates this  
8539 section is guilty of a Class 3 misdemeanor.

8540 **§ 29.5-715. Unclaimed prizes.**

8541 A. Unclaimed prizes for a winning ticket or share shall be retained by the Director for the person entitled  
8542 thereto for 180 days after the drawing in which the prize was won in the case of a drawing prize and for 180  
8543 days after the announced end of the lottery game in the case of a prize determined in any manner other than  
8544 by means of a drawing. If no claim is made for the prize within the 180 days, the Director shall deem such  
8545 prize forfeited by the person entitled to claim such winnings.

8546 B. All prizes deemed forfeited pursuant to subsection A shall be paid into the Literary Fund. The Director  
8547 may develop procedures, to be approved by the Auditor of Public Accounts, for estimating the cumulative  
8548 total of such unclaimed prizes in any lottery game in lieu of specifically identifying unclaimed prizes where  
8549 such specific identification would not be cost effective. The Director, within 60 days after the end of each  
8550 180-day retention period, shall report the total value of prizes forfeited at the end of such period to the  
8551 Comptroller, who shall promptly transfer the total of such prizes to the Literary Fund. The total value of  
8552 prizes forfeited during the fiscal year shall be audited by the Auditor of Public Accounts in accordance with §

8553 29.5-719. *In the case of a prize payable over time on one or more winning tickets, if one or more winning  
 8554 tickets is not claimed within the 180-day redemption period, the Department shall transfer the then current  
 8555 monetary value of such portion of the prize remaining unclaimed to the Literary Fund in accordance with  
 8556 procedures approved by the State Treasurer. "Current monetary value" shall be determined by the net  
 8557 proceeds from the sale of that portion of jackpot securities allocated to the unclaimed winner plus the amount  
 8558 of the initial cash payment.*

8559 C. Subsection B shall not apply to prizes of \$25 or less resulting from any lottery game other than a  
 8560 lottery game in which a drawing determined the prize. The Board shall adopt regulations for the disposition  
 8561 of all such unclaimed prizes of \$25 or less not resulting from a drawing. Such disposition shall be directed in  
 8562 whole or in part to either the Virginia Lottery Fund or to other forms of compensation to licensed sales  
 8563 agents.

8564 D. For purposes of this section, "prize" refers to a cash prize. In the case of a prize payable over time and  
 8565 not as a lump sum payment, "prize" means the present cash value of the prize, not the value paid over time.

8566 E. In accordance with the provisions of the Soldiers' and Sailors' Civil Relief Act of 1940 (50 App.  
 8567 U.S.C.A. § 525), any person whose unclaimed prize was deemed forfeited pursuant to subsection A while he  
 8568 was in active military service may claim such forfeited prize by presenting his winning ticket to the Director  
 8569 no later than 180 days after his discharge from active military service. Within 30 days of such presentation,  
 8570 the Director shall verify the claim and report the verification to the Comptroller. The Comptroller shall  
 8571 promptly pay the verified claim first from funds available in the Unclaimed Property Trust Fund; if such  
 8572 funds are insufficient, then, from any undesignated, unreserved year-end balance of the general fund. All  
 8573 verified claims shall be paid in accordance with the Board's rules and regulations then in effect regarding the  
 8574 manner of payment of prizes to the holders of winning tickets or shares.

8575 § 29.5-716. *Deposit of moneys received by agents; performance of functions, etc., in connection with  
 8576 operation of lottery; compensation of agents.*

8577 A. The Director shall require all lottery sales agents to deposit to the credit of the Virginia Lottery Fund  
 8578 in banks, designated by the State Treasurer, all moneys received by such agents from the sale of lottery  
 8579 tickets or shares, less any amount paid as prizes or retained as compensation to agents for the sale of the  
 8580 tickets or shares, and to file with the Director, or his designated agents, reports of their receipts,  
 8581 transactions, and disbursements pertaining to the sale of lottery tickets in such form and containing such  
 8582 information as he may require. Such deposits and reports shall be submitted at such times and within such  
 8583 intervals as shall be prescribed by rule and regulation of the Department. The Director may arrange for any  
 8584 person, including a bank, to perform such functions, activities, or services in connection with the operation of  
 8585 the lottery as he may deem advisable pursuant to this subtitle and the rules and regulations of the  
 8586 Department, and such functions, activities, and services shall constitute lawful functions, activities, and  
 8587 services of the person.

8588 B. The rules and regulations of the Department shall provide for a service charge to the licensed agent if  
 8589 any payor bank dishonors a check or draft tendered for deposit to the credit of the Virginia Lottery Fund by a  
 8590 licensed agent or for an electronic transfer of funds to the Virginia Lottery Fund from the account of a  
 8591 licensed agent for money received from the sale of lottery tickets.

8592 The regulations of the Department shall provide for a service charge and penalty to a licensed agent if  
 8593 any payor bank dishonors a check or draft from the account of a licensed agent tendered for payment of any  
 8594 prize by a licensed agent to any claimant. Any such charge or penalty so collected by the Department shall be  
 8595 used first to reimburse the claimant for any charges or penalties incurred by him as a result of the licensed  
 8596 agent's dishonored check tendered as payment of any prize and the remainder to offset the Department's  
 8597 administrative costs.

8598 C. A licensed agent shall be charged interest as provided in § 58.1-15 on the money that is not timely paid  
 8599 to the Virginia Lottery Fund in accordance with the rules and regulations of the Department and shall in  
 8600 addition thereto pay penalties as provided by rules and regulations of the Department.

8601 D. Should the Department refer the debt of any licensed agent to the Attorney General, the Department of  
 8602 Taxation as provided in the Setoff Debt Collection Act (§ 58.1-520 et seq.), or any other central collection  
 8603 unit of the Commonwealth, an additional service charge shall be imposed in the amount necessary to cover  
 8604 the administrative costs of the Department and agencies to which such debt is referred.

8605 E. Notwithstanding the provisions of Chapter 5 (§ 8.01-257 et seq.) of Title 8.01, in any action for the  
 8606 collection of a debt owed by any licensed agent to the lottery, venue shall lie in the City of Richmond.

8607 F. All proceeds from the sale of lottery tickets or shares received by a person in the capacity of a sales  
 8608 agent shall constitute a trust fund until deposited into the Virginia Lottery Fund either directly or through the  
 8609 Department's authorized collection representative. Proceeds shall include cash proceeds of the sale of any  
 8610 lottery products, less any amount paid as prizes or retained as compensation to agents for the sale of the  
 8611 tickets or shares. Sales agents shall be personally liable for all proceeds.

8612 G. If the Director determines that the deposit or collection from any sales agent of any moneys or  
 8613 proceeds under this section is or will be jeopardized or will otherwise be delayed, he may adjust either the  
 8614 time or the interval or both for such deposits or collections of any sales agent; require that all such moneys

8615 or proceeds shall be kept separate and apart from all other funds and assets and shall not be commingled  
8616 with any other funds or assets prior to their deposit or collection under this section; and require such other  
8617 security of any sales agent as he may deem advisable to ensure the timely deposit or collection of moneys or  
8618 proceeds to the credit of the Virginia Lottery Fund.

8619 Collection of moneys or proceeds "is or will be jeopardized or will otherwise be delayed" when (i) a  
8620 check, draft, or electronic funds transfer to the credit of the Virginia Lottery Fund is dishonored as described  
8621 in subsection B; (ii) an independent auditor states that the lottery sales agent's financial condition raises  
8622 substantial doubt about its ability to continue as a going concern; or (iii) the lottery sales agent (a) closes for  
8623 business or fails to maintain normal business hours without reasonable explanation, (b) has a credit record  
8624 reflecting recent actions that cast doubt as to its creditworthiness, (c) states it has or may have cash flow  
8625 problems or may be unable to meet its financial obligations, (d) states it may seek the protection of the  
8626 federal bankruptcy or state insolvency law, (e) refuses to purchase additional lottery tickets or returns tickets  
8627 ordered without good cause, or (f) does any other act tending to prejudice or to render wholly or partially  
8628 ineffectual proceedings to collect moneys or proceeds that are or will become due and payable to the  
8629 Virginia Lottery Fund.

8630 **§ 29.5-717. Virginia Lottery Fund.**

8631 A. All moneys received from the sale of lottery tickets or shares, less payment for prizes and compensation  
8632 of agents as authorized by regulation and any other revenues received under this subtitle, shall be placed in a  
8633 special fund known as the "Virginia Lottery Fund." Notwithstanding any other provisions of law, interest  
8634 earned from moneys in the Virginia Lottery Fund shall accrue to the benefit of such Fund.

8635 B. The total costs for the operation and administration of the lottery shall be funded from the Virginia  
8636 Lottery Fund and shall be in such amount as provided in the general appropriation act. Appropriations to the  
8637 Department during any fiscal year beginning on and after July 1, 1989, exclusive of agent compensation,  
8638 shall at no time exceed 10 percent of the total annual estimated gross revenues to be generated from lottery  
8639 sales. However, should it be anticipated at any time by the Director that such operational and administrative  
8640 costs for a fiscal year will exceed the limitation provided herein, the Director shall immediately report such  
8641 information to the Board, the Governor, and the Chairs of the Senate Committee on Finance and  
8642 Appropriations and the House Committee on Appropriations. From the moneys in the Fund, the Comptroller  
8643 shall establish a special reserve fund in such amount as shall be provided by regulation of the Department  
8644 for (i) operation of the lottery, (ii) use if the game's pay-out liabilities exceed its cash on hand, or (iii)  
8645 enhancement of the prize pool with income derived from lending securities held for payment of prize  
8646 installments, which lending of securities shall be conducted in accordance with lending programs approved  
8647 by the Department of the Treasury.

8648 C. The Comptroller shall transfer to the Lottery Proceeds Fund established pursuant to § 29.5-718, less  
8649 the special reserve fund, the audited balances of the Virginia Lottery Fund at the close of each fiscal year.  
8650 The transfer for each year shall be made in two parts: (i) on or before June 30, the Comptroller shall transfer  
8651 balances of the Virginia Lottery Fund for the fiscal year, based on an estimate determined by the Virginia  
8652 Lottery, and (ii) no later than 10 days after receipt of the annual audit report required by § 29.5-719, the  
8653 Comptroller shall transfer to the Lottery Proceeds Fund the remaining audited balances of the Virginia  
8654 Lottery Fund for the fiscal year. If such annual audit discloses that the actual revenue is less than the  
8655 estimate on which the transfer was based, the State Comptroller shall transfer the difference between the  
8656 actual revenue and the estimate from the Lottery Proceeds Fund to the Virginia Lottery Fund.

8657 D. In addition to such other funds as may be appropriated, 100 percent of the lottery revenues transferred  
8658 to the Lottery Proceeds Fund shall be appropriated entirely and solely for the purpose of public education in  
8659 the Commonwealth unless otherwise redirected pursuant to Article X, Section 7-A of the Constitution of  
8660 Virginia. The additional appropriation of lottery revenues to local school divisions for public education  
8661 purposes consistent with this provision shall be used for operating, capital outlay, or debt service expenses,  
8662 as determined by the appropriation act. The additional appropriation of lottery revenues shall not be used by  
8663 any local school division to reduce its total local expenditures for public education in accordance with the  
8664 provisions of the general appropriation act.

8665 E. As a function of the administration of this subtitle, funds may be expended for the purposes of  
8666 reasonably informing the public concerning (i) the facts embraced in the subjects contained in subdivisions A  
8667 I through 7 of § 29.5-707 and (ii) the fact that the net proceeds are paid into the Lottery Proceeds Fund of  
8668 the Commonwealth, but no funds shall be expended for the primary purpose of inducing persons to  
8669 participate in the lottery.

8670 **§ 29.5-718. Lottery Proceeds Fund.**

8671 A. There is hereby created in the state treasury a special nonreverting fund to be known as the Lottery  
8672 Proceeds Fund, referred to in this section as the "Fund." The Fund shall be established on the books of the  
8673 Comptroller and interest earned on moneys in the Fund shall remain in the Fund and be credited to it. Any  
8674 moneys remaining in the Fund, including interest thereon, at the end of each fiscal year shall not revert to the  
8675 general fund but shall remain in the Fund. The Fund shall consist of amounts deposited into it from the net  
8676 revenues of any lottery conducted by the Commonwealth pursuant to Article X, Section 7-A of the

8677 *Constitution of Virginia.*

8678 *B. For purposes of any appropriation act enacted by the General Assembly and for the purposes of the*  
 8679 *Comptroller's preliminary and final annual reports required by § 2.2-813, all deposits to and appropriations*  
 8680 *from the Lottery Proceeds Fund shall be accounted for and considered to be a part of the general fund of the*  
 8681 *state treasury.*

8682 **§ 29.5-719. Post-audit of accounts and transactions of Department; post-compliance audits.**

8683 *A regular post-audit shall be conducted of all accounts and transactions of the Department. An annual*  
 8684 *audit of a fiscal and compliance nature of the accounts and transactions of the Department shall be*  
 8685 *conducted by the Auditor of Public Accounts on or before August 15 of each year. The cost of the annual*  
 8686 *audit and post-audit examinations shall be borne by the Department. The Board may order such other audits*  
 8687 *as it deems necessary and desirable.*

8688 **§ 29.5-720. Employees of the Department.**

8689 *Employees of the Department shall be exempt from the provisions of the Virginia Personnel Act, Chapter*  
 8690 *29 (§ 2.2-2900 et seq.) of Title 2.2. Personnel actions shall be taken without regard to race, sex, sexual*  
 8691 *orientation, gender identity, color, ethnic or national origin, religion, age, disability, or political affiliation.*

8692 **§ 29.5-721. Judicial review.**

8693 *The action of the Board in granting or denying a license or registration or in suspending or revoking any*  
 8694 *license or registration under the provisions of this subtitle shall be subject to review in accordance with the*  
 8695 *provisions of the Administrative Process Act (§ 2.2-4000 et seq.). Such review shall be limited to the*  
 8696 *evidential record of the proceedings provided by the Board. Both the petitioner and the Board shall have the*  
 8697 *right to appeal to the Court of Appeals from any order of the court.*

8698 **CHAPTER 8.**

8699 **ADMINISTRATION OF TICKETS AND PRIZES.**

8700 **§ 29.5-800. Lottery tickets to bear telephone number for compulsive gamblers.**

8701 *All lottery tickets shall bear a toll-free telephone number for "Gamblers Anonymous" or other*  
 8702 *organization that provides assistance to compulsive gamblers.*

8703 **§ 29.5-801. Posting of illegal gaming tip line.**

8704 *Every licensed lottery sales agent shall post in a conspicuous place in its retail establishment a sign that*  
 8705 *bears (i) the toll-free telephone number and website for the illegal gaming tip line established and*  
 8706 *administered by the Office of the Gaming Enforcement Coordinator in the Department of State Police*  
 8707 *pursuant to § 52-54 for members of the public to report concerns about, or suspected instances of, illegal*  
 8708 *gaming activities and (ii) the toll-free telephone number for the National Problem Gambling Helpline.*

8709 **§ 29.5-802. Right to prize not assignable; exceptions.**

8710 *A. No right of any person to a prize drawn shall be assignable, except that: (i) payment of any prize*  
 8711 *drawn may be paid according to the terms of a deceased prize winner's beneficiary designation or similar*  
 8712 *form filed with the Department or to the estate of a deceased prize winner who has not completed such a*  
 8713 *form; (ii) the prize to which the winner is entitled may be paid to a person pursuant to an appropriate*  
 8714 *judicial order; and (iii) payment of any prize drawn may be paid in accordance with the provisions of §*  
 8715 *29.5-811. Payments made according to the terms of a deceased prize winner's beneficiary designation or*  
 8716 *similar form filed with the Department are effective by reason of the contract involved and this statute and*  
 8717 *are not to be considered as testamentary or subject to Chapter 4 (§ 64.2-400 et seq.) of Title 64.2. The*  
 8718 *Director shall be discharged of all liability upon payment of a prize pursuant to this section.*

8719 *B. Investments of prize proceeds made by the Department to fund the payment of an annuitized prize are*  
 8720 *to be held in the name of the Department or the Commonwealth and not in the name of the prize winner. Any*  
 8721 *claim of a prize winner to a future payment remains inchoate until the date the payment is due under*  
 8722 *Department regulations.*

8723 *C. Except as provided in Chapter 19 (§ 63.2-1900 et seq.) of Title 63.2 and this subtitle, no lottery prize*  
 8724 *or installment thereof may be subject to garnishment or to a lien of any kind until such prize or installment*  
 8725 *thereof has been paid or distributed.*

8726 *D. Whenever the Department or the Director is or may be named as a party in any proceeding instituted*  
 8727 *by or on behalf of one or more persons who claim ownership of a winning lottery ticket, prize, share, or*  
 8728 *portion thereof for the purpose of determining the ownership or right to such ticket, prize, share, or portion*  
 8729 *thereof, the Director may voluntarily pay or tender the prize, share, or portion thereof into the circuit court*  
 8730 *where the action is filed, or may be ordered to do so by the court, and shall thereupon be discharged from all*  
 8731 *liability as between the claimants of such ticket, prize, share, or portion thereof without regard to whether*  
 8732 *such payment was made voluntarily or pursuant to a court order.*

8733 *Nothing in this section shall be deemed to constitute a waiver of the sovereign immunity of the*  
 8734 *Commonwealth or to authorize any attachment, garnishment, or lien against the prize, share, or portion*  
 8735 *thereof paid into the court except as permitted by subsection C.*

8736 **§ 29.5-803. Price of tickets or shares; who may sell; penalty.**

8737 *No person shall sell a ticket or share at any price or at any location other than that fixed by rules and*  
 8738 *regulations of the Department. No person other than a licensed lottery sales agent or his employee shall sell*

8739 *lottery tickets or shares, except that nothing in this section shall be construed to prevent any person from giving lottery tickets or shares to another person 18 years of age or older as a gift. No person shall operate a ticket courier service in the Commonwealth.*

8742 Any person convicted of violating this section is guilty of a Class 1 misdemeanor.

8743 **§ 29.5-804. Method of payment for purchase of tickets or shares.**

8744 *Lottery sales agents licensed in accordance with this subtitle shall accept only cash or debit cards in payment for the purchase of lottery tickets or shares.*

8745 **§ 29.5-805. Sale of ticket or share to person younger than 18 years of age prohibited; penalty.**

8746 *No ticket or share shall be sold to or redeemed from any person younger than 18 years of age. Any licensee who knowingly sells or offers to sell or redeem a lottery ticket or share to or from any person younger than 18 years of age is guilty of a Class 1 misdemeanor.*

8747 **§ 29.5-806. Gift to minor prohibited; penalty.**

8748 *No ticket or share shall be given as a gift or otherwise to any person younger than 18 years of age. Any person who knowingly gives a lottery ticket or share to any person younger than 18 years of age is guilty of a Class 3 misdemeanor.*

8749 **§ 29.5-807. Alteration and forgery; presentation of counterfeit or altered ticket or share; penalty.**

8750 *Any person who (i) forges, alters, or fraudulently makes any lottery ticket or share with intent to present for payment or to transfer to another person to be presented for payment or (ii) knowingly presents for payment or transfers to another person to be presented for payment such forged, altered, or fraudulently made counterfeit lottery ticket or share sold pursuant to this subtitle is guilty of a Class 6 felony.*

8751 **§ 29.5-808. Larceny of tickets; fraudulent notification of prizes; penalty.**

8752 *A. Any person who steals or otherwise unlawfully converts to his own or another's use a lottery ticket, prize, share, or portion thereof is guilty of larceny. For purposes of this subsection, the value of a lottery ticket, prize, share, or portion thereof shall be deemed to be the greater of its face amount or its redemption value.*

8753 *B. Any person who, with intent to defraud, steal, embezzle, or violate the provisions of § 18.2-186.3, designs, makes, prints, or otherwise produces, in whole or in part, a document or writing, whether in printed or electronic form, that falsely purports to be correspondence from or on behalf of the lottery is guilty of a Class 5 felony.*

8754 *Jurisdiction shall lie and prosecution may proceed under this subsection in any county or city (i) in which the document was created; (ii) from which it was sent, regardless of the form of delivery; or (iii) in which it was received, regardless of the form of delivery.*

8755 **§ 29.5-809. Ticket discounting; civil penalties.**

8756 *A. As used in this section, "ticket discounting" means reselling or having a person other than the prize winner claim a winning lottery ticket or buying or claiming a winning lottery ticket for the purpose of assisting the original prize winner with concealing his identity as a prize winner.*

8757 *B. No person shall engage in the practice of ticket discounting.*

8758 *C. Any person found to have engaged in the practice of ticket discounting shall be fined as determined by the Director (i) for prizes of less than \$1,000, not more than \$250; (ii) for prizes of \$1,000 or more but less than \$5,000, more than \$250 but not more than \$500; and (iii) for prizes of \$5,000 or more, no less than \$1,000. All fines recovered for violations of this section shall be paid into the state treasury to the credit of the Literary Fund, in accordance with § 19.2-353.*

8759 **§ 29.5-810. Certain persons ineligible to purchase tickets or shares or receive prizes.**

8760 *A. No ticket or share shall be purchased by, and no prize shall be paid on a ticket purchased by or transferred to, any (i) Board member, officer, or employee of the Lottery; (ii) board member, officer, or employee of any vendor to the Lottery or lottery online or instant ticket goods or services working directly on a contract with the Department for such goods or services; (iii) person residing in the same household of such member, officer, or employee; or (iv) person younger than 18 years of age or the transferee of any such person.*

8761 *B. Only natural persons may purchase lottery tickets and claim prize winnings. In all cases, the identity and social security number of all natural persons who receive a prize greater than \$100 from a winning ticket redeemed at any Department office shall be provided in order to comply with this section and §§ 29.5-805, 29.5-806, and 29.5-813 and Chapter 19 (§ 63.2-1900 et seq.) of Title 63.2.*

8762 **§ 29.5-811. Voluntary assignment of lottery prizes or pledge as collateral for a loan; requirements for the assignees and lenders.**

8763 *A. Lottery prizes, payable in installments over a period of time, excluding prizes payable for the winner's life, may be voluntarily assigned or pledged as collateral for a loan, in whole or in part, by the person entitled to such installments, by written contract affirming that the requirements of this section have been met and endorsed by written order of a court of competent jurisdiction after a hearing. The order shall specify the name, address, and social security number or tax identification number of the assignee or lender and shall specifically describe the payments be assigned or pledged as collateral by date and gross pre-tax amount. The Department shall be given notice of any hearing held pursuant to this section and shall have the right to*

8801 appear and participate in such hearing. Venue for hearings held pursuant to this section shall be in the  
 8802 Circuit Court of the City of Richmond.

8803 The rate charged for any such assignment or loan shall not exceed 15 percent.

8804 The contract shall:

8805 1. Be signed by the assignor and the assignee or the lender and the borrower, and the assignor or  
 8806 borrower shall affirm the assignment or loan has been voluntarily executed.

8807 2. Include or be accompanied by a sworn statement attesting that the assignor or borrower (i) is of sound  
 8808 mind and not acting under duress; (ii) has been advised in writing by the assignee or lender to seek  
 8809 independent legal counsel and independent financial counsel concerning the implications of the assignment  
 8810 or loan, including the tax consequences, and has either received such advice or knowingly waived such  
 8811 advice in writing; (iii) understands that he is relinquishing or limiting his rights to receive the lottery  
 8812 proceeds; and (iv) has received from the Virginia Lottery, in response to a written request therefor,  
 8813 confirmation of the assignee's or lender's registration with the Virginia Lottery in accordance with subsection  
 8814 E.

8815 3. Include a disclosure statement setting forth (i) the amounts assigned or loaned; (ii) the dates such  
 8816 amounts are payable; (iii) the purchase price paid for the assignment or loan; (iv) the rate of discount to  
 8817 present value, assuming daily compounding and funding on the contract date; (v) the amount of any fees  
 8818 associated with the assignment or loan and by whom such fees are payable; and (vi) the tax identification  
 8819 number of the assignee.

8820 4. Expressly state that the assignor or borrower has three business days after signing the contract to  
 8821 cancel the assignment or loan.

8822 5. Expressly state that the assignee or lender is eligible to purchase, share, or receive prizes of the  
 8823 Virginia Lottery pursuant to §§ 29.5-805, 29.5-806, and subsection A of § 29.5-810, and that the Virginia  
 8824 Lottery has complied with subsection B of § 29.5-810 in that the original prizewinner is, or if deceased, was,  
 8825 a natural person if and to the extent that the prize was awarded on or after the effective date pursuant to  
 8826 subsection B of § 29.5-810.

8827 6. Expressly state that no amounts assigned or loaned are subject to setoff pursuant to Article 21  
 8828 (§ 58.1-520 et seq.) of Chapter 3 of Title 58.1.

8829 B. The Commonwealth, the Virginia Lottery, and any employee or representative of either shall be  
 8830 indemnified and held harmless upon payment of amounts due as set forth in the court order.

8831 C. The Virginia Lottery may establish a reasonable fee to process the assignments provided for in this  
 8832 section and to receive, review, and file the registration required by subsection E and confirm compliance  
 8833 with the registration requirements. The fee shall be reflective of the direct and indirect costs of processing the  
 8834 assignments or registrations.

8835 D. Notwithstanding the provisions of this section, the Commonwealth and the Virginia Lottery shall not  
 8836 accept any assignment if either of the following has occurred:

8837 1. Federal law provides that the right to assign lottery proceeds is deemed receipt of income in the year  
 8838 the lottery prize is won for all installment lottery prize winners. "Federal law" includes statutory law, rulings  
 8839 of courts of competent jurisdiction, and published rulings by the Internal Revenue Service.

8840 2. State law provides that the right to assign lottery proceeds is deemed receipt of income in the year the  
 8841 lottery prize is won for all installment lottery prize winners. "State law" includes statutory law, rulings of  
 8842 courts of competent jurisdiction, and published rulings by the Department of Taxation.

8843 E. An assignee, prospective assignee, lender, or prospective lender shall not make any representation in  
 8844 any written or oral communications with a lottery winner that implies that the assignee, prospective assignee,  
 8845 lender, or prospective lender is associated with or an agent of the Virginia Lottery. Every prospective  
 8846 assignee or prospective lender shall register with the Virginia Lottery prior to contracting for any assignment  
 8847 or loan pursuant to this section. The registration shall include (i) the assignee's or lender's standard  
 8848 information packet or materials given or sent to prospective assignees or borrowers; (ii) the assignee's or  
 8849 lender's standard form of agreement; (iii) the assignee's or lender's federal tax identification number; and  
 8850 (iv) where applicable, the assignee's or lender's most recent public financial statement. The Director may  
 8851 deny, suspend, or revoke a registration for a violation of this subtitle or for such other reasons as the Board,  
 8852 by regulation, may establish.

8853 **§ 29.5-812. Exemption of lottery prizes and sales of tickets from state and local taxation.**

8854 Except as provided in § 29.5-711 and Chapter 3 (§ 58.1-300 et seq.) of Title 58.1, no state or local taxes  
 8855 of any type whatsoever shall be imposed upon any prize awarded or upon the sale of any lottery ticket sold  
 8856 pursuant to the Virginia Lottery Law.

8857 **§ 29.5-813. Set-off of debts to the Commonwealth from prizes.**

8858 The Director shall establish by rule and regulation a set-off debt collection program in accordance with  
 8859 the provisions of the Setoff Debt Collection Act (§ 58.1-520 et seq.), wherein certain prizes shall be subjected  
 8860 to delinquent debts of agencies and institutions of the Commonwealth. The Director shall be responsible for  
 8861 the administration of the program and shall ensure by rule and regulation of the Department that any agency  
 8862 eligible to participate in the Setoff Debt Collection Act shall be eligible to participate in the lottery prize set-

8863 off. The Tax Commissioner shall transmit to the Director, at such intervals as requested by the Director, a  
8864 listing of claimant agencies and delinquent debts owed thereto.

8865 **§ 29.5-814. Disclosure of identity of winners by the Department.**

8866 Except as provided in subsection B of § 29.5-810, the Department shall not disclose information about the  
8867 identity of an individual lottery winner if the value of the prize won by the winner is \$1 million or greater,  
8868 unless the winner consents in writing to such disclosure.

8869 **SUBTITLE III.**

8870 **ILLEGAL GAMBLING.**

8871 **CHAPTER 9.**

8872 **ILLEGAL GAMBLING.**

8873 **§ 29.5-900. Definitions.**

8874 As used in this subtitle, unless the context requires a different meaning:

8875 "Amusement device" means a game that is activated by a coin, token, or other object of consideration or  
8876 value and that does not provide the opportunity to (i) enter into a sweepstakes, lottery, or other illegal  
8877 gambling event or (ii) receive any form of consideration or value, except for an appropriate reward.

8878 "Appropriate reward" means a noncash, merchandise prize (i) the value of which does not exceed the cost  
8879 of playing the amusement device or the total aggregate cost of playing multiple amusement devices, (ii) that  
8880 is not and does not include an alcoholic beverage, (iii) that is not eligible for repurchase, and (iv) that is not  
8881 exchangeable for cash or cash equivalents.

8882 "Gambling device" means (i) any device, machine, paraphernalia, equipment, or other thing, including all  
8883 books, records, and other papers, which are actually used in an illegal gambling operation or activity; (ii)  
8884 any machine, apparatus, implement, instrument, contrivance, board, or other thing, or any electronic or  
8885 video version thereof, including those dependent upon the insertion of a coin or other object for their  
8886 operation, which operates, either completely automatically or with the aid of some physical act by the player  
8887 or operator, in such a manner that, depending upon elements of chance, it may eject something of value or  
8888 determine the prize or other thing of value to which the player is entitled, provided, however, that the return  
8889 to the user of nothing more than additional chances or the right to use such machine is not deemed something  
8890 of value within the meaning of this definition; and provided further, that machines that only sell, or entitle the  
8891 user to obtain, items of merchandise of equivalent value that may differ from each other in composition, size,  
8892 shape, or color, shall not be deemed gambling devices within the meaning of this definition; and (iii) skill  
8893 games.

8894 Such devices are no less gambling devices if they indicate beforehand the definite result of one or more  
8895 operations, but not all the operations; nor are they any less a gambling device because, apart from their use  
8896 or adaptability as such, they may also sell or deliver something of value on a basis other than chance.

8897 "Illegal gambling" means the making, placing, or receipt of any bet or wager within the Commonwealth  
8898 of money or other consideration or thing of value, made in exchange for a chance to win a prize, stake, or  
8899 other consideration or thing of value, dependent upon the result of any game, contest, or any other event the  
8900 outcome of which is uncertain or a matter of chance, whether such game, contest, or event occurs or is to  
8901 occur inside or outside the limits of the Commonwealth.

8902 For purposes of this definition and notwithstanding any provision in this section to the contrary, the  
8903 making, placing, or receipt of any bet or wager of money or other consideration or thing of value includes the  
8904 purchase of a product, internet access, or other thing made in exchange for a chance to win a prize, stake, or  
8905 other consideration or thing of value by means of the operation of a gambling device as described in clause  
8906 (ii) of the definition of "gambling device," regardless of whether the chance to win such prize, stake, or other  
8907 consideration or thing of value may be offered in the absence of a purchase.

8908 "Illegal gambling" also means the playing or offering for play of any skill game.

8909 "Interstate gambling" means the conduct of an enterprise for profit that engages in the purchase or sale  
8910 within the Commonwealth of any interest in a lottery of another state or country, whether or not such interest  
8911 is an actual lottery ticket, receipt, contingent promise to pay, order to purchase, or other record of such  
8912 interest.

8913 "Operator" means any person, firm, or association of persons who conducts, finances, manages,  
8914 supervises, directs, or owns all or part of an illegal gambling enterprise, activity, or operation.

8915 "Skill" means the knowledge, dexterity, or any other ability or expertise of a natural person.

8916 "Skill game" means an electronic, computerized, or mechanical contrivance, terminal, machine, or other  
8917 device that requires the insertion of a coin, currency, ticket, token, or similar object to operate, activate, or  
8918 play a game, the outcome of which is determined by any element of skill of the player and that may deliver or  
8919 entitle the person playing or operating the device to receive cash or cash equivalents, gift cards, vouchers,  
8920 billets, tickets, tokens, or electronic credits to be exchanged for cash or cash equivalents whether the payoff  
8921 is made automatically from the device or manually. "Skill game" includes a device that (i) contains a meter  
8922 or measurement device that records the number of free games or portions of games that are rewarded and  
8923 (ii) is designed or adapted to enable a person using the device to increase the chances of winning free games  
8924 or portions of games by paying more than the amount that is ordinarily required to play the game. "Skill

8925 game" does not include any amusement device.

8926 "Unregulated location" means any location that is not regulated or operated by the Virginia Gaming  
8927 Commission, the Virginia Lottery or the Virginia Lottery Board, the Virginia Alcoholic Beverage Control  
8928 Authority, or the Virginia Racing Commission.

8929 **§ 29.5-901. Greyhound racing and simulcasting prohibited; penalty.**

8930 Any person who (i) holds, conducts, or operates any greyhound race for public exhibition in the  
8931 Commonwealth for monetary remuneration or (ii) transmits or receives interstate or intrastate simulcasting  
8932 of any greyhound race for commercial purposes in the Commonwealth is guilty of a Class 4 felony.

8933 **§ 29.5-902. Penalty for illegal gambling.**

8934 A. Except as otherwise provided in this chapter, any person who illegally gambles or engages in interstate  
8935 gambling is guilty of a Class 3 misdemeanor. If an association or pool of persons illegally gambles, each  
8936 such person is guilty of illegal gambling.

8937 B. However, if any person makes, places, or receives any bet or wager of money or other thing of value on  
8938 a live horse race or historical horse race in the Commonwealth, whether such race is inside or outside the  
8939 limits of the Commonwealth, at any place or through any means other than (i) a racetrack or satellite facility,  
8940 as defined in § 29.5-601, licensed by the Virginia Racing Commission pursuant to Chapter 6 (§ 29.5-600 et  
8941 seq.), (ii) advance deposit account wagering, as defined in § 29.5-601, or (iii) a racetrack or satellite facility  
8942 licensed by the Virginia Gaming Commission pursuant to Chapter 6 (§ 29.5-600 et seq.) to conduct historical  
8943 horse racing, such person is guilty of a Class 1 misdemeanor. For purposes of this subsection, venue shall be  
8944 in any county or city in which any act was performed in furtherance of any course of conduct constituting  
8945 illegal gambling.

8946 **§ 29.5-903. Winning by fraud; penalty.**

8947 If any person, while gambling, cheats, or by fraudulent means wins or acquires for himself or another  
8948 money or any other valuable thing, he shall be fined not less than five nor more than 10 times the value of  
8949 such winnings. Such penalty shall be in addition to any other penalty imposed under this chapter.

8950 **§ 29.5-904. Conducting an illegal gambling operation; penalties.**

8951 A. As used in this section, "gross revenue" means the total amount of illegal gambling transactions  
8952 handled, dealt with, received by, or placed with such operation, as distinguished from any net figure or  
8953 amount from which deductions are taken, without regard to whether money or any other thing of value  
8954 actually changes hands.

8955 B. The operator of an illegal gambling enterprise, activity, or operation is guilty of a Class 6 felony.  
8956 However, any such operator who engages in an illegal gambling operation that has (i) been or remains in  
8957 substantially continuous operation for a period in excess of 30 days or (ii) gross revenue of \$2,000 or more  
8958 in any single day shall be fined not more than \$20,000 and imprisoned not less than one year nor more than  
8959 10 years.

8960 **§ 29.5-905. Owners, etc., of gambling place permitting its continuance; penalty.**

8961 Any owner, lessee, tenant, occupant, or other person in control of any place or conveyance who knows, or  
8962 reasonably should know, that such place or conveyance is being used for illegal gambling, and permits such  
8963 gambling to continue without having notified a law-enforcement officer of the presence of such illegal  
8964 gambling activity is guilty of a Class 1 misdemeanor.

8965 **§ 29.5-906. Accessories to gambling activity; penalty.**

8966 Any person, firm, or association of persons, other than those persons specified in other sections of this  
8967 chapter, who knowingly aids, abets, or assists in the operation of an illegal gambling enterprise, activity, or  
8968 operation is guilty of a Class 1 misdemeanor.

8969 **§ 29.5-907. Illegal possession, etc., of a gambling device; enforcement; penalty.**

8970 A. Any person who (i) manufactures, sells, transports, rents, gives away, places, or possesses, or (ii)  
8971 conducts or negotiates any transaction affecting or designed to affect ownership, custody, or use of any  
8972 gambling device, believing or having reason to believe that the same is to be used in the advancement of  
8973 unlawful gambling activity is guilty of illegal possession of a gambling device, a Class 1 misdemeanor.

8974 B. If it comes to the knowledge of the Governor that the provisions of this section are not being enforced  
8975 in any locality, the Governor may call upon the Attorney General to direct its enforcement in such locality.  
8976 The Attorney General may instruct the attorney for the Commonwealth and the chief law-enforcement officer  
8977 of such locality to take such steps as may be necessary to ensure the enforcement of this section in such  
8978 locality. If any such officers, after receiving such instructions, fail or refuse to exercise due diligence in the  
8979 enforcement of this section, the Attorney General shall report, in writing, to the Governor and to the judge of  
8980 the circuit court having jurisdiction over the acts thereby prohibited. The Attorney General, upon being  
8981 directed to do so by the Governor, shall take such steps he deems proper in directing the institution and  
8982 prosecution of criminal proceedings to enforce this section.

8983 **§ 29.5-908. Operation of gambling devices at unregulated locations; civil penalty.**

8984 A. In addition to any other penalty provided by law, any person who conducts, finances, manages,  
8985 supervises, directs, sells, or owns a gambling device that is located in an unregulated location is subject to a  
8986 civil penalty of up to \$25,000 for each gambling device located in such unregulated location.

8987     *B. The Attorney General, an attorney for the Commonwealth, or the attorney for any locality may cause*  
8988     *an action in equity to be brought in the name of the Commonwealth or of the locality, as applicable, to*  
8989     *immediately enjoin the operation of a gambling device in violation of this section and to request an*  
8990     *attachment against all such devices and any moneys within such devices pursuant to Chapter 20 (§ 8.01-533*  
8991     *et seq.) of Title 8.01 and to recover the civil penalty of up to \$25,000 per device.*

8992     *C. In any action brought under this section, the Attorney General, the attorney for the Commonwealth, or*  
8993     *the attorney for the locality may recover reasonable expenses incurred by the Commonwealth or local agency*  
8994     *in investigating and preparing the case and attorney fees.*

8995     *D. Any civil penalties assessed under this section in an action in equity brought in the name of the*  
8996     *Commonwealth shall be paid into the Literary Fund. Any civil penalties assessed under this section in an*  
8997     *action in equity brought in the name of a locality shall be paid into the general fund of the locality.*

8998     **§ 29.5-909. Certain acts not deemed "consideration" in prosecution under this chapter.**

8999     *In any prosecution under this chapter, no consideration shall be deemed to have passed or been given*  
9000     *because of any person's attendance upon the premises of another; his execution, mailing, or delivery of an*  
9001     *entry blank; his answering of questions, verbally or in writing; his witnessing of a demonstration or other*  
9002     *proceeding; or any one or more thereof, where no charge is made to, paid by, or any purchase required of*  
9003     *him in connection with such action.*

9004     **§ 29.5-910. Immunity of witnesses from prosecution.**

9005     *No witness called by the Commonwealth or by the court, giving evidence before the grand jury or in any*  
9006     *prosecution under this chapter, shall be prosecuted for the offense being prosecuted concerning which he is*  
9007     *testifying. Such witness shall be compelled to testify and may be punished for contempt for his refusal to*  
9008     *testify.*

9009     **§ 29.5-911. Enjoining offenses related to illegal gambling.**

9010     *Whenever any person commits, permits to be committed, or is about to commit or permit any act*  
9011     *prohibited by any one or more of the sections in this chapter, the attorney for the Commonwealth of the*  
9012     *county or city in which such act is being, or is about to be, committed or permitted, or the Attorney General*  
9013     *of the Commonwealth, may institute and maintain a suit in equity in the appropriate court, in the name of the*  
9014     *Commonwealth, upon the relation of such attorney for the Commonwealth, or the Attorney General, to enjoin*  
9015     *and restrain such person from committing, or permitting, such prohibited act or acts. The procedure in any*  
9016     *such suit shall be similar to the procedure in other suits for injunctions, except that no bond shall be required*  
9017     *upon the granting of either a temporary or permanent injunction therein.*

9018     **§ 29.5-912. County ordinances prohibiting illegal gambling.**

9019     *The governing body of any county may adopt ordinances prohibiting illegal gambling, including a*  
9020     *provision for forfeiture proceedings in accordance with Chapter 22.1 (§ 19.2-386.1 et seq.) of Title 19.2.*  
9021     *Such ordinances shall not conflict with the provisions of this chapter or with other state laws, and any*  
9022     *penalties provided for violation of such ordinances shall not exceed a fine of \$2,500 or confinement in jail for*  
9023     *12 months, either or both.*

9024     **§ 29.5-913. Exceptions to chapter; penalty.**

9025     *A. Nothing in this chapter shall be construed to prevent any contest of speed or skill between people,*  
9026     *animals, fowl, or vehicles, where participants may receive prizes or different percentages of a purse, stake, or*  
9027     *premium dependent upon whether they win or lose or upon their position or score at the end of such contest.*

9028     *Any participant, who, for the purpose of competing for any such purse, stake, or premium offered in any*  
9029     *such contest, knowingly and fraudulently enters (i) any contestant other than the contestant purported to be*  
9030     *entered or (ii) a contestant in a class in which it does not belong, is guilty of a Class 3 misdemeanor.*

9031     *B. Nothing in this chapter shall be construed to make it illegal to participate in a game of chance*  
9032     *conducted in a private residence, provided such private residence is not commonly used for such games of*  
9033     *chance and there is no operator.*

9034     *C. Nothing in this chapter shall:*

9035        *1. Apply to any bingo game, instant bingo, network bingo, raffle, duck race, or Texas Hold'em poker*  
9036        *tournament conducted solely by organizations, as defined in § 29.5-200, that have received a permit, as set*  
9037        *forth in § 29.5-209, or which are exempt from the permit requirement under § 29.5-206;*

9038        *2. Be construed to make it illegal to participate in any casino gaming operation conducted in accordance*  
9039        *with Chapter 3 (§ 29.5-300 et seq.);*

9040        *3. Apply to any sports betting or related activity that is lawful under Chapter 4 (§ 29.5-400 et seq.);*

9041        *4. Apply to any fantasy contest conducted in accordance with the provisions of Chapter 5 (§ 29.5-500 et*  
9042        *seq.);*

9043        *5. Be construed to make it illegal to participate in any race meeting or pari-mutuel wagering conducted in*  
9044        *accordance with Chapter 6 (§ 29.5-600 et seq.);*

9045        *6. Apply to any lottery conducted by the Commonwealth pursuant to Subtitle II (§ 29.5-700 et seq.); or*

9046        *7. Apply to the placement or operation of, or communication to and from, data center equipment in the*  
9047        *Commonwealth associated with the hosting of lottery games duly authorized by another state or jurisdiction*  
9048        *and regulated and operated consistent with and exclusively for the benefit of such state or jurisdiction,*

9049 *provided that wagering on such games is legally authorized in such other state or jurisdiction and the*  
 9050 *individuals wagering on such games are required by the laws or regulations of such other state or*  
 9051 *jurisdiction to be physically located within the geographic bounds of such other state or jurisdiction at the*  
 9052 *time the wager is initiated or placed.*

9053 *D. A person may make amusement devices available for play if the prize won or distributed to a player is*  
 9054 *a noncash, merchandise prize or a voucher, billet, ticket, token, or electronic credit redeemable only for an*  
 9055 *appropriate reward. An appropriate reward shall only be redeemable on the premises where the amusement*  
 9056 *device is located.*

9057 *An amusement device shall not be designed or adapted to cause or enable a person to cause the release of*  
 9058 *free games or portions of games when designated as a potential reward for use of the device and shall not*  
 9059 *contain any meter or other measurement device to record the number of free games or portions of games that*  
 9060 *are rewarded.*

9061 *An amusement device shall not be designed or adapted to enable a person using the device to increase the*  
 9062 *chances of winning free games or portions of games by paying more than is ordinarily required to play the*  
 9063 *game.*

9064 **§ 37.2-304. Duties of Commissioner.**

9065 The Commissioner shall be the chief executive officer of the Department and shall have the following  
 9066 duties and powers:

9067 1. To supervise and manage the Department and its state facilities.

9068 2. To employ the personnel required to carry out the purposes of this title.

9069 3. To make and enter into all contracts and agreements necessary or incidental to the performance of the  
 9070 Department's duties and the execution of its powers under this title, including contracts with the United  
 9071 States, other states, and agencies and governmental subdivisions of the Commonwealth, consistent with  
 9072 policies and regulations of the Board and applicable federal and state statutes and regulations.

9073 4. To accept, hold, and enjoy gifts, donations, and bequests on behalf of the Department from the United  
 9074 States government, agencies and instrumentalities thereof, and any other source, subject to the approval of the  
 9075 Governor. To these ends, the Commissioner shall have the power to comply with conditions and execute  
 9076 agreements that may be necessary, convenient, or desirable, consistent with policies and regulations of the  
 9077 Board.

9078 5. To accept, execute, and administer any trust in which the Department may have an interest, under the  
 9079 terms of the instruments creating the trust, subject to the approval of the Governor.

9080 6. To transfer between state hospitals and training centers school-age individuals who have been identified  
 9081 as appropriate to be placed in public school programs and to negotiate with other school divisions for  
 9082 placements in order to ameliorate the impact on those school divisions located in a jurisdiction in which a  
 9083 state hospital or training center is located.

9084 7. To provide to the Director of the Commonwealth's designated protection and advocacy system,  
 9085 established pursuant to § 51.5-39.13, a written report setting forth the known facts of (i) critical incidents, as  
 9086 that term is defined in § 37.2-709.1, or deaths of individuals receiving services in facilities, within 15  
 9087 working days of such critical incident or death; (ii) serious incidents and deaths that are required to be  
 9088 reported to the Department through its incident reporting system, as required by regulations adopted by the  
 9089 Board pursuant to Chapter 4 (§ 37.2-400 et seq.), within 15 working days of the date the report is received;  
 9090 and (iii) allegations of abuse or neglect that are required to be reported pursuant to regulations adopted by the  
 9091 Board pursuant to Chapter 4 (§ 37.2-400 et seq.), within five working days of the date on which the director's  
 9092 final decision on the allegation is reported to the Department.

9093 8. To work with the appropriate state and federal entities to ensure that any individual who has received  
 9094 services in a state facility for more than one year has possession of or receives prior to discharge any of the  
 9095 following documents, when they are needed to obtain the services contained in his discharge plan: a  
 9096 Department of Motor Vehicles approved identification card that will expire 90 days from issuance, a copy of  
 9097 his birth certificate if the individual was born in the Commonwealth, or a social security card from the Social  
 9098 Security Administration. State facility directors, as part of their responsibilities pursuant to § 37.2-837, shall  
 9099 implement this provision when discharging individuals.

9100 9. To work with the Department of Veterans Services and the Department for Aging and Rehabilitative  
 9101 Services to establish a program for mental health and rehabilitative services for Virginia veterans and  
 9102 members of the Virginia National Guard and Virginia residents in the Armed Forces Reserves not in active  
 9103 federal service and their family members pursuant to § 2.2-2001.1.

9104 10. To establish and maintain a pharmaceutical and therapeutics committee composed of representatives  
 9105 of the Department of Medical Assistance Services, state facilities operated by the Department, community  
 9106 services boards, at least one health insurance plan, and at least one individual receiving services to develop a  
 9107 drug formulary for use at all community services boards, state facilities operated by the Department, and  
 9108 providers licensed by the Department.

9109 11. To establish and maintain the Commonwealth Mental Health First Aid Program pursuant to  
 9110 § 37.2-312.2.

9111 12. To submit a report for the preceding fiscal year by December 1 of each year to the Governor and the  
9112 ~~Chairmen~~ Chairs of the House Committee on Appropriations and Senate Committee on Finance and  
9113 Appropriations that provides information on the operation of Virginia's publicly funded behavioral health and  
9114 developmental services system. The report shall include a brief narrative and data on the number of  
9115 individuals receiving state facility services or community services board services, including purchased  
9116 inpatient psychiatric services; the types and amounts of services received by these individuals; and state  
9117 facility and community services board service capacities, staffing, revenues, and expenditures. The annual  
9118 report shall describe major new initiatives implemented during the past year and shall provide information on  
9119 the accomplishment of systemic outcome and performance measures during the year.

9120 13. To establish a comprehensive program for the prevention and treatment of problem gambling in the  
9121 Commonwealth and administer the Problem Gambling Treatment and Support Fund established pursuant to  
9122 § 37.2-314.2.

9123 14. To establish and maintain the Problem Gambling Treatment and Support Advisory Committee (the  
9124 Advisory Committee) to enable collaboration among prevention and treatment providers and operators of  
9125 legal gaming in the Commonwealth on efforts to reduce the negative effects of problem gambling. The  
9126 Advisory Committee shall be composed of (i) the Problem Gambling Prevention Coordinator from the  
9127 Department; (ii) a representative from the Virginia Council on Problem Gambling; (iii) ~~one representative~~  
9128 ~~from each of the state agencies primarily responsible for regulating the lottery, easino gaming, sports betting,~~  
9129 ~~live horse racing with pari-mutuel wagering, historical horse racing, charitable gaming, and any other form of~~  
9130 ~~legal gaming permitted under state law~~ the Director of the Virginia Lottery; (iv) the Deputy Commissioner of  
9131 ~~Gaming for the Virginia Gaming Commission~~; (v) the Executive Secretary for the Virginia Racing  
9132 Commission; (vi) the executive director of a community services board; (vii) a casino gaming operator;  
9133 (viii) a sports betting permit holder; (ix) a historical horse racing operator; and (x) a charitable  
9134 gaming permit holder. The Problem Gambling Prevention Coordinator shall be the ~~chairman~~ chair of the  
9135 Advisory Committee, and a ~~vice-chairman~~ vice-chair shall be elected from among the designated  
9136 membership.

9137 Unless specifically authorized by the Governor to accept or undertake activities for compensation, the  
9138 Commissioner shall devote his entire time to his duties.

#### 9139 § 37.2-314.2. Problem Gambling Treatment and Support Fund.

9140 A. As used in this section:

9141 "Compulsive gambling" means persistent and recurrent problem gambling behavior leading to clinically  
9142 significant impairment or distress, as indicated by an individual exhibiting four or more of the criteria, as  
9143 defined by the Diagnostic Statistical Manual of Mental Disorders, in a 12-month period and where the  
9144 behavior is not better explained by a manic episode.

9145 "Problem gambling" means a gambling behavior that causes disruptions in any major area of life,  
9146 including the psychological, social, or vocational areas of life, but does not fulfill the criteria for diagnosis as  
9147 a gambling disorder.

9148 B. There is hereby created in the state treasury a special nonreverting fund to be known as the Problem  
9149 Gambling Treatment and Support Fund, referred to in this section as "the Fund." The Fund shall be  
9150 established on the books of the Comptroller. All ~~revenue accruing to moneys required to be deposited into~~ the  
9151 Fund pursuant to ~~subsection A of § 58.1-4038 Chapter 3 (§ 29.5-300 et seq.) of Title 29.5 and moneys~~  
9152 ~~required to be deposited into all revenue accruing to~~ the Fund pursuant to ~~Chapter 41 (§ 58.1-4100 et seq.) of~~  
9153 ~~Title 58.1~~ 29.5-408 shall be paid into the state treasury and credited to the Fund. Interest earned on moneys in  
9154 the Fund shall remain in the Fund and be credited to it. Any moneys remaining in the Fund, including interest  
9155 thereon, at the end of each fiscal year shall not revert to the general fund but shall remain in the Fund.  
9156 Moneys in the Fund shall be used solely for the purposes of (i) providing counseling and other support  
9157 services for compulsive and problem gamblers, (ii) developing and implementing compulsive and problem  
9158 gambling treatment and prevention programs, and (iii) providing grants to support organizations that provide  
9159 assistance to compulsive and problem gamblers. Expenditures and disbursements from the Fund shall be  
9160 made by the State Treasurer on warrants issued by the Comptroller upon written request signed by the  
9161 Commissioner.

#### 9162 § 52-53. Definitions.

9163 As used in this chapter, unless the context requires a different meaning:

9164 "Coordinator" means the position of the Gaming Enforcement Coordinator established pursuant to  
9165 § 52-54.

9166 "Department" means the Department of State Police.

9167 "Gaming laws" means the laws regulating ~~gambling under Article 1 (§ 18.2-325 et seq.) of Chapter 8 of~~  
9168 ~~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~~  
9169 ~~Title 18.2 29.5, lottery games under Article 1 (§ 58.1-4000 et seq.) of Chapter 40 of Title 58.1, casino gaming~~  
9170 ~~under Chapter 3 (§ 29.5-300 et seq.) of Title 29.5, sports betting under Article 2 Chapter 4 (§ 58.1-4030~~  
9171 ~~29.5-400 et seq.) of Chapter 40 of Title 58.1 29.5, easino gaming under Chapter 41 (§ 58.1-4100 et seq.) of~~  
9172 ~~Title 58.1, fantasy contests under Chapter 51 5 (§ 59.1-556 29.5-500 et seq.) of Title 59.1 29.5, live horse~~

9173 racing, *historical horse racing*, and *simulcast horse racing with pari-mutuel wagering under Chapter 29.6* (§  
 9174 ~~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,  
 9175 *gambling under Subtitle III* (§ 29.5-900 et seq.) of Title 29.5, any regulations promulgated pursuant to such  
 9176 laws, and any other federal, state, or local laws the Gaming Enforcement Coordinator deems relevant.

9177 "Superintendent" means the Superintendent of State Police.

9178 **§ 52.54. Office of the Gaming Enforcement Coordinator established; purpose; duties.**

9179 A. The Superintendent shall designate a Department employee to serve as the Gaming Enforcement  
 9180 Coordinator. The purpose of the office of the Coordinator shall be to synchronize the enforcement of gaming  
 9181 laws by state and local law enforcement, and to serve as a liaison between such agencies and federal law  
 9182 enforcement.

9183 B. The Coordinator shall have the following duties:

9184 1. Coordinating enforcement of the Commonwealth's gaming laws by the Department, the *Department of*  
 9185 *Agriculture and Consumer Services Virginia Gaming Commission, the Virginia Lottery*, and all other state  
 9186 agencies; attorneys for the Commonwealth; and local law enforcement;

9187 2. Acting as a liaison between the federal government and the agencies identified in subdivision 1 for  
 9188 purposes of any federal investigation into gaming activities;

9189 3. Establishing, advertising, and administering a tip line, which may be accessed by phone and by *Internet*  
 9190 *internet*, for members of the public to report concerns about, or suspected instances of, *illegal* gaming  
 9191 activities; and

9192 4. Performing any other duties as are necessary to promote and enable the equitable enforcement of  
 9193 gaming laws in the Commonwealth.

9194 **§ 58.1-3. Secrecy of information; penalties.**

9195 A. Except in accordance with a proper judicial order or as otherwise provided by law, the Tax  
 9196 Commissioner or agent, clerk, commissioner of the revenue, treasurer, or any other state or local tax or  
 9197 revenue officer or employee, or any person to whom tax information is divulged pursuant to this section or  
 9198 § 58.1-512, 58.1-2712.2, or 58.1-3826, or any former officer or employee of any of the aforementioned  
 9199 offices shall not divulge any information acquired by him in the performance of his duties with respect to the  
 9200 transactions, property, including personal property, income, or business of any person, firm or corporation.  
 9201 Such prohibition specifically includes any copy of a federal return or federal return information required by  
 9202 Virginia law to be attached to or included in the Virginia return. This prohibition shall apply to any reports,  
 9203 returns, financial documents, or other information filed with the Attorney General pursuant to the provisions  
 9204 of Article 3 (§ 3.2-4204 et seq.) of Chapter 42 of Title 3.2. Any person violating the provisions of this section  
 9205 is guilty of a Class 1 misdemeanor. The provisions of this subsection shall not be applicable, however, to:

9206 1. Matters required by law to be entered on any public assessment roll or book;

9207 2. Acts performed or words spoken, published, or shared with another agency or *political* subdivision of  
 9208 the Commonwealth in the line of duty under state law;

9209 3. Inquiries and investigations to obtain information as to the process of real estate assessments by a duly  
 9210 constituted committee of the General Assembly, or when such inquiry or investigation is relevant to its study,  
 9211 provided that any such information obtained shall be privileged;

9212 4. The sales price, date of construction, physical dimensions, or characteristics of real property, or any  
 9213 information required for building permits;

9214 5. Copies of or information contained in an estate's probate tax return, filed with the clerk of court  
 9215 pursuant to § 58.1-1714, when requested by a beneficiary of the estate or an heir at law of the decedent or by  
 9216 the commissioner of accounts making a settlement of accounts filed in such estate;

9217 6. Information regarding nonprofit entities exempt from sales and use tax under § 58.1-609.11, when  
 9218 requested by the General Assembly or any duly constituted committee of the General Assembly;

9219 7. Reports or information filed with the Attorney General by a Stamping Agent pursuant to the provisions  
 9220 of Article 3 (§ 3.2-4204 et seq.), when such reports or information are provided by the Attorney General to a  
 9221 tobacco products manufacturer who is required to establish a qualified escrow fund pursuant to § 3.2-4201  
 9222 and are limited to the brand families of that manufacturer as listed in the Tobacco Directory established  
 9223 pursuant to § 3.2-4206 and are limited to the current or previous two calendar years or in any year in which  
 9224 the Attorney General receives Stamping Agent information that potentially alters the required escrow deposit  
 9225 of the manufacturer. The information shall only be provided in the following manner: the manufacturer may  
 9226 make a written request, on a quarterly or yearly basis or when the manufacturer is notified by the Attorney  
 9227 General of a potential change in the amount of a required escrow deposit, to the Attorney General for a list of  
 9228 the Stamping Agents who reported stamping or selling its products and the amount reported. The Attorney  
 9229 General shall provide the list within 15 days of receipt of the request. If the manufacturer wishes to obtain  
 9230 actual copies of the reports the Stamping Agents filed with the Attorney General, it must first request them  
 9231 from the Stamping Agents pursuant to subsection C of § 3.2-4209. If the manufacturer does not receive the  
 9232 reports pursuant to subsection C of § 3.2-4209, the manufacturer may make a written request to the Attorney  
 9233 General, including a copy of the prior written request to the Stamping Agent and any response received, for  
 9234 copies of any reports not received. The Attorney General shall provide copies of the reports within 45 days of

9235 receipt of the request.

9236 B. 1. Nothing contained in this section shall be construed to prohibit the publication of statistics so  
9237 classified as to prevent the identification of particular reports or returns and the items thereof or the  
9238 publication of delinquent lists showing the names of taxpayers who are currently delinquent, together with  
9239 any relevant information which in the opinion of the Department may assist in the collection of such  
9240 delinquent taxes. Notwithstanding any other provision of this section or other law, the Department, upon  
9241 request by the General Assembly or any duly constituted committee of the General Assembly, shall disclose  
9242 the total aggregate amount of an income tax deduction or credit taken by all taxpayers, regardless of (i) how  
9243 few taxpayers took the deduction or credit or (ii) any other circumstances. This section shall not be construed  
9244 to prohibit a local tax official from disclosing whether a person, firm, or corporation is licensed to do  
9245 business in that locality and divulging, upon written request, the name and address of any person, firm, or  
9246 corporation transacting business under a fictitious name. Additionally, notwithstanding any other provision of  
9247 law, the commissioner of revenue is authorized to provide, upon written request stating the reason for such  
9248 request, the Tax Commissioner with information obtained from local tax returns and other information  
9249 pertaining to the income, sales, and property of any person, firm, or corporation licensed to do business in  
9250 that locality.

9251 2. This section shall not prohibit the Department from disclosing whether a person, firm, or corporation is  
9252 registered as a retail sales and use tax dealer pursuant to Chapter 6 (§ 58.1-600 et seq.) or whether a  
9253 certificate of registration number relating to such tax is valid. Additionally, notwithstanding any other  
9254 provision of law, the Department is hereby authorized to make available the names and certificate of  
9255 registration numbers of dealers who are currently registered for retail sales and use tax.

9256 3. This section shall not prohibit the Department from disclosing information to nongovernmental entities  
9257 with which the Department has entered into a contract to provide services that assist it in the administration  
9258 of refund processing or other services related to its administration of taxes.

9259 4. This section shall not prohibit the Department from disclosing information to taxpayers regarding  
9260 whether the taxpayer's employer or another person or entity required to withhold on behalf of such taxpayer  
9261 submitted withholding records to the Department for a specific taxable year as required pursuant to  
9262 subdivision C 1 of § 58.1-478.

9263 5. This section shall not prohibit the commissioner of the revenue, treasurer, director of finance, or other  
9264 similar local official who collects or administers taxes for a county, city, or town from disclosing information  
9265 to nongovernmental entities with which the locality has entered into a contract to provide services that assist  
9266 it in the administration of refund processing or other non-audit services related to its administration of taxes.  
9267 The commissioner of the revenue, treasurer, director of finance, or other similar local official who collects or  
9268 administers taxes for a county, city, or town shall not disclose information to such entity unless he has  
9269 obtained a written acknowledgement by such entity that the confidentiality and nondisclosure obligations of  
9270 and penalties set forth in subsection A apply to such entity and that such entity agrees to abide by such  
9271 obligations.

9272 C. Notwithstanding the provisions of subsection A or B or any other provision of this title, the Tax  
9273 Commissioner is authorized to (i) divulge tax information to any commissioner of the revenue, director of  
9274 finance, or other similar collector of county, city, or town taxes who, for the performance of his official  
9275 duties, requests the same in writing setting forth the reasons for such request; (ii) provide to the  
9276 Commissioner of the Department of Social Services, upon entering into a written agreement, the amount of  
9277 income, filing status, number and type of dependents, whether a federal earned income tax credit as  
9278 authorized in § 32 of the Internal Revenue Code and an income tax credit for low-income taxpayers as  
9279 authorized in § 58.1-339.8 have been claimed, and Forms W-2 and 1099 to facilitate the administration of  
9280 public assistance or social services benefits as defined in § 63.2-100 or child support services pursuant to  
9281 Chapter 19 (§ 63.2-1900 et seq.) of Title 63.2, or as may be necessary to facilitate the administration of  
9282 outreach and enrollment related to the federal earned income tax credit authorized in § 32 of the Internal  
9283 Revenue Code and the income tax credit for low-income taxpayers authorized in § 58.1-339.8; (iii) provide to  
9284 the chief executive officer of the designated student loan guarantor for the Commonwealth of Virginia, upon  
9285 written request, the names and home addresses of those persons identified by the designated guarantor as  
9286 having delinquent loans guaranteed by the designated guarantor; (iv) provide current address information  
9287 upon request to state agencies and institutions for their confidential use in facilitating the collection of  
9288 accounts receivable, and to the clerk of a circuit or district court for their confidential use in facilitating the  
9289 collection of fines, penalties, and costs imposed in a proceeding in that court; (v) provide to the  
9290 Commissioner of the Virginia Employment Commission, after entering into a written agreement, such tax  
9291 information as may be necessary to facilitate the collection of unemployment taxes and overpaid benefits; (vi)  
9292 provide to the Virginia Alcoholic Beverage Control Authority, upon entering into a written agreement, such  
9293 tax information as may be necessary to facilitate the collection of state and local taxes and the administration  
9294 of the alcoholic beverage control laws; (vii) provide to the Director of the Virginia Lottery such tax  
9295 information as may be necessary to identify those lottery ticket retailers who owe delinquent taxes; (viii)  
9296 provide to the Department of the Treasury for its confidential use such tax information as may be necessary

9297 to facilitate the location of owners and holders of unclaimed property, as defined in § 55.1-2500; (ix) provide  
 9298 to the State Corporation Commission, upon entering into a written agreement, such tax information as may be  
 9299 necessary to facilitate the collection of taxes and fees administered by the Commission; (x) provide to the  
 9300 Executive Director of the Potomac and Rappahannock Transportation Commission for his confidential use  
 9301 such tax information as may be necessary to facilitate the collection of the motor vehicle fuel sales tax; (xi)  
 9302 provide to the Commissioner of the *Department of Agriculture and Consumer Services Virginia Gaming*  
 9303 *Commission* such tax information as may be necessary to identify those applicants for registration as a  
 9304 supplier of charitable gaming supplies who have not filed required returns or who owe delinquent taxes; (xii)  
 9305 provide to the Department of Housing and Community Development for its confidential use such tax  
 9306 information as may be necessary to facilitate the administration of the remaining effective provisions of the  
 9307 Enterprise Zone Act (§ 59.1-270 et seq.), and the Enterprise Zone Grant Program (§ 59.1-538 et seq.); (xiii)  
 9308 provide current name and address information to private collectors entering into a written agreement with the  
 9309 Tax Commissioner, for their confidential use when acting on behalf of the Commonwealth or any of its  
 9310 political subdivisions; however, the Tax Commissioner is not authorized to provide such information to a  
 9311 private collector who has used or disseminated in an unauthorized or prohibited manner any such information  
 9312 previously provided to such collector; (xiv) provide current name and address information as to the identity  
 9313 of the wholesale or retail dealer that affixed a tax stamp to a package of cigarettes to any person who  
 9314 manufactures or sells at retail or wholesale cigarettes and who may bring an action for injunction or other  
 9315 equitable relief for violation of *Chapter 10.1, the Enforcement of Illegal Sale or Distribution of Cigarettes Act*  
 9316 (§ 58.1-1031 et seq.); (xv) provide to the Commissioner of Labor and Industry, upon entering into a written  
 9317 agreement, such tax information as may be necessary to facilitate the collection of unpaid wages under  
 9318 § 40.1-29; (xvi) provide to the Director of the Department of Human Resource Management, upon entering  
 9319 into a written agreement, such tax information as may be necessary to identify persons receiving workers'  
 9320 compensation indemnity benefits who have failed to report earnings as required by § 65.2-712; (xvii) provide  
 9321 to any commissioner of the revenue, director of finance, or any other officer of any county, city, or town  
 9322 performing any or all of the duties of a commissioner of the revenue and to any dealer registered for the  
 9323 collection of the Communications Sales and Use Tax, a list of the names, business addresses, and dates of  
 9324 registration of all dealers registered for such tax; (xviii) provide to the Executive Director of the Northern  
 9325 Virginia Transportation Commission for his confidential use such tax information as may be necessary to  
 9326 facilitate the collection of the motor vehicle fuel sales tax; (xix) provide to the Commissioner of Agriculture  
 9327 and Consumer Services the name and address of the taxpayer businesses licensed by the Commonwealth that  
 9328 identify themselves as subject to regulation by the Board of Agriculture and Consumer Services pursuant to  
 9329 § 3.2-5130; (xx) provide to the developer or the economic development authority of a tourism project  
 9330 authorized by § 58.1-3851.1, upon entering into a written agreement, tax information facilitating the  
 9331 repayment of gap financing; (xxi) provide to the Virginia Retirement System and the Department of Human  
 9332 Resource Management, after entering into a written agreement, such tax information as may be necessary to  
 9333 facilitate the enforcement of subdivision C 4 of § 9.1-401; (xxii) provide to the Department of Medical  
 9334 Assistance Services and the Department of Social Services, upon entering into a written agreement, the name,  
 9335 address, social security number, email address, dependent information provided pursuant to subdivision B 2  
 9336 of § 58.1-341.1, number and type of personal exemptions, tax-filing status, adjusted gross income, and any  
 9337 additional information voluntarily provided by the taxpayer for disclosure pursuant to subdivisions B 1 and 2  
 9338 of § 58.1-341.1, of an individual, or spouse in the case of a married taxpayer filing jointly, who has  
 9339 voluntarily consented to such disclosure for purposes of identifying persons who would like to newly enroll  
 9340 in medical assistance; (xxiii) provide to the Commissioner of the Department of Motor Vehicles information  
 9341 sufficient to verify that an applicant for a driver privilege card or permit under § 46.2-328.3 or an applicant  
 9342 for an identification privilege card under § 46.2-345.3 reported income and deductions from Virginia sources,  
 9343 as defined in § 58.1-302, or was claimed as a dependent, on an individual income tax return filed with the  
 9344 Commonwealth within the preceding 12 months; and (xxiv) provide to the Virginia Health Benefit Exchange,  
 9345 upon entering into a written agreement, for taxable years starting on January 1, 2023, or as soon thereafter as  
 9346 practicable, as determined by the Department of Taxation and the Virginia Health Benefit Exchange, the  
 9347 name, address, social security number, email address, dependent information provided pursuant to  
 9348 subdivision B 2 of § 58.1-341.1, number and type of personal exemptions, tax-filing status, adjusted gross  
 9349 income, and any additional information voluntarily provided by the taxpayer for disclosure pursuant to  
 9350 subdivision B 3 of § 58.1-341.1, of an individual, or spouse in the case of a married taxpayer filing jointly,  
 9351 who has voluntarily consented to such disclosure for purposes of identifying persons who do not meet the  
 9352 income eligibility requirements for medical assistance and would like to newly enroll in a qualified health  
 9353 plan. The Tax Commissioner is further authorized to enter into written agreements with duly constituted tax  
 9354 officials of other states and of the United States for the inspection of tax returns, the making of audits, and the  
 9355 exchange of information relating to any tax administered by the Department of Taxation. Any person to  
 9356 whom tax information is divulged pursuant to this section shall be subject to the prohibitions and penalties  
 9357 prescribed herein as though he were a tax official.

9358 D. Notwithstanding the provisions of subsection A or B or any other provision of this title, the

9359 commissioner of revenue or other assessing official is authorized to (i) provide, upon written request stating  
9360 the reason for such request, the chief executive officer of any county or city with information furnished to the  
9361 commissioner of revenue by the Tax Commissioner relating to the name and address of any dealer located  
9362 within the county or city who paid sales and use tax, for the purpose of verifying the local sales and use tax  
9363 revenues payable to the county or city; (ii) provide to the Department of Professional and Occupational  
9364 Regulation for its confidential use the name, address, and amount of gross receipts of any person, firm, or  
9365 entity subject to a criminal investigation of an unlawful practice of a profession or occupation administered  
9366 by the Department of Professional and Occupational Regulation, only after the Department of Professional  
9367 and Occupational Regulation exhausts all other means of obtaining such information; and (iii) provide to any  
9368 representative of a condominium unit owners' association, property owners' association, or real estate  
9369 cooperative association, or to the owner of property governed by any such association, the names and  
9370 addresses of parties having a security interest in real property governed by any such association; however,  
9371 such information shall be released only upon written request stating the reason for such request, which reason  
9372 shall be limited to proposing or opposing changes to the governing documents of the association, and any  
9373 information received by any person under this subsection shall be used only for the reason stated in the  
9374 written request. The treasurer or other local assessing official may require any person requesting information  
9375 pursuant to clause (iii) of this subsection to pay the reasonable cost of providing such information. Any  
9376 person to whom tax information is divulged pursuant to this subsection shall be subject to the prohibitions  
9377 and penalties prescribed herein as though he were a tax official.

9378 Notwithstanding the provisions of subsection A or B or any other provisions of this title, the treasurer or  
9379 other collector of taxes for a county, city, or town is authorized to provide information relating to any motor  
9380 vehicle, trailer, or semitrailer obtained by such treasurer or collector in the course of performing his duties to  
9381 the commissioner of the revenue or other assessing official for such jurisdiction for use by such  
9382 commissioner or other official in performing assessments.

9383 This section shall not be construed to prohibit a local tax official from imprinting or displaying on a motor  
9384 vehicle local license decal the year, make, and model and any other legal identification information about the  
9385 particular motor vehicle for which that local license decal is assigned.

9386 E. Notwithstanding any other provisions of law, state agencies and any other administrative or regulatory  
9387 unit of state government shall divulge to the Tax Commissioner or his authorized agent, upon written request,  
9388 the name, address, and social security number of a taxpayer, necessary for the performance of the  
9389 Commissioner's official duties regarding the administration and enforcement of laws within the jurisdiction of  
9390 the Department of Taxation. The receipt of information by the Tax Commissioner or his agent that may be  
9391 deemed taxpayer information shall not relieve the Commissioner of the obligations under this section.

9392 F. Additionally, it is unlawful for any person to disseminate, publish, or cause to be published any  
9393 confidential tax document that he knows or has reason to know is a confidential tax document. A confidential  
9394 tax document is any correspondence, document, or tax return that is prohibited from being divulged by  
9395 subsection A, B, C, or D and includes any document containing information on the transactions, property,  
9396 income, or business of any person, firm, or corporation that is required to be filed with any state official by  
9397 § 58.1-512. This prohibition shall not apply if such confidential tax document has been divulged or  
9398 disseminated pursuant to a provision of law authorizing disclosure. Any person violating the provisions of  
9399 this subsection is guilty of a Class 1 misdemeanor.

9400 G. Information provided by an accommodations intermediary pursuant to subsection F of § 58.1-3826 to  
9401 the commissioner of the revenue, treasurer, or any other local tax or revenue officer or employee of a county,  
9402 city, or town, or any other person to whom such tax information is divulged, shall be confidential pursuant to  
9403 subsection A and shall not be divulged to any other department or official of the locality or any other political  
9404 subdivision of the Commonwealth. Such information shall be used by such officials only for the purpose of  
9405 levying and collecting retail sales and use tax, transient occupancy tax, and any other taxes imposed on the  
9406 sale of accommodations.

9407 **§ 58.1-439. Major business facility job tax credit.**

9408 A. For taxable years beginning on and after January 1, 1995, but before July 1, 2025, a taxpayer shall be  
9409 allowed a credit against the taxes imposed by Articles 2 (§ 58.1-320 et seq.), 6 (§ 58.1-360 et seq.), and 10  
9410 (§ 58.1-400 et seq.) of Chapter 3; Chapter 12 (§ 58.1-1200 et seq.); Article 1 (§ 58.1-2500 et seq.) of Chapter  
9411 25; or Article 2 (§ 58.1-2620 et seq.) of Chapter 26 as set forth in this section.

9412 B. For purposes of this section, the amount of any credit attributable to a partnership, electing small  
9413 business corporation (S corporation), or limited liability company shall be allocated to the individual partners,  
9414 shareholders, or members, respectively, in proportion to their ownership or interest in such business entities.

9415 C. A "major business facility" is a company that satisfies the following criteria:

9416 1. Subject to the provisions of subsections K or L, the establishment or expansion of the company shall  
9417 result in the creation of at least 50 jobs for qualified full-time employees; the first such 50 jobs shall be  
9418 referred to as the "threshold amount"; and

9419 2. The company is engaged in any business in the Commonwealth, except a retail trade business if such  
9420 trade is the principal activity of an individual facility in the Commonwealth. Examples of types of major

9421 business facilities that are eligible for the credit provided under this section include, ~~but are not limited to~~, a  
 9422 headquarters, or portion of such a facility, where company employees are physically employed, and where the  
 9423 majority of the company's financial, personnel, legal, or planning functions are handled either on a regional or  
 9424 national basis. A company primarily engaged in the Commonwealth in the business of manufacturing or  
 9425 mining, agriculture, forestry, or fishing; transportation or communications; or a public utility subject to the  
 9426 corporation income tax shall be deemed to have established or expanded a major business facility in the  
 9427 Commonwealth if it meets the requirements of subdivision 1 during a single taxable year and such facilities  
 9428 are not retail establishments. A major business facility shall also include facilities that perform central  
 9429 management or administrative activities, whether operated as a separate trade or business, or as a separate  
 9430 support operation of another business. Central management or administrative activities include, ~~but are not~~  
 9431 limited to, general management; accounting; computing; tabulating; purchasing; transportation or shipping;  
 9432 engineering and systems planning; advertising; technical sales and support operations; central administrative  
 9433 offices and warehouses; research, development, and testing laboratories; computer-programming,  
 9434 data-processing, and other computer-related services facilities; and legal, financial, insurance, and real estate  
 9435 services. The terms used in this subdivision to refer to various types of businesses shall have the same  
 9436 meanings as those terms are commonly defined in the Standard Industrial Classification Manual.

9437 D. For purposes of this section, the "credit year" is the first taxable year following the taxable year in  
 9438 which the major business facility commenced or expanded operations.

9439 E. The Department of Taxation shall make all determinations as to the classification of a major business  
 9440 facility in accordance with the provisions of this section.

9441 F. A "qualified full-time employee" means an employee filling a new, permanent full-time position in a  
 9442 major business facility in the Commonwealth. A "new, permanent full-time position" is a job of an indefinite  
 9443 duration, created by the company as a result of the establishment or expansion of a major business facility in  
 9444 the Commonwealth, requiring a minimum of 35 hours of an employee's time a week for the entire normal  
 9445 year of the company's operations, which "normal year" shall consist of at least 48 weeks, or a position of  
 9446 indefinite duration which requires a minimum of 35 hours of an employee's time a week for the portion of the  
 9447 taxable year in which the employee was initially hired for, or transferred to, the major business facility in the  
 9448 Commonwealth. Seasonal or temporary positions, or a job created when a job function is shifted from an  
 9449 existing location in the Commonwealth to the new major business facility and positions in building and  
 9450 grounds maintenance, security, and other such positions which are ancillary to the principal activities  
 9451 performed by the employees at a major business facility shall not qualify as new, permanent full-time  
 9452 positions.

9453 G. For any major business facility, the amount of credit earned pursuant to this section shall be equal to  
 9454 \$1,000 per qualified full-time employee, over the threshold amount, employed during the credit year. The  
 9455 credit shall be allowed ratably, with one-third of the credit amount allowed annually for three years beginning  
 9456 with the credit year. However, for taxable years beginning on or after January 1, 2009, one-half of the credit  
 9457 amount shall be allowed each year for two years. The portion of the \$1,000 credit earned with respect to any  
 9458 qualified full-time employee who is employed in the Commonwealth for less than 12 full months during the  
 9459 credit year will be determined by multiplying the credit amount by a fraction, the numerator of which is the  
 9460 number of full months that the qualified full-time employee worked for the major business facility in the  
 9461 Commonwealth during the credit year, and the denominator of which is 12. A separate credit year and a  
 9462 three-year allowance period shall exist for each distinct major business facility of a single taxpayer, except  
 9463 for credits allowed for taxable years beginning on or after January 1, 2009, when a two-year allowance period  
 9464 shall exist for each distinct major business facility of a single taxpayer.

9465 H. The amount of credit allowed pursuant to this section shall not exceed the tax imposed for such taxable  
 9466 year. Any credit not usable for the taxable year the credit was allowed may be, to the extent usable, carried  
 9467 over for the next 10 succeeding taxable years. No credit shall be carried back to a preceding taxable year. In  
 9468 the event that a taxpayer who is subject to the tax limitation imposed pursuant to this subsection is allowed  
 9469 another credit pursuant to any other ~~seetion~~ provision of the ~~this~~ Code of Virginia, or has a credit carryover  
 9470 from a preceding taxable year, such taxpayer shall be considered to have first utilized any credit allowed  
 9471 which does not have a carryover provision, and then any credit which is carried forward from a preceding  
 9472 taxable year, prior to the utilization of any credit allowed pursuant to this section.

9473 I. No credit shall be earned pursuant to this section for any employee (i) for whom a credit under this  
 9474 section was previously earned by a related party as defined by Internal Revenue Code § 267(b) or a trade or  
 9475 business under common control as defined by Internal Revenue Code § 52(b); (ii) who was previously  
 9476 employed in the same job function in Virginia by a related party as defined by Internal Revenue Code §  
 9477 267(b) or a trade or business under common control as defined by Internal Revenue Code § 52(b); (iii) whose  
 9478 job function was previously performed at a different location in Virginia by an employee of the taxpayer, a  
 9479 related party as defined by Internal Revenue Code § 267(b), or a trade or business under common control as  
 9480 defined by Internal Revenue Code § 52(b); or (iv) whose job function previously qualified for a credit under  
 9481 this section at a different major business facility on behalf of the taxpayer, a related party as defined by  
 9482 Internal Revenue Code § 267(b), or a trade or business under common control as defined by Internal Revenue

9483 Code § 52(b).

9484 J. Subject to the provisions of subsections K or L, recapture of this credit, under the following  
9485 circumstances, shall be accomplished by increasing the tax in any of the five years succeeding the taxable  
9486 year in which a credit has been earned pursuant to this section if the number of qualified full-time employees  
9487 decreases below the average number of qualified full-time employees employed during the credit year. Such  
9488 tax increase amount shall be determined by (i) recomputing the credit which would have been earned for the  
9489 original credit year using the decreased number of qualified full-time employees and (ii) subtracting such  
9490 recomputed credit from the amount of credit previously earned. In the event that the average number of  
9491 qualifying full-time employees employed at a major business facility falls below the threshold amount in any  
9492 of the five taxable years succeeding the credit year, all credits earned with respect to such major business  
9493 facility shall be recaptured. No credit amount will be recaptured more than once pursuant to this subsection.  
9494 Any recapture pursuant to this section shall reduce credits earned but not yet allowed, and credits allowed but  
9495 carried forward, before the taxpayer's tax liability may be increased.

9496 K. In the event that a major business facility is located in an economically distressed area or in an  
9497 enterprise zone as defined in Chapter 49 (§ 59.1-538 et seq.) of Title 59.1, during a credit year, the threshold  
9498 amount required to qualify for a credit pursuant to this section and to avoid full recapture shall be reduced  
9499 from 50 to 25 for purposes of subdivision C 1 and subsection J. An area shall qualify as economically  
9500 distressed if it is a city or county with an unemployment rate for the preceding year of at least 0.5 percent  
9501 higher than the average statewide unemployment rate for such year. The Virginia Economic Development  
9502 Partnership shall identify and publish a list of all economically distressed areas at least annually.

9503 L. For taxable years beginning on or after January 1, 2004, but before January 1, 2006, in the event that a  
9504 major business facility is located in a severely economically distressed area, the threshold amount required to  
9505 qualify for a credit pursuant to this section and to avoid full recapture shall be reduced from 100 to 25 for  
9506 purposes of subdivision C 1 and subsection J. However, the total amount of credit allowable under this  
9507 subsection shall not exceed \$100,000 in aggregate. An area shall qualify as severely economically distressed  
9508 if it is a city or county with an unemployment rate for the preceding year of at least twice the average  
9509 statewide unemployment rate for such year. The Virginia Economic Development Partnership shall identify  
9510 and publish a list of all severely economically distressed areas at least annually.

9511 M. The Tax Commissioner shall promulgate regulations, in accordance with the Administrative Process  
9512 Act (§ 2.2-4000 et seq.), relating to (i) the computation, carryover, and recapture of the credit provided under  
9513 this section; (ii) defining criteria for (a) a major business facility, (b) qualifying full-time employees at such  
9514 facility, and (c) economically distressed areas; and (iii) the computation, carryover, recapture, and redemption  
9515 of the credit by affiliated companies pursuant to subsection S.

9516 N. The provisions of this section shall apply only in instances where an announcement of intent to  
9517 establish or expand a major business facility is made on or after January 1, 1994. An announcement of intent  
9518 to establish or expand a major business facility includes, but is not limited to, a press conference or extensive  
9519 press coverage, providing information with respect to the impact of the project on the economy of the area  
9520 where the major business facility is to be established or expanded and the Commonwealth as a whole.

9521 O. The credit allowed pursuant to this section shall be granted to the person who pays taxes for the  
9522 qualified full-time employees pursuant to Chapter 5 (§ 60.2-500 et seq.) of Title 60.2.

9523 P. No person shall claim a credit allowed pursuant to this section and the credit allowed pursuant to  
9524 § 58.1-439.2. Any qualified business firm receiving an enterprise zone job creation grant under § 59.1-547  
9525 shall not be eligible to receive a major business facility job tax credit pursuant to this section for any job used  
9526 to qualify for the enterprise zone job creation grant.

9527 Q. No person operating a business in the Commonwealth pursuant to Chapter 29.6 (§ 59.1-364 29.5-600  
9528 et seq.) of Title 59.1 29.5 shall claim a credit pursuant to this section.

9529 R. Notwithstanding subsection O, a taxpayer may, for the purpose of determining the number of qualified  
9530 full-time employees at a major business facility, include the employees of a contractor or a subcontractor if  
9531 such employees are permanently assigned to the taxpayer's major business facility. If the taxpayer includes  
9532 the employees of a contractor or subcontractor in its total of qualified full-time employees, it shall enter into a  
9533 contractual agreement with the contractor or subcontractor prohibiting the contractor or subcontractor from  
9534 also claiming these employees in order to receive a credit given under this section. The taxpayer shall provide  
9535 evidence satisfactory to the Department of Taxation that it has entered into such a contract.

9536 S. For purposes of satisfying the criteria of subdivision C 1, two or more affiliated companies may elect to  
9537 aggregate the number of jobs created for qualified full-time employees as the result of the establishment or  
9538 expansion by the individual companies in order to qualify for the credit allowed pursuant to this section. For  
9539 purposes of this subsection, "affiliated companies" means two or more companies related to each other such  
9540 that (i) one company owns at least 80 percent of the voting power of the other or others or (ii) at least 80  
9541 percent of the voting power of two or more companies is owned by the same interests.

9542 T. The General Assembly of Virginia finds that modern business infrastructure allows businesses to locate  
9543 their administrative or manufacturing facilities with minimal regard to the location of markets or the  
9544 transportation of raw materials and finished goods, and that the economic vitality of the Commonwealth

9545 would be enhanced if such facilities were established in Virginia. Accordingly, the provisions of this section  
 9546 targeting the credit to major business facilities and limiting the credit to those companies which establish a  
 9547 major business facility in Virginia are integral to the purpose of the credit earned pursuant to this section and  
 9548 shall not be deemed severable.

9549 U. For taxable years beginning on and after January 1, 2019, and notwithstanding the provisions of  
 9550 § 58.1-3 or any other provision of law, the Department of Taxation, in consultation with the Virginia  
 9551 Economic Development Partnership, shall publish the following information by November 1 of each year for  
 9552 the 12-month period ending on the preceding December 31:

9553 1. The location of sites used for major business facilities for which a credit was claimed;

9554 2. The North American Industry Classification System codes used for the major business facilities for  
 9555 which a credit was claimed;

9556 3. The number of qualified full time employees for whom a credit was claimed; and

9557 4. The total cost to the Commonwealth's general fund of the credits claimed.

9558 Such information shall be published by the Department, regardless of how few taxpayers claimed the tax  
 9559 credit, in a manner that prevents the identification of particular taxpayers, reports, returns, or items.

9560 **§ 58.1-460. Definitions.**

9561 For the purposes of this article:

9562 "Employee" includes an individual, whether a resident or a nonresident of the Commonwealth, who  
 9563 performs or performed any service in the Commonwealth for wages, or a resident of the Commonwealth who  
 9564 performs or performed any service in the service outside the Commonwealth for wages. ~~The word~~  
 9565 "employee" "Employee" also includes an officer, employee, or elected official of the United States, the  
 9566 Commonwealth, or any other state or any territory, or any political subdivision thereof, or the District of  
 9567 Columbia, or any agency or instrumentality of any one or more of the foregoing, or an officer of a  
 9568 corporation. ~~The term shall~~ "Employee" does not include the beneficial owner of an individual retirement  
 9569 account (IRA) or simplified employee pension plan (SEPP).

9570 "Employer" means the Commonwealth, or any political subdivision thereof, the United States, or any  
 9571 agency or instrumentality of any one or more of the foregoing, or the person, whether a resident or a  
 9572 nonresident of the Commonwealth, for whom an individual performs or performed any service as an  
 9573 employee or from whom a person receives a prize in excess of \$5,001 pursuant to the Virginia Lottery Law  
 9574 (§ 58.1-4000.29.5-700 et seq.), except that:

9575 1. If the person, governmental unit, or agency thereof, for whom the individual performs or performed the  
 9576 service does not have control of the payment of the wages for such services, the term "employer" (except as  
 9577 used in the definition of "wages" herein) means the person having control of the payment of such wages; and

9578 2. In the case of a person paying wages on behalf of a nonresident person not engaged in trade or business  
 9579 within the Commonwealth or on behalf of any governmental unit or agency thereof not located within the  
 9580 Commonwealth, the term, "employer" (except as used in the definition of "wages" herein) means such  
 9581 person. ~~The term shall~~ "Employer" does not include a financial institution, corporation, partnership, or other  
 9582 person or entity with respect to benefits paid as custodian, trustee, or depository for an individual retirement  
 9583 account (IRA) or simplified employee pension plan (SEPP).

9584 "Miscellaneous payroll period" means a payroll period other than a daily, weekly, biweekly, semimonthly,  
 9585 monthly, quarterly, semiannual, or annual payroll period.

9586 "Payroll period" means a period for which a payment of wages is ordinarily made to the employee by his  
 9587 employer.

9588 "Wages" means wages as defined under § 3401 (a) § 3401(a) of the Internal Revenue Code, as well as any  
 9589 other amounts from which federal income tax is withheld under the provisions of §§ 3402 and 3405 of the  
 9590 Internal Revenue Code and also includes all prizes in excess of \$5,001 paid by the Virginia Lottery; however,  
 9591 ~~such term shall~~ "wages" does not include amounts paid pursuant to individual retirement plans and simplified  
 9592 employee pension plans as defined in §§ 7701 (a)(37) and 408 (c) of the Internal Revenue Code and ~~shall~~  
 9593 does not include remuneration paid for acting in or service as a member of the crew of a (i) motion picture  
 9594 feature film, (ii) television series or commercial, or (iii) promotional film filmed totally or partially in the  
 9595 Commonwealth by an individual or corporation which conducts business in the Commonwealth for less than  
 9596 90 days of the tax year and when such film, series, or commercial is processed, edited, and marketed outside  
 9597 the Commonwealth. Every such individual or corporation shall, immediately subsequent to the filming of  
 9598 such portion of the film, series, or commercial filmed in the Commonwealth, file with the Commissioner on  
 9599 forms furnished the Department, a list of the names and social security account numbers of each actor or crew  
 9600 member who is a resident of the Commonwealth and is compensated by such individual or corporation.

9601 **§ 58.1-3510. Definition of merchants' capital.**

9602 A. ~~Merehants'~~ For purposes of this section, "merchants' capital" is defined as follows: ~~Inventory~~ means  
 9603 inventory of stock on hand; daily rental vehicles as defined in § 58.1-1735; and all other taxable personal  
 9604 property of any kind whatsoever, except money on hand and on deposit and except tangible personal property  
 9605 not offered for sale as merchandise, which tangible personal property shall be reported and assessed as such.

9606 B. For purposes of this section, a repair and service operation (i) carried on as an integral part of and in

9607 conjunction with a business that is primarily mercantile and (ii) the principal sales of such business are  
9608 subject to the tax imposed by Article 9 (§ 58.1-1734 et seq.) of Chapter 17 or to the tax imposed by Chapter  
9609 24 (§ 58.1-2400 et seq.) of this title shall be deemed a mercantile business, and all capital, as defined herein,  
9610 including all repair parts, materials, and supplies associated with such repair and service operation shall be  
9611 deemed merchants' capital.

9612 C. For purposes of valuing lottery tickets as part of a dealer's inventory, cost shall include only the  
9613 compensation payable to a licensed sales agent as provided by rules or regulations adopted by the Board  
9614 consistent with the provisions of subdivision A 11 of subsection A of § 58.1-4007 29.5-707. The value of  
9615 lottery tickets shall not be based on the cost of the tickets to the merchant.

9616 **§ 58.1-3732.1. Limitation on gross receipts; pari-mutuel wagering.**

9617 Gross receipts for license tax purposes under Chapter 37 (§ 58.1-3700 et seq.) shall does not include the  
9618 license and admission taxes established under §§ 59.1-392 and 59.1-393 29.5-635, 29.5-636, 29.5-637,  
9619 29.5-638, and 29.5-640, respectively, nor shall it include pari-mutuel wagering pools as established under  
9620 Article 1.1 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  
9621 (§ 29.5-635 et seq.) of Chapter 6 of Title 29.5.

9622 **§ 59.1-542.1. Local incentives; motor sports facilities.**

9623 A. A locality that is home to a motor sports facility, as defined in § 58.1-4030 29.5-400, in the  
9624 Commonwealth may propose local incentives that address the economic conditions within such locality and  
9625 will help stimulate real property improvements and new job creation. Such local incentives may include: (i)  
9626 reduction of permit fees; (ii) reduction of user fees; (iii) reduction of business, professional, and occupational  
9627 license taxes; or (iv) partial exemption from taxation of substantially rehabilitated real estate pursuant to  
9628 § 58.1-3221. The extent and duration of such incentives shall conform to the requirements of the  
9629 Constitutions of Virginia and the United States. Local incentives may also include regulatory flexibility,  
9630 including (a) special zoning districts, (b) permit process reform, (c) exemptions from local ordinances, or (d)  
9631 other public incentives that are binding on the locality.

9632 B. A locality may establish eligibility criteria for local incentives that differ from the criteria required to  
9633 qualify for the incentives provided by this chapter.

9634 **2. That §§ 2.2-2455 and 2.2-2456, Article 1 (§§ 18.2-325 through 18.2-340) of Chapter 8 of Title 18.2,  
9635 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  
9636 through 58.1-4048) of Title 58.1, Chapter 41 (§§ 58.1-4100 through 58.1-4141) of Title 58.1, Chapter 29  
9637 (§§ 59.1-364 through 59.1-405) of Title 59.1, Chapter 29.1 (§ 59.1-405.1) of Title 59.1, and Chapter 51  
9638 (§§ 59.1-556 through 59.1-570) of Title 59.1 are repealed.**

9639 **3. That there shall be established a Virginia Gaming Oversight Commission (the Oversight  
9640 Commission), which shall consist of seven members of the General Assembly. Members shall be  
9641 appointed as follows: four members of the House of Delegates who are members of the House  
9642 Committee on Appropriations or the House Committee on General Laws to be appointed by the  
9643 Speaker of the House of Delegates and three members of the Senate who are members of the Senate  
9644 Committee on Finance and Appropriations or the Senate Committee on General Laws and Technology  
9645 to be appointed by the Senate Committee on Rules. The Oversight Commission shall elect a chair and  
9646 vice-chair from among its membership; however, the chair and vice-chair shall not both be members of  
9647 the House of Delegates, nor shall both the chair and vice-chair be members of the Senate. No  
9648 recommendation of the Oversight Commission shall be adopted if a majority of the House members or  
9649 a majority of the Senate members appointed to the Oversight Commission (i) vote against the  
9650 recommendation and (ii) vote for the recommendation to fail notwithstanding the majority vote of the  
9651 Oversight Commission. The Oversight Commission shall exercise the function of overseeing the  
9652 implementation of the provisions of this act and shall convene regularly for the purpose of making  
9653 decisions regarding such implementation and providing direction to the Virginia Lottery in its role as  
9654 the project management organization directed to oversee the implementation of the provisions of this  
9655 act in accordance with the provisions of the fifth enactment of this act. The Oversight Commission  
9656 shall expire (a) on July 1, 2027, or (b) upon the appointment of all members to the Virginia Gaming  
9657 Commission Board, established pursuant to § 29.5-103 of the Code of Virginia, as created by this act,  
9658 and the appointment of a Commissioner to the Virginia Gaming Commission pursuant to § 29.5-102 of  
9659 the Code of Virginia, as created by this act, whichever occurs first.**

9660 **4. That the Virginia Gaming Oversight Commission created pursuant to the third enactment of this act  
9661 shall report quarterly on its progress to the Chairs of the House Committees on Appropriations and  
9662 General Laws and the Senate Committees on Finance and Appropriations and General Laws and  
9663 Technology.**

9664 **5. That the Virginia Lottery shall operate as the project management organization to oversee and  
9665 execute the work of the Virginia Gaming Oversight Commission as such Oversight Commission  
9666 exercises its duties and responsibilities pursuant to the third enactment of this act. The Virginia  
9667 Lottery shall cease all operations as the project management organization once the Virginia Gaming  
9668 Commission Board, established pursuant to § 29.5-103 of the Code of Virginia, as created by this act,**

9669 and the Commissioner of the Virginia Gaming Commission, appointed pursuant to § 29.5-102 of the  
 9670 Code of Virginia, as created by this act, determine the Virginia Gaming Commission to be fully  
 9671 operational.

9672 6. That the initial terms of office of those persons appointed to serve as nonlegislative citizen voting  
 9673 members on the Virginia Gaming Commission Board pursuant to § 29.5-103 of the Code of Virginia, as  
 9674 created by this act, shall be staggered as follows: two persons shall be appointed for a term of five  
 9675 years; two persons shall be appointed for a term of four years; three persons shall be appointed for a  
 9676 term of three years; one person shall be appointed for a term of two years; and one person shall be  
 9677 appointed for a term of one year. Thereafter, nonlegislative citizen voting members of the Virginia  
 9678 Gaming Commission Board shall serve for terms of five years.

9679 7. That the initial terms of office of those persons appointed to serve as nonlegislative citizen voting  
 9680 members on the Virginia Racing Commission pursuant to § 29.5-602 of the Code of Virginia, as  
 9681 created by this act, shall be staggered as follows: two persons shall be appointed for a term of two  
 9682 years; two persons for a term of one year; and one person for a term of three years. Thereafter,  
 9683 nonlegislative citizen voting members of the Virginia Racing Commission shall serve for terms of five  
 9684 years.

9685 8. That this act shall not be construed to affect existing appointments to the Charitable Gaming Board  
 9686 for the terms that have not expired. However, all new appointments to the Charitable Gaming  
 9687 Advisory Board, established pursuant to § 29.5-201 of the Code of Virginia, as created by this act,  
 9688 made on or after July 1, 2026, shall be made in accordance with the provisions of this act.

9689 9. That this act shall not be construed to affect existing appointments to the Virginia Lottery Board  
 9690 (the Board) for the terms that have not expired, with the exception of the member who is a law-  
 9691 enforcement officer and the member who is a certified public accountant authorized to practice in the  
 9692 Commonwealth, both appointed pursuant to Chapters 1197 and 1248 of the Acts of Assembly of 2020,  
 9693 who shall be removed from the Board in accordance with the provisions of this act. However, all new  
 9694 appointments to the Board pursuant to § 29.5-704 of the Code of Virginia, as created by this act, made  
 9695 on or after the appointment of the nonlegislative citizen members of the Virginia Gaming Commission  
 9696 Board established pursuant to § 29.5-103 of the Code of Virginia, as created by this act, shall be made  
 9697 in accordance with the provisions of this act.

9698 10. That the Chief Operating Officer of the Virginia Gaming Commission (the Commission) shall also  
 9699 serve as the Chief Transition Officer of the Commission to lead and coordinate the efforts between the  
 9700 Department of Agriculture and Consumer Services, the Virginia Lottery, and the Virginia Racing  
 9701 Commission (the relevant state agencies) and the Commission with respect to transitioning the  
 9702 oversight and regulation of charitable gaming, casino gaming, sports betting, fantasy sports, and  
 9703 historical horse racing from such relevant state agencies to the Commission. The duties of the Chief  
 9704 Operations Officer that are related to such transition shall expire upon the successful completion of the  
 9705 transition process.

9706 11. That the regulations of the (i) Department of Agriculture and Consumer Services promulgated  
 9707 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)  
 9708 Virginia Lottery Board promulgated pursuant to Article 2 (§ 58.1-4030 et seq.) of Chapter 40 and  
 9709 Chapter 41 (§ 58.1-4100 et seq.) of Title 58.1 of the Code of Virginia; and (iii) Virginia Racing  
 9710 Commission pursuant to Chapter 29 (§ 59.1-364 et seq.) of Title 59.1 of the Code of Virginia, as  
 9711 repealed by this act, shall remain in full force and effect until the Virginia Gaming Commission Board  
 9712 promulgates regulations pursuant to this act. Regulations with respect to clause (i) shall be  
 9713 administered by the Department of Agriculture and Consumer Services and regulations with respect to  
 9714 clauses (ii) and (iii) shall be administered by the Virginia Lottery until the Virginia Gaming  
 9715 Commission Board promulgates regulations pursuant to this act. The provisions of this enactment shall  
 9716 become effective in due course.

9717 12. That during the interim period between July 1, 2026, and the formal establishment of the Virginia  
 9718 Gaming Commission (the Commission), established pursuant to § 29.5-101 of the Code of Virginia, as  
 9719 created by this act, the Virginia Lottery shall be responsible for conducting all necessary business  
 9720 functions assigned to the Commission pursuant to this act. Formal establishment shall include  
 9721 appointment of the Commissioner of the Commission pursuant to § 29.5-102 of the Code of Virginia, as  
 9722 created by this act, and achievement of staffing levels adequate to allow the Commission to  
 9723 independently accomplish such business functions as determined by the Commissioner and the  
 9724 Virginia Gaming Commission Board, established pursuant to § 29.5-103 of the Code of Virginia, as  
 9725 created by this act.

9726 13. That in the event that ex officio membership on any board, commission, council, committee, or  
 9727 other body is affected by the provisions of this act, the Governor shall designate an appropriate  
 9728 successor officer, employee, or member of a board or agency established pursuant to the provisions of  
 9729 this act as a replacement.

9730 14. That the Governor may transfer an appropriation or any portion thereof within a state agency

9731 established, abolished, or otherwise affected by the provisions of this act, or from one such agency to  
9732 another, to support the changes in organization or responsibility resulting from or required by the  
9733 provisions of this act.

9734 15. That any accrued sick leave or annual leave of any employee of the Department of Agriculture and  
9735 Consumer Services, the Virginia Lottery, or the Virginia Racing Commission who transfers to the  
9736 Virginia Gaming Commission in accordance with the provisions of this act shall transfer with the  
9737 employee.

9738 16. That the Virginia Gaming Commission Board (the Board) shall promulgate regulations to  
9739 implement the provisions of this act by January 1, 2028; however the Board shall present such  
9740 regulations to the Virginia Gaming Oversight Commission for review prior to adoption. With the  
9741 exception of § 2.2-4031 of the Code of Virginia, neither the provisions of the Administrative Process  
9742 Act (§ 2.2-4000 et seq. of the Code of Virginia) nor the public participation guidelines adopted  
9743 pursuant thereto shall apply to the initial adoption of any regulations pursuant to this act. Prior to  
9744 adopting any regulations pursuant to this act, the Board shall publish a notice of opportunity to  
9745 comment in the Virginia Register of Regulations and post the action on the Virginia Regulatory Town  
9746 Hall. Such notice of opportunity to comment shall contain (i) a summary of the proposed regulations;  
9747 (ii) the text of the proposed regulations; and (iii) the name, address, email address, and telephone  
9748 number of the agency contact person responsible for receiving public comments. Such notice shall be  
9749 made at least 60 days in advance of the last date prescribed in such notice for the submittal of public  
9750 comment. The legislative review provisions of subsections A and B of § 2.2-4014 of the Code of Virginia  
9751 shall apply to the promulgation or final adoption process for regulations adopted pursuant to this act.  
9752 The Board shall consider and keep on file all public comments received for any regulations adopted  
9753 pursuant to this act. The provisions of this enactment shall become effective in due course.

9754 17. That employees of the Virginia Gaming Commission (the Commission), established pursuant to  
9755 § 29.5-101 of the Code of Virginia, as created by this act, shall be considered employees of the  
9756 Commonwealth. Employees of the Commission shall be eligible for membership in the Virginia  
9757 Retirement System or other retirement plan as authorized by Article 4 (§ 51.1-125 et seq.) of Chapter 1  
9758 of Title 51.1 of the Code of Virginia and participation in all health and related insurance and other  
9759 benefits, including premium conversion and flexible benefits, available to state employees as provided  
9760 by law. Employees of the Commission shall be employed on such terms and conditions as established  
9761 by the Virginia Gaming Commission Board (the Board). The Board shall develop and adopt policies  
9762 and procedures that afford its employees grievance rights, ensure that employment decisions are based  
9763 upon the merit and fitness of applicants, and prohibit discrimination because of race, color, religion,  
9764 ethnic or national origin, sex, pregnancy, childbirth or related medical conditions, age, marital status,  
9765 sexual orientation, gender identity, disability, or military status. Notwithstanding any other provision  
9766 of law, the Board shall develop, implement, and administer a paid leave program, which may include  
9767 annual, personal, and sick leave or any combination thereof. All other leave benefits shall be  
9768 administered in accordance with Chapter 11 (§ 51.1-1100 et seq.) of Title 51.1 of the Code of Virginia,  
9769 except as otherwise provided in this enactment.

9770 18. That notwithstanding any other provision of law, the Virginia Gaming Commission (the  
9771 Commission), established pursuant to § 29.5-101 of the Code of Virginia, as created by this act, shall  
9772 give preference in hiring to employees of the Department of Agriculture and Consumer Services, the  
9773 Virginia Lottery, and the Virginia Racing Commission (relevant state agencies). The Commission shall  
9774 issue a written notice to all persons whose employment at such relevant state agencies will be  
9775 transferred to the Commission. The date upon which such written notice is issued shall be referred to  
9776 herein as the "Option Date." In order to facilitate an orderly and efficient transition and ensure the  
9777 continuation of operations during the transition from the relevant state agencies to the Commission,  
9778 the Commission shall have discretion, subject to the time limitations contained herein, to determine the  
9779 date upon which any employee's employment with the relevant state agencies will end or be transferred  
9780 to the Commission. This date shall be stated in the written notice and shall be referred to herein as the  
9781 "Transition Date." No Transition Date shall occur prior to July 1, 2026, without the mutual agreement  
9782 of the employee and the Commission. No Transition Date shall be set beyond July 1, 2028. Each person  
9783 whose employment will be transferred to the Commission may, by written request made within 120  
9784 days of the Option Date, elect not to become employed by the Commission. Any employee of the  
9785 relevant state agencies who (i) is not offered the opportunity to transfer to employment by the  
9786 Commission or (ii) is not offered a position with the Commission for which the employee is qualified or  
9787 is offered a position that requires relocation or a reduction in salary shall be eligible for the severance  
9788 benefits conferred by the provisions of the Workforce Transition Act (§ 2.2-3200 et seq. of the Code of  
9789 Virginia). Any employee who accepts employment with the Commission shall not be considered to be  
9790 involuntarily separated from state employment and shall not be eligible for the severance benefits  
9791 conferred by the provisions of the Workforce Transition Act. Any eligibility for such severance benefits  
9792 shall be contingent on the continued employment through an employee's Transition Date.

9793 **Notwithstanding any other provision of law to the contrary, any person whose employment is**  
9794 **transferred to the Commission as a result of this act and who is a member of any plan for providing**  
9795 **health insurance coverage pursuant to Chapter 28 (§ 2.2-2800 et seq.) of Title 2.2 of the Code of**  
9796 **Virginia shall continue to be a member of such health insurance plan under the same terms and**  
9797 **conditions as if no transfer had occurred.**

9798 **Notwithstanding any other provision of law to the contrary, any person whose employment is**  
9799 **transferred to the Commission as a result of this act and who is a member of the Virginia Retirement**  
9800 **System or other retirement plan as authorized by Article 4 (§ 51.1-125 et seq.) of Chapter 1 of Title**  
9801 **51.1 of the Code of Virginia shall continue to be a member of the Virginia Retirement System or other**  
9802 **such authorized retirement plan under the same terms and conditions as if no transfer had occurred.**

9803 **Notwithstanding any other provision of law, any person whose employment is transferred to the**  
9804 **Commission as a result of this act and who was subjected to a criminal history background check as a**  
9805 **condition of employment with any of the relevant state agencies shall not be subject to any provisions**  
9806 **of this act regarding a criminal history background check, unless the Commission deems otherwise.**

9807 **19. That the Virginia Gaming Commission (the Commission), established pursuant to § 29.5-101 of the**  
9808 **Code of Virginia, as created by this act, upon becoming operational, shall conduct a review of all**  
9809 **technology systems inherited from the Department of Agriculture and Consumer Services, the Virginia**  
9810 **Lottery, and the Virginia Racing Commission for the purpose of increasing efficiency in core functions**  
9811 **through the reduction of manual processes and standardizing similar processes, such as licensing,**  
9812 **auditing, and case management, across the different types of gaming that are overseen and regulated**  
9813 **by the Commission.**

9814 **20. That the Virginia Gaming Commission (the Commission), established pursuant to § 29.5-101 of the**  
9815 **Code of Virginia, as created by this act, upon becoming operational, shall conduct a study to evaluate**  
9816 **the legal, economic, technological, and public-policy implications of prediction markets. In the course**  
9817 **of such study, the Commission shall (i) seek to define prediction markets; (ii) determine how it**  
9818 **compares or differs from traditional gambling, derivatives, or financial instruments; (iii) explore how**  
9819 **prediction markets are currently regulated under federal law and how state and federal courts have**  
9820 **distinguished prediction markets from gambling or financial speculation; (iv) consult with the Office of**  
9821 **the Attorney General and other relevant stakeholders on the legal implications of regulating prediction**  
9822 **markets at the state level; and (v) conduct any other relevant research deemed necessary by the**  
9823 **Commission. The Commission shall complete such study no later than October 1, 2029.**

9824 **21. That the Virginia Gaming Commission (the Commission), established pursuant to § 29.5-101 of the**  
9825 **Code of Virginia, as created by this act, shall notify the Department of Accounts as soon as the**  
9826 **Commission is operational as evidenced by the appointment of all members to the Virginia Gaming**  
9827 **Commission Board, established pursuant to § 29.5-103 of the Code of Virginia, as created by this act,**  
9828 **and the appointment of a Commissioner to the Commission pursuant to § 29.5-102 of the Code of**  
9829 **Virginia, as created by this act.**

9830 **22. That the provisions of this act may result in a net increase in periods of imprisonment or**  
9831 **commitment. Pursuant to § 30-19.1:4 of the Code of Virginia, the estimated amount of the necessary**  
9832 **appropriation is \$0 for periods of imprisonment in state adult correctional facilities and cannot be**  
9833 **determined for periods of commitment to the custody of the Department of Juvenile Justice.**