

2026 SESSION

INTRODUCED

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SB558

1 SENATE BILL NO. 558
2 Offered January 14, 2026
3 Prefiled January 14, 2026
4 A BILL to amend and reenact §§ 2.2-203.3, 2.2-401.01, 2.2-3705.3, 2.2-3705.6, 2.2-3705.7, 2.2-3711,
5 2.2-3802, 2.2-4002, 2.2-4346, 3.2-102, 3.2-6201, 4.1-100, 4.1-206.3, as it is currently effective and as it
6 shall become effective, 8.01-216.3, 8.01-534, 11-16.1, 11-16.2, 15.2-912.2, 15.2-2825, 18.2-325,
7 18.2-326, 18.2-334.2 through 18.2-334.5, 19.2-66, 19.2-215.1, 19.2-389, 19.2-390, 22.1-140.1,
8 37.2-314.2, 52-53, 52-54, 58.1-3, 58.1-439, 58.1-460, 58.1-3510, 58.1-3732.1, and 59.1-542.1 of the Code
9 of Virginia; to amend the Code of Virginia by adding a title numbered 29.5, containing a subtitle
10 numbered I, containing chapters numbered 1 through 6, consisting of sections numbered 29.5-100
11 through 29.5-648, and a subtitle numbered II, containing chapters numbered 7 and 8, consisting of
12 sections numbered 29.5-700 through 29.5-814; and to repeal §§ 2.2-2455 and 2.2-2456, Article 1.1:1 (§§
13 18.2-340.15 through 18.2-340.37) of Chapter 8 of Title 18.2, Chapter 40 (§§ 58.1-4000 through
14 58.1-4048) of Title 58.1, Chapter 41 (§§ 58.1-4100 through 58.1-4141) of Title 58.1, Chapter 29 (§§
15 59.1-364 through 59.1-405) of Title 59.1, and Chapter 51 (§§ 59.1-556 through 59.1-570) of Title 59.1 of
16 the Code of Virginia, relating to Virginia Gaming Commission; established; penalties.
17

18 Patron—Reeves

19 Referred to Committee on General Laws and Technology

20 Be it enacted by the General Assembly of Virginia:

21 1. That §§ 2.2-203.3, 2.2-401.01, 2.2-3705.3, 2.2-3705.6, 2.2-3705.7, 2.2-3711, 2.2-3802, 2.2-4002,
22 2.2-4346, 3.2-102, 3.2-6201, 4.1-100, 4.1-206.3, as it is currently effective and as it shall become effective,
23 8.01-216.3, 8.01-534, 11-16.1, 11-16.2, 15.2-912.2, 15.2-2825, 18.2-325, 18.2-326, 18.2-334.2 through
24 18.2-334.5, 19.2-66, 19.2-215.1, 19.2-389, 19.2-390, 22.1-140.1, 37.2-314.2, 52-53, 52-54, 58.1-3, 58.1-439,
25 58.1-460, 58.1-3510, 58.1-3732.1, and 59.1-542.1 of the Code of Virginia are amended and reenacted
26 and that the Code of Virginia is amended by adding a title numbered 29.5, containing a subtitle
27 numbered I, containing chapters numbered 1 through 6, consisting of sections numbered 29.5-100
28 through 29.5-648, and a subtitle numbered II, containing chapters numbered 7 and 8, consisting of
29 sections numbered 29.5-700 through 29.5-814, as follows:

30 § 2.2-203.3. Position established; agencies for which responsible; additional duties.

31 The position of Secretary of Agriculture and Forestry (the Secretary) is created. The Secretary shall be
32 responsible to the Governor for the following agencies: Department of Forestry, Department of Agriculture
33 and Consumer Services, and Virginia Agricultural Council; and Virginia Racing Commission. The Governor,
34 by executive order, may assign any state executive agency to the Secretary, or reassigned any agency listed in
35 this section to another Secretary.

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

38 A. The Secretary of the Commonwealth shall:

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

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

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

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

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

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

54 C. The Secretary of the Commonwealth may establish a Virginia Indian advisory board to assist the

59 Secretary in reviewing applications seeking recognition as a Virginia Indian tribe and to make
60 recommendations to the Secretary, the Governor, and the General Assembly on such applications and other
61 matters relating to recognition as follows:

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

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

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

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

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

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

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

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

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

102 **§ 2.2-3705.3. (Effective until July 1, 2026) Exclusions to application of chapter; records relating to
103 administrative investigations.**

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

108 1. Information relating to investigations of applicants for licenses and permits, and of all licensees and
109 permittees, made by or submitted to the Virginia Alcoholic Beverage Control Authority, the Virginia
110 Cannabis Control Authority, the Virginia Gaming Commission, the Virginia Lottery pursuant to Chapter 40
111 (§ 58.1-4000 et seq.) and Chapter 41 (§ 58.1-4100 et seq.) of Title 58.1, the Virginia Racing Commission, the
112 Department of Agriculture and Consumer Services relating to investigations and applications pursuant to
113 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
114 Department of Criminal Justice Services.

115 2. Records of active investigations being conducted by the Virginia Cannabis Control Authority or by the
116 Department of Health Professions or any health regulatory board in the Commonwealth pursuant to
117 § 54.1-108.

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

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

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

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

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

141 7. Investigative notes, correspondence and information furnished in confidence, and records otherwise
 142 exempted by this chapter or any Virginia statute, provided to or produced by or for (i) the Auditor of Public
 143 Accounts; (ii) the Joint Legislative Audit and Review Commission; (iii) an appropriate authority as defined in
 144 § 2.2-3010 with respect to an allegation of wrongdoing or abuse under the Fraud and Abuse Whistle Blower
 145 Protection Act (§ 2.2-3009 et seq.); (iv) the Office of the State Inspector General with respect to an
 146 investigation initiated through the Fraud, Waste and Abuse Hotline or an investigation initiated pursuant to
 147 Chapter 3.2 (§ 2.2-307 et seq.); (v) internal auditors appointed by the head of a state agency or by any public
 148 institution of higher education; (vi) the committee or the auditor with respect to an investigation or audit
 149 conducted pursuant to § 15.2-825; (vii) the auditors, appointed by the local governing body of any county,
 150 city, or town or a school board, who by charter, ordinance, or statute have responsibility for conducting an
 151 investigation of any officer, department, or program of such body; or (viii) the Behavioral Health
 152 Commission. Information contained in completed investigations shall be disclosed in a form that does not
 153 reveal the identity of the complainants or persons supplying information to investigators. Unless disclosure is
 154 excluded by this subdivision, the information disclosed shall include the agency involved, the identity of the
 155 person who is the subject of the complaint, the nature of the complaint, and the actions taken to resolve the
 156 complaint. If an investigation does not lead to corrective action, the identity of the person who is the subject
 157 of the complaint may be released only with the consent of the subject person. Local governing bodies shall
 158 adopt guidelines to govern the disclosure required by this subdivision.

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

165 9. Records of active investigations being conducted by the Department of Criminal Justice Services
 166 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
 167 Article 12 (§ 9.1-186 et seq.) of Chapter 1 of Title 9.1.

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

177 11. Information contained in (i) an application for licensure or renewal of a license for teachers and other
 178 school personnel, including transcripts or other documents submitted in support of an application, and (ii) an
 179 active investigation conducted by or for the Board of Education related to the denial, suspension,
 180 cancellation, revocation, or reinstatement of teacher and other school personnel licenses including
 181 investigator notes and other correspondence and information, furnished in confidence with respect to such
 182 investigation. However, this subdivision shall not prohibit the disclosure of such (a) application information

183 to the applicant at his own expense or (b) investigation information to a local school board or division
184 superintendent for the purpose of permitting such board or superintendent to consider or to take personnel
185 action with regard to an employee. Information contained in completed investigations shall be disclosed in a
186 form that does not reveal the identity of any complainant or person supplying information to investigators.
187 The completed investigation information disclosed shall include information regarding the school or facility
188 involved, the identity of the person who was the subject of the complaint, the nature of the complaint, and the
189 actions taken to resolve the complaint. If an investigation fails to support a complaint or does not lead to
190 corrective action, the identity of the person who was the subject of the complaint may be released only with
191 the consent of the subject person. No personally identifiable information regarding a current or former
192 student shall be released except as permitted by state or federal law.

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

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

202 **§ 2.2-3705.3. (Effective July 1, 2026) Exclusions to application of chapter; records relating to
203 administrative investigations.**

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

208 1. Information relating to investigations of applicants for licenses and permits, and of all licensees and
209 permittees, made by or submitted to the Virginia Alcoholic Beverage Control Authority, the Virginia
210 Cannabis Control Authority, *the Virginia Gaming Commission*, the Virginia Lottery ~~pursuant to Chapter 40~~
211 (~~§ 58.1-4000 et seq.~~) and ~~Chapter 41 (§ 58.1-4100 et seq.) of Title 58.1, the Virginia Racing Commission, the~~
212 ~~Department of Agriculture and Consumer Services relating to investigations and applications pursuant to~~
213 ~~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
214 Department of Criminal Justice Services.

215 2. Records of active investigations being conducted by the Virginia Cannabis Control Authority or by the
216 Department of Health Professions or any health regulatory board in the Commonwealth pursuant to
217 § 54.1-108.

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

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

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

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

241 7. Investigative notes, correspondence and information furnished in confidence, and records otherwise
242 exempted by this chapter or any Virginia statute, provided to or produced by or for (i) the Auditor of Public
243 Accounts; (ii) the Joint Legislative Audit and Review Commission; (iii) an appropriate authority as defined in
244 § 2.2-3010 with respect to an allegation of wrongdoing or abuse under the Fraud and Abuse Whistle Blower

245 Protection Act (§ 2.2-3009 et seq.); (iv) the Office of the State Inspector General with respect to an
 246 investigation initiated through the Fraud, Waste and Abuse Hotline or an investigation initiated pursuant to
 247 Chapter 3.2 (§ 2.2-307 et seq.); (v) internal auditors appointed by the head of a state agency or by any public
 248 institution of higher education; (vi) the committee or the auditor with respect to an investigation or audit
 249 conducted pursuant to § 15.2-825; (vii) the auditors, appointed by the local governing body of any county,
 250 city, or town or a school board, who by charter, ordinance, or statute have responsibility for conducting an
 251 investigation of any officer, department, or program of such body; or (viii) the Behavioral Health
 252 Commission. Information contained in completed investigations shall be disclosed in a form that does not
 253 reveal the identity of the complainants or persons supplying information to investigators. Unless disclosure is
 254 excluded by this subdivision, the information disclosed shall include the agency involved, the identity of the
 255 person who is the subject of the complaint, the nature of the complaint, and the actions taken to resolve the
 256 complaint. If an investigation does not lead to corrective action, the identity of the person who is the subject
 257 of the complaint may be released only with the consent of the subject person. Local governing bodies shall
 258 adopt guidelines to govern the disclosure required by this subdivision.

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

265 9. Records of active investigations being conducted by the Department of Criminal Justice Services
 266 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
 267 Article 12 (§ 9.1-186 et seq.) of Chapter 1 of Title 9.1.

268 10. Information furnished to or prepared by the Board of Education pursuant to subsection F of
 269 § 22.1-253.13:3 in connection with the review or investigation of any alleged breach in security, unauthorized
 270 alteration, or improper administration of tests by local school board employees responsible for the
 271 distribution or administration of the tests. However, this section shall not prohibit the disclosure of such
 272 information to (i) a local school board or division superintendent for the purpose of permitting such board or
 273 superintendent to consider or to take personnel action with regard to an employee or (ii) any requester, after
 274 the conclusion of a review or investigation, in a form that (a) does not reveal the identity of any person
 275 making a complaint or supplying information to the Board on a confidential basis and (b) does not
 276 compromise the security of any test mandated by the Board.

277 11. Information contained in (i) an application for licensure or renewal of a license for teachers and other
 278 school personnel, including transcripts or other documents submitted in support of an application, and (ii) an
 279 active investigation conducted by or for the Board of Education related to the denial, suspension,
 280 cancellation, revocation, or reinstatement of teacher and other school personnel licenses including
 281 investigator notes and other correspondence and information, furnished in confidence with respect to such
 282 investigation. However, this subdivision shall not prohibit the disclosure of such (a) application information
 283 to the applicant at his own expense or (b) investigation information to a local school board or division
 284 superintendent for the purpose of permitting such board or superintendent to consider or to take personnel
 285 action with regard to an employee. Information contained in completed investigations shall be disclosed in a
 286 form that does not reveal the identity of any complainant or person supplying information to investigators.
 287 The completed investigation information disclosed shall include information regarding the school or facility
 288 involved, the identity of the person who was the subject of the complaint, the nature of the complaint, and the
 289 actions taken to resolve the complaint. If an investigation fails to support a complaint or does not lead to
 290 corrective action, the identity of the person who was the subject of the complaint may be released only with
 291 the consent of the subject person. No personally identifiable information regarding a current or former
 292 student shall be released except as permitted by state or federal law.

293 12. Information provided in confidence and related to an investigation by the Attorney General under
 294 Article 1 (§ 3.2-4200 et seq.) or Article 3 (§ 3.2-4204 et seq.) of Chapter 42 of Title 3.2, Article 10
 295 (§ 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)
 296 of Chapter 10 of Title 58.1. However, information related to an investigation that has been inactive for more
 297 than six months shall, upon request, be disclosed provided such disclosure is not otherwise prohibited by law
 298 and does not reveal the identity of charging parties, complainants, persons supplying information, witnesses,
 299 or other individuals involved in the investigation.

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

302 § 2.2-3705.6. Exclusions to application of chapter; proprietary records and trade secrets.

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

307 1. Proprietary information gathered by or for the Virginia Port Authority as provided in § 62.1-132.4 or
308 62.1-134.1.

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

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

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

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

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

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

328 8. Confidential proprietary information furnished to the Board of Medical Assistance Services or the
329 Medicaid Prior Authorization Advisory Committee pursuant to Article 4 (§ 32.1-331.12 et seq.) of Chapter
330 10 of Title 32.1.

331 9. Proprietary, commercial, or financial information, balance sheets, trade secrets, and revenue and cost
332 projections provided by a private transportation business to the Virginia Department of Transportation and
333 the Department of Rail and Public Transportation for the purpose of conducting transportation studies needed
334 to obtain grants or other financial assistance under the Transportation Equity Act for the 21st Century (P.L.
335 105-178) for transportation projects if disclosure of such information is exempt under the federal Freedom of
336 Information Act or the federal Interstate Commerce Act or other laws administered by the Surface
337 Transportation Board or the Federal Railroad Administration with respect to data provided in confidence to
338 the Surface Transportation Board and the Federal Railroad Administration. However, the exclusion provided
339 by this subdivision shall not apply to any wholly owned subsidiary of a public body.

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

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

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

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

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

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

365 The responsible public entity shall determine whether the requested exclusion from disclosure is
366 necessary to protect the trade secrets or financial information of the private entity. To protect other
367 information submitted by the private entity from disclosure, the responsible public entity shall determine
368 whether public disclosure prior to the execution of an interim agreement or a comprehensive agreement

would adversely affect the financial interest or bargaining position of the public or private entity. The responsible public entity shall make a written determination of the nature and scope of the protection to be afforded by the responsible public entity under this subdivision. Once a written determination is made by the responsible public entity, the information afforded protection under this subdivision shall continue to be protected from disclosure when in the possession of any affected jurisdiction or affected local jurisdiction.

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

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

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

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

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

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

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

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

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

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

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

In order for confidential proprietary information or trade secrets to be excluded from the provisions of this chapter, the locality in writing shall (a) invoke the protections of this subdivision, (b) identify with specificity the information for which protection is sought, and (c) state the reasons why protection is necessary. However, the exemption provided by this subdivision shall not apply to any authority created pursuant to the

431 BVU Authority Act (§ 15.2-7200 et seq.).

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

492 In order for the information specified in clauses (a), (b), and (c) of subdivision 24 b to be excluded from

493 the provisions of this chapter, the private entity shall make a written request to the Authority:

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

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

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

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

503 25. Information of a proprietary nature furnished by an agricultural landowner or operator to the
504 Department of Conservation and Recreation, the Department of Environmental Quality, the Department of
505 Agriculture and Consumer Services, or any political subdivision, agency, or board of the Commonwealth
506 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
507 regulatory enforcement action.

508 26. Trade secrets provided to the Department of Environmental Quality pursuant to the provisions of
509 § 10.1-1458. In order for such trade secrets to be excluded from the provisions of this chapter, the submitting
510 party shall (i) invoke this exclusion upon submission of the data or materials for which protection from
511 disclosure is sought, (ii) identify the data or materials for which protection is sought, and (iii) state the
512 reasons why protection is necessary.

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

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

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

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

522 c. Stating the reasons why protection is necessary.

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

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

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

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

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

549 c. Stating the reasons why protection is necessary.

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

555 disclosure.

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

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

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

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

566 c. Stating the reasons why protection is necessary.

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

571 32. Information related to a grant application, or accompanying a grant application, submitted to the
572 Department of Housing and Community Development that would (i) reveal (a) trade secrets, (b) financial
573 information of a grant applicant that is not a public body, including balance sheets and financial statements,
574 that are not generally available to the public through regulatory disclosure or otherwise, or (c)
575 research-related information produced or collected by the applicant in the conduct of or as a result of study or
576 research on medical, rehabilitative, scientific, technical, technological, or scholarly issues, when such
577 information has not been publicly released, published, copyrighted, or patented, and (ii) be harmful to the
578 competitive position of the applicant. The exclusion provided by this subdivision shall only apply to grants
579 administered by the Department, the Director of the Department, or pursuant to § 36-139, Article 26
580 (§ 2.2-2484 et seq.) of Chapter 24, or the Virginia Telecommunication Initiative as authorized by the
581 appropriations act.

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

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

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

587 c. Stating the reasons why protection is necessary.

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

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

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

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

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

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

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

611 c. Stating the reasons why protection is necessary.

612 36. Information of a proprietary or confidential nature, including trade secrets, employee compensation
613 information, balance sheets and financial statements that are not available to the public through regulatory
614 disclosure or otherwise, and revenue and cost projections supplied by a private or nongovernmental entity to
615 the Department of Workforce Development and Advancement (the Department) for the purpose of
616 sponsoring, implementing, and operating (i) an apprenticeship program approved by the Department or (ii) a

617 similar lawful workforce development or public-private partnership approved by the Department that assists
 618 the Department in fulfilling its mission and objectives and whose workforce development initiative could not
 619 advance without such exemption, as determined by the Commissioner of the Department and the Secretary of
 620 Labor. However, nothing in this subdivision shall be construed to allow the withholding of the name and
 621 contact information of a private or nongovernmental entity sponsoring, implementing, or operating the
 622 apprenticeship program, the location of the program, the occupations offered by the program, or the terms
 623 and conditions of a contract or agreement entered into by such private or nongovernmental entity.

624 **§ 2.2-3705.7. Exclusions to application of chapter; records of specific public bodies and certain
 625 other limited exclusions.**

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

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

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

643 As used in this subdivision:

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

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

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

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

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

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

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

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

669 8. Personal information, as defined in § 2.2-3801, (i) filed with the Virginia Housing Development
 670 Authority concerning individuals who have applied for or received loans or other housing assistance or who
 671 have applied for occupancy of or have occupied housing financed, owned or otherwise assisted by the
 672 Virginia Housing Development Authority; (ii) concerning persons participating in or persons on the waiting
 673 list for federally funded rent-assistance programs; (iii) filed with any local redevelopment and housing
 674 authority created pursuant to § 36-4 concerning persons participating in or persons on the waiting list for
 675 housing assistance programs funded by local governments or by any such authority; or (iv) filed with any
 676 local redevelopment and housing authority created pursuant to § 36-4 or any other local government agency
 677 concerning persons who have applied for occupancy or who have occupied affordable dwelling units
 678 established pursuant to § 15.2-2304 or 15.2-2305. However, access to one's own information shall not be

679 denied.

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

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

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

696 12. Information held by the Virginia Retirement System, acting pursuant to § 51.1-124.30, or a local
697 retirement system, acting pursuant to § 51.1-803, or by a local finance board or board of trustees of a trust
698 established by one or more local public bodies to invest funds for post-retirement benefits other than
699 pensions, acting pursuant to Article 8 (§ 15.2-1544 et seq.) of Chapter 15 of Title 15.2, or by the board of
700 visitors of the University of Virginia, acting pursuant to § 23.1-2210, or by the board of visitors of The
701 College of William and Mary in Virginia, acting pursuant to § 23.1-2803, or by the Commonwealth Savers
702 Plan, acting pursuant to § 23.1-704, relating to the acquisition, holding, or disposition of a security or other
703 ownership interest in an entity, where such security or ownership interest is not traded on a governmentally
704 regulated securities exchange, if disclosure of such information would (i) reveal confidential analyses
705 prepared for the board of visitors of the University of Virginia, prepared for the board of visitors of The
706 College of William and Mary in Virginia, prepared by the retirement system, a local finance board or board
707 of trustees, or the Commonwealth Savers Plan, or provided to the retirement system, a local finance board or
708 board of trustees, or the Commonwealth Savers Plan under a promise of confidentiality of the future value of
709 such ownership interest or the future financial performance of the entity and (ii) have an adverse effect on the
710 value of the investment to be acquired, held, or disposed of by the retirement system, a local finance board or
711 board of trustees, the board of visitors of the University of Virginia, the board of visitors of The College of
712 William and Mary in Virginia, or the Commonwealth Savers Plan. Nothing in this subdivision shall be
713 construed to prevent the disclosure of information relating to the identity of any investment held, the amount
714 invested, or the present value of such investment.

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

718 14. Information held by the Virginia Commonwealth University Health System Authority pertaining to
719 any of the following: an individual's qualifications for or continued membership on its medical or teaching
720 staffs; proprietary information gathered by or in the possession of the Authority from third parties pursuant to
721 a promise of confidentiality; contract cost estimates prepared for confidential use in awarding contracts for
722 construction or the purchase of goods or services; information of a proprietary nature produced or collected
723 by or for the Authority or members of its medical or teaching staffs; financial statements not publicly
724 available that may be filed with the Authority from third parties; the identity, accounts, or account status of
725 any customer of the Authority; consulting or other reports paid for by the Authority to assist the Authority in
726 connection with its strategic planning and goals; the determination of marketing and operational strategies
727 where disclosure of such strategies would be harmful to the competitive position of the Authority; and
728 information of a proprietary nature produced or collected by or for employees of the Authority, other than the
729 Authority's financial or administrative records, in the conduct of or as a result of study or research on
730 medical, scientific, technical, or scholarly issues, whether sponsored by the Authority alone or in conjunction
731 with a governmental body or a private concern, when such information has not been publicly released,
732 published, copyrighted, or patented. This exclusion shall also apply when such information is in the
733 possession of Virginia Commonwealth University.

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

741 have occurred or similar documents.

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

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

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

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

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

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

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

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

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

785 a. Internal deliberations of or decisions by the retirement system or the Commonwealth Savers Plan on the
 786 pursuit of particular investment strategies, or the selection or termination of investment managers, prior to the
 787 execution of such investment strategies or the selection or termination of such managers, if disclosure of such
 788 information would have an adverse impact on the financial interest of the retirement system or the
 789 Commonwealth Savers Plan; and

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

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

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

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

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

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

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

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

804 26. Information maintained by the Department of the Treasury or participants in the Local Government

805 Investment Pool (§ 2.2-4600 et seq.) and required to be provided by such participants to the Department to

806 establish accounts in accordance with § 2.2-4602.

807 27. Personal information, as defined in § 2.2-3801, contained in the Veterans Care Center Resident Trust

808 Funds concerning residents or patients of the Department of Veterans Services Care Centers, except that

809 access shall not be denied to the person who is the subject of the information.

810 28. Information maintained in connection with fundraising activities by the Veterans Services Foundation

811 pursuant to § 2.2-2716 that reveal the address, electronic mail address, facsimile or telephone number, social

812 security number or other identification number appearing on a driver's license or other document issued under

813 Chapter 3 (§ 46.2-300 et seq.) of Title 46.2 or the comparable law of another jurisdiction, or credit card or

814 bank account data of identifiable donors, except that access shall not be denied to the person who is the

815 subject of the information. Nothing in this subdivision, however, shall be construed to prevent the disclosure

816 of information relating to the amount, date, purpose, and terms of the pledge or donation or the identity of the

817 donor, unless the donor has requested anonymity in connection with or as a condition of making a pledge or

818 donation. The exclusion provided by this subdivision shall not apply to protect from disclosure (i) the

819 identities of sponsors providing grants to or contracting with the foundation for the performance of services

820 or other work or (ii) the terms and conditions of such grants or contracts.

821 29. Information prepared for and utilized by the Commonwealth's Attorneys' Services Council in the

822 training of state prosecutors or law-enforcement personnel, where such information is not otherwise available

823 to the public and the disclosure of such information would reveal confidential strategies, methods, or

824 procedures to be employed in law-enforcement activities or materials created for the investigation and

825 prosecution of a criminal case.

826 30. Information provided to the Department of Aviation by other entities of the Commonwealth in

827 connection with the operation of aircraft where the information would not be subject to disclosure by the

828 entity providing the information. The entity providing the information to the Department of Aviation shall

829 identify the specific information to be protected and the applicable provision of this chapter that excludes the

830 information from mandatory disclosure.

831 31. Information created or maintained by or on the behalf of the judicial performance evaluation program

832 related to an evaluation of any individual justice or judge made confidential by § 17.1-100.

833 32. Information reflecting the substance of meetings in which (i) individual sexual assault cases are

834 discussed by any sexual assault response team established pursuant to § 15.2-1627.4, (ii) individual child

835 abuse or neglect cases or sex offenses involving a child are discussed by multidisciplinary child sexual abuse

836 response teams established pursuant to § 15.2-1627.5, (iii) individual cases of abuse, neglect, or exploitation

837 of adults as defined in § 63.2-1603 are discussed by multidisciplinary teams established pursuant to

838 §§ 15.2-1627.5 and 63.2-1605, or (iv) individual human trafficking cases are discussed by any human

839 trafficking response team established pursuant to § 15.2-1627.6. The findings of any such team may be

840 disclosed or published in statistical or other aggregated form that does not disclose the identity of specific

841 individuals.

842 33. Information contained in the strategic plan, marketing plan, or operational plan prepared by the

843 Virginia Economic Development Partnership Authority pursuant to § 2.2-2237.1 regarding target companies,

844 specific allocation of resources and staff for marketing activities, and specific marketing activities that would

845 reveal to the Commonwealth's competitors for economic development projects the strategies intended to be

846 deployed by the Commonwealth, thereby adversely affecting the financial interest of the Commonwealth.

847 The executive summaries of the strategic plan, marketing plan, and operational plan shall not be redacted or

848 withheld pursuant to this subdivision.

849 34. Information discussed in a closed session of the Physical Therapy Compact Commission or the

850 Executive Board or other committees of the Commission for purposes set forth in subsection E of

851 § 54.1-3491.

852 35. Information held by the Commonwealth of Virginia Innovation Partnership Authority (the Authority),

853 an advisory committee of the Authority, or any other entity designated by the Authority, relating to (i)

854 internal deliberations of or decisions by the Authority on the pursuit of particular investment strategies prior

855 to the execution of such investment strategies and (ii) trade secrets, as defined in the Uniform Trade Secrets

856 Act (§ 59.1-336 et seq.), provided by a private entity to the Authority, if such disclosure of records pursuant

857 to clause (i) or (ii) would have an adverse impact on the financial interest of the Authority or a private entity.

858 36. Personal information provided to or obtained by the Virginia *Lottery Gaming Commission* in

859 connection with the voluntary exclusion program administered pursuant to § 58.1-4015.1 29.5-118.

860 37. Personal information provided to or obtained by the Virginia *Lottery Gaming Commission* concerning

861 the identity of any person reporting prohibited conduct pursuant to § 58.1-4043 29.5-414.

862 **§ 2.2-3711. (Effective until July 1, 2026) Closed meetings authorized for certain limited purposes.**

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

864 1. Discussion, consideration, or interviews of prospective candidates for employment; assignment,

865 appointment, promotion, performance, demotion, salaries, disciplining, or resignation of specific public
 866 officers, appointees, or employees of any public body; and evaluation of performance of departments or
 867 schools of public institutions of higher education where such evaluation will necessarily involve discussion of
 868 the performance of specific individuals. Any teacher shall be permitted to be present during a closed meeting
 869 in which there is a discussion or consideration of a disciplinary matter that involves the teacher and some
 870 student and the student involved in the matter is present, provided that the teacher makes a written request to
 871 be present to the presiding officer of the appropriate board. Nothing in this subdivision, however, shall be
 872 construed to authorize a closed meeting by a local governing body or an elected school board to discuss
 873 compensation matters that affect the membership of such body or board collectively.

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

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

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

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

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

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

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

902 9. Discussion or consideration by governing boards of public institutions of higher education of matters
 903 relating to gifts, bequests and fund-raising activities, and of grants and contracts for services or work to be
 904 performed by such institution. However, the terms and conditions of any such gifts, bequests, grants, and
 905 contracts made by a foreign government, a foreign legal entity, or a foreign person and accepted by a public
 906 institution of higher education in the Commonwealth shall be subject to public disclosure upon written
 907 request to the appropriate board of visitors. For the purpose of this subdivision, (i) "foreign government"
 908 means any government other than the United States government or the government of a state or a political
 909 subdivision thereof, (ii) "foreign legal entity" means any legal entity (a) created under the laws of the United
 910 States or of any state thereof if a majority of the ownership of the stock of such legal entity is owned by
 911 foreign governments or foreign persons or if a majority of the membership of any such entity is composed of
 912 foreign persons or foreign legal entities or (b) created under the laws of a foreign government, and (iii)
 913 "foreign person" means any individual who is not a citizen or national of the United States or a trust territory
 914 or protectorate thereof.

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

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

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

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

926 14. Discussion of strategy with respect to the negotiation of a hazardous waste siting agreement or to

927 consider the terms, conditions, and provisions of a hazardous waste siting agreement if the governing body in
928 open meeting finds that an open meeting will have an adverse effect upon the negotiating position of the
929 governing body or the establishment of the terms, conditions and provisions of the siting agreement, or both.
930 All discussions with the applicant or its representatives may be conducted in a closed meeting.

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

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

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

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

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

953 20. Discussion by the Board of the Virginia Retirement System, acting pursuant to § 51.1-124.30, or of
954 any local retirement system, acting pursuant to § 51.1-803, or by a local finance board or board of trustees of
955 a trust established by one or more local public bodies to invest funds for postemployment benefits other than
956 pensions, acting pursuant to Article 8 (§ 15.2-1544 et seq.) of Chapter 15 of Title 15.2, or by the board of
957 visitors of the University of Virginia, acting pursuant to § 23.1-2210, or by the Board of the Commonwealth
958 Savers Plan, acting pursuant to § 23.1-706, regarding the acquisition, holding or disposition of a security or
959 other ownership interest in an entity, where such security or ownership interest is not traded on a
960 governmentally regulated securities exchange, to the extent that such discussion (i) concerns confidential
961 analyses prepared for the board of visitors of the University of Virginia, prepared by the retirement system, or
962 a local finance board or board of trustees, or the Commonwealth Savers Plan or provided to the retirement
963 system, a local finance board or board of trustees, or the Commonwealth Savers Plan under a promise of
964 confidentiality, of the future value of such ownership interest or the future financial performance of the
965 entity, and (ii) would have an adverse effect on the value of the investment to be acquired, held, or disposed
966 of by the retirement system, a local finance board or board of trustees, the board of visitors of the University
967 of Virginia, or the Commonwealth Savers Plan. Nothing in this subdivision shall be construed to prevent the
968 disclosure of information relating to the identity of any investment held, the amount invested or the present
969 value of such investment.

970 21. Those portions of meetings in which individual child death cases are discussed by the State Child
971 Fatality Review Team established pursuant to § 32.1-283.1, those portions of meetings in which individual
972 child death cases are discussed by a regional or local child fatality review team established pursuant to
973 § 32.1-283.2, those portions of meetings in which individual death cases are discussed by family violence
974 fatality review teams established pursuant to § 32.1-283.3, those portions of meetings in which individual
975 adult death cases are discussed by the state Adult Fatality Review Team established pursuant to § 32.1-283.5,
976 those portions of meetings in which individual adult death cases are discussed by a local or regional adult
977 fatality review team established pursuant to § 32.1-283.6, those portions of meetings in which individual
978 death cases are discussed by overdose fatality review teams established pursuant to § 32.1-283.7, those
979 portions of meetings in which individual maternal death cases are discussed by the Maternal Mortality
980 Review Team pursuant to § 32.1-283.8, and those portions of meetings in which individual death cases of
981 persons with developmental disabilities are discussed by the Developmental Disabilities Mortality Review
982 Committee established pursuant to § 37.2-314.1.

983 22. Those portions of meetings of the board of visitors of the University of Virginia or Old Dominion
984 University, as the case may be, and those portions of meetings of any persons to whom management
985 responsibilities for the University of Virginia Medical Center or the Eastern Virginia Health Sciences Center
986 at Old Dominion University, as the case may be, have been delegated, in which there is discussed proprietary,
987 business-related information pertaining to the operations of the University of Virginia Medical Center or the
988 Eastern Virginia Health Sciences Center at Old Dominion University, as the case may be, including business

989 development or marketing strategies and activities with existing or future joint venturers, partners, or other
 990 parties with whom the University of Virginia Medical Center or the Eastern Virginia Health Sciences Center
 991 at Old Dominion University, as the case may be, has formed, or forms, any arrangement for the delivery of
 992 health care, if disclosure of such information would adversely affect the competitive position of the
 993 University of Virginia Medical Center or the Eastern Virginia Health Sciences Center at Old Dominion
 994 University, as the case may be.

995 23. Discussion or consideration by the Virginia Commonwealth University Health System Authority or
 996 the board of visitors of Virginia Commonwealth University of any of the following: the acquisition or
 997 disposition by the Authority of real property, equipment, or technology software or hardware and related
 998 goods or services, where disclosure would adversely affect the bargaining position or negotiating strategy of
 999 the Authority; matters relating to gifts or bequests to, and fund-raising activities of, the Authority; grants and
 1000 contracts for services or work to be performed by the Authority; marketing or operational strategies plans of
 1001 the Authority where disclosure of such strategies or plans would adversely affect the competitive position of
 1002 the Authority; and members of the Authority's medical and teaching staffs and qualifications for
 1003 appointments thereto.

1004 24. Those portions of the meetings of the Health Practitioners' Monitoring Program Committee within the
 1005 Department of Health Professions to the extent such discussions identify any practitioner who may be, or who
 1006 actually is, impaired pursuant to Chapter 25.1 (§ 54.1-2515 et seq.) of Title 54.1.

1007 25. Meetings or portions of meetings of the Board of the Commonwealth Savers Plan wherein personal
 1008 information, as defined in § 2.2-3801, which has been provided to the Board or its employees by or on behalf
 1009 of individuals who have requested information about, applied for, or entered into prepaid tuition contracts or
 1010 savings trust account agreements pursuant to Chapter 7 (§ 23.1-700 et seq.) of Title 23.1 is discussed.

1011 26. Discussion or consideration, by the former Wireless Carrier E-911 Cost Recovery Subcommittee
 1012 created pursuant to former § 56-484.15, of trade secrets submitted by CMRS providers, as defined in
 1013 § 56-484.12, related to the provision of wireless E-911 service.

1014 27. Those portions of disciplinary proceedings by any regulatory board within the Department of
 1015 Professional and Occupational Regulation, Department of Health Professions, or the Board of Accountancy
 1016 conducted pursuant to § 2.2-4019 or 2.2-4020 during which the board deliberates to reach a decision or
 1017 meetings of health regulatory boards or conference committees of such boards to consider settlement
 1018 proposals in pending disciplinary actions or modifications to previously issued board orders as requested by
 1019 either of the parties.

1020 28. Discussion or consideration of information subject to the exclusion in subdivision 11 of § 2.2-3705.6
 1021 by a responsible public entity or an affected locality or public entity, as those terms are defined in
 1022 § 33.2-1800, or any independent review panel appointed to review information and advise the responsible
 1023 public entity concerning such records.

1024 29. Discussion of the award of a public contract involving the expenditure of public funds, including
 1025 interviews of bidders or offerors, and discussion of the terms or scope of such contract, where discussion in
 1026 an open session would adversely affect the bargaining position or negotiating strategy of the public body.

1027 30. Discussion or consideration of grant or loan application information subject to the exclusion in
 1028 subdivision 17 of § 2.2-3705.6 by the Commonwealth Health Research Board.

1029 31. Discussion or consideration by the Commitment Review Committee of information subject to the
 1030 exclusion in subdivision 5 of § 2.2-3705.2 relating to individuals subject to commitment as sexually violent
 1031 predators under Chapter 9 (§ 37.2-900 et seq.) of Title 37.2.

1032 32. Discussion or consideration of confidential proprietary information and trade secrets developed and
 1033 held by a local public body providing certain telecommunication services or cable television services and
 1034 subject to the exclusion in subdivision 18 of § 2.2-3705.6. However, the exemption provided by this
 1035 subdivision shall not apply to any authority created pursuant to the BVU Authority Act (§ 15.2-7200 et seq.).

1036 33. Discussion or consideration by a local authority created in accordance with the Virginia Wireless
 1037 Service Authorities Act (§ 15.2-5431.1 et seq.) of confidential proprietary information and trade secrets
 1038 subject to the exclusion in subdivision 19 of § 2.2-3705.6.

1039 34. Discussion or consideration by the State Board of Elections or local electoral boards of voting security
 1040 matters made confidential pursuant to § 24.2-410.2 or 24.2-625.1.

1041 35. Discussion or consideration by the Forensic Science Board or the Scientific Advisory Committee
 1042 created pursuant to Article 2 (§ 9.1-1109 et seq.) of Chapter 11 of Title 9.1 of criminal investigative files.

1043 36. Discussion or consideration by the Brown v. Board of Education Scholarship Committee of
 1044 information or confidential matters subject to the exclusion in subdivision A 3 of § 2.2-3705.4, and meetings
 1045 of the Committee to deliberate concerning the annual maximum scholarship award, review and consider
 1046 scholarship applications and requests for scholarship award renewal, and cancel, rescind, or recover
 1047 scholarship awards.

1048 37. Discussion or consideration by the Virginia Port Authority of information subject to the exclusion in
 1049 subdivision 1 of § 2.2-3705.6 related to certain proprietary information gathered by or for the Virginia Port
 1050 Authority.

1051 38. Discussion or consideration by the Board of Trustees of the Virginia Retirement System acting
1052 pursuant to § 51.1-124.30, by the Investment Advisory Committee appointed pursuant to § 51.1-124.26, by
1053 any local retirement system, acting pursuant to § 51.1-803, by the Board of the Commonwealth Savers Plan
1054 acting pursuant to § 23.1-706, or by the Commonwealth Savers Plan's Investment Advisory Committee
1055 appointed pursuant to § 23.1-702 of information subject to the exclusion in subdivision 24 of § 2.2-3705.7.

1056 39. Discussion or consideration of information subject to the exclusion in subdivision 3 of § 2.2-3705.6
1057 related to economic development.

1058 40. Discussion or consideration by the Board of Education of information relating to the denial,
1059 suspension, or revocation of teacher licenses subject to the exclusion in subdivision 11 of § 2.2-3705.3.

1060 41. Those portions of meetings of the Virginia Military Advisory Council or any commission created by
1061 executive order for the purpose of studying and making recommendations regarding preventing closure or
1062 realignment of federal military and national security installations and facilities located in Virginia and
1063 relocation of such facilities to Virginia, or a local or regional military affairs organization appointed by a
1064 local governing body, during which there is discussion of information subject to the exclusion in subdivision
1065 8 of § 2.2-3705.2.

1066 42. Discussion or consideration by the Board of Trustees of the Veterans Services Foundation of
1067 information subject to the exclusion in subdivision 28 of § 2.2-3705.7 related to personally identifiable
1068 information of donors.

1069 43. Discussion or consideration by the Virginia Tobacco Region Revitalization Commission of
1070 information subject to the exclusion in subdivision 23 of § 2.2-3705.6 related to certain information contained
1071 in grant applications.

1072 44. Discussion or consideration by the board of directors of the Commercial Space Flight Authority of
1073 information subject to the exclusion in subdivision 24 of § 2.2-3705.6 related to rate structures or charges for
1074 the use of projects of, the sale of products of, or services rendered by the Authority and certain proprietary
1075 information of a private entity provided to the Authority.

1076 45. Discussion or consideration of personal and proprietary information related to the resource
1077 management plan program and subject to the exclusion in (i) subdivision 25 of § 2.2-3705.6 or (ii) subsection
1078 E of § 10.1-104.7. This exclusion shall not apply to the discussion or consideration of records that contain
1079 information that has been certified for release by the person who is the subject of the information or
1080 transformed into a statistical or aggregate form that does not allow identification of the person who supplied,
1081 or is the subject of, the information.

1082 46. Discussion or consideration by the Board of Directors of the Virginia Alcoholic Beverage Control
1083 Authority of information subject to the exclusion in subdivision 1 of § 2.2-3705.3 related to investigations of
1084 applicants for licenses and permits and of licensees and permittees.

1085 47. Discussion or consideration of grant, loan, or investment application records subject to the exclusion
1086 in subdivision 28 of § 2.2-3705.6 for a grant, loan, or investment pursuant to Article 11 (§ 2.2-2351 et seq.)
1087 of Chapter 22.

1088 48. Discussion or development of grant proposals by a regional council established pursuant to Article 26
1089 (§ 2.2-2484 et seq.) of Chapter 24 to be submitted for consideration to the Virginia Growth and Opportunity
1090 Board.

1091 49. Discussion or consideration of (i) individual sexual assault cases by a sexual assault response team
1092 established pursuant to § 15.2-1627.4, (ii) individual child abuse or neglect cases or sex offenses involving a
1093 child by a child sexual abuse response team established pursuant to § 15.2-1627.5, (iii) individual cases
1094 involving abuse, neglect, or exploitation of adults as defined in § 63.2-1603 pursuant to §§ 15.2-1627.5 and
1095 63.2-1605, or (iv) individual human trafficking cases by any human trafficking response team established
1096 pursuant to § 15.2-1627.6.

1097 50. Discussion or consideration by the Board of the Virginia Economic Development Partnership
1098 Authority, the Joint Legislative Audit and Review Commission, or any subcommittees thereof, of the portions
1099 of the strategic plan, marketing plan, or operational plan exempt from disclosure pursuant to subdivision 33
1100 of § 2.2-3705.7.

1101 51. Those portions of meetings of the subcommittee of the Board of the Virginia Economic Development
1102 Partnership Authority established pursuant to subsection F of § 2.2-2237.3 to review and discuss information
1103 received from the Virginia Employment Commission pursuant to subdivision C 2 of § 60.2-114 and the
1104 Department of Workforce Development and Advancement pursuant to subsection B of § 2.2-2040.

1105 52. Discussion or consideration by the Commonwealth of Virginia Innovation Partnership Authority (the
1106 Authority), an advisory committee of the Authority, or any other entity designated by the Authority, of
1107 information subject to the exclusion in subdivision 35 of § 2.2-3705.7.

1108 53. Deliberations of the Virginia *Lottery Gaming Commission* Board conducted pursuant to § 58.1-4105
1109 29.5-305 regarding the denial or revocation of a license of a casino gaming operator, or the refusal to issue,
1110 suspension of, or revocation of any license or permit related to casino gaming, and discussion, consideration,
1111 or review of matters related to investigations excluded from mandatory disclosure under subdivision 1 of
1112 § 2.2-3705.3.

1113 54. Deliberations of the Virginia ~~Lottery~~ *Gaming Commission* Board in an appeal conducted pursuant to §
 1114 58.1-4007 29.5-104 regarding the denial of, revocation of, suspension of, or refusal to renew any license or
 1115 permit related to sports betting and any discussion, consideration, or review of matters related to
 1116 investigations excluded from mandatory disclosure under subdivision 1 of § 2.2-3705.3.

1117 55. Meetings or portions of meetings of the Board of Criminal Justice Services or the Department of
 1118 Criminal Justice Services concerning the decertification of an identifiable law-enforcement or jail officer.

1119 B. No resolution, ordinance, rule, contract, regulation or motion adopted, passed or agreed to in a closed
 1120 meeting shall become effective unless the public body, following the meeting, reconvenes in open meeting
 1121 and takes a vote of the membership on such resolution, ordinance, rule, contract, regulation, or motion that
 1122 shall have its substance reasonably identified in the open meeting.

1123 C. Public officers improperly selected due to the failure of the public body to comply with the other
 1124 provisions of this section shall be de facto officers and, as such, their official actions are valid until they
 1125 obtain notice of the legal defect in their election.

1126 D. Nothing in this section shall be construed to prevent the holding of conferences between two or more
 1127 public bodies, or their representatives, but these conferences shall be subject to the same procedures for
 1128 holding closed meetings as are applicable to any other public body.

1129 E. This section shall not be construed to (i) require the disclosure of any contract between the Department
 1130 of Health Professions and an impaired practitioner entered into pursuant to Chapter 25.1 (§ 54.1-2515 et seq.)
 1131 of Title 54.1 or (ii) require the board of directors of any authority created pursuant to the Industrial
 1132 Development and Revenue Bond Act (§ 15.2-4900 et seq.), or any public body empowered to issue industrial
 1133 revenue bonds by general or special law, to identify a business or industry to which subdivision A 5 applies.
 1134 However, such business or industry shall be identified as a matter of public record at least 30 days prior to the
 1135 actual date of the board's authorization of the sale or issuance of such bonds.

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

1136 A. Public bodies may hold closed meetings only for the following purposes:

1137 1. Discussion, consideration, or interviews of prospective candidates for employment; assignment,
 1138 appointment, promotion, performance, demotion, salaries, disciplining, or resignation of specific public
 1139 officers, appointees, or employees of any public body; and evaluation of performance of departments or
 1140 schools of public institutions of higher education where such evaluation will necessarily involve discussion of
 1141 the performance of specific individuals. Any teacher shall be permitted to be present during a closed meeting
 1142 in which there is a discussion or consideration of a disciplinary matter that involves the teacher and some
 1143 student and the student involved in the matter is present, provided that the teacher makes a written request to
 1144 be present to the presiding officer of the appropriate board. Nothing in this subdivision, however, shall be
 1145 construed to authorize a closed meeting by a local governing body or an elected school board to discuss
 1146 compensation matters that affect the membership of such body or board collectively.

1147 2. Discussion or consideration of admission or disciplinary matters or any other matters that would
 1148 involve the disclosure of information contained in a scholastic record concerning any student of any public
 1149 institution of higher education in the Commonwealth or any state school system. However, any such student,
 1150 legal counsel and, if the student is a minor, the student's parents or legal guardians shall be permitted to be
 1151 present during the taking of testimony or presentation of evidence at a closed meeting, if such student,
 1152 parents, or guardians so request in writing and such request is submitted to the presiding officer of the
 1153 appropriate board.

1154 3. Discussion or consideration of the acquisition of real property for a public purpose, or of the disposition
 1155 of publicly held real property, where discussion in an open meeting would adversely affect the bargaining
 1156 position or negotiating strategy of the public body.

1157 4. The protection of the privacy of individuals in personal matters not related to public business.

1158 5. Discussion concerning a prospective business or industry or the expansion of an existing business or
 1159 industry where no previous announcement has been made of the business' or industry's interest in locating or
 1160 expanding its facilities in the community.

1161 6. Discussion or consideration of the investment of public funds where competition or bargaining is
 1162 involved, where, if made public initially, the financial interest of the governmental unit would be adversely
 1163 affected.

1164 7. Consultation with legal counsel and briefings by staff members or consultants pertaining to actual or
 1165 probable litigation, where such consultation or briefing in open meeting would adversely affect the
 1166 negotiating or litigating posture of the public body. For the purposes of this subdivision, "probable litigation"
 1167 means litigation that has been specifically threatened or on which the public body or its legal counsel has a
 1168 reasonable basis to believe will be commenced by or against a known party. Nothing in this subdivision shall
 1169 be construed to permit the closure of a meeting merely because an attorney representing the public body is in
 1170 attendance or is consulted on a matter.

1171 8. Consultation with legal counsel employed or retained by a public body regarding specific legal matters
 1172 requiring the provision of legal advice by such counsel. Nothing in this subdivision shall be construed to
 1173 permit the closure of a meeting merely because an attorney representing the public body is in attendance or is

1175 consulted on a matter.

1176 9. Discussion or consideration by governing boards of public institutions of higher education of matters
1177 relating to gifts, bequests and fund-raising activities, and of grants and contracts for services or work to be
1178 performed by such institution. However, the terms and conditions of any such gifts, bequests, grants, and
1179 contracts made by a foreign government, a foreign legal entity, or a foreign person and accepted by a public
1180 institution of higher education in the Commonwealth shall be subject to public disclosure upon written
1181 request to the appropriate board of visitors. For the purpose of this subdivision, (i) "foreign government"
1182 means any government other than the United States government or the government of a state or a political
1183 subdivision thereof, (ii) "foreign legal entity" means any legal entity (a) created under the laws of the United
1184 States or of any state thereof if a majority of the ownership of the stock of such legal entity is owned by
1185 foreign governments or foreign persons or if a majority of the membership of any such entity is composed of
1186 foreign persons or foreign legal entities or (b) created under the laws of a foreign government, and (iii)
1187 "foreign person" means any individual who is not a citizen or national of the United States or a trust territory
1188 or protectorate thereof.

1189 10. Discussion or consideration by the boards of trustees of the Virginia Museum of Fine Arts, the
1190 Virginia Museum of Natural History, the Jamestown-Yorktown Foundation, the Fort Monroe Authority, and
1191 The Science Museum of Virginia of matters relating to specific gifts, bequests, and grants from private
1192 sources.

1193 11. Discussion or consideration of honorary degrees or special awards.

1194 12. Discussion or consideration of tests, examinations, or other information used, administered, or
1195 prepared by a public body and subject to the exclusion in subdivision 4 of § 2.2-3705.1.

1196 13. Discussion, consideration, or review by the appropriate House or Senate committees of possible
1197 disciplinary action against a member arising out of the possible inadequacy of the disclosure statement filed
1198 by the member, provided that the member may request in writing that the committee meeting not be
1199 conducted in a closed meeting.

1200 14. Discussion of strategy with respect to the negotiation of a hazardous waste siting agreement or to
1201 consider the terms, conditions, and provisions of a hazardous waste siting agreement if the governing body in
1202 open meeting finds that an open meeting will have an adverse effect upon the negotiating position of the
1203 governing body or the establishment of the terms, conditions and provisions of the siting agreement, or both.
1204 All discussions with the applicant or its representatives may be conducted in a closed meeting.

1205 15. Discussion by the Governor and any economic advisory board reviewing forecasts of economic
1206 activity and estimating general and nongeneral fund revenues.

1207 16. Discussion or consideration of medical and mental health records subject to the exclusion in
1208 subdivision 1 of § 2.2-3705.5.

1209 17. Deliberations of the Virginia Lottery Board in a licensing appeal action conducted pursuant to
1210 subsection D of § 58.1-4007.29.5-707 regarding the denial or revocation of a license of a lottery sales agent;
1211 and discussion, consideration, or review of Virginia Lottery matters related to proprietary lottery game
1212 information and studies or investigations excluded from disclosure under subdivision 6 of § 2.2-3705.3 and
1213 subdivision 11 of § 2.2-3705.7.

1214 18. Those portions of meetings in which the State Board of Local and Regional Jails discusses or discloses
1215 the identity of, or information tending to identify, any prisoner who (i) provides information about crimes or
1216 criminal activities, (ii) renders assistance in preventing the escape of another prisoner or in the apprehension
1217 of an escaped prisoner, or (iii) voluntarily or at the instance of a prison official renders other extraordinary
1218 services, the disclosure of which is likely to jeopardize the prisoner's life or safety.

1219 19. Discussion of plans to protect public safety as it relates to terrorist activity or specific cybersecurity
1220 threats or vulnerabilities and briefings by staff members, legal counsel, or law-enforcement or emergency
1221 service officials concerning actions taken to respond to such matters or a related threat to public safety;
1222 discussion of information subject to the exclusion in subdivision 2 or 14 of § 2.2-3705.2, where discussion in
1223 an open meeting would jeopardize the safety of any person or the security of any facility, building, structure,
1224 information technology system, or software program; or discussion of reports or plans related to the security
1225 of any governmental facility, building or structure, or the safety of persons using such facility, building or
1226 structure.

1227 20. Discussion by the Board of the Virginia Retirement System, acting pursuant to § 51.1-124.30, or of
1228 any local retirement system, acting pursuant to § 51.1-803, or by a local finance board or board of trustees of
1229 a trust established by one or more local public bodies to invest funds for postemployment benefits other than
1230 pensions, acting pursuant to Article 8 (§ 15.2-1544 et seq.) of Chapter 15 of Title 15.2, or by the board of
1231 visitors of the University of Virginia, acting pursuant to § 23.1-2210, or by the Board of the Commonwealth
1232 Savers Plan, acting pursuant to § 23.1-706, regarding the acquisition, holding or disposition of a security or
1233 other ownership interest in an entity, where such security or ownership interest is not traded on a
1234 governmentally regulated securities exchange, to the extent that such discussion (i) concerns confidential
1235 analyses prepared for the board of visitors of the University of Virginia, prepared by the retirement system, or
1236 a local finance board or board of trustees, or the Commonwealth Savers Plan or provided to the retirement

1237 system, a local finance board or board of trustees, or the Commonwealth Savers Plan under a promise of
 1238 confidentiality, of the future value of such ownership interest or the future financial performance of the
 1239 entity, and (ii) would have an adverse effect on the value of the investment to be acquired, held, or disposed
 1240 of by the retirement system, a local finance board or board of trustees, the board of visitors of the University
 1241 of Virginia, or the Commonwealth Savers Plan. Nothing in this subdivision shall be construed to prevent the
 1242 disclosure of information relating to the identity of any investment held, the amount invested or the present
 1243 value of such investment.

1244 21. Those portions of meetings in which individual child death cases are discussed by the State Child
 1245 Fatality Review Team established pursuant to § 32.1-283.1, those portions of meetings in which individual
 1246 child death cases are discussed by a regional or local child fatality review team established pursuant to
 1247 § 32.1-283.2, those portions of meetings in which individual death cases are discussed by family violence
 1248 fatality review teams established pursuant to § 32.1-283.3, those portions of meetings in which individual
 1249 adult death cases are discussed by the state Adult Fatality Review Team established pursuant to § 32.1-283.5,
 1250 those portions of meetings in which individual adult death cases are discussed by a local or regional adult
 1251 fatality review team established pursuant to § 32.1-283.6, those portions of meetings in which individual
 1252 death cases are discussed by overdose fatality review teams established pursuant to § 32.1-283.7, those
 1253 portions of meetings in which individual maternal death cases are discussed by the Maternal Mortality
 1254 Review Team pursuant to § 32.1-283.8, and those portions of meetings in which individual death cases of
 1255 persons with developmental disabilities are discussed by the Developmental Disabilities Mortality Review
 1256 Committee established pursuant to § 37.2-314.1.

1257 22. Those portions of meetings of the board of visitors of the University of Virginia or Old Dominion
 1258 University, as the case may be, and those portions of meetings of any persons to whom management
 1259 responsibilities for the University of Virginia Medical Center or the Eastern Virginia Health Sciences Center
 1260 at Old Dominion University, as the case may be, have been delegated, in which there is discussed proprietary,
 1261 business-related information pertaining to the operations of the University of Virginia Medical Center or the
 1262 Eastern Virginia Health Sciences Center at Old Dominion University, as the case may be, including business
 1263 development or marketing strategies and activities with existing or future joint venturers, partners, or other
 1264 parties with whom the University of Virginia Medical Center or the Eastern Virginia Health Sciences Center
 1265 at Old Dominion University, as the case may be, has formed, or forms, any arrangement for the delivery of
 1266 health care, if disclosure of such information would adversely affect the competitive position of the
 1267 University of Virginia Medical Center or the Eastern Virginia Health Sciences Center at Old Dominion
 1268 University, as the case may be.

1269 23. Discussion or consideration by the Virginia Commonwealth University Health System Authority or
 1270 the board of visitors of Virginia Commonwealth University of any of the following: the acquisition or
 1271 disposition by the Authority of real property, equipment, or technology software or hardware and related
 1272 goods or services, where disclosure would adversely affect the bargaining position or negotiating strategy of
 1273 the Authority; matters relating to gifts or bequests to, and fund-raising activities of, the Authority; grants and
 1274 contracts for services or work to be performed by the Authority; marketing or operational strategies plans of
 1275 the Authority where disclosure of such strategies or plans would adversely affect the competitive position of
 1276 the Authority; and members of the Authority's medical and teaching staffs and qualifications for
 1277 appointments thereto.

1278 24. Those portions of the meetings of the Health Practitioners' Monitoring Program Committee within the
 1279 Department of Health Professions to the extent such discussions identify any practitioner who may be, or who
 1280 actually is, impaired pursuant to Chapter 25.1 (§ 54.1-2515 et seq.) of Title 54.1.

1281 25. Meetings or portions of meetings of the Board of the Commonwealth Savers Plan wherein personal
 1282 information, as defined in § 2.2-3801, which has been provided to the Board or its employees by or on behalf
 1283 of individuals who have requested information about, applied for, or entered into prepaid tuition contracts or
 1284 savings trust account agreements pursuant to Chapter 7 (§ 23.1-700 et seq.) of Title 23.1 is discussed.

1285 26. Discussion or consideration, by the former Wireless Carrier E-911 Cost Recovery Subcommittee
 1286 created pursuant to former § 56-484.15, of trade secrets submitted by CMRS providers, as defined in
 1287 § 56-484.12, related to the provision of wireless E-911 service.

1288 27. Those portions of disciplinary proceedings by any regulatory board within the Department of
 1289 Professional and Occupational Regulation, Department of Health Professions, or the Board of Accountancy
 1290 conducted pursuant to § 2.2-4019 or 2.2-4020 during which the board deliberates to reach a decision or
 1291 meetings of health regulatory boards or conference committees of such boards to consider settlement
 1292 proposals in pending disciplinary actions or modifications to previously issued board orders as requested by
 1293 either of the parties.

1294 28. Discussion or consideration of information subject to the exclusion in subdivision 11 of § 2.2-3705.6
 1295 by a responsible public entity or an affected locality or public entity, as those terms are defined in
 1296 § 33.2-1800, or any independent review panel appointed to review information and advise the responsible
 1297 public entity concerning such records.

1298 29. Discussion of the award of a public contract involving the expenditure of public funds, including

1299 interviews of bidders or offerors, and discussion of the terms or scope of such contract, where discussion in
1300 an open session would adversely affect the bargaining position or negotiating strategy of the public body.

1301 30. Discussion or consideration of grant or loan application information subject to the exclusion in
1302 subdivision 17 of § 2.2-3705.6 by the Commonwealth Health Research Board.

1303 31. Discussion or consideration by the Commitment Review Committee of information subject to the
1304 exclusion in subdivision 5 of § 2.2-3705.2 relating to individuals subject to commitment as sexually violent
1305 predators under Chapter 9 (§ 37.2-900 et seq.) of Title 37.2.

1306 32. Discussion or consideration of confidential proprietary information and trade secrets developed and
1307 held by a local public body providing certain telecommunication services or cable television services and
1308 subject to the exclusion in subdivision 18 of § 2.2-3705.6. However, the exemption provided by this
1309 subdivision shall not apply to any authority created pursuant to the BVU Authority Act (§ 15.2-7200 et seq.).

1310 33. Discussion or consideration by a local authority created in accordance with the Virginia Wireless
1311 Service Authorities Act (§ 15.2-5431.1 et seq.) of confidential proprietary information and trade secrets
1312 subject to the exclusion in subdivision 19 of § 2.2-3705.6.

1313 34. Discussion or consideration by the State Board of Elections or local electoral boards of voting security
1314 matters made confidential pursuant to § 24.2-410.2 or 24.2-625.1 and review by the State Board of Elections
1315 of complaints related to the personal use of campaign funds pursuant to § 24.2-948.7.

1316 35. Discussion or consideration by the Forensic Science Board or the Scientific Advisory Committee
1317 created pursuant to Article 2 (§ 9.1-1109 et seq.) of Chapter 11 of Title 9.1 of criminal investigative files.

1318 36. Discussion or consideration by the Brown v. Board of Education Scholarship Committee of
1319 information or confidential matters subject to the exclusion in subdivision A 3 of § 2.2-3705.4, and meetings
1320 of the Committee to deliberate concerning the annual maximum scholarship award, review and consider
1321 scholarship applications and requests for scholarship award renewal, and cancel, rescind, or recover
1322 scholarship awards.

1323 37. Discussion or consideration by the Virginia Port Authority of information subject to the exclusion in
1324 subdivision 1 of § 2.2-3705.6 related to certain proprietary information gathered by or for the Virginia Port
1325 Authority.

1326 38. Discussion or consideration by the Board of Trustees of the Virginia Retirement System acting
1327 pursuant to § 51.1-124.30, by the Investment Advisory Committee appointed pursuant to § 51.1-124.26, by
1328 any local retirement system, acting pursuant to § 51.1-803, by the Board of the Commonwealth Savers Plan
1329 acting pursuant to § 23.1-706, or by the Commonwealth Savers Plan's Investment Advisory Committee
1330 appointed pursuant to § 23.1-702 of information subject to the exclusion in subdivision 24 of § 2.2-3705.7.

1331 39. Discussion or consideration of information subject to the exclusion in subdivision 3 of § 2.2-3705.6
1332 related to economic development.

1333 40. Discussion or consideration by the Board of Education of information relating to the denial,
1334 suspension, or revocation of teacher licenses subject to the exclusion in subdivision 11 of § 2.2-3705.3.

1335 41. Those portions of meetings of the Virginia Military Advisory Council or any commission created by
1336 executive order for the purpose of studying and making recommendations regarding preventing closure or
1337 realignment of federal military and national security installations and facilities located in Virginia and
1338 relocation of such facilities to Virginia, or a local or regional military affairs organization appointed by a
1339 local governing body, during which there is discussion of information subject to the exclusion in subdivision
1340 8 of § 2.2-3705.2.

1341 42. Discussion or consideration by the Board of Trustees of the Veterans Services Foundation of
1342 information subject to the exclusion in subdivision 28 of § 2.2-3705.7 related to personally identifiable
1343 information of donors.

1344 43. Discussion or consideration by the Virginia Tobacco Region Revitalization Commission of
1345 information subject to the exclusion in subdivision 23 of § 2.2-3705.6 related to certain information contained
1346 in grant applications.

1347 44. Discussion or consideration by the board of directors of the Commercial Space Flight Authority of
1348 information subject to the exclusion in subdivision 24 of § 2.2-3705.6 related to rate structures or charges for
1349 the use of projects of, the sale of products of, or services rendered by the Authority and certain proprietary
1350 information of a private entity provided to the Authority.

1351 45. Discussion or consideration of personal and proprietary information related to the resource
1352 management plan program and subject to the exclusion in (i) subdivision 25 of § 2.2-3705.6 or (ii) subsection
1353 E of § 10.1-104.7. This exclusion shall not apply to the discussion or consideration of records that contain
1354 information that has been certified for release by the person who is the subject of the information or
1355 transformed into a statistical or aggregate form that does not allow identification of the person who supplied,
1356 or is the subject of, the information.

1357 46. Discussion or consideration by the Board of Directors of the Virginia Alcoholic Beverage Control
1358 Authority of information subject to the exclusion in subdivision 1 of § 2.2-3705.3 related to investigations of
1359 applicants for licenses and permits and of licensees and permittees.

1360 47. Discussion or consideration of grant, loan, or investment application records subject to the exclusion

1361 in subdivision 28 of § 2.2-3705.6 for a grant, loan, or investment pursuant to Article 11 (§ 2.2-2351 et seq.)
 1362 of Chapter 22.

1363 48. Discussion or development of grant proposals by a regional council established pursuant to Article 26
 1364 (§ 2.2-2484 et seq.) of Chapter 24 to be submitted for consideration to the Virginia Growth and Opportunity
 1365 Board.

1366 49. Discussion or consideration of (i) individual sexual assault cases by a sexual assault response team
 1367 established pursuant to § 15.2-1627.4, (ii) individual child abuse or neglect cases or sex offenses involving a
 1368 child by a child sexual abuse response team established pursuant to § 15.2-1627.5, (iii) individual cases
 1369 involving abuse, neglect, or exploitation of adults as defined in § 63.2-1603 pursuant to §§ 15.2-1627.5 and
 1370 63.2-1605, or (iv) individual human trafficking cases by any human trafficking response team established
 1371 pursuant to § 15.2-1627.6.

1372 50. Discussion or consideration by the Board of the Virginia Economic Development Partnership
 1373 Authority, the Joint Legislative Audit and Review Commission, or any subcommittees thereof, of the portions
 1374 of the strategic plan, marketing plan, or operational plan exempt from disclosure pursuant to subdivision 33
 1375 of § 2.2-3705.7.

1376 51. Those portions of meetings of the subcommittee of the Board of the Virginia Economic Development
 1377 Partnership Authority established pursuant to subsection F of § 2.2-2237.3 to review and discuss information
 1378 received from the Virginia Employment Commission pursuant to subdivision C 2 of § 60.2-114 and the
 1379 Department of Workforce Development and Advancement pursuant to subsection B of § 2.2-2040.

1380 52. Discussion or consideration by the Commonwealth of Virginia Innovation Partnership Authority (the
 1381 Authority), an advisory committee of the Authority, or any other entity designated by the Authority, of
 1382 information subject to the exclusion in subdivision 35 of § 2.2-3705.7.

1383 53. Deliberations of the Virginia *Lottery Gaming Commission* Board conducted pursuant to § 58.1-4105
 1384 29.5-305 regarding the denial or revocation of a license of a casino gaming operator, or the refusal to issue,
 1385 suspension of, or revocation of any license or permit related to casino gaming, and discussion, consideration,
 1386 or review of matters related to investigations excluded from mandatory disclosure under subdivision 1 of
 1387 § 2.2-3705.3.

1388 54. Deliberations of the Virginia *Lottery Gaming Commission* Board in an appeal conducted pursuant to §
 1389 58.1-4007 29.5-104 regarding the denial of, revocation of, suspension of, or refusal to renew any license or
 1390 permit related to sports betting and any discussion, consideration, or review of matters related to
 1391 investigations excluded from mandatory disclosure under subdivision 1 of § 2.2-3705.3.

1392 55. Meetings or portions of meetings of the Board of Criminal Justice Services or the Department of
 1393 Criminal Justice Services concerning the decertification of an identifiable law-enforcement or jail officer.

1394 B. No resolution, ordinance, rule, contract, regulation or motion adopted, passed or agreed to in a closed
 1395 meeting shall become effective unless the public body, following the meeting, reconvenes in open meeting
 1396 and takes a vote of the membership on such resolution, ordinance, rule, contract, regulation, or motion that
 1397 shall have its substance reasonably identified in the open meeting.

1398 C. Public officers improperly selected due to the failure of the public body to comply with the other
 1399 provisions of this section shall be de facto officers and, as such, their official actions are valid until they
 1400 obtain notice of the legal defect in their election.

1401 D. Nothing in this section shall be construed to prevent the holding of conferences between two or more
 1402 public bodies, or their representatives, but these conferences shall be subject to the same procedures for
 1403 holding closed meetings as are applicable to any other public body.

1404 E. This section shall not be construed to (i) require the disclosure of any contract between the Department
 1405 of Health Professions and an impaired practitioner entered into pursuant to Chapter 25.1 (§ 54.1-2515 et seq.)
 1406 of Title 54.1 or (ii) require the board of directors of any authority created pursuant to the Industrial
 1407 Development and Revenue Bond Act (§ 15.2-4900 et seq.), or any public body empowered to issue industrial
 1408 revenue bonds by general or special law, to identify a business or industry to which subdivision A 5 applies.
 1409 However, such business or industry shall be identified as a matter of public record at least 30 days prior to the
 1410 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;

1415 3. Contained in the Criminal Justice Information System as defined in §§ 9.1-126 through 9.1-137 or in
 1416 the Sex Offender and Crimes Against Minors Registry maintained by the Department of State Police pursuant
 1417 to Chapter 9 (§ 9.1-900 et seq.) of Title 9.1, except to the extent that information is required to be posted on
 1418 the Internet pursuant to § 9.1-913;

1419 4. Contained in the Virginia Juvenile Justice Information System as defined in §§ 16.1-222 through
 1420 16.1-225;

1421 5. Maintained by agencies concerning persons required by law to be licensed in the Commonwealth to
 1422 engage in the practice of any profession, in which case the names and addresses of persons applying for or

1423 possessing the license may be disseminated upon written request to a person engaged in the profession or
1424 business of offering professional educational materials or courses for the sole purpose of providing the
1425 licensees or applicants for licenses with informational materials relating solely to available professional
1426 educational materials or courses, provided the disseminating agency is reasonably assured that the use of the
1427 information will be so limited;

1428 6. Maintained by the Parole Board, the Crime Commission, the Judicial Inquiry and Review Commission,
1429 the Virginia ~~Racing~~ Gaming Commission, the Virginia Criminal Sentencing Commission, and the Virginia
1430 Alcoholic Beverage Control Authority;

1431 7. Maintained by any of the following and that deal with investigations and intelligence gathering related
1432 to criminal activity:

- 1433 a. The Department of State Police;
- 1434 b. The police department of the Chesapeake Bay Bridge and Tunnel Commission;
- 1435 c. Police departments of cities, counties, and towns;
- 1436 d. Sheriff's departments of counties and cities;
- 1437 e. Campus police departments of public institutions of higher education as established by Article 3
1438 (§ 23.1-809 et seq.) of Chapter 8 of Title 23.1; and
- 1439 f. The Division of Capitol Police.

1440 8. Maintained by local departments of social services regarding alleged cases of child abuse or neglect
1441 while such cases are also subject to an ongoing criminal prosecution;

1442 9. Maintained by the Virginia Port Authority as provided in § 62.1-132.4 or 62.1-134.1;

1443 10. Maintained by the Virginia Tourism Authority in connection with or as a result of the promotion of
1444 travel or tourism in the Commonwealth, in which case names and addresses of persons requesting
1445 information on those subjects may be disseminated upon written request to a person engaged in the business
1446 of providing travel services or distributing travel information, provided the Virginia Tourism Authority is
1447 reasonably assured that the use of the information will be so limited;

1448 11. Maintained by the Division of Consolidated Laboratory Services of the Department of General
1449 Services and the Department of Forensic Science, which deal with scientific investigations relating to
1450 criminal activity or suspected criminal activity, except to the extent that § 9.1-1104 may apply;

1451 12. Maintained by the Department of Corrections or the Office of the State Inspector General that deal
1452 with investigations and intelligence gathering by persons acting under the provisions of Chapter 3.2
1453 (§ 2.2-307 et seq.);

1454 13. Maintained by (i) the Office of the State Inspector General or internal audit departments of state
1455 agencies or institutions that deal with communications and investigations relating to the Fraud, Waste and
1456 Abuse Hotline or (ii) an auditor appointed by the local governing body of any county, city, or town or a
1457 school board that deals with local investigations required by § 15.2-2511.2;

1458 14. Maintained by the Department of Social Services or any local department of social services relating to
1459 public assistance fraud investigations;

1460 15. Maintained by the Department of Social Services related to child welfare or public assistance
1461 programs when requests for personal information are made to the Department of Social Services. Requests
1462 for information from these systems shall be made to the appropriate local department of social services that is
1463 the custodian of that record. Notwithstanding the language in this section, an individual shall not be
1464 prohibited from obtaining information from the central registry in accordance with the provisions of
1465 § 63.2-1515; and

1466 16. Maintained by the Department for Aging and Rehabilitative Services related to adult services, adult
1467 protective services, or auxiliary grants when requests for personal information are made to the Department for
1468 Aging and Rehabilitative Services. Requests for information from these systems shall be made to the
1469 appropriate local department of social services that is the custodian of that record.

1470 **§ 2.2-4002. Exemptions from chapter generally.**

1471 A. Although required to comply with § 2.2-4103 of the Virginia Register Act (§ 2.2-4100 et seq.), the
1472 following agencies shall be exempted from the provisions of this chapter, except to the extent that they are
1473 specifically made subject to §§ 2.2-4024, 2.2-4030, and 2.2-4031:

1474 1. The General Assembly.

1475 2. Courts, any agency of the Supreme Court, and any agency that by the Constitution is expressly granted
1476 any of the powers of a court of record.

1477 3. The Department of Wildlife Resources in promulgating regulations regarding the management of
1478 wildlife and for all case decisions rendered pursuant to any provisions of Chapters 2 (§ 29.1-200 et seq.), 3
1479 (§ 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.

1480 4. The Virginia Housing Development Authority.

1481 5. Municipal corporations, counties, and all local, regional, or multijurisdictional authorities created under
1482 this Code, including those with federal authorities.

1483 6. Educational institutions operated by the Commonwealth, provided that, with respect to § 2.2-4031, such
1484 educational institutions shall be exempt from the publication requirements only with respect to regulations

1485 that pertain to (i) their academic affairs, (ii) the selection, tenure, promotion, and disciplining of faculty and
 1486 employees, (iii) the selection of students, and (iv) rules of conduct and disciplining of students.

1487 7. The Milk Commission in promulgating regulations regarding (i) producers' licenses and bases, (ii)
 1488 classification and allocation of milk, computation of sales, and shrinkage, and (iii) class prices for producers'
 1489 milk, time and method of payment, butterfat testing, and differential.

1490 8. The Virginia Resources Authority.

1491 9. Agencies expressly exempted by any other provision of this Code.

1492 10. The Department of General Services in promulgating standards for the inspection of buildings for
 1493 asbestos pursuant to § 2.2-1164.

1494 11. The State Council of Higher Education for Virginia, in developing, issuing, and revising guidelines
 1495 pursuant to § 23.1-207.

1496 12. The Commissioner of Agriculture and Consumer Services in adopting regulations pursuant to
 1497 subsection B of § 3.2-6002 and in adopting regulations pursuant to § 3.2-6023.

1498 13. The Commissioner of Agriculture and Consumer Services and the Board of Agriculture and Consumer
 1499 Services in promulgating regulations pursuant to subsections B and D of § 3.2-3601, subsection B of
 1500 § 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
 1501 § 3.2-5406.

1502 14. The Board of Optometry when specifying therapeutic pharmaceutical agents, treatment guidelines,
 1503 and diseases and abnormal conditions of the human eye and its adnexa for TPA-certification of optometrists
 1504 pursuant to Article 5 (§ 54.1-3222 et seq.) of Chapter 32 of Title 54.1.

1505 15. The Commissioner of the Department of Veterans Services in adopting regulations pursuant to
 1506 § 2.2-2001.3.

1507 16. The State Board of Education, in developing, issuing, and revising guidelines pursuant to
 1508 § 22.1-203.2.

1509 17. The Virginia *Racing* *Gaming* Commission, (i) when acting by and through its duly appointed stewards
 1510 or in matters related to any specific race meeting or (ii) in promulgating technical rules regulating actual live
 1511 horse racing at race meetings licensed by the Commission.

1512 18. The Virginia Small Business Financing Authority.

1513 19. The Virginia Economic Development Partnership Authority.

1514 20. The Board of Agriculture and Consumer Services in adopting, amending, or repealing regulations
 1515 pursuant to subsection A (ii) of § 59.1-156.

1516 21. The Insurance Continuing Education Board pursuant to § 38.2-1867.

1517 22. The Board of Health in promulgating the list of diseases that shall be reported to the Department of
 1518 Health pursuant to § 32.1-35 and in adopting, amending, or repealing regulations pursuant to subsection C of
 1519 § 35.1-14 that incorporate the Food and Drug Administration's Food Code pertaining to restaurants or food
 1520 service.

1521 23. The Board of Pharmacy when specifying special subject requirements for continuing education for
 1522 pharmacists pursuant to § 54.1-3314.1.

1523 24. The Virginia Department of Veterans Services when promulgating rules and regulations pursuant to
 1524 § 58.1-3219.7 or 58.1-3219.11.

1525 25. The Virginia Department of Criminal Justice Services when developing, issuing, or revising any
 1526 training standards established by the Criminal Justice Services Board under § 9.1-102, provided such actions
 1527 are authorized by the Governor in the interest of public safety.

1528 B. Agency action relating to the following subjects shall be exempted from the provisions of this chapter:

1529 1. Money or damage claims against the Commonwealth or agencies thereof.

1530 2. The award or denial of state contracts, as well as decisions regarding compliance therewith.

1531 3. The location, design, specifications, or construction of public buildings or other facilities.

1532 4. Grants of state or federal funds or property.

1533 5. The chartering of corporations.

1534 6. Customary military, militia, naval, or police functions.

1535 7. The selection, tenure, dismissal, direction, or control of any officer or employee of an agency of the
 1536 Commonwealth.

1537 8. The conduct of elections or eligibility to vote.

1538 9. Inmates of prisons or other such facilities or parolees therefrom.

1539 10. The custody of persons in, or sought to be placed in, mental health facilities or penal or other state
 1540 institutions as well as the treatment, supervision, or discharge of such persons.

1541 11. Traffic signs, markers, or control devices.

1542 12. Instructions for application or renewal of a license, certificate, or registration required by law.

1543 13. Content of, or rules for the conduct of, any examination required by law.

1544 14. The administration of pools authorized by Chapter 47 (§ 2.2-4700 et seq.).

1545 15. Any rules for the conduct of specific lottery games, so long as such rules are not inconsistent with
 1546 duly adopted regulations of the Virginia Lottery Board, and provided that such regulations are published and

1547 posted.

1548 16. Orders condemning or closing any shellfish, finfish, or crustacea growing area and the shellfish, finfish, or crustacea located thereon pursuant to Article 2 (§ 28.2-803 et seq.) of Chapter 8 of Title 28.2.

1549 17. Any operating procedures for review of child deaths developed by the State Child Fatality Review Team pursuant to § 32.1-283.1, any operating procedures for review of adult deaths developed by the Adult Fatality Review Team pursuant to § 32.1-283.5, any operating procedures for review of adult deaths developed by the Maternal Mortality Review Team pursuant to § 32.1-283.8, and any operating procedures for review of the deaths of persons with a developmental disability developed by the Developmental Disabilities Mortality Review Committee pursuant to § 37.2-314.1.

1550 18. The regulations for the implementation of the Health Practitioners' Monitoring Program and the activities of the Health Practitioners' Monitoring Program Committee pursuant to Chapter 25.1 (§ 54.1-2515 et seq.) of Title 54.1.

1551 19. The process of reviewing and ranking grant applications submitted to the Commonwealth Neurotrauma Initiative Advisory Board pursuant to Article 12 (§ 51.5-178 et seq.) of Chapter 14 of Title 51.5.

1552 20. Loans from the Small Business Environmental Compliance Assistance Fund pursuant to Article 4 (§ 10.1-1197.1 et seq.) of Chapter 11.1 of Title 10.1.

1553 21. The Virginia Breeders Fund created pursuant to § 59.1-372 29.5-611.

1554 22. The types of pari-mutuel wagering pools available for live or simulcast horse racing.

1555 23. The administration of medication or other substances foreign to the natural horse.

1556 24. Any rules adopted by the ~~Department of Agriculture and Consumer Services~~ *Virginia Gaming Commission* for the approval and conduct of game variations for the conduct of raffles, bingo, network bingo, and instant bingo games, provided that such rules are (i) consistent with Article 4.1:1 (§ 18.2-340.15 et seq.) of Chapter 8.2 (§ 29.5-200 et seq.) of Title 18.2 29.5 and (ii) published and posted.

1557 C. Minor changes to regulations published in the Virginia Administrative Code under the Virginia Register Act (§ 2.2-4100 et seq.), made by the Virginia Code Commission pursuant to § 30-150, shall be exempt from the provisions of this chapter.

1558 **§ 2.2-4346. Other exemptions for certain transactions.**

1559 The following public bodies may enter into contracts as provided in this section.

1560 A. Contracts for certain essential election materials and services are exempted from the requirements of 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 § 24.2-602.

1561 B. Any local school board may authorize any of its public schools or its school division to enter into contracts providing that caps and gowns, photographs, class rings, yearbooks and graduation announcements will be available for purchase or rental by students, parents, faculty or other persons using nonpublic money through the use of competitive negotiation as provided in this chapter; competitive sealed bidding is not necessarily required for such contracts. The Superintendent of Public Instruction may provide assistance to public school systems regarding this chapter and other related laws.

1562 C. The Virginia ~~Racing~~ *Gaming* Commission, *with the advice of, in consultation with, and with the consent of the Virginia Racing Commission*, may designate an entity to administer and promote the Virginia Breeders Fund created pursuant to § 59.1-372 29.5-611 without competitive procurement.

1563 **§ 3.2-102. General powers and duties of the Commissioner.**

1564 A. The Commissioner shall be vested with the powers and duties set out in § 2.2-601, the powers and duties herein provided, and such other powers and duties as may be prescribed by law; ~~including those prescribed in Title 59.1~~. He shall be the executive officer of the Board, and shall see that its orders are carried out. He shall see to the proper execution of laws relating to the Department. Unless the Governor expressly reserves such power to himself, the Commissioner shall promote, protect, and develop the agricultural interests of the Commonwealth. The Commissioner shall develop, implement, and maintain programs within the Department including those that promote the development and marketing of the Commonwealth's agricultural products in domestic and international markets, including promotions, market development and research, marketing assistance, market information, and product grading and certification; promote the creation of new agribusiness including new crops, biotechnology and new uses of agricultural products, and the expansion of existing agribusiness within the Commonwealth; develop, promote, and maintain consumer protection programs that protect the safety and quality of the Commonwealth's food supply through food and dairy inspection activities, industry and consumer education, and information on food safety; work with other state agencies to preserve the Commonwealth's agricultural lands; ensure animal health and protect the Commonwealth's livestock industries through disease control and surveillance, maintaining animal health diagnostic laboratories, and encouraging the humane treatment and care of animals; protect public health and the environment through regulation and proper handling of pesticides, agricultural stewardship, and protection of endangered plant and insect species; protect crop and plant health and productivity; ensure consumer protection and fair trade practices in commerce; develop plans and emergency response protocols to protect the agriculture industry from bioterrorism, plant and animal diseases, and agricultural pests; assist

1609 as directed by the Governor in the Commonwealth's response to natural disasters; develop and implement
 1610 programs and inspection activities to ensure that the Commonwealth's agricultural products move freely in
 1611 trade domestically and internationally; and enter into agreements with federal, state, and local governments,
 1612 land grant universities, and other organizations that include marketing, plant protection, pest control,
 1613 pesticides, and meat and poultry inspection.

1614 B. In addition, the Commissioner shall:

1615 1. Establish and maintain a farm-to-school website. The purpose of the website shall be to facilitate and
 1616 promote the purchase of Virginia farm products by schools, universities, and other educational institutions
 1617 under the jurisdiction of the State Department of Education. The website shall present such current
 1618 information as the availability of Virginia farm products, including the types and amount of products, and the
 1619 names of and contact information for farmers, farm organizations, and businesses marketing such products;

1620 2. Establish and operate a nonprofit, nonstock corporation under Chapter 10 (§ 13.1-801 et seq.) of Title
 1621 13.1 as a public instrumentality exercising public and essential governmental functions to promote, develop,
 1622 and sustain markets for licensed Virginia wineries and farm wineries, as defined in § 4.1-100. Such
 1623 corporation shall provide wholesale wine distribution services for wineries and farm wineries licensed in
 1624 accordance with § 4.1-206.1. The board of directors of such corporation shall be composed of the
 1625 Commissioner and four members appointed by the Board, including one owner or manager of a winery or
 1626 farm winery licensee that is not served by a wholesaler when the owner or manager is appointed to the board;
 1627 one owner or manager of a winery or farm winery licensee that produces no more than 10,000 cases per year;
 1628 and two owners or managers of wine wholesaler licensees. In making appointments to the board of directors,
 1629 the Board shall consider nominations of winery and farm winery licensees submitted by the Virginia
 1630 Wineries Association and wine wholesale licensees submitted by the Virginia Wine Wholesalers Association.
 1631 The Commissioner shall require such corporation to report to him at least annually on its activities, including
 1632 reporting the quantity of wine distributed for each winery and farm winery during the preceding year. The
 1633 provisions of the Virginia Public Procurement Act (§ 2.2-4300 et seq.) shall not apply to the establishment of
 1634 such corporation nor to the exercise of any of its powers granted under this section;

1635 3. Establish and operate a nonprofit, nonstock corporation under Chapter 10 (§ 13.1-801 et seq.) of Title
 1636 13.1 as a public instrumentality exercising public and essential governmental functions to promote, develop,
 1637 and sustain markets for Virginia breweries and limited breweries. Such corporation shall provide wholesale
 1638 beer distribution services for Virginia breweries and limited breweries licensed in accordance with
 1639 § 4.1-206.1. The board of directors of such corporation shall be composed of the Commissioner and four
 1640 members appointed by the Board, (i) two of whom shall be an owner or manager of a Virginia beer wholesale
 1641 licensee, (ii) one of whom shall be an owner or manager of a brewery or limited brewery licensee, and (iii)
 1642 one of whom shall be an owner or manager of a brewery or limited brewery licensee that is not served by a
 1643 wholesaler at the time such owner or manager is appointed to the board of directors. In making appointments
 1644 to the board of directors, the Board shall consider nominations submitted by the Virginia Beer Wholesalers
 1645 Association regarding members listed in clause (i) and nominations submitted by the Virginia Craft Brewers
 1646 Guild regarding members listed in clauses (ii) and (iii). At least annually, such corporation shall be required
 1647 to report to the Commissioner on its activities, including reporting the quantity of beer distributed for each
 1648 brewery or limited brewery licensee during the preceding year. The Commissioner shall report such
 1649 information to the General Assembly. The provisions of the Virginia Public Procurement Act (§ 2.2-4300 et
 1650 seq.) shall not apply to the establishment of such corporation nor to the exercise of any of its powers granted
 1651 under this section; and

1652 4. ~~Promulgate regulations in accordance with the Administrative Process Act (§ 2.2-4000 et seq.) not
 1653 inconsistent with the laws of Virginia necessary to carry out the provisions of Article 1.1:1 (§ 18.2-340.15 et
 1654 seq.) of Chapter 8 of Title 18.2. Such regulations may include penalties for violations; and~~

1655 5. Ensure that the Department compiles and publishes the annual report relating to foreign adversary
 1656 ownership of agricultural land required under § 55.1-509.

1657 **§ 3.2-6201. Horse racing excluded.**

1658 The provisions of this chapter shall not apply to horse racing, as that term is defined by § 59.1-365
 1659 29.5-601.

1660 **§ 4.1-100. Definitions.**

1661 As used in this subtitle unless the context requires a different meaning:

1662 "Alcohol" means the product known as ethyl or grain alcohol obtained by distillation of any fermented
 1663 liquor, rectified either once or more often, whatever the origin, and shall include synthetic ethyl alcohol, but
 1664 shall not include methyl alcohol and alcohol completely denatured in accordance with formulas approved by
 1665 the government of the United States.

1666 "Alcohol vaporizing device" means any device, machine, or process that mixes any alcoholic beverages
 1667 with pure oxygen or other gas to produce a vaporized product for the purpose of consumption by inhalation.

1668 "Alcoholic beverages" includes alcohol, spirits, wine, and beer, and any one or more of such varieties
 1669 containing one-half of one percent or more of alcohol by volume, including mixed alcoholic beverages, and
 1670 every liquid or solid, powder or crystal, patented or not, containing alcohol, spirits, wine, or beer and capable

1671 of being consumed by a human being. Any liquid or solid containing more than one of the four varieties shall
1672 be considered as belonging to that variety which has the higher percentage of alcohol, however obtained,
1673 according to the order in which they are set forth in this definition; except that beer may be manufactured to
1674 include flavoring materials and other nonbeverage ingredients containing alcohol, as long as no more than 49
1675 percent of the overall alcohol content of the finished product is derived from the addition of flavors and other
1676 nonbeverage ingredients containing alcohol for products with an alcohol content of no more than six percent
1677 by volume; or, in the case of products with an alcohol content of more than six percent by volume, as long as
1678 no more than one and one-half percent of the volume of the finished product consists of alcohol derived from
1679 added flavors and other nonbeverage ingredients containing alcohol.

1680 "Arts venue" means a commercial or nonprofit establishment that is open to the public and in which
1681 works of art are sold or displayed.

1682 "Authority" means the Virginia Alcoholic Beverage Control Authority created pursuant to this subtitle.

1683 "Barrel" means any container or vessel having a capacity of more than 43 ounces.

1684 "Bed and breakfast establishment" means any establishment (i) having no more than 15 bedrooms; (ii)
1685 offering to the public, for compensation, transitory lodging or sleeping accommodations; and (iii) offering at
1686 least one meal per day, which may but need not be breakfast, to each person to whom overnight lodging is
1687 provided. For purposes of the licensing requirements of this subtitle, "bed and breakfast establishment"
1688 includes any property offered to the public for short-term rental, as that term is defined in § 15.2-983, other
1689 than a hotel as defined in this section, regardless of whether a meal is offered to each person to whom
1690 overnight lodging is provided.

1691 "Beer" means any alcoholic beverage obtained by the fermentation of an infusion or decoction of barley,
1692 malt, and hops or of any similar products in drinkable water and containing one-half of one percent or more
1693 of alcohol by volume.

1694 "Board" means the Board of Directors of the Virginia Alcoholic Beverage Control Authority.

1695 "Bottle" means any vessel intended to contain liquids and having a capacity of not more than 43 ounces.

1696 "Bus" means a motor vehicle that (i) is operated by a common carrier licensed under Chapter 20
1697 (§ 46.2-2000 et seq.) of Title 46.2 to transport passengers for compensation over the highways of the
1698 Commonwealth on regular or irregular routes of not less than 100 miles, (ii) seats no more than 24
1699 passengers, (iii) is 40 feet in length or longer, (iv) offers wireless Internet services, (v) is equipped with
1700 charging stations at every seat for cellular phones or other portable devices, and (vi) during the transportation
1701 of passengers, is staffed by an attendant who has satisfied all training requirements set forth in this subtitle or
1702 Board regulation.

1703 "Club" means any private nonprofit corporation or association which is the owner, lessee, or occupant of
1704 an establishment operated solely for a national, social, patriotic, political, athletic, or other like purpose, but
1705 not for pecuniary gain, the advantages of which belong to all of the members. It also means the establishment
1706 so operated. A corporation or association shall not lose its status as a club because of the conduct of
1707 charitable gaming conducted pursuant to Article 1.1:1 (§ 18.2-340.15 et seq.) of Chapter 8 2 (§ 29.5-200 et
1708 seq.) of Title 18.2 29.5 in which nonmembers participate frequently or in large numbers, provided that no
1709 alcoholic beverages are served or consumed in the room where such charitable gaming is being conducted
1710 while such gaming is being conducted and that no alcoholic beverages are made available upon the premises
1711 to any person who is neither a member nor a bona fide guest of a member.

1712 Any such corporation or association which has been declared exempt from federal and state income taxes
1713 as one which is not organized and operated for pecuniary gain or profit shall be deemed a nonprofit
1714 corporation or association.

1715 "Commercial lifestyle center" means a mixed-use commercial development covering a minimum of 10
1716 acres of land and having at least 100,000 square feet of retail space featuring national specialty chain stores
1717 and a combination of dining, entertainment, office, residential, or hotel establishments located in a physically
1718 integrated outdoor setting that is pedestrian friendly and that is governed by a commercial owners' association
1719 that is responsible for the management, maintenance, and operation of the common areas thereof.

1720 "Container" means any barrel, bottle, carton, keg, vessel, or other receptacle used for holding alcoholic
1721 beverages.

1722 "Contract winemaking facility" means the premises of a licensed winery or farm winery that obtains
1723 grapes, fruits, and other agricultural products from a person holding a winery or farm winery license and
1724 crushes, processes, ferments, bottles, or provides any combination of such services pursuant to an agreement
1725 with the winery or farm winery licensee. For all purposes of this subtitle, wine produced by a contract
1726 winemaking facility for a winery or farm winery shall be considered to be wine owned and produced by the
1727 winery or farm winery that supplied the grapes, fruits, or other agricultural products used in the production of
1728 the wine. The contract winemaking facility shall have no right to sell the wine so produced, unless the terms
1729 of payment have not been fulfilled in accordance with the contract. The contract winemaking facility may
1730 charge the winery or farm winery for its services. A winery licensee may utilize contract winemaking
1731 services only for the manufacture or processing of wine of which no less than 90 percent of the grapes, fruits,
1732 and other agricultural products used to make such wine are grown in the Commonwealth.

1733 "Convenience grocery store" means an establishment that (i) has an enclosed room in a permanent structure where stock is displayed and offered for sale and (ii) maintains an inventory of edible items intended for human consumption consisting of a variety of such items of the types normally sold in grocery stores.

1737 "Culinary lodging resort" means a facility (i) having not less than 13 overnight guest rooms in a building that has at least 20,000 square feet of indoor floor space; (ii) located on a farm in the Commonwealth with at least 1,000 acres of land zoned agricultural; (iii) equipped with a full-service kitchen; and (iv) offering to the public, for compensation, at least one meal per day, lodging, and recreational and educational activities related to farming, livestock, and other rural activities.

1742 "Delicatessen" means an establishment that sells a variety of prepared foods or foods requiring little preparation, such as cheeses, salads, cooked meats, and related condiments.

1744 "Designated area" means a room or area approved by the Board for on-premises licensees.

1745 "Dining area" means a public room or area in which meals are regularly served.

1746 "Drugstore" means an establishment that sells medicines prepared by a licensed pharmacist pursuant to a prescription and other medicines and items for home and general use.

1748 "Establishment" means any place where alcoholic beverages of one or more varieties are lawfully manufactured, sold, or used.

1750 "Farm winery" means (i) an establishment or cooperative located in the Commonwealth on land zoned agricultural that has (a) a vineyard, orchard, or similar growing area that produces fruits or other agricultural products used to manufacture the wine of such farm winery, subject to the requirements set forth in § 4.1-219, and (b) facilities for fermenting and bottling wine on the premises where such farm winery manufactures wine that contains not more than 21 percent alcohol by volume or (ii) an accredited public or private institution of higher education, provided that (a) no wine manufactured by the institution shall be sold, (b) the wine manufactured by the institution shall be used solely for research and educational purposes, (c) the wine manufactured by the institution shall be stored on the premises of such farm winery that shall be separate and apart from all other facilities of the institution, and (d) such farm winery is operated in strict conformance with the requirements of this clause (ii) and Board regulations. As used in this definition, the term "cooperative" means a cooperative formed by an association of individuals for the purpose of manufacturing wine. In determining whether a cooperative licensed as a farm winery has met the requirements set forth in clause (i), the Board shall consider all land in the Commonwealth that is owned or leased by a member of the cooperative. For purposes of this definition, "land zoned agricultural" means (1) land zoned as an agricultural district or classification or (2) land otherwise permitted by a locality for farm winery use. For purposes of this definition, "land zoned agricultural" does not include land zoned "residential conservation." Except for the limitation on land zoned "residential conservation," nothing in the definition of "land zoned agricultural" shall otherwise limit or affect local zoning authority.

1768 "Gift shop" means any bona fide retail store selling, predominantly, gifts, books, souvenirs, specialty items relating to history, original and handmade arts and products, collectibles, crafts, and floral arrangements, which is open to the public on a regular basis. Such shop shall be a permanent structure where stock is displayed and offered for sale and which has facilities to properly secure any stock of wine or beer. Such shop may be located (i) on the premises or grounds of a government registered national, state or local historic building or site or (ii) within the premises of a museum. The Board shall consider the purpose, characteristics, nature, and operation of the shop in determining whether it shall be considered a gift shop.

1775 "Gourmet brewing shop" means an establishment which sells to persons to whom wine or beer may lawfully be sold, ingredients for making wine or brewing beer, including packaging, and rents to such persons facilities for manufacturing, fermenting and bottling such wine or beer.

1778 "Gourmet oyster house" means an establishment that (i) is located on the premises of a commercial marina, (ii) is permitted by the Department of Health to serve oysters and other fresh seafood for consumption on the premises, and (iii) offers to the public events for the purpose of featuring and educating the consuming public about local oysters and other seafood products.

1782 "Gourmet shop" means an establishment provided with adequate inventory, shelving, and storage facilities, where, in consideration of payment, substantial amounts of domestic and imported wines and beers of various types and sizes and related products such as cheeses and gourmet foods are habitually furnished to persons.

1786 "Government store" means a store established by the Authority for the sale of alcoholic beverages.

1788 "Grocery store" means an establishment that sells food and other items intended for human consumption, including a variety of ingredients commonly used in the preparation of meals.

1790 "Historic cinema house" means a nonprofit establishment exempt from taxation under § 501(c)(3) of the Internal Revenue Code that was built prior to 1970 and that exists for the primary purpose of showing motion pictures to the public.

1792 "Hotel" means any duly licensed establishment, provided with special space and accommodation, where, in consideration of payment, food and lodging are habitually furnished to persons, and which has four or more bedrooms. It shall also mean the person who operates such hotel.

1795 "Interdicted person" means a person to whom the sale of alcoholic beverages is prohibited by order
1796 pursuant to this subtitle.

1797 "Internet wine and beer retailer" means a person who owns or operates an establishment with adequate
1798 inventory, shelving, and storage facilities, where, in consideration of payment, Internet or telephone orders
1799 are taken and shipped directly to consumers and which establishment is not a retail store open to the public.

1800 "Intoxicated" means a condition in which a person has drunk enough alcoholic beverages to observably
1801 affect his manner, disposition, speech, muscular movement, general appearance, or behavior.

1802 "Licensed" means the holding of a valid license granted by the Authority.

1803 "Licensee" means any person to whom a license has been granted by the Authority.

1804 "liqueur" means any of a class of highly flavored alcoholic beverages that do not exceed an alcohol
1805 content of 25 percent by volume.

1806 "Low alcohol beverage cooler" means a drink containing one-half of one percent or more of alcohol by
1807 volume, but not more than seven and one-half percent alcohol by volume, and consisting of spirits mixed
1808 with nonalcoholic beverages or flavoring or coloring materials; it may also contain water, fruit juices, fruit
1809 adjuncts, sugar, carbon dioxide, preservatives or other similar products manufactured by fermenting fruit or
1810 fruit juices. Low alcohol beverage coolers shall be treated as wine for all purposes of this subtitle, except that
1811 low alcohol beverage coolers may be manufactured by a licensed distiller or a distiller located outside the
1812 Commonwealth.

1813 "Marina store" means an establishment that is located on the same premises as a marina, is operated by
1814 the owner of such marina, and sells food and nautical and fishing supplies.

1815 "Meals" means, for a mixed beverage license, an assortment of foods commonly ordered in bona fide,
1816 full-service restaurants as principal meals of the day. Such restaurants shall include establishments
1817 specializing in full course meals with a single substantial entree.

1818 "Member of a club" means (i) a person who maintains his membership in the club by the payment of
1819 monthly, quarterly, or annual dues in the manner established by the rules and regulations thereof or (ii) a
1820 person who is a member of a bona fide auxiliary, local chapter, or squadron composed of direct lineal
1821 descendants of a bona fide member, whether alive or deceased, of a national or international organization to
1822 which an individual lodge holding a club license is an authorized member in the same locality. It shall also
1823 mean a lifetime member whose financial contribution is not less than 10 times the annual dues of resident
1824 members of the club, the full amount of such contribution being paid in advance in a lump sum.

1825 "Mixed beverage" or "mixed alcoholic beverage" means a drink composed in whole or in part of spirits.

1826 "Mixer" means any prepackaged ingredients containing beverages or flavoring or coloring materials, and
1827 which may also contain water, fruit juices, fruit adjuncts, sugar, carbon dioxide, or preservatives which are
1828 not commonly consumed unless combined with alcoholic beverages, whether or not such ingredients contain
1829 alcohol. Such specialty beverage product shall be manufactured or distributed by a Virginia corporation.

1830 "Municipal golf course" means any golf course that is owned by any town incorporated in 1849 and which
1831 is the county seat of Smyth County.

1832 "Performing arts facility" means an indoor or outdoor amphitheater, arena, multipurpose theater, or
1833 similar facility at which live musical, dance, theatre, or similar performances, the types of which are
1834 approved by the Authority, are performed, provided that the facility has stationary stadium or similar seating
1835 for more than 500 persons.

1836 "Place or premises" means the real estate, together with any buildings or other improvements thereon,
1837 designated in the application for a license as the place at which the manufacture, bottling, distribution, use or
1838 sale of alcoholic beverages shall be performed, except that portion of any such building or other improvement
1839 actually and exclusively used as a private residence.

1840 "Principal stockholder" means any person who individually or in concert with his spouse and immediate
1841 family members beneficially owns or controls, directly or indirectly, five percent or more of the equity
1842 ownership of any person that is a licensee of the Authority, or who in concert with his spouse and immediate
1843 family members has the power to vote or cause the vote of five percent or more of any such equity
1844 ownership. "Principal stockholder" does not include a broker-dealer registered under the Securities Exchange
1845 Act of 1934, as amended, that holds in inventory shares for sale on the financial markets for a publicly traded
1846 corporation holding, directly or indirectly, a license from the Authority.

1847 "Public place" means any place, building, or conveyance to which the public has, or is permitted to have,
1848 access, including restaurants, soda fountains, hotel dining areas, lobbies and corridors of hotels, and any park,
1849 place of public resort or amusement, highway, street, lane, or sidewalk adjoining any highway, street, or lane.

1850 "Public place" does not include (i) hotel or restaurant dining areas or ballrooms while in use for private
1851 meetings or private parties limited in attendance to members and guests of a particular group, association or
1852 organization; (ii) restaurants licensed by the Authority in office buildings or industrial or similar facilities
1853 while such restaurant is closed to the public and in use for private meetings or parties limited in attendance to
1854 employees and nonpaying guests of the owner or a lessee of all or part of such building or facility; (iii)
1855 offices, office buildings or industrial facilities while closed to the public and in use for private meetings or

1856 parties limited in attendance to employees and nonpaying guests of the owner or a lessee of all or part of such building or facility; or (iv) private recreational or chartered boats which are not licensed by the Board and on which alcoholic beverages are not sold.

1859 "Residence" means any building or part of a building or structure where a person resides, but does not include any part of a building that is not actually and exclusively used as a private residence, nor any part of a hotel or club other than a private guest room thereof.

1862 "Resort complex" means a facility (i) with a hotel owning year-round sports and recreational facilities located contiguously on the same property; (ii) owned by a nonstock, nonprofit, taxable corporation with voluntary membership which, as its primary function, makes available golf, ski, and other recreational facilities both to its members and to the general public; or (iii) operated by a corporation that operates as a management company which, as its primary function, makes available (a) vacation accommodations, guest rooms, or dwelling units and (b) golf, ski, and other recreational facilities to members of the managed entities and the general public. The hotel or corporation shall have or manage a minimum of 140 private guest rooms or dwelling units contained on not less than 50 acres, whether or not contiguous to the licensed premises; if the guest rooms or dwelling units are located on property that is not contiguous to the licensed premises, such guest rooms and dwelling units shall be located within the same locality. The Authority may consider the purpose, characteristics, and operation of the applicant establishment in determining whether it shall be considered as a resort complex. All other pertinent qualifications established by the Board for a hotel operation shall be observed by such licensee.

1875 "Restaurant" means, for a wine and beer license or a limited mixed beverage restaurant license, any establishment provided with special space and accommodation, where, in consideration of payment, meals or other foods prepared on the premises are regularly sold.

1878 "Restaurant" means, for a mixed beverage license other than a limited mixed beverage restaurant license, an established place of business (i) where meals with substantial entrees are regularly sold and (ii) which has adequate facilities and sufficient employees for cooking, preparing, and serving such meals for consumption at tables in dining areas on the premises, and includes establishments specializing in full course meals with a single substantial entree.

1883 "Sale" and "sell" includes soliciting or receiving an order for; keeping, offering or exposing for sale; peddling, exchanging or bartering; or delivering otherwise than gratuitously, by any means, alcoholic beverages.

1886 "Sangria" means a drink consisting of red or white wine mixed with some combination of sweeteners, fruit, fruit juice, soda, or soda water that may also be mixed with brandy, triple sec, or other similar spirits.

1888 "Special agent" means an employee of the Virginia Alcoholic Beverage Control Authority whom the Board has designated as a law-enforcement officer pursuant to § 4.1-105.

1890 "Special event" means an event sponsored by a duly organized nonprofit corporation or association and conducted for an athletic, charitable, civic, educational, political, or religious purpose.

1892 "Spirits" means any beverage that contains alcohol obtained by distillation mixed with drinkable water and other substances, in solution, and includes, among other things, brandy, rum, whiskey, and gin, or any one or more of the last four named ingredients, but shall not include any such liquors completely denatured in accordance with formulas approved by the United States government.

1896 "Sports facility" means a coliseum, stadium, racetrack, or similar facility at which professional sports, as defined in § 58.1-4030 29.5-400, or similar events, the types of which are approved by the Authority, are conducted.

1899 "Wine" means any alcoholic beverage, including cider, obtained by the fermentation of the natural sugar content of fruits or other agricultural products containing (i) sugar, including honey and milk, either with or without additional sugar; (ii) one-half of one percent or more of alcohol by volume; and (iii) no product of distillation. "Wine" includes any wine to which wine spirits have been added, as provided in the Internal Revenue Code, to make products commonly known as "fortified wine" which do not exceed an alcohol content of 21 percent by volume.

1905 "Wine cooler" means a drink containing one-half of one percent or more of alcohol by volume, and not more than three and two-tenths percent of alcohol by weight or four percent by volume consisting of wine mixed with nonalcoholic beverages or flavoring or coloring materials, and which may also contain water, fruit juices, fruit adjuncts, sugar, carbon dioxide, or preservatives and shall include other similar products manufactured by fermenting fruit or fruit juices. Wine coolers and similar fermented fruit juice beverages shall be treated as wine for all purposes except for taxation under § 4.1-236.

1911 "With or without meals" means the selling and serving of alcoholic beverages by retail licensees for on-premises consumption whether or not accompanied by food so long as the total food-beverage ratio required by § 4.1-206.3, or the monthly food sale requirement established by Board regulation, is met by such retail licensee.

1915 **§ 4.1-206.3. (Effective until July 1, 2026) Retail licenses.**

1916 A. The Board may grant the following mixed beverages licenses:

1917 1. Mixed beverage restaurant licenses, which shall authorize the licensee to sell and serve mixed

1918 beverages for on-premises consumption in dining areas and other designated areas of such restaurant or
1919 off-premises consumption. Such license may be granted only to persons (i) who operate a restaurant and (ii)
1920 whose gross receipts from the sale of food cooked, or prepared, and consumed on the premises and
1921 nonalcoholic beverages served on the premises, after issuance of such license, amount to at least 45 percent
1922 of the gross receipts from the sale of mixed beverages and food. For the purposes of this subdivision, other
1923 designated areas shall include outdoor dining areas, whether or not contiguous to the licensed premises,
1924 which outdoor dining areas may have more than one means of ingress and egress to an adjacent public
1925 thoroughfare, provided such areas are under the control of the licensee and approved by the Board. Such
1926 noncontiguous designated areas shall not be approved for any retail license issued pursuant to subdivision A
1927 5 of § 4.1-201.

1928 If the restaurant is located on the premises of a hotel or motel with no fewer than four permanent
1929 bedrooms where food and beverage service is customarily provided by the restaurant in designated areas,
1930 bedrooms, and other private rooms of such hotel or motel, such licensee may (a) sell and serve mixed
1931 beverages for on-premises consumption in such designated areas, bedrooms, and other private rooms or off-
1932 premises consumption and (b) sell spirits packaged in original closed containers purchased from the Board
1933 for on-premises consumption to registered guests and at scheduled functions of such hotel or motel only in
1934 such bedrooms or private rooms. However, with regard to a hotel classified as a resort complex, the Board
1935 may authorize the sale and on-premises consumption of alcoholic beverages in all areas within the resort
1936 complex deemed appropriate by the Board. Nothing herein shall prohibit any person from keeping and
1937 consuming his own lawfully acquired spirits in bedrooms or private rooms.

1938 If the restaurant is located on the premises of and operated by a private, nonprofit, or profit club
1939 exclusively for its members and their guests, or members of another private, nonprofit, or profit club in
1940 another city with which it has an agreement for reciprocal dining privileges, such license shall also authorize
1941 the licensees to (1) sell and serve mixed beverages for on-premises or off-premises consumption and (2) sell
1942 spirits that are packaged in original closed containers with a maximum capacity of two fluid ounces or 50
1943 milliliters and purchased from the Board for on-premises consumption. Where such club prepares no food in
1944 its restaurant but purchases its food requirements from a restaurant licensed by the Board and located on
1945 another portion of the premises of the same hotel or motel building, this fact shall not prohibit the granting of
1946 a license by the Board to such club qualifying in all other respects. The club's gross receipts from the sale of
1947 nonalcoholic beverages consumed on the premises and food resold to its members and guests and consumed
1948 on the premises shall amount to at least 45 percent of its gross receipts from the sale of mixed beverages and
1949 food. The food sales made by a restaurant to such a club shall be excluded in any consideration of the
1950 qualifications of such restaurant for a license from the Board.

1951 If the restaurant is located on the premises of and operated by a municipal golf course, the Board shall
1952 recognize the seasonal nature of the business and waive any applicable monthly food sales requirements for
1953 those months when weather conditions may reduce patronage of the golf course, provided that prepared food,
1954 including meals, is available to patrons during the same months. The gross receipts from the sale of food
1955 cooked, or prepared, and consumed on the premises and nonalcoholic beverages served on the premises, after
1956 the issuance of such license, shall amount to at least 45 percent of the gross receipts from the sale of mixed
1957 beverages and food on an annualized basis.

1958 If the restaurant is located on the premises of and operated by a culinary lodging resort, such license shall
1959 authorize the licensee to (A) sell alcoholic beverages, without regard to the amount of gross receipts from the
1960 sale of food prepared and consumed on the premises, for off-premises consumption or for on-premises
1961 consumption in areas upon the licensed premises approved by the Board and other designated areas of the
1962 resort, including outdoor areas under the control of the licensee, and (B) permit the possession and
1963 consumption of lawfully acquired alcoholic beverages by persons to whom overnight lodging is being
1964 provided in bedrooms and private guest rooms.

1965 If the restaurant is located on the premises of a mixed beverage casino licensee owned by an operator
1966 licensed under Article Chapter 3 (§ 58.1-4108 29.5-300 et seq.) of Chapter 41 of Title 58.1 29.5, such mixed
1967 beverage restaurant license shall authorize the licensee to sell alcoholic beverages for on-premises
1968 consumption on the licensed premises of the restaurant during all hours of operation of the mixed beverage
1969 casino licensee. Any alcoholic beverages purchased from such restaurant may be (I) taken onto the premises
1970 of the mixed beverage casino licensee and (II) possessed or consumed in areas designated by the Board, after
1971 consultation with the mixed beverage casino licensee. Designated areas may include any areas on the
1972 premises of the mixed beverage casino licensee, including entertainment venues, conference rooms, private
1973 rooms, hotels, pools, marinas, or green spaces. Alcoholic beverages purchased from a restaurant pursuant to
1974 this subdivision shall be contained in glassware or a paper, plastic, or similar disposable container that clearly
1975 displays the name or logo of the restaurant from which the alcoholic beverage was purchased.

1976 The granting of a license pursuant to this subdivision shall automatically authorize the licensee to obtain a
1977 license to sell and serve wine and beer for on-premises consumption and in closed containers for off-premises
1978 consumption; however, the licensee shall be required to pay the local fee required for such additional license
1979 pursuant to § 4.1-233.1.

1980 2. Mixed beverage caterer's licenses, which may be granted only to a person regularly engaged in the
 1981 business of providing food and beverages to others for service at private gatherings or at special events,
 1982 which shall authorize the licensee to sell and serve alcoholic beverages for on-premises consumption. The
 1983 annual gross receipts from the sale of food cooked and prepared for service and nonalcoholic beverages
 1984 served at gatherings and events referred to in this subdivision shall amount to at least 45 percent of the gross
 1985 receipts from the sale of mixed beverages and food.

1986 3. Mixed beverage limited caterer's licenses, which may be granted only to a person regularly engaged in
 1987 the business of providing food and beverages to others for service at private gatherings or at special events,
 1988 not to exceed 12 gatherings or events per year, which shall authorize the licensee to sell and serve alcoholic
 1989 beverages for on-premises consumption. The annual gross receipts from the sale of food cooked and prepared
 1990 for service and nonalcoholic beverages served at gatherings and events referred to in this subdivision shall
 1991 amount to at least 45 percent of the gross receipts from the sale of mixed beverages and food.

1992 4. Mixed beverage carrier licenses to (i) persons operating a common carrier of passengers by train, boat,
 1993 bus, or airplane, which shall authorize the licensee to sell and serve mixed beverages anywhere in the
 1994 Commonwealth to passengers while in transit aboard any such common carrier, and in designated rooms of
 1995 establishments of air carriers at airports in the Commonwealth and (ii) financial institutions, subsidiaries of a
 1996 financial institution, or persons approved by the applicable airport authority that have entered into a contract
 1997 with a financial institution or subsidiary of a financial institution to operate a passenger lounge, which shall
 1998 authorize the licensee to sell and serve mixed beverages in designated areas of a passenger lounge for ticketed
 1999 air carrier passengers that is located within an airport in the Commonwealth. For purposes of supplying its
 2000 airplanes, as well as any airplanes of a licensed express carrier flying under the same brand, an air carrier
 2001 licensee may appoint an authorized representative to load alcoholic beverages onto the same airplanes and to
 2002 transport and store alcoholic beverages at or in close proximity to the airport where the alcoholic beverages
 2003 will be delivered onto airplanes of the air carrier and any such licensed express carrier. The air carrier
 2004 licensee shall (a) designate for purposes of its license all locations where the inventory of alcoholic beverages
 2005 may be stored and from which the alcoholic beverages will be delivered onto airplanes of the air carrier and
 2006 any such licensed express carrier and (b) maintain records of all alcoholic beverages to be transported, stored,
 2007 and delivered by its authorized representative. The granting of a license pursuant to this subdivision shall
 2008 automatically authorize the licensee to obtain a license to sell and serve wine and beer for on-premises
 2009 consumption or in closed containers for off-premises consumption; however, the licensee shall be required to
 2010 pay the local fee required for such additional license pursuant to § 4.1-233.1.

2011 For the purposes of this subdivision:

2012 "Financial institution" means any bank, trust company, savings institution, industrial loan association,
 2013 consumer finance company, or credit union.

2014 "Passenger lounge" means any restricted-access passenger waiting room or lounge leased to persons by
 2015 the applicable airport authority in which food and beverage services are provided to ticketed passengers.

2016 5. Annual mixed beverage sports facility licenses to persons operating a sports facility or food concessions
 2017 at a sports facility, which shall authorize the licensee to sell mixed beverages during any event and
 2018 immediately subsequent thereto to patrons within all seating areas, concourses, walkways, concession areas,
 2019 and additional locations designated by the Board (i) in closed containers for off-premises consumption or (ii)
 2020 in paper, plastic, or similar disposable containers or in single original metal cans for on-premises
 2021 consumption. Upon authorization of the licensee, any person may keep and consume his own lawfully
 2022 acquired alcoholic beverages on the premises in all areas and locations covered by the license. The granting
 2023 of a license pursuant to this subdivision shall automatically authorize the licensee to obtain a license to sell
 2024 and serve wine and beer for on-premises consumption or in closed containers for off-premises consumption;
 2025 however, the licensee shall be required to pay the local fee required for such additional license pursuant to
 2026 § 4.1-233.1.

2027 6. Limited mixed beverage restaurant licenses, which shall authorize the licensee to sell and serve dessert
 2028 wines as defined by Board regulation and no more than six varieties of liqueurs, which liqueurs shall be
 2029 combined with coffee or other nonalcoholic beverages, for on-premises consumption in dining areas of the
 2030 restaurant or off-premises consumption. Such license may be granted only to persons who operate a
 2031 restaurant and in no event shall the sale of such wine or liqueur-based drinks, together with the sale of any
 2032 other alcoholic beverages, exceed 10 percent of the total annual gross sales of all food and alcoholic
 2033 beverages. The granting of a license pursuant to this subdivision shall automatically authorize the licensee to
 2034 obtain a license to sell and serve wine and beer for on-premises consumption or in closed containers for
 2035 off-premises consumption; however, the licensee shall be required to pay the local fee required for such
 2036 additional license pursuant to § 4.1-233.1.

2037 7. Annual mixed beverage performing arts facility licenses, which shall (i) authorize the licensee to sell,
 2038 on the dates of performances or events, alcoholic beverages in paper, plastic, or similar disposable containers
 2039 or in single original metal cans for on-premises consumption in all seating areas, concourses, walkways,
 2040 concession areas, similar facilities, and other areas upon the licensed premises approved by the Board and (ii)
 2041 automatically authorize the licensee to obtain a license to sell and serve wine and beer for on-premises

2042 consumption or in closed containers for off-premises consumption; however, the licensee shall be required to
2043 pay the local fee required for such additional license pursuant to § 4.1-233.1. Such licenses may be granted to
2044 persons operating a performing arts facility or food concessions at a performing arts facility.

2045 8. Combined mixed beverage restaurant and caterer's licenses, which may be granted to any restaurant or
2046 hotel that meets the qualifications for both a mixed beverage restaurant pursuant to subdivision 1 and mixed
2047 beverage caterer pursuant to subdivision 2 for the same business location, and which license shall authorize
2048 the licensee to operate as both a mixed beverage restaurant and mixed beverage caterer at the same business
2049 premises designated in the license, with a common alcoholic beverage inventory for purposes of the
2050 restaurant and catering operations. Such licensee shall meet the separate food qualifications established for
2051 the mixed beverage restaurant license pursuant to subdivision 1 and mixed beverage caterer's license pursuant
2052 to subdivision 2. The granting of a license pursuant to this subdivision shall automatically authorize the
2053 licensee to obtain a license to sell and serve wine and beer for on-premises consumption or in closed
2054 containers for off-premises consumption; however, the licensee shall be required to pay the local fee required
2055 for such additional license pursuant to § 4.1-233.1.

2056 9. Bed and breakfast licenses, which shall authorize the licensee to (i) serve alcoholic beverages in dining
2057 areas, private guest rooms, and other designated areas to persons to whom overnight lodging is being
2058 provided, with or without meals, for on-premises consumption only in such rooms and areas, and without
2059 regard to the amount of gross receipts from the sale of food prepared and consumed on the premises and (ii)
2060 permit the consumption of lawfully acquired alcoholic beverages by persons to whom overnight lodging is
2061 being provided in (a) bedrooms or private guest rooms or (b) other designated areas of the bed and breakfast
2062 establishment. For purposes of this subdivision, "other designated areas" includes outdoor dining areas,
2063 whether or not contiguous to the licensed premises, which may have more than one means of ingress and
2064 egress to an adjacent public thoroughfare, provided that such outdoor dining areas are under the control of the
2065 licensee and approved by the Board. Such noncontiguous designated areas shall not be approved for any retail
2066 license issued pursuant to subdivision A 5 of § 4.1-201.

2067 10. Museum licenses, which may be issued to nonprofit museums exempt from taxation under § 501(c)(3)
2068 of the Internal Revenue Code, which shall authorize the licensee to (i) permit the consumption of lawfully
2069 acquired alcoholic beverages on the premises of the licensee by any bona fide member and guests thereof and
2070 (ii) serve alcoholic beverages on the premises of the licensee to any bona fide member and guests thereof.
2071 However, alcoholic beverages shall not be sold or charged for in any way by the licensee. The privileges of
2072 this license shall be limited to the premises of the museum, regularly occupied and utilized as such.

2073 11. Commercial lifestyle center licenses, which may be issued only to a commercial owners' association
2074 governing a commercial lifestyle center, which shall authorize any retail on-premises restaurant licensee that
2075 is a tenant of the commercial lifestyle center to sell alcoholic beverages to any bona fide customer to whom
2076 alcoholic beverages may be lawfully sold for consumption on that portion of the licensed premises of the
2077 commercial lifestyle center designated by the Board, including (i) plazas, seating areas, concourses,
2078 walkways, or such other similar areas and (ii) the premises of any tenant location of the commercial lifestyle
2079 center that is not a retail licensee of the Board, upon approval of such tenant, but excluding any parking areas.
2080 Only alcoholic beverages purchased from such retail on-premises restaurant licensees may be consumed on
2081 the licensed premises of the commercial lifestyle center, and such alcoholic beverages shall be contained in
2082 paper, plastic, or similar disposable containers with the name or logo of the restaurant licensee that sold the
2083 alcoholic beverage clearly displayed. Alcoholic beverages shall not be sold or charged for in any way by the
2084 commercial lifestyle center licensee. The licensee shall post appropriate signage clearly demarcating for the
2085 public the boundaries of the licensed premises; however, no physical barriers shall be required for this
2086 purpose. The licensee shall provide adequate security for the licensed premises to ensure compliance with the
2087 applicable provisions of this subtitle and Board regulations.

2088 12. Mixed beverage port restaurant licenses, which shall authorize the licensee to sell and serve mixed
2089 beverages for consumption in dining areas and other designated areas of such restaurant. Such license may be
2090 granted only to persons operating a business (i) that is primarily engaged in the sale of meals; (ii) that is
2091 located on property owned by the United States government or an agency thereof and used as a port of entry
2092 to or egress from the United States; and (iii) whose gross receipts from the sale of food cooked, or prepared,
2093 and consumed on the premises and nonalcoholic beverages served on the premises, after issuance of such
2094 license, amount to at least 45 percent of the gross receipts from the sale of mixed beverages and food. For the
2095 purposes of this subdivision, other designated areas shall include outdoor dining areas, whether or not
2096 contiguous to the licensed premises, which outdoor dining areas may have more than one means of ingress
2097 and egress to an adjacent public thoroughfare, provided such areas are under the control of the licensee and
2098 approved by the Board. Such noncontiguous designated areas shall not be approved for any retail license
2099 issued pursuant to subdivision A 5 of § 4.1-201. The granting of a license pursuant to this subdivision shall
2100 automatically authorize the licensee to obtain a license to sell and serve wine and beer for on-premises
2101 consumption or in closed containers for off-premises consumption; however, the licensee shall be required to
2102 pay the local fee required for such additional license pursuant to § 4.1-233.1.

2103 13. Annual mixed beverage special events licenses to (i) a duly organized nonprofit corporation or

2104 association operating either a performing arts facility or an art education and exhibition facility; (ii) a
 2105 nonprofit corporation or association chartered by Congress for the preservation of sites, buildings, and objects
 2106 significant in American history and culture; (iii) persons operating an agricultural event and entertainment
 2107 park or similar facility that has a minimum of 50,000 square feet of indoor exhibit space and equine and other
 2108 livestock show areas, which includes barns, pavilions, or other structures equipped with roofs, exterior walls,
 2109 and open-door or closed-door access; or (iv) a locality for special events conducted on the premises of a
 2110 museum for historic interpretation that is owned and operated by the locality. The operation in all cases shall
 2111 be upon premises owned by such licensee or occupied under a bona fide lease, the original term of which was
 2112 for more than one year's duration. Such license shall authorize the licensee to sell alcoholic beverages during
 2113 scheduled events and performances for on-premises consumption in areas upon the licensed premises
 2114 approved by the Board.

2115 14. Mixed beverage casino licenses, which shall authorize the licensee to (i) sell and serve mixed
 2116 beverages for on-premises consumption in areas designated by the Board, after consultation with the mixed
 2117 beverage casino licensee, without regard to the amount of gross receipts from the sale of food prepared and
 2118 consumed on the premises and (ii) provide complimentary mixed beverages to patrons for on-premises
 2119 consumption in private areas or restricted access areas designated by the Board, after consultation with the
 2120 mixed beverage casino licensee. Designated areas may include any areas on the premises of the mixed
 2121 beverage casino licensee, including entertainment venues, private rooms, conference rooms, hotels, pools,
 2122 marinas, or green spaces. The granting of a license pursuant to this subdivision shall authorize the licensee to
 2123 obtain a license to sell and serve wine and beer for on-premises consumption and in closed containers for
 2124 off-premises consumption in accordance with the provisions of this subdivision governing mixed beverages;
 2125 however, the licensee shall be required to pay the local fee required for such additional license pursuant to
 2126 § 4.1-233.1. Notwithstanding any law or regulation to the contrary, a mixed beverage casino licensee may
 2127 exercise the privileges of its license as set forth in this subdivision during all hours of operation of the casino
 2128 gaming establishment; however, such licensee shall not sell wine or beer for off-premises consumption
 2129 between the hours of 12 a.m. and 6 a.m.

2130 A mixed beverage casino licensee may (a) provide patrons gifts of alcoholic beverages in closed
 2131 containers for personal consumption off the licensed premises or in areas designated by the Board, after
 2132 consultation with the mixed beverage casino licensee, and (b) enable patrons who participate in a loyalty or
 2133 reward credit program to redeem credits for the purchase of alcoholic beverages for on-premises
 2134 consumption. A summary of the operation of such loyalty or reward credit program shall be provided to the
 2135 Board upon request.

2136 A mixed beverage casino license may only be issued to a casino gaming establishment owned by an
 2137 operator licensed under Article Chapter 3 (§ 58.1-4108.29.5-300 et seq.) of Chapter 41 of Title 58.1-29.5.

2138 B. The Board may grant an on-and-off-premises wine and beer license to the following:

2139 1. Hotels, restaurants, and clubs, which shall authorize the licensee to sell wine and beer (i) in closed
 2140 containers for off-premises consumption or (ii) for on-premises consumption, either with or without meals, in
 2141 dining areas and other designated areas of such restaurants, or in dining areas, private guest rooms, and other
 2142 designated areas of such hotels or clubs, for consumption only in such rooms and areas. However, with
 2143 regard to a hotel classified by the Board as (a) a resort complex, the Board may authorize the sale and
 2144 consumption of alcoholic beverages in all areas within the resort complex deemed appropriate by the Board
 2145 or (b) a limited service hotel, the Board may authorize the sale and consumption of alcoholic beverages in
 2146 dining areas, private guest rooms, and other designated areas to persons to whom overnight lodging is being
 2147 provided, for on-premises consumption in such rooms or areas, and without regard to the amount of gross
 2148 receipts from the sale of food prepared and consumed on the premises, provided that at least one meal is
 2149 provided each day by the hotel to such guests. With regard to facilities registered in accordance with Chapter
 2150 49 (§ 38.2-4900 et seq.) of Title 38.2 as continuing care communities that are also licensed by the Board
 2151 under this subdivision, any resident may, upon authorization of the licensee, keep and consume his own
 2152 lawfully acquired alcoholic beverages on the premises in all areas covered by the license. For purposes of this
 2153 subdivision, "other designated areas" includes outdoor dining areas, whether or not contiguous to the licensed
 2154 premises, which may have more than one means of ingress and egress to an adjacent public thoroughfare,
 2155 provided that such outdoor dining areas are under the control of the licensee and approved by the Board. Such
 2156 noncontiguous designated areas shall not be approved for any retail license issued pursuant to subdivision A
 2157 5 of § 4.1-201.

2158 2. Hospitals, which shall authorize the licensee to sell wine and beer (i) in the rooms of patients for their
 2159 on-premises consumption only in such rooms, provided the consent of the patient's attending physician is first
 2160 obtained or (ii) in closed containers for off-premises consumption.

2161 3. Rural grocery stores, which shall authorize the licensee to sell wine and beer for on-premises
 2162 consumption or in closed containers for off-premises consumption. No license shall be granted unless (i) the
 2163 grocery store is located in any town or in a rural area outside the corporate limits of any city or town and (ii)
 2164 it appears affirmatively that a substantial public demand for such licensed establishment exists and that public
 2165 convenience and the purposes of this subtitle will be promoted by granting the license.

2166 4. Coliseums, stadiums, and racetracks, which shall authorize the licensee to sell wine and beer during any
2167 event and immediately subsequent thereto to patrons within all seating areas, concourses, walkways, concession areas, and additional locations designated by the Board (i) in closed containers for off-premises
2168 consumption or (ii) in paper, plastic, or similar disposable containers or in single original metal cans for on-premises
2169 consumption. Upon authorization of the licensee, any person may keep and consume his own lawfully acquired
2170 alcoholic beverages on the premises in all areas and locations covered by the license. Such licenses may be granted to persons operating food concessions at coliseums, stadiums, racetracks, or similar
2171 facilities.

2172 5. Performing arts food concessionaires, which shall authorize the licensee to sell wine and beer during the performance of any event to patrons within all seating areas, concourses, walkways, or concession areas, or other areas approved by the Board (i) in closed containers for off-premises consumption or (ii) in paper, plastic, or similar disposable containers or in single original metal cans for on-premises consumption. Upon authorization of the licensee, any person may keep and consume his own lawfully acquired
2173 alcoholic beverages on the premises in all areas and locations covered by the license. Such licenses may be granted to persons operating food concessions at any performing arts facility.

2174 6. Exhibition halls, which shall authorize the licensee to sell wine and beer during the event to patrons or attendees within all seating areas, exhibition areas, concourses, walkways, concession areas, and such additional locations designated by the Board in such facilities (i) in closed containers for off-premises consumption or (ii) in paper, plastic, or similar disposable containers or in single original metal cans for on-premises consumption. Upon authorization of the licensee, any person may keep and consume his own lawfully acquired alcoholic beverages on the premises in all areas and locations covered by the license. Such licenses may be granted to persons operating food concessions at exhibition or exposition halls, convention centers, or similar facilities located in any county operating under the urban county executive form of government or any city that is completely surrounded by such county. For purposes of this subdivision, "exhibition or exposition hall" and "convention centers" mean facilities conducting private or public trade shows or exhibitions in an indoor facility having in excess of 100,000 square feet of floor space.

2175 7. Concert and dinner-theaters, which shall authorize the licensee to sell wine and beer during events to patrons or attendees within all seating areas, exhibition areas, concourses, walkways, concession areas, dining areas, and such additional locations designated by the Board in such facilities, for on-premises consumption or in closed containers for off-premises consumption. Persons licensed pursuant to this subdivision shall serve food, prepared on or off premises, whenever wine or beer is served. Such licenses may be granted to persons operating concert or dinner-theater venues on property fronting Natural Bridge School Road in Natural Bridge Station and formerly operated as Natural Bridge High School.

2176 8. Historic cinema houses, which shall authorize the licensee to sell wine and beer, either with or without meals, during any showing of a motion picture to patrons to whom alcoholic beverages may be lawfully sold, for on-premises consumption or in closed containers for off-premises consumption. The privileges of this license shall be limited to the premises of the historic cinema house regularly occupied and utilized as such.

2177 9. Nonprofit museums, which shall authorize the licensee to sell wine and beer for on-premises consumption or in closed containers for off-premises consumption in areas approved by the Board. Such licenses may be granted to persons operating a nonprofit museum exempt from taxation under § 501(c)(3) of the Internal Revenue Code, located in the Town of Front Royal, and dedicated to educating the consuming public about historic beer products. The privileges of this license shall be limited to the premises of the museum, regularly occupied and utilized as such.

2178 C. The Board may grant the following off-premises wine and beer licenses:

2179 1. Retail off-premises wine and beer licenses, which may be granted to a convenience grocery store, delicatessen, drugstore, gift shop, gourmet oyster house, gourmet shop, grocery store, or marina store as defined in § 4.1-100 and Board regulations. Such license shall authorize the licensee to sell wine and beer in closed containers for off-premises consumption and, notwithstanding the provisions of § 4.1-308, to give to any person to whom wine or beer may be lawfully sold a sample of wine or beer for on-premises consumption; however, no single sample shall exceed four ounces of beer or two ounces of wine and no more than 12 ounces of beer or five ounces of wine shall be served to any person per day. The licensee may also give samples of wine and beer in designated areas at events held by the licensee for the purpose of featuring and educating the consuming public about the alcoholic beverages being tasted. With the consent of the licensee, farm wineries, wineries, breweries, distillers, and wholesale licensees or authorized representatives of such licensees may participate in such tastings, including the pouring of samples. The licensee shall comply with any food inventory and sales volume requirements established by Board regulation.

2180 2. Gourmet brewing shop licenses, which shall authorize the licensee to sell to any person to whom wine or beer may be lawfully sold, ingredients for making wine or brewing beer, including packaging, and to rent to such persons facilities for manufacturing, fermenting, and bottling such wine or beer, for off-premises consumption in accordance with subdivision 6 of § 4.1-200.

2181 3. Confectionery licenses, which shall authorize the licensee to prepare and sell on the licensed premises for off-premises consumption confectionery that contains five percent or less alcohol by volume. Any alcohol

2228 contained in such confectionery shall not be in liquid form at the time such confectionery is sold.

2229 D. The Board may grant the following banquet, special event, and tasting licenses:

2230 1. Per-day event licenses.

2231 a. Banquet licenses to persons in charge of private banquets, and to duly organized nonprofit corporations
2232 or associations in charge of special events, which shall authorize the licensee to sell or give wine and beer in
2233 rooms or areas approved by the Board for the occasion for on-premises consumption in such rooms or areas.
2234 Licensees who are nonprofit corporations or associations conducting fundraisers (i) shall also be authorized
2235 to sell wine, as part of any fundraising activity, in closed containers for off-premises consumption to persons
2236 to whom wine may be lawfully sold; (ii) shall be limited to no more than one such fundraiser per year; and
2237 (iii) if conducting such fundraiser through an online meeting platform, may ship such wine, in accordance
2238 with Board regulations, in closed containers to persons located within the Commonwealth. Except as
2239 provided in § 4.1-215, a separate license shall be required for each day of each banquet or special event. For
2240 the purposes of this subdivision, when the location named in the original application for a license is outdoors,
2241 the application may also name an alternative location in the event of inclement weather. However, no such
2242 license shall be required of any hotel, restaurant, or club holding a retail wine and beer license.

2243 b. Mixed beverage special events licenses to a duly organized nonprofit corporation or association in
2244 charge of a special event, which shall authorize the licensee to sell and serve mixed beverages for on-
2245 premises consumption in areas approved by the Board on the premises of the place designated in the license.
2246 A separate license shall be required for each day of each special event.

2247 c. Mixed beverage club events licenses to a club holding a wine and beer club license, which shall
2248 authorize the licensee to sell and serve mixed beverages for on-premises consumption by club members and
2249 their guests in areas approved by the Board on the club premises. A separate license shall be required for each
2250 day of each club event. No more than 12 such licenses shall be granted to a club in any calendar year. The
2251 granting of a license pursuant to this subdivision shall automatically authorize the licensee to obtain a license
2252 to sell and serve wine and beer for on-premises consumption; however, the licensee shall be required to pay
2253 the local fee required for such additional license pursuant to § 4.1-233.1.

2254 d. Tasting licenses, which shall authorize the licensee to sell or give samples of alcoholic beverages of the
2255 type specified in the license in designated areas at events held by the licensee. A tasting license shall be
2256 issued for the purpose of featuring and educating the consuming public about the alcoholic beverages being
2257 tasted. A separate license shall be required for each day of each tasting event. No tasting license shall be
2258 required for conduct authorized by § 4.1-201.1.

2259 2. Annual licenses.

2260 a. Annual banquet licenses to duly organized private nonprofit fraternal, patriotic, or charitable
2261 membership organizations that are exempt from state and federal taxation and in charge of banquets
2262 conducted exclusively for members and their guests, which shall authorize the licensee to serve wine and beer
2263 in rooms or areas approved by the Board for the occasion for on-premises consumption in such rooms or
2264 areas. Such license shall authorize the licensee to conduct no more than 12 banquets per calendar year. For
2265 the purposes of this subdivision, when the location named in the original application for a license is outdoors,
2266 the application may also name an alternative location in the event of inclement weather. However, no such
2267 license shall be required of any hotel, restaurant, or club holding a retail wine and beer license.

2268 b. Banquet facility licenses to volunteer fire departments and volunteer emergency medical services
2269 agencies, which shall authorize the licensee to permit the consumption of lawfully acquired alcoholic
2270 beverages on the premises of the licensee by any person, and bona fide members and guests thereof,
2271 otherwise eligible for a banquet license. However, lawfully acquired alcoholic beverages shall not be
2272 purchased or sold by the licensee or sold or charged for in any way by the person permitted to use the
2273 premises. Such premises shall be a volunteer fire or volunteer emergency medical services agency station or
2274 both, regularly occupied as such and recognized by the governing body of the county, city, or town in which
2275 it is located. Under conditions as specified by Board regulation, such premises may be other than a volunteer
2276 fire or volunteer emergency medical services agency station, provided such other premises are occupied and
2277 under the control of the volunteer fire department or volunteer emergency medical services agency while the
2278 privileges of its license are being exercised.

2279 c. Designated outdoor refreshment area licenses to a locality, business improvement district, or nonprofit
2280 organization, which shall authorize (i) the licensee to permit the consumption of alcoholic beverages within
2281 the area designated by the Board for the designated outdoor refreshment area and (ii) any permanent retail on-
2282 premises licensee that is located within the area designated by the Board for the designated outdoor
2283 refreshment area to sell alcoholic beverages within the permanent retail location for consumption in the area
2284 designated for the designated outdoor refreshment area, including sidewalks and the premises of businesses
2285 not licensed to sell alcoholic beverages at retail, upon approval of such businesses. In determining the
2286 designated area for the designated outdoor refreshment area, the Board shall consult with the locality.
2287 Designated outdoor refreshment area licensees shall be limited to 16 events per year, and the duration of any
2288 event shall not exceed three consecutive days. However, the Board may increase the frequency and duration
2289 of events after adoption of an ordinance by a locality requesting such increase in frequency and duration.

2290 Such ordinance shall include the size and scope of the area within which such events will be held, a public
2291 safety plan, and any other considerations deemed necessary by the Board. Such limitations on the number of
2292 events that may be held shall not apply during the effective dates of any rule, regulation, or order that is
2293 issued by the Governor or State Health Commissioner to meet a public health emergency and that effectively
2294 reduces allowable restaurant seating capacity; however, designated outdoor refreshment area licensees shall
2295 be subject to all other applicable provisions of this subtitle and Board regulations and shall provide notice to
2296 the Board regarding the days and times during which the privileges of the license will be exercised. Only
2297 alcoholic beverages purchased from permanent retail on-premises licensees located within the designated area
2298 may be consumed at the event, and such alcoholic beverages shall be contained in paper, plastic, or similar
2299 disposable containers that clearly display the name or logo of the retail on-premises licensee from which the
2300 alcoholic beverage was purchased. Alcoholic beverages shall not be sold or charged for in any way by the
2301 designated outdoor refreshment area licensee. The designated outdoor refreshment area licensee shall post
2302 appropriate signage clearly demarcating for the public the boundaries of the event; however, no physical
2303 barriers shall be required for this purpose. The designated outdoor refreshment area licensee shall provide
2304 adequate security for the event to ensure compliance with the applicable provisions of this subtitle and Board
2305 regulations.

2306 d. Annual mixed beverage banquet licenses to duly organized private nonprofit fraternal, patriotic, or
2307 charitable membership organizations that are exempt from state and federal taxation and in charge of
2308 banquets conducted exclusively for members and their guests, which shall authorize the licensee to serve
2309 mixed beverages for on-premises consumption in areas approved by the Board on the premises of the place
2310 designated in the license. Such license shall authorize the licensee to conduct no more than 12 banquets per
2311 calendar year. The granting of a license pursuant to this subdivision shall automatically authorize the licensee
2312 to obtain a license to sell and serve wine and beer for on-premises consumption; however, the licensee shall
2313 be required to pay the local fee required for such additional license pursuant to § 4.1-233.1.

2314 e. Equine sporting event licenses, which may be issued to organizations holding equestrian, hunt, and
2315 steeplechase events, which shall authorize the licensee to permit the consumption of lawfully acquired
2316 alcoholic beverages on the premises of the licensee by patrons thereof during such event. However, alcoholic
2317 beverages shall not be sold or charged for in any way by the licensee. The privileges of this license shall be
2318 (i) limited to the premises of the licensee, regularly occupied and utilized for equestrian, hunt, and
2319 steeplechase events, and (ii) exercised on no more than four calendar days per year.

2320 f. Annual arts venue event licenses, to persons operating an arts venue, which shall authorize the licensee
2321 participating in a community art walk that is open to the public to serve lawfully acquired wine or beer on the
2322 premises of the licensee to adult patrons thereof during such events. However, alcoholic beverages shall not
2323 be sold or charged for in any way, directly or indirectly, by the licensee, and the licensee shall not give more
2324 than two five-ounce glasses of wine or two 12-ounce glasses of beer to any one adult patron. The privileges
2325 of this license shall be (i) limited to the premises of the arts venue regularly occupied and used as such and
2326 (ii) exercised on no more than 12 calendar days per year.

2327 E. The Board may grant a marketplace license to persons operating a business enterprise of which the
2328 primary function is not the sale of alcoholic beverages, which shall authorize the licensee to serve
2329 complimentary wine or beer to bona fide customers on the licensed premises subject to any limitations
2330 imposed by the Board; however, the licensee shall not give more than two five-ounce glasses of wine or two
2331 12-ounce glasses of beer to any customer per day, nor shall it sell or otherwise charge a fee to such customer
2332 for the wine or beer served or consumed. In order to be eligible for and retain a marketplace license, the
2333 applicant's business enterprise must (i) provide a single category of goods or services in a manner intended to
2334 create a personalized experience for the customer; (ii) employ staff with expertise in such goods or services;
2335 (iii) be ineligible for any other license granted by the Board; (iv) have an alcoholic beverage control manager
2336 on the licensed premises at all times alcohol is served; (v) ensure that all employees satisfy any training
2337 requirements imposed by the Board; and (vi) purchase all wine and beer to be served from a licensed
2338 wholesaler or the Authority and retain purchase records as prescribed by the Board. In determining whether
2339 to grant a marketplace license, the Board shall consider (a) the average amount of time customers spend at the
2340 business; (b) the business's hours of operation; (c) the amount of time that the business has been in operation;
2341 and (d) any other requirements deemed necessary by the Board to protect the public health, safety, and
2342 welfare.

2343 F. The Board may grant the following shipper, bottler, and related licenses:

2344 1. Wine and beer shipper licenses, which shall carry the privileges and limitations set forth in § 4.1-209.1.
2345 2. Internet wine and beer retailer licenses, which shall authorize persons located within or outside the
2346 Commonwealth to sell and ship wine and beer, in accordance with § 4.1-209.1 and Board regulations, in
2347 closed containers to persons in the Commonwealth to whom wine and beer may be lawfully sold for
2348 off-premises consumption. Such licensee shall not be required to comply with the monthly food sale
2349 requirement established by Board regulations.

2350 3. Bottler licenses, which shall authorize the licensee to acquire and receive deliveries and shipments of
2351 beer in closed containers and to bottle, sell, and deliver or ship it, in accordance with Board regulations to (i)

2352 wholesale beer licensees for the purpose of resale, (ii) owners of boats registered under the laws of the United
 2353 States sailing for ports of call of a foreign country or another state, and (iii) persons outside the
 2354 Commonwealth for resale outside the Commonwealth.

2355 4. Fulfillment warehouse licenses, which shall authorize associations as defined in § 13.1-313 with a place
 2356 of business located in the Commonwealth to (i) receive deliveries and shipments of wine or beer owned by
 2357 holders of wine and beer shipper's licenses; (ii) store such wine or beer on behalf of the owner; and (iii) pick,
 2358 pack, and ship such wine or beer as directed by the owner, all in accordance with Board regulations. No
 2359 wholesale wine or wholesale beer licensee, whether licensed in the Commonwealth or not, or any person
 2360 under common control of such licensee, shall acquire or hold any financial interest, direct or indirect, in the
 2361 business for which any fulfillment warehouse license is issued.

2362 5. Marketing portal licenses, which shall authorize agricultural cooperative associations organized under
 2363 the provisions of the Agricultural Cooperative Association Act (§ 13.1-312 et seq.), with a place of business
 2364 located in the Commonwealth, in accordance with Board regulations, to solicit and receive orders for wine or
 2365 beer through the use of the Internet from persons in the Commonwealth to whom wine or beer may be
 2366 lawfully sold, on behalf of holders of wine and beer shipper's licenses. Upon receipt of an order for wine or
 2367 beer, the licensee shall forward it to a holder of a wine and beer shipper's license for fulfillment. Marketing
 2368 portal licensees may also accept payment on behalf of the shipper.

2369 6. Third-party delivery licenses, which shall carry the privileges and limitations set forth in § 4.1-212.2.

2370 **§ 4.1-206.3. (Effective July 1, 2026) Retail licenses.**

2371 A. The Board may grant the following mixed beverages licenses:

2372 1. Mixed beverage restaurant licenses, which shall authorize the licensee to sell and serve mixed
 2373 beverages for consumption in dining areas and other designated areas of such restaurant. Such license may be
 2374 granted only to persons (i) who operate a restaurant and (ii) whose gross receipts from the sale of food
 2375 cooked, or prepared, and consumed on the premises and nonalcoholic beverages served on the premises, after
 2376 issuance of such license, amount to at least 45 percent of the gross receipts from the sale of mixed beverages
 2377 and food. For the purposes of this subdivision, other designated areas shall include outdoor dining areas,
 2378 whether or not contiguous to the licensed premises, which outdoor dining areas may have more than one
 2379 means of ingress and egress to an adjacent public thoroughfare, provided such areas are under the control of
 2380 the licensee and approved by the Board. Such noncontiguous designated areas shall not be approved for any
 2381 retail license issued pursuant to subdivision A 5 of § 4.1-201.

2382 If the restaurant is located on the premises of a hotel or motel with no fewer than four permanent
 2383 bedrooms where food and beverage service is customarily provided by the restaurant in designated areas,
 2384 bedrooms, and other private rooms of such hotel or motel, such licensee may (a) sell and serve mixed
 2385 beverages for consumption in such designated areas, bedrooms, and other private rooms and (b) sell spirits
 2386 packaged in original closed containers purchased from the Board for on-premises consumption to registered
 2387 guests and at scheduled functions of such hotel or motel only in such bedrooms or private rooms. However,
 2388 with regard to a hotel classified as a resort complex, the Board may authorize the sale and on-premises
 2389 consumption of alcoholic beverages in all areas within the resort complex deemed appropriate by the Board.
 2390 Nothing herein shall prohibit any person from keeping and consuming his own lawfully acquired spirits in
 2391 bedrooms or private rooms.

2392 If the restaurant is located on the premises of and operated by a private, nonprofit, or profit club
 2393 exclusively for its members and their guests, or members of another private, nonprofit, or profit club in
 2394 another city with which it has an agreement for reciprocal dining privileges, such license shall also authorize
 2395 the licensees to (1) sell and serve mixed beverages for on-premises consumption and (2) sell spirits that are
 2396 packaged in original closed containers with a maximum capacity of two fluid ounces or 50 milliliters and
 2397 purchased from the Board for on-premises consumption. Where such club prepares no food in its restaurant
 2398 but purchases its food requirements from a restaurant licensed by the Board and located on another portion of
 2399 the premises of the same hotel or motel building, this fact shall not prohibit the granting of a license by the
 2400 Board to such club qualifying in all other respects. The club's gross receipts from the sale of nonalcoholic
 2401 beverages consumed on the premises and food resold to its members and guests and consumed on the
 2402 premises shall amount to at least 45 percent of its gross receipts from the sale of mixed beverages and food.
 2403 The food sales made by a restaurant to such a club shall be excluded in any consideration of the qualifications
 2404 of such restaurant for a license from the Board.

2405 If the restaurant is located on the premises of and operated by a municipal golf course, the Board shall
 2406 recognize the seasonal nature of the business and waive any applicable monthly food sales requirements for
 2407 those months when weather conditions may reduce patronage of the golf course, provided that prepared food,
 2408 including meals, is available to patrons during the same months. The gross receipts from the sale of food
 2409 cooked, or prepared, and consumed on the premises and nonalcoholic beverages served on the premises, after
 2410 the issuance of such license, shall amount to at least 45 percent of the gross receipts from the sale of mixed
 2411 beverages and food on an annualized basis.

2412 If the restaurant is located on the premises of and operated by a culinary lodging resort, such license shall
 2413 authorize the licensee to (A) sell alcoholic beverages for on-premises consumption, without regard to the

2414 amount of gross receipts from the sale of food prepared and consumed on the premises, in areas upon the
2415 licensed premises approved by the Board and other designated areas of the resort, including outdoor areas
2416 under the control of the licensee, and (B) permit the possession and consumption of lawfully acquired
2417 alcoholic beverages by persons to whom overnight lodging is being provided in bedrooms and private guest
2418 rooms.

2419 If the restaurant is located on the premises of a mixed beverage casino licensee owned by an operator
2420 licensed under Article *Chapter 3* (§ 58.1-4108.29.5-300 et seq.) of *Chapter 41* of Title 58.1-29.5, such mixed
2421 beverage restaurant license shall authorize the licensee to sell alcoholic beverages for on-premises
2422 consumption on the licensed premises of the restaurant during all hours of operation of the mixed beverage
2423 casino licensee. Any alcoholic beverages purchased from such restaurant may be (I) taken onto the premises
2424 of the mixed beverage casino licensee and (II) possessed or consumed in areas designated by the Board, after
2425 consultation with the mixed beverage casino licensee. Designated areas may include any areas on the
2426 premises of the mixed beverage casino licensee, including entertainment venues, conference rooms, private
2427 rooms, hotels, pools, marinas, or green spaces. Alcoholic beverages purchased from a restaurant pursuant to
2428 this subdivision shall be contained in glassware or a paper, plastic, or similar disposable container that clearly
2429 displays the name or logo of the restaurant from which the alcoholic beverage was purchased.

2430 The granting of a license pursuant to this subdivision shall automatically authorize the licensee to obtain a
2431 license to sell and serve wine and beer for on-premises consumption and in closed containers for off-premises
2432 consumption; however, the licensee shall be required to pay the local fee required for such additional license
2433 pursuant to § 4.1-233.1.

2434 2. Mixed beverage caterer's licenses, which may be granted only to a person regularly engaged in the
2435 business of providing food and beverages to others for service at private gatherings or at special events,
2436 which shall authorize the licensee to sell and serve alcoholic beverages for on-premises consumption. The
2437 annual gross receipts from the sale of food cooked and prepared for service and nonalcoholic beverages
2438 served at gatherings and events referred to in this subdivision shall amount to at least 45 percent of the gross
2439 receipts from the sale of mixed beverages and food.

2440 3. Mixed beverage limited caterer's licenses, which may be granted only to a person regularly engaged in
2441 the business of providing food and beverages to others for service at private gatherings or at special events,
2442 not to exceed 12 gatherings or events per year, which shall authorize the licensee to sell and serve alcoholic
2443 beverages for on-premises consumption. The annual gross receipts from the sale of food cooked and prepared
2444 for service and nonalcoholic beverages served at gatherings and events referred to in this subdivision shall
2445 amount to at least 45 percent of the gross receipts from the sale of mixed beverages and food.

2446 4. Mixed beverage carrier licenses to (i) persons operating a common carrier of passengers by train, boat,
2447 bus, or airplane, which shall authorize the licensee to sell and serve mixed beverages anywhere in the
2448 Commonwealth to passengers while in transit aboard any such common carrier, and in designated rooms of
2449 establishments of air carriers at airports in the Commonwealth and (ii) financial institutions, subsidiaries of a
2450 financial institution, or persons approved by the applicable airport authority that have entered into a contract
2451 with a financial institution or subsidiary of a financial institution to operate a passenger lounge, which shall
2452 authorize the licensee to sell and serve mixed beverages in designated areas of a passenger lounge for ticketed
2453 air carrier passengers that is located within an airport in the Commonwealth. For purposes of supplying its
2454 airplanes, as well as any airplanes of a licensed express carrier flying under the same brand, an air carrier
2455 licensee may appoint an authorized representative to load alcoholic beverages onto the same airplanes and to
2456 transport and store alcoholic beverages at or in close proximity to the airport where the alcoholic beverages
2457 will be delivered onto airplanes of the air carrier and any such licensed express carrier. The air carrier
2458 licensee shall (a) designate for purposes of its license all locations where the inventory of alcoholic beverages
2459 may be stored and from which the alcoholic beverages will be delivered onto airplanes of the air carrier and
2460 any such licensed express carrier and (b) maintain records of all alcoholic beverages to be transported, stored,
2461 and delivered by its authorized representative. The granting of a license pursuant to this subdivision shall
2462 automatically authorize the licensee to obtain a license to sell and serve wine and beer for on-premises
2463 consumption or in closed containers for off-premises consumption; however, the licensee shall be required to
2464 pay the local fee required for such additional license pursuant to § 4.1-233.1.

2465 For the purposes of this subdivision:

2466 "Financial institution" means any bank, trust company, savings institution, industrial loan association,
2467 consumer finance company, or credit union.

2468 "Passenger lounge" means any restricted-access passenger waiting room or lounge leased to persons by
2469 the applicable airport authority in which food and beverage services are provided to ticketed passengers.

2470 5. Annual mixed beverage sports facility licenses to persons operating a sports facility or food concessions
2471 at a sports facility, which shall authorize the licensee to sell mixed beverages during any event and
2472 immediately subsequent thereto to patrons within all seating areas, concourses, walkways, concession areas,
2473 and additional locations designated by the Board (i) in closed containers for off-premises consumption or (ii)
2474 in paper, plastic, or similar disposable containers or in single original metal cans for on-premises
2475 consumption. Upon authorization of the licensee, any person may keep and consume his own lawfully

2476 acquired alcoholic beverages on the premises in all areas and locations covered by the license. The granting
 2477 of a license pursuant to this subdivision shall automatically authorize the licensee to obtain a license to sell
 2478 and serve wine and beer for on-premises consumption or in closed containers for off-premises consumption;
 2479 however, the licensee shall be required to pay the local fee required for such additional license pursuant to
 2480 § 4.1-233.1.

2481 6. Limited mixed beverage restaurant licenses, which shall authorize the licensee to sell and serve dessert
 2482 wines as defined by Board regulation and no more than six varieties of liqueurs, which liqueurs shall be
 2483 combined with coffee or other nonalcoholic beverages, for consumption in dining areas of the restaurant.
 2484 Such license may be granted only to persons who operate a restaurant and in no event shall the sale of such
 2485 wine or liqueur-based drinks, together with the sale of any other alcoholic beverages, exceed 10 percent of
 2486 the total annual gross sales of all food and alcoholic beverages. The granting of a license pursuant to this
 2487 subdivision shall automatically authorize the licensee to obtain a license to sell and serve wine and beer for
 2488 on-premises consumption or in closed containers for off-premises consumption; however, the licensee shall
 2489 be required to pay the local fee required for such additional license pursuant to § 4.1-233.1.

2490 7. Annual mixed beverage performing arts facility licenses, which shall (i) authorize the licensee to sell,
 2491 on the dates of performances or events, alcoholic beverages in paper, plastic, or similar disposable containers
 2492 or in single original metal cans for on-premises consumption in all seating areas, concourses, walkways,
 2493 concession areas, similar facilities, and other areas upon the licensed premises approved by the Board and (ii)
 2494 automatically authorize the licensee to obtain a license to sell and serve wine and beer for on-premises
 2495 consumption or in closed containers for off-premises consumption; however, the licensee shall be required to
 2496 pay the local fee required for such additional license pursuant to § 4.1-233.1. Such licenses may be granted to
 2497 persons operating a performing arts facility or food concessions at a performing arts facility.

2498 8. Combined mixed beverage restaurant and caterer's licenses, which may be granted to any restaurant or
 2499 hotel that meets the qualifications for both a mixed beverage restaurant pursuant to subdivision 1 and mixed
 2500 beverage caterer pursuant to subdivision 2 for the same business location, and which license shall authorize
 2501 the licensee to operate as both a mixed beverage restaurant and mixed beverage caterer at the same business
 2502 premises designated in the license, with a common alcoholic beverage inventory for purposes of the
 2503 restaurant and catering operations. Such licensee shall meet the separate food qualifications established for
 2504 the mixed beverage restaurant license pursuant to subdivision 1 and mixed beverage caterer's license pursuant
 2505 to subdivision 2. The granting of a license pursuant to this subdivision shall automatically authorize the
 2506 licensee to obtain a license to sell and serve wine and beer for on-premises consumption or in closed
 2507 containers for off-premises consumption; however, the licensee shall be required to pay the local fee required
 2508 for such additional license pursuant to § 4.1-233.1.

2509 9. Bed and breakfast licenses, which shall authorize the licensee to (i) serve alcoholic beverages in dining
 2510 areas, private guest rooms, and other designated areas to persons to whom overnight lodging is being
 2511 provided, with or without meals, for on-premises consumption only in such rooms and areas, and without
 2512 regard to the amount of gross receipts from the sale of food prepared and consumed on the premises and (ii)
 2513 permit the consumption of lawfully acquired alcoholic beverages by persons to whom overnight lodging is
 2514 being provided in (a) bedrooms or private guest rooms or (b) other designated areas of the bed and breakfast
 2515 establishment. For purposes of this subdivision, "other designated areas" includes outdoor dining areas,
 2516 whether or not contiguous to the licensed premises, which may have more than one means of ingress and
 2517 egress to an adjacent public thoroughfare, provided that such outdoor dining areas are under the control of the
 2518 licensee and approved by the Board. Such noncontiguous designated areas shall not be approved for any retail
 2519 license issued pursuant to subdivision A 5 of § 4.1-201.

2520 10. Museum licenses, which may be issued to nonprofit museums exempt from taxation under § 501(c)(3)
 2521 of the Internal Revenue Code, which shall authorize the licensee to (i) permit the consumption of lawfully
 2522 acquired alcoholic beverages on the premises of the licensee by any bona fide member and guests thereof and
 2523 (ii) serve alcoholic beverages on the premises of the licensee to any bona fide member and guests thereof.
 2524 However, alcoholic beverages shall not be sold or charged for in any way by the licensee. The privileges of
 2525 this license shall be limited to the premises of the museum, regularly occupied and utilized as such.

2526 11. Commercial lifestyle center licenses, which may be issued only to a commercial owners' association
 2527 governing a commercial lifestyle center, which shall authorize any retail on-premises restaurant licensee that
 2528 is a tenant of the commercial lifestyle center to sell alcoholic beverages to any bona fide customer to whom
 2529 alcoholic beverages may be lawfully sold for consumption on that portion of the licensed premises of the
 2530 commercial lifestyle center designated by the Board, including (i) plazas, seating areas, concourses,
 2531 walkways, or such other similar areas and (ii) the premises of any tenant location of the commercial lifestyle
 2532 center that is not a retail licensee of the Board, upon approval of such tenant, but excluding any parking areas.
 2533 Only alcoholic beverages purchased from such retail on-premises restaurant licensees may be consumed on
 2534 the licensed premises of the commercial lifestyle center, and such alcoholic beverages shall be contained in
 2535 paper, plastic, or similar disposable containers with the name or logo of the restaurant licensee that sold the
 2536 alcoholic beverage clearly displayed. Alcoholic beverages shall not be sold or charged for in any way by the
 2537 commercial lifestyle center licensee. The licensee shall post appropriate signage clearly demarcating for the

2538 public the boundaries of the licensed premises; however, no physical barriers shall be required for this
2539 purpose. The licensee shall provide adequate security for the licensed premises to ensure compliance with the
2540 applicable provisions of this subtitle and Board regulations.

2541 12. Mixed beverage port restaurant licenses, which shall authorize the licensee to sell and serve mixed
2542 beverages for consumption in dining areas and other designated areas of such restaurant. Such license may be
2543 granted only to persons operating a business (i) that is primarily engaged in the sale of meals; (ii) that is
2544 located on property owned by the United States government or an agency thereof and used as a port of entry
2545 to or egress from the United States; and (iii) whose gross receipts from the sale of food cooked, or prepared,
2546 and consumed on the premises and nonalcoholic beverages served on the premises, after issuance of such
2547 license, amount to at least 45 percent of the gross receipts from the sale of mixed beverages and food. For the
2548 purposes of this subdivision, other designated areas shall include outdoor dining areas, whether or not
2549 contiguous to the licensed premises, which outdoor dining areas may have more than one means of ingress
2550 and egress to an adjacent public thoroughfare, provided such areas are under the control of the licensee and
2551 approved by the Board. Such noncontiguous designated areas shall not be approved for any retail license
2552 issued pursuant to subdivision A 5 of § 4.1-201. The granting of a license pursuant to this subdivision shall
2553 automatically authorize the licensee to obtain a license to sell and serve wine and beer for on-premises
2554 consumption or in closed containers for off-premises consumption; however, the licensee shall be required to
2555 pay the local fee required for such additional license pursuant to § 4.1-233.1.

2556 13. Annual mixed beverage special events licenses to (i) a duly organized nonprofit corporation or
2557 association operating either a performing arts facility or an art education and exhibition facility; (ii) a
2558 nonprofit corporation or association chartered by Congress for the preservation of sites, buildings, and objects
2559 significant in American history and culture; (iii) persons operating an agricultural event and entertainment
2560 park or similar facility that has a minimum of 50,000 square feet of indoor exhibit space and equine and other
2561 livestock show areas, which includes barns, pavilions, or other structures equipped with roofs, exterior walls,
2562 and open-door or closed-door access; or (iv) a locality for special events conducted on the premises of a
2563 museum for historic interpretation that is owned and operated by the locality. The operation in all cases shall
2564 be upon premises owned by such licensee or occupied under a bona fide lease, the original term of which was
2565 for more than one year's duration. Such license shall authorize the licensee to sell alcoholic beverages during
2566 scheduled events and performances for on-premises consumption in areas upon the licensed premises
2567 approved by the Board.

2568 14. Mixed beverage casino licenses, which shall authorize the licensee to (i) sell and serve mixed
2569 beverages for on-premises consumption in areas designated by the Board, after consultation with the mixed
2570 beverage casino licensee, without regard to the amount of gross receipts from the sale of food prepared and
2571 consumed on the premises and (ii) provide complimentary mixed beverages to patrons for on-premises
2572 consumption in private areas or restricted access areas designated by the Board, after consultation with the
2573 mixed beverage casino licensee. Designated areas may include any areas on the premises of the mixed
2574 beverage casino licensee, including entertainment venues, private rooms, conference rooms, hotels, pools,
2575 marinas, or green spaces. The granting of a license pursuant to this subdivision shall authorize the licensee to
2576 obtain a license to sell and serve wine and beer for on-premises consumption and in closed containers for
2577 off-premises consumption in accordance with the provisions of this subdivision governing mixed beverages;
2578 however, the licensee shall be required to pay the local fee required for such additional license pursuant to
2579 § 4.1-233.1. Notwithstanding any law or regulation to the contrary, a mixed beverage casino licensee may
2580 exercise the privileges of its license as set forth in this subdivision during all hours of operation of the casino
2581 gaming establishment; however, such licensee shall not sell wine or beer for off-premises consumption
2582 between the hours of 12 a.m. and 6 a.m.

2583 A mixed beverage casino licensee may (a) provide patrons gifts of alcoholic beverages in closed
2584 containers for personal consumption off the licensed premises or in areas designated by the Board, after
2585 consultation with the mixed beverage casino licensee, and (b) enable patrons who participate in a loyalty or
2586 reward credit program to redeem credits for the purchase of alcoholic beverages for on-premises
2587 consumption. A summary of the operation of such loyalty or reward credit program shall be provided to the
2588 Board upon request.

2589 A mixed beverage casino license may only be issued to a casino gaming establishment owned by an
2590 operator licensed under Article Chapter 3 (§ 58.1-4108.29.5-300 et seq.) of Chapter 44 of Title 58.1-29.5.

2591 B. The Board may grant an on-and-off-premises wine and beer license to the following:

2592 1. Hotels, restaurants, and clubs, which shall authorize the licensee to sell wine and beer (i) in closed
2593 containers for off-premises consumption or (ii) for on-premises consumption, either with or without meals, in
2594 dining areas and other designated areas of such restaurants, or in dining areas, private guest rooms, and other
2595 designated areas of such hotels or clubs, for consumption only in such rooms and areas. However, with
2596 regard to a hotel classified by the Board as (a) a resort complex, the Board may authorize the sale and
2597 consumption of alcoholic beverages in all areas within the resort complex deemed appropriate by the Board
2598 or (b) a limited service hotel, the Board may authorize the sale and consumption of alcoholic beverages in
2599 dining areas, private guest rooms, and other designated areas to persons to whom overnight lodging is being

2600 provided, for on-premises consumption in such rooms or areas, and without regard to the amount of gross
 2601 receipts from the sale of food prepared and consumed on the premises, provided that at least one meal is
 2602 provided each day by the hotel to such guests. With regard to facilities registered in accordance with Chapter
 2603 49 (§ 38.2-4900 et seq.) of Title 38.2 as continuing care communities that are also licensed by the Board
 2604 under this subdivision, any resident may, upon authorization of the licensee, keep and consume his own
 2605 lawfully acquired alcoholic beverages on the premises in all areas covered by the license. For purposes of this
 2606 subdivision, "other designated areas" includes outdoor dining areas, whether or not contiguous to the licensed
 2607 premises, which may have more than one means of ingress and egress to an adjacent public thoroughfare,
 2608 provided that such outdoor dining areas are under the control of the licensee and approved by the Board. Such
 2609 noncontiguous designated areas shall not be approved for any retail license issued pursuant to subdivision A
 2610 5 of § 4.1-201.

2611 2. Hospitals, which shall authorize the licensee to sell wine and beer (i) in the rooms of patients for their
 2612 on-premises consumption only in such rooms, provided the consent of the patient's attending physician is first
 2613 obtained or (ii) in closed containers for off-premises consumption.

2614 3. Rural grocery stores, which shall authorize the licensee to sell wine and beer for on-premises
 2615 consumption or in closed containers for off-premises consumption. No license shall be granted unless (i) the
 2616 grocery store is located in any town or in a rural area outside the corporate limits of any city or town and (ii)
 2617 it appears affirmatively that a substantial public demand for such licensed establishment exists and that public
 2618 convenience and the purposes of this subtitle will be promoted by granting the license.

2619 4. Coliseums, stadiums, and racetracks, which shall authorize the licensee to sell wine and beer during any
 2620 event and immediately subsequent thereto to patrons within all seating areas, concourses, walkways,
 2621 concession areas, and additional locations designated by the Board (i) in closed containers for off-premises
 2622 consumption or (ii) in paper, plastic, or similar disposable containers or in single original metal cans for on-
 2623 premises consumption. Upon authorization of the licensee, any person may keep and consume his own
 2624 lawfully acquired alcoholic beverages on the premises in all areas and locations covered by the license. Such
 2625 licenses may be granted to persons operating food concessions at coliseums, stadiums, racetracks, or similar
 2626 facilities.

2627 5. Performing arts food concessionaires, which shall authorize the licensee to sell wine and beer during
 2628 the performance of any event to patrons within all seating areas, concourses, walkways, or concession areas,
 2629 or other areas approved by the Board (i) in closed containers for off-premises consumption or (ii) in paper,
 2630 plastic, or similar disposable containers or in single original metal cans for on-premises consumption. Upon
 2631 authorization of the licensee, any person may keep and consume his own lawfully acquired alcoholic
 2632 beverages on the premises in all areas and locations covered by the license. Such licenses may be granted to
 2633 persons operating food concessions at any performing arts facility.

2634 6. Exhibition halls, which shall authorize the licensee to sell wine and beer during the event to patrons or
 2635 attendees within all seating areas, exhibition areas, concourses, walkways, concession areas, and such
 2636 additional locations designated by the Board in such facilities (i) in closed containers for off-premises
 2637 consumption or (ii) in paper, plastic, or similar disposable containers or in single original metal cans for on-
 2638 premises consumption. Upon authorization of the licensee, any person may keep and consume his own
 2639 lawfully acquired alcoholic beverages on the premises in all areas and locations covered by the license. Such
 2640 licenses may be granted to persons operating food concessions at exhibition or exposition halls, convention
 2641 centers, or similar facilities located in any county operating under the urban county executive form of
 2642 government or any city that is completely surrounded by such county. For purposes of this subdivision,
 2643 "exhibition or exposition hall" and "convention centers" mean facilities conducting private or public trade
 2644 shows or exhibitions in an indoor facility having in excess of 100,000 square feet of floor space.

2645 7. Concert and dinner-theaters, which shall authorize the licensee to sell wine and beer during events to
 2646 patrons or attendees within all seating areas, exhibition areas, concourses, walkways, concession areas, dining
 2647 areas, and such additional locations designated by the Board in such facilities, for on-premises consumption
 2648 or in closed containers for off-premises consumption. Persons licensed pursuant to this subdivision shall
 2649 serve food, prepared on or off premises, whenever wine or beer is served. Such licenses may be granted to
 2650 persons operating concert or dinner-theater venues on property fronting Natural Bridge School Road in
 2651 Natural Bridge Station and formerly operated as Natural Bridge High School.

2652 8. Historic cinema houses, which shall authorize the licensee to sell wine and beer, either with or without
 2653 meals, during any showing of a motion picture to patrons to whom alcoholic beverages may be lawfully sold,
 2654 for on-premises consumption or in closed containers for off-premises consumption. The privileges of this
 2655 license shall be limited to the premises of the historic cinema house regularly occupied and utilized as such.

2656 9. Nonprofit museums, which shall authorize the licensee to sell wine and beer for on-premises
 2657 consumption or in closed containers for off-premises consumption in areas approved by the Board. Such
 2658 licenses may be granted to persons operating a nonprofit museum exempt from taxation under § 501(c)(3) of
 2659 the Internal Revenue Code, located in the Town of Front Royal, and dedicated to educating the consuming
 2660 public about historic beer products. The privileges of this license shall be limited to the premises of the
 2661 museum, regularly occupied and utilized as such.

2662 C. The Board may grant the following off-premises wine and beer licenses:

2663 1. Retail off-premises wine and beer licenses, which may be granted to a convenience grocery store,
2664 delicatessen, drugstore, gift shop, gourmet oyster house, gourmet shop, grocery store, or marina store as
2665 defined in § 4.1-100 and Board regulations. Such license shall authorize the licensee to sell wine and beer in
2666 closed containers for off-premises consumption and, notwithstanding the provisions of § 4.1-308, to give to
2667 any person to whom wine or beer may be lawfully sold a sample of wine or beer for on-premises
2668 consumption; however, no single sample shall exceed four ounces of beer or two ounces of wine and no more
2669 than 12 ounces of beer or five ounces of wine shall be served to any person per day. The licensee may also
2670 give samples of wine and beer in designated areas at events held by the licensee for the purpose of featuring
2671 and educating the consuming public about the alcoholic beverages being tasted. With the consent of the
2672 licensee, farm wineries, wineries, breweries, distillers, and wholesale licensees or authorized representatives
2673 of such licensees may participate in such tastings, including the pouring of samples. The licensee shall
2674 comply with any food inventory and sales volume requirements established by Board regulation.

2675 2. Gourmet brewing shop licenses, which shall authorize the licensee to sell to any person to whom wine
2676 or beer may be lawfully sold, ingredients for making wine or brewing beer, including packaging, and to rent
2677 to such persons facilities for manufacturing, fermenting, and bottling such wine or beer, for off-premises
2678 consumption in accordance with subdivision 6 of § 4.1-200.

2679 3. Confectionery licenses, which shall authorize the licensee to prepare and sell on the licensed premises
2680 for off-premises consumption confectionery that contains five percent or less alcohol by volume. Any alcohol
2681 contained in such confectionery shall not be in liquid form at the time such confectionery is sold.

2682 D. The Board may grant the following banquet, special event, and tasting licenses:

2683 1. Per-day event licenses.

2684 a. Banquet licenses to persons in charge of private banquets, and to duly organized nonprofit corporations
2685 or associations in charge of special events, which shall authorize the licensee to sell or give wine and beer in
2686 rooms or areas approved by the Board for the occasion for on-premises consumption in such rooms or areas.
2687 Licensees who are nonprofit corporations or associations conducting fundraisers (i) shall also be authorized
2688 to sell wine, as part of any fundraising activity, in closed containers for off-premises consumption to persons
2689 to whom wine may be lawfully sold; (ii) shall be limited to no more than one such fundraiser per year; and
2690 (iii) if conducting such fundraiser through an online meeting platform, may ship such wine, in accordance
2691 with Board regulations, in closed containers to persons located within the Commonwealth. Except as
2692 provided in § 4.1-215, a separate license shall be required for each day of each banquet or special event. For
2693 the purposes of this subdivision, when the location named in the original application for a license is outdoors,
2694 the application may also name an alternative location in the event of inclement weather. However, no such
2695 license shall be required of any hotel, restaurant, or club holding a retail wine and beer license.

2696 b. Mixed beverage special events licenses to a duly organized nonprofit corporation or association in
2697 charge of a special event, which shall authorize the licensee to sell and serve mixed beverages for on-
2698 premises consumption in areas approved by the Board on the premises of the place designated in the license.
2699 A separate license shall be required for each day of each special event.

2700 c. Mixed beverage club events licenses to a club holding a wine and beer club license, which shall
2701 authorize the licensee to sell and serve mixed beverages for on-premises consumption by club members and
2702 their guests in areas approved by the Board on the club premises. A separate license shall be required for each
2703 day of each club event. No more than 12 such licenses shall be granted to a club in any calendar year. The
2704 granting of a license pursuant to this subdivision shall automatically authorize the licensee to obtain a license
2705 to sell and serve wine and beer for on-premises consumption; however, the licensee shall be required to pay
2706 the local fee required for such additional license pursuant to § 4.1-233.1.

2707 d. Tasting licenses, which shall authorize the licensee to sell or give samples of alcoholic beverages of the
2708 type specified in the license in designated areas at events held by the licensee. A tasting license shall be
2709 issued for the purpose of featuring and educating the consuming public about the alcoholic beverages being
2710 tasted. A separate license shall be required for each day of each tasting event. No tasting license shall be
2711 required for conduct authorized by § 4.1-201.1.

2712 2. Annual licenses.

2713 a. Annual banquet licenses to duly organized private nonprofit fraternal, patriotic, or charitable
2714 membership organizations that are exempt from state and federal taxation and in charge of banquets
2715 conducted exclusively for members and their guests, which shall authorize the licensee to serve wine and beer
2716 in rooms or areas approved by the Board for the occasion for on-premises consumption in such rooms or
2717 areas. Such license shall authorize the licensee to conduct no more than 12 banquets per calendar year. For
2718 the purposes of this subdivision, when the location named in the original application for a license is outdoors,
2719 the application may also name an alternative location in the event of inclement weather. However, no such
2720 license shall be required of any hotel, restaurant, or club holding a retail wine and beer license.

2721 b. Banquet facility licenses to volunteer fire departments and volunteer emergency medical services
2722 agencies, which shall authorize the licensee to permit the consumption of lawfully acquired alcoholic
2723 beverages on the premises of the licensee by any person, and bona fide members and guests thereof,

2724 otherwise eligible for a banquet license. However, lawfully acquired alcoholic beverages shall not be
 2725 purchased or sold by the licensee or sold or charged for in any way by the person permitted to use the
 2726 premises. Such premises shall be a volunteer fire or volunteer emergency medical services agency station or
 2727 both, regularly occupied as such and recognized by the governing body of the county, city, or town in which
 2728 it is located. Under conditions as specified by Board regulation, such premises may be other than a volunteer
 2729 fire or volunteer emergency medical services agency station, provided such other premises are occupied and
 2730 under the control of the volunteer fire department or volunteer emergency medical services agency while the
 2731 privileges of its license are being exercised.

2732 c. Designated outdoor refreshment area licenses to a locality, business improvement district, or nonprofit
 2733 organization, which shall authorize (i) the licensee to permit the consumption of alcoholic beverages within
 2734 the area designated by the Board for the designated outdoor refreshment area and (ii) any permanent retail on-
 2735 premises licensee that is located within the area designated by the Board for the designated outdoor
 2736 refreshment area to sell alcoholic beverages within the permanent retail location for consumption in the area
 2737 designated for the designated outdoor refreshment area, including sidewalks and the premises of businesses
 2738 not licensed to sell alcoholic beverages at retail, upon approval of such businesses. In determining the
 2739 designated area for the designated outdoor refreshment area, the Board shall consult with the locality.
 2740 Designated outdoor refreshment area licensees shall be limited to 16 events per year, and the duration of any
 2741 event shall not exceed three consecutive days. However, the Board may increase the frequency and duration
 2742 of events after adoption of an ordinance by a locality requesting such increase in frequency and duration.
 2743 Such ordinance shall include the size and scope of the area within which such events will be held, a public
 2744 safety plan, and any other considerations deemed necessary by the Board. Such limitations on the number of
 2745 events that may be held shall not apply during the effective dates of any rule, regulation, or order that is
 2746 issued by the Governor or State Health Commissioner to meet a public health emergency and that effectively
 2747 reduces allowable restaurant seating capacity; however, designated outdoor refreshment area licensees shall
 2748 be subject to all other applicable provisions of this subtitle and Board regulations and shall provide notice to
 2749 the Board regarding the days and times during which the privileges of the license will be exercised. Only
 2750 alcoholic beverages purchased from permanent retail on-premises licensees located within the designated area
 2751 may be consumed at the event, and such alcoholic beverages shall be contained in paper, plastic, or similar
 2752 disposable containers that clearly display the name or logo of the retail on-premises licensee from which the
 2753 alcoholic beverage was purchased. Alcoholic beverages shall not be sold or charged for in any way by the
 2754 designated outdoor refreshment area licensee. The designated outdoor refreshment area licensee shall post
 2755 appropriate signage clearly demarcating for the public the boundaries of the event; however, no physical
 2756 barriers shall be required for this purpose. The designated outdoor refreshment area licensee shall provide
 2757 adequate security for the event to ensure compliance with the applicable provisions of this subtitle and Board
 2758 regulations.

2759 d. Annual mixed beverage banquet licenses to duly organized private nonprofit fraternal, patriotic, or
 2760 charitable membership organizations that are exempt from state and federal taxation and in charge of
 2761 banquets conducted exclusively for members and their guests, which shall authorize the licensee to serve
 2762 mixed beverages for on-premises consumption in areas approved by the Board on the premises of the place
 2763 designated in the license. Such license shall authorize the licensee to conduct no more than 12 banquets per
 2764 calendar year. The granting of a license pursuant to this subdivision shall automatically authorize the licensee
 2765 to obtain a license to sell and serve wine and beer for on-premises consumption; however, the licensee shall
 2766 be required to pay the local fee required for such additional license pursuant to § 4.1-233.1.

2767 e. Equine sporting event licenses, which may be issued to organizations holding equestrian, hunt, and
 2768 steeplechase events, which shall authorize the licensee to permit the consumption of lawfully acquired
 2769 alcoholic beverages on the premises of the licensee by patrons thereof during such event. However, alcoholic
 2770 beverages shall not be sold or charged for in any way by the licensee. The privileges of this license shall be
 2771 (i) limited to the premises of the licensee, regularly occupied and utilized for equestrian, hunt, and
 2772 steeplechase events, and (ii) exercised on no more than four calendar days per year.

2773 f. Annual arts venue event licenses, to persons operating an arts venue, which shall authorize the licensee
 2774 participating in a community art walk that is open to the public to serve lawfully acquired wine or beer on the
 2775 premises of the licensee to adult patrons thereof during such events. However, alcoholic beverages shall not
 2776 be sold or charged for in any way, directly or indirectly, by the licensee, and the licensee shall not give more
 2777 than two five-ounce glasses of wine or two 12-ounce glasses of beer to any one adult patron. The privileges
 2778 of this license shall be (i) limited to the premises of the arts venue regularly occupied and used as such and
 2779 (ii) exercised on no more than 12 calendar days per year.

2780 E. The Board may grant a marketplace license to persons operating a business enterprise of which the
 2781 primary function is not the sale of alcoholic beverages, which shall authorize the licensee to serve
 2782 complimentary wine or beer to bona fide customers on the licensed premises subject to any limitations
 2783 imposed by the Board; however, the licensee shall not give more than two five-ounce glasses of wine or two
 2784 12-ounce glasses of beer to any customer per day, nor shall it sell or otherwise charge a fee to such customer
 2785 for the wine or beer served or consumed. In order to be eligible for and retain a marketplace license, the

2786 applicant's business enterprise must (i) provide a single category of goods or services in a manner intended to
2787 create a personalized experience for the customer; (ii) employ staff with expertise in such goods or services;
2788 (iii) be ineligible for any other license granted by the Board; (iv) have an alcoholic beverage control manager
2789 on the licensed premises at all times alcohol is served; (v) ensure that all employees satisfy any training
2790 requirements imposed by the Board; and (vi) purchase all wine and beer to be served from a licensed
2791 wholesaler or the Authority and retain purchase records as prescribed by the Board. In determining whether
2792 to grant a marketplace license, the Board shall consider (a) the average amount of time customers spend at the
2793 business; (b) the business's hours of operation; (c) the amount of time that the business has been in operation;
2794 and (d) any other requirements deemed necessary by the Board to protect the public health, safety, and
2795 welfare.

2796 F. The Board may grant the following shipper, bottler, and related licenses:

2797 1. Wine and beer shipper licenses, which shall carry the privileges and limitations set forth in § 4.1-209.1.

2798 2. Internet wine and beer retailer licenses, which shall authorize persons located within or outside the
2799 Commonwealth to sell and ship wine and beer, in accordance with § 4.1-209.1 and Board regulations, in
2800 closed containers to persons in the Commonwealth to whom wine and beer may be lawfully sold for
2801 off-premises consumption. Such licensee shall not be required to comply with the monthly food sale
2802 requirement established by Board regulations.

2803 3. Bottler licenses, which shall authorize the licensee to acquire and receive deliveries and shipments of
2804 beer in closed containers and to bottle, sell, and deliver or ship it, in accordance with Board regulations to (i)
2805 wholesale beer licensees for the purpose of resale, (ii) owners of boats registered under the laws of the United
2806 States sailing for ports of call of a foreign country or another state, and (iii) persons outside the
2807 Commonwealth for resale outside the Commonwealth.

2808 4. Fulfillment warehouse licenses, which shall authorize associations as defined in § 13.1-313 with a place
2809 of business located in the Commonwealth to (i) receive deliveries and shipments of wine or beer owned by
2810 holders of wine and beer shipper's licenses; (ii) store such wine or beer on behalf of the owner; and (iii) pick,
2811 pack, and ship such wine or beer as directed by the owner, all in accordance with Board regulations. No
2812 wholesale wine or wholesale beer licensee, whether licensed in the Commonwealth or not, or any person
2813 under common control of such licensee, shall acquire or hold any financial interest, direct or indirect, in the
2814 business for which any fulfillment warehouse license is issued.

2815 5. Marketing portal licenses, which shall authorize agricultural cooperative associations organized under
2816 the provisions of the Agricultural Cooperative Association Act (§ 13.1-312 et seq.), with a place of business
2817 located in the Commonwealth, in accordance with Board regulations, to solicit and receive orders for wine or
2818 beer through the use of the Internet from persons in the Commonwealth to whom wine or beer may be
2819 lawfully sold, on behalf of holders of wine and beer shipper's licenses. Upon receipt of an order for wine or
2820 beer, the licensee shall forward it to a holder of a wine and beer shipper's license for fulfillment. Marketing
2821 portal licensees may also accept payment on behalf of the shipper.

2822 **§ 8.01-216.3. False claims; civil penalty.**

2823 A. Any person who:

2824 1. Knowingly presents, or causes to be presented, a false or fraudulent claim for payment or approval;

2825 2. Knowingly makes, uses, or causes to be made or used, a false record or statement material to a false or
2826 fraudulent claim;

2827 3. Conspires to commit a violation of subdivision 1, 2, 4, 5, 6, 7, 8, or 9;

2828 4. Has possession, custody, or control of property or money used, or to be used, by the Commonwealth
2829 and knowingly delivers, or causes to be delivered, less than all such money or property;

2830 5. Has possession, custody, or control of an illegal gambling device, as defined in § 18.2-325, knowing
2831 such device is illegal, and knowingly conceals, avoids, or decreases an obligation to pay or transmit money to
2832 the Commonwealth that is derived from the operation of such device;

2833 6. Manufactures for sale, sells, or distributes an illegal gaming device knowing that such device is or is
2834 intended to be operated in the Commonwealth in violation of Article 1 (§ 18.2-325 et seq.) or Article 1.1:1 (§
2835 18.2-340.15 et seq.) of Chapter 8 2 (§ 29.5-200 et seq.) of Title 18.2 29.5;

2836 7. Is authorized to make or deliver a document certifying receipt of property used, or to be used, by the
2837 Commonwealth and, intending to defraud the Commonwealth, makes or delivers the receipt without
2838 completely knowing that the information on the receipt is true;

2839 8. Knowingly buys or receives as a pledge of an obligation or debt, public property from an officer or
2840 employee of the Commonwealth who lawfully may not sell or pledge the property; or

2841 9. Knowingly makes, uses, or causes to be made or used, a false record or statement material to an
2842 obligation to pay or transmit money or property to the Commonwealth or knowingly conceals or knowingly
2843 and improperly avoids or decreases an obligation to pay or transmit money or property to the
2844 Commonwealth;

2845 shall be liable to the Commonwealth for a civil penalty of not less than \$10,957 and not more than
2846 \$21,916, except that these lower and upper limits on liability shall automatically be adjusted to equal the
2847 amounts allowed under the Federal False Claims Act, 31 U.S.C. § 3729 et seq., as amended, as such penalties

2848 in the Federal False Claims Act are adjusted for inflation by the Federal Civil Penalties Inflation Adjustment
 2849 Act of 1990, as amended (28 U.S.C. § 2461 Note, P.L. 101-410), plus three times the amount of damages
 2850 sustained by the Commonwealth.

2851 A person violating this section shall be liable to the Commonwealth for reasonable attorney fees and costs
 2852 of a civil action brought to recover any such penalties or damages. All such fees and costs shall be paid to the
 2853 Attorney General's Office by the defendant and shall not be included in any damages or civil penalties
 2854 recovered in a civil action based on a violation of this section.

2855 B. If the court finds that (i) the person committing the violation of this section furnished officials of the
 2856 Commonwealth responsible for investigating false claims violations with all information known to the person
 2857 about the violation within 30 days after the date on which the defendant first obtained the information; (ii)
 2858 such person fully cooperated with any Commonwealth investigation of such violation; (iii) at the time such
 2859 person furnished the Commonwealth with the information about the violation, no criminal prosecution, civil
 2860 action, or administrative action had commenced with respect to such violation; and (iv) the person did not
 2861 have actual knowledge of the existence of an investigation into such violation, the court may assess not less
 2862 than two times the amount of damages that the Commonwealth sustains because of the act of that person. A
 2863 person violating this section shall also be liable to the Commonwealth for the costs of a civil action brought
 2864 to recover any such penalty or damages.

2865 C. For purposes of this section, the terms "knowing" and "knowingly" mean that a person, with respect to
 2866 information, (i) has actual knowledge of the information; (ii) acts in deliberate ignorance of the truth or
 2867 falsity of the information; or (iii) acts in reckless disregard of the truth or falsity of the information and
 2868 require no proof of specific intent to defraud.

2869 D. Except as provided in subdivision A 5, this section shall not apply to claims, records, or statements
 2870 relating to state or local taxes.

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

2871 A. It shall be sufficient ground for an action for pretrial levy or seizure or an attachment that the principal
 2872 defendant or one of the principal defendants:

2873 1. Is a foreign corporation, or is not a resident of this Commonwealth, and has estate or has debts owing to
 2874 such defendant within the county or city in which the attachment is, or that such defendant being a
 2875 nonresident of this Commonwealth, is entitled to the benefit of any lien, legal or equitable, on property, real
 2876 or personal, within the county or city in which the attachment is. The word "estate," as herein used, includes
 2877 all rights or interests of a pecuniary nature which can be protected, enforced, or proceeded against in courts of
 2878 law or equity;

2879 2. Is removing or is about to remove himself out of this Commonwealth with intent to change his
 2880 domicile;

2881 3. Intends to remove, or is removing, or has removed the specific property sued for, or his own estate, or
 2882 the proceeds of the sale of his property, or a material part of such estate or proceeds, out of this
 2883 Commonwealth so that there will probably not be therein effects of such debtor sufficient to satisfy the claim
 2884 when judgment is obtained therefor should only the ordinary process of law be used to obtain the judgment;

2885 4. Is converting, is about to convert or has converted his property of whatever kind, or some part thereof,
 2886 into money, securities or evidences of debt with intent to hinder, delay, or defraud his creditors;

2887 5. Has assigned or disposed of or is about to assign or dispose of his estate, or some part thereof, with
 2888 intent to hinder, delay or defraud his creditors;

2889 6. Has absconded or is about to abscond or has concealed or is about to conceal himself or his property to
 2890 the injury of his creditors, or is a fugitive from justice;

2891 7. Has conducted, financed, managed, supervised, directed, sold, or owned a gambling device that is
 2892 located in an unregulated location pursuant to § 18.2-331.1;

2893 8. Has violated any provision of law related to charitable gaming pursuant to Article 1.1:1 (§ 18.2-340.15
 2894 et seq.) of Chapter 8 2 (§ 29.5-200 et seq.) of Title 18.2 29.5.

2895 The intent mentioned in subdivisions 4 and 5 may be stated either in the alternative or conjunctive.

2896 B. It shall be sufficient ground for an action for pretrial levy or seizure or an attachment if the specific
 2897 personal property sought to be levied or seized:

2898 1. Will be sold, removed, secreted, or otherwise disposed of by the defendant, in violation of an obligation
 2899 to the plaintiff, so as not to be forthcoming to answer the final judgment of the court respecting the same; or

2900 2. Will be destroyed, or materially damaged or injured if permitted to remain in the possession of the
 2901 principal defendant or one of the principal defendants or other person or persons claiming under them.

2902 C. In an action for rent, it also shall be a sufficient ground if there is an immediate danger that the
 2903 property subject to the landlord's lien for rent will be destroyed or concealed.

§ 11-16.1. Exemption from the chapter.

2904 This chapter shall not apply to any bet, wager, or casino gaming permitted by Chapter 44 3 (§ 58.1-4100
 2905 29.5-300 et seq.) of Title 58.1 29.5 or to any contract, conduct, or transaction arising from conduct lawful
 2906 thereunder.

§ 11-16.2. Exemption; authorized sports betting.

2910 This chapter shall not apply to any sports betting or related activity that is lawful under Article 2 (§
2911 58.1-4030 et seq.) of Chapter 40.4 (§ 29.5-400 et seq.) of Title 58.1-29.5.

2912 **§ 15.2-912.2. Proceeds exempt from local taxation.**

2913 No locality may impose a gross receipts, entertainment, admission, or any other tax based on revenues of
2914 qualified organizations derived from the conduct of charitable gaming.

2915 The definitions set forth in § 18.2-340.16 29.5-200 shall apply to this section.

2916 **§ 15.2-2825. Smoking in restaurants prohibited; exceptions; posting of signs; penalty for violation.**

2917 A. Effective December 1, 2009, smoking shall be prohibited and no person shall smoke in any restaurant
2918 in the Commonwealth or in any restroom within such restaurant, except that smoking may be permitted in:

2919 1. Any place or operation that prepares or stores food for distribution to persons of the same business
2920 operation or of a related business operation for service to the public. Examples of such places or operations
2921 include the preparation or storage of food for catering services, pushcart operations, hotdog stands, and other
2922 mobile points of service;

2923 2. Any outdoor area of a restaurant, with or without roof covering, at such times when such outdoor area
2924 is not enclosed in whole or in part by any screened walls, roll-up doors, windows or other seasonal or
2925 temporary enclosures;

2926 3. Any restaurants located on the premises of any manufacturer of tobacco products;

2927 4. Any portion of a restaurant that is used exclusively for private functions, provided such functions are
2928 limited to those portions of the restaurant that meet the requirements of subdivision 5;

2929 5. Any portion of a restaurant that is constructed in such a manner that the area where smoking may be
2930 permitted is (i) structurally separated from the portion of the restaurant in which smoking is prohibited and to
2931 which ingress and egress is through a door and (ii) separately vented to prevent the recirculation of air from
2932 such area to the area of the restaurant where smoking is prohibited. At least one public entrance to the
2933 restaurant shall be into an area of the restaurant where smoking is prohibited. For the purposes of the
2934 preceding sentence, nothing shall be construed to require the creation of an additional public entrance in cases
2935 where the only public entrance to a restaurant in existence as of December 1, 2009, is through an outdoor area
2936 described in subdivision 2;

2937 6. Any private club; and

2938 7. Any portion of a facility licensed to conduct casino gaming pursuant to Chapter 41.3 (§ 58.1-4100
2939 29.5-300 et seq.) of Title 58.1-29.5 designated pursuant to the provisions of and that meets the requirements
2940 of § 15.2-2827. Any restaurant within a facility licensed to conduct casino gaming shall comply with the
2941 provisions of this section.

2942 B. For the purposes of this section:

2943 "Proprietor" means the owner, lessee, or other person who ultimately controls the activities within the
2944 restaurant. The term "proprietor" includes corporations, associations, or partnerships as well as individuals.

2945 "Structurally separated" means a stud wall covered with drywall or other building material or other like
2946 barrier, which, when completed, extends from the floor to the ceiling, resulting in a physically separated
2947 room. Such wall or barrier may include portions that are glass or other gas-impervious building material.

2948 C. No individual who is wait staff or bus staff in a restaurant shall be required by the proprietor to work in
2949 any area of the restaurant where smoking may be permitted without the consent of such individual. Nothing
2950 in this subsection shall be interpreted to create a cause of action against such proprietor.

2951 D. The proprietor of any restaurant shall:

2952 1. Post signs stating "No Smoking" or containing the international "No Smoking" symbol, consisting of a
2953 pictorial representation of a burning cigarette enclosed in a red circle with a bar across it, clearly and
2954 conspicuously in every restaurant where smoking is prohibited in accordance with this section; and

2955 2. Remove all ashtrays and other smoking paraphernalia from any area in the restaurant where smoking is
2956 prohibited in accordance with this section.

2957 E. Any proprietor of a restaurant who fails to comply with the requirements of this section shall be subject
2958 to the civil penalty of not more than \$25.

2959 F. No person shall smoke in any area of a restaurant in which smoking is prohibited as provided in this
2960 section. Any person who continues to smoke in such area after having been asked to refrain from smoking
2961 shall be subject to a civil penalty of not more than \$25.

2962 G. It shall be an affirmative defense to a complaint brought against a proprietor for a violation of this
2963 section that the proprietor or an employee of such proprietor:

2964 1. Posted a "No Smoking" sign as required;

2965 2. Removed all ashtrays and other smoking paraphernalia from all areas where smoking is prohibited;

2966 3. Refused to seat or serve any individual who was smoking in a prohibited area; and

2967 4. If the individual continued to smoke after an initial warning, asked the individual to leave the
2968 establishment.

2969 H. Civil penalties assessed under this section shall be paid into the Virginia Health Care Fund established
2970 under § 32.1-366.

2971 I. Any local health department or its designee shall, while inspecting a restaurant as otherwise required by

2972 law, inspect for compliance with this section.

2973 **§ 18.2-325. Definitions.**

2974 1. "Illegal gambling" means the making, placing, or receipt of any bet or wager in the Commonwealth of
2975 money or other consideration or thing of value, made in exchange for a chance to win a prize, stake, or other
2976 consideration or thing of value, dependent upon the result of any game, contest, or any other event the
2977 outcome of which is uncertain or a matter of chance, whether such game, contest, or event occurs or is to
2978 occur inside or outside the limits of the Commonwealth.

2979 For the purposes of this subdivision and notwithstanding any provision in this section to the contrary, the
2980 making, placing, or receipt of any bet or wager of money or other consideration or thing of value shall
2981 include the purchase of a product, Internet access, or other thing made in exchange for a chance to win a
2982 prize, stake, or other consideration or thing of value by means of the operation of a gambling device as
2983 described in subdivision 3 b, regardless of whether the chance to win such prize, stake, or other consideration
2984 or thing of value may be offered in the absence of a purchase.

2985 "Illegal gambling" also means the playing or offering for play of any skill game.

2986 2. "Interstate gambling" means the conduct of an enterprise for profit that engages in the purchase or sale
2987 within the Commonwealth of any interest in a lottery of another state or country whether or not such interest
2988 is an actual lottery ticket, receipt, contingent promise to pay, order to purchase, or other record of such
2989 interest.

2990 3. "Gambling device" includes:

2991 a. Any device, machine, paraphernalia, equipment, or other thing, including books, records, and other
2992 papers, which are actually used in an illegal gambling operation or activity;

2993 b. Any machine, apparatus, implement, instrument, contrivance, board, or other thing, or electronic or
2994 video versions thereof, including but not limited to those dependent upon the insertion of a coin or other
2995 object for their operation, which operates, either completely automatically or with the aid of some physical
2996 act by the player or operator, in such a manner that, depending upon elements of chance, it may eject
2997 something of value or determine the prize or other thing of value to which the player is entitled, provided,
2998 however, that the return to the user of nothing more than additional chances or the right to use such machine
2999 is not deemed something of value within the meaning of this subsection; and provided further, that machines
3000 that only sell, or entitle the user to, items of merchandise of equivalent value that may differ from each other
3001 in composition, size, shape, or color, shall not be deemed gambling devices within the meaning of this
3002 subsection; and

3003 c. Skill games.

3004 Such devices are no less gambling devices if they indicate beforehand the definite result of one or more
3005 operations but not all the operations. Nor are they any less a gambling device because, apart from their use or
3006 adaptability as such, they may also sell or deliver something of value on a basis other than chance.

3007 4. "Operator" includes any person, firm, or association of persons, who conducts, finances, manages,
3008 supervises, directs, or owns all or part of an illegal gambling enterprise, activity, or operation.

3009 5. "Skill" means the knowledge, dexterity, or any other ability or expertise of a natural person.

3010 6. "Skill game" means an electronic, computerized, or mechanical contrivance, terminal, machine, or
3011 other device that requires the insertion of a coin, currency, ticket, token, or similar object to operate, activate,
3012 or play a game, the outcome of which is determined by any element of skill of the player and that may deliver
3013 or entitle the person playing or operating the device to receive cash or cash equivalents, gift cards, vouchers,
3014 billets, tickets, tokens, or electronic credits to be exchanged for cash or cash equivalents whether the payoff is
3015 made automatically from the device or manually. "Skill game" includes (i) a device that contains a meter or
3016 measurement device that records the number of free games or portions of games that are rewarded and (ii) a
3017 device designed or adapted to enable a person using the device to increase the chances of winning free games
3018 or portions of games by paying more than the amount that is ordinarily required to play the game. "Skill
3019 game" does not include any amusement device, as defined in § 18.2-334.6.

3020 7. "Unregulated location" means any location that is not regulated or operated by the Virginia Lottery or
3021 Virginia Lottery Board, the Department of Agriculture and Consumer Services, the Virginia Alcoholic
3022 Beverage Control Authority, or the Virginia Racing Gaming Commission.

3023 **§ 18.2-326. Penalty for illegal gambling.**

3024 Except as otherwise provided in this article, any person who illegally gambles or engages in interstate
3025 gambling as defined in § 18.2-325 shall be is guilty of a Class 3 misdemeanor. If an association or pool of
3026 persons illegally gamble, each person therein shall be is guilty of illegal gambling.

3027 However, if any person makes, places, or receives any bet or wager of money or other thing of value on a
3028 horse race in the Commonwealth, whether the race is inside or outside the limits of the Commonwealth at any
3029 place or through any means other than (i) at a racetrack licensed by the Virginia Racing Gaming Commission
3030 pursuant to Chapter 29.6 (§ 59.1-364 29.5-600 et seq.) of Title 59.1-29.5 or (ii) at a satellite facility or
3031 through advance deposit account wagering, as those terms are defined in § 59.1-365 29.5-601, licensed by the
3032 Virginia Racing Gaming Commission pursuant to Chapter 29.6 (§ 59.1-364 29.5-600 et seq.) of Title 59.1-
3033 29.5, such person shall be is guilty of a Class 1 misdemeanor. For the purposes of this paragraph, venue shall

3034 be in any county or city in which any act was performed in furtherance of any course of conduct constituting
3035 illegal gambling.

3036 **§ 18.2-334.2. Same; bingo games, raffles, duck races, and Texas Hold'em poker tournaments
3037 conducted by certain organizations.**

3038 Nothing in this article shall apply to any bingo game, instant bingo, network bingo, raffle, duck race, or
3039 Texas Hold'em poker tournament conducted solely by organizations as defined in § 18.2-340.16 29.5-200
3040 which have received a permit as set forth in § 18.2-340.25 29.5-209, or which are exempt from the permit
3041 requirement under § 18.2-340.23 29.5-206.

3042 **§ 18.2-334.3. Exemptions to article.**

3043 Nothing in this article shall apply to:

3044 1. Any lottery conducted by the Commonwealth pursuant to Article 4 Subtitle II (§ 58.1-4000 29.5-700 et
3045 seq.) of Chapter 40 of Title 58.1 29.5;

3046 2. Any sports betting or related activity that is lawful under Article 2 (§ 58.1-4030 et seq.) of Chapter 40 4
3047 (§ 29.5-400 et seq.) of Title 58.1 29.5; or

3048 3. The placement or operation of or communication to and from data center equipment in the
3049 Commonwealth associated with the hosting of lottery games duly authorized by another state or jurisdiction
3050 and regulated and operated consistent with and exclusively for the benefit of such state or jurisdiction,
3051 provided that wagering on such games is legally authorized in such other state or jurisdiction and the
3052 individuals wagering on such games are required by the laws or regulations of such other state or jurisdiction
3053 to be physically located within the geographic bounds of such other state or jurisdiction at the time the wager
3054 is initiated or placed.

3055 **§ 18.2-334.4. Exemptions to article; pari-mutuel wagering.**

3056 Nothing in this article shall be construed to make it illegal to participate in any race meeting or
3057 pari-mutuel wagering conducted in accordance with Chapter 29.6 (§ 59.1-364 29.5-600 et seq.) of Title 59.1
3058 29.5.

3059 **§ 18.2-334.5. Exemptions to article; certain gaming operations.**

3060 Nothing in this article shall be construed to make it illegal to participate in any casino gaming operation
3061 conducted in accordance with Chapter 41.3 (§ 58.1-4100 29.5-300 et seq.) of Title 58.1 29.5.

3062 **§ 19.2-66. When Attorney General or Chief Deputy Attorney General may apply for order
3063 authorizing interception of communications.**

3064 A. The Attorney General or Chief Deputy Attorney General, if the Attorney General so designates in
3065 writing, in any case where the Attorney General is authorized by law to prosecute or pursuant to a request in
3066 his official capacity of an attorney for the Commonwealth in any city or county, may apply to a judge of
3067 competent jurisdiction for an order authorizing the interception of wire, electronic, or oral communications
3068 by the Department of State Police, when such interception may reasonably be expected to provide evidence
3069 of the commission of a felonious offense of extortion, bribery, kidnapping, murder, any felony violation of
3070 § 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
3071 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.),
3072 Article 5 (§ 18.2-58 et seq.), Article 6 (§ 18.2-59 et seq.), or any felonies that are not Class 6 felonies in
3073 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.)
3074 of Title 29.5, or any conspiracy to commit any of the foregoing offenses. The Attorney General or Chief
3075 Deputy Attorney General may apply for authorization for the observation or monitoring of the interception by
3076 a police department of a county or city, by a sheriff's office, or by law-enforcement officers of the United
3077 States. Such application shall be made, and such order may be granted, in conformity with the provisions of
3078 § 19.2-68.

3079 B. The application for an order under subsection B of § 19.2-68 shall be made as follows:

3080 1. In the case of an application for a wire or electronic interception, a judge of competent jurisdiction shall
3081 have the authority to issue an order under subsection B of § 19.2-68 if there is probable cause to believe that
3082 an offense was committed, is being committed, or will be committed or the person or persons whose
3083 communications are to be intercepted live, work, subscribe to a wire or electronic communication system,
3084 maintain an address or a post office box, or are making the communication within the territorial jurisdiction
3085 of the court.

3086 2. In the case of an application for an oral intercept, a judge of competent jurisdiction shall have the
3087 authority to issue an order under subsection B of § 19.2-68 if there is probable cause to believe that an
3088 offense was committed, is being committed, or will be committed or the physical location of the oral
3089 communication to be intercepted is within the territorial jurisdiction of the court.

3090 C. For the purposes of an order entered pursuant to subsection B of § 19.2-68 for the interception of a wire
3091 or electronic communication, such communication shall be deemed to be intercepted in the jurisdiction where
3092 the order is entered, regardless of the physical location or the method by which the communication is
3093 captured or routed to the monitoring location.

3094 **§ 19.2-215.1. Functions of a multi-jurisdiction grand jury.**

3095 The functions of a multi-jurisdiction grand jury are:

3096 1. To investigate any condition that involves or tends to promote criminal violations of:
 3097 a. Title 10.1 for which punishment as a felony is authorized;
 3098 b. Section 13.1-520;
 3099 c. Sections 18.2-47 and 18.2-48;
 3100 d. Sections 18.2-111 and 18.2-112;
 3101 e. Article 6 (§ 18.2-59 et seq.) of Chapter 4 of Title 18.2;
 3102 f. Article 7.1 (§ 18.2-152.1 et seq.) of Chapter 5 of Title 18.2;
 3103 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;
 3104 h. Article 1 (§ 18.2-325 et seq.) and Article 4.1.1 (§ 18.2-340.15 et seq.) of Chapter 8 of Title 18.2;
 3105 ~~Chapter 29 and Chapters 2 (§ 59.1-364 29.5-200 et seq.) and 6 (§ 29.5-600 et seq.) of Title 59.1~~ 29.5 or any
 3106 other provision prohibiting, limiting, regulating, or otherwise affecting gaming or gambling activity;
 3107 i. Section 18.2-434, when violations occur before a multi-jurisdiction grand jury;
 3108 j. Article 2 (§ 18.2-438 et seq.) and Article 3 (§ 18.2-446 et seq.) of Chapter 10 of Title 18.2;
 3109 k. Section 18.2-460 for which punishment as a felony is authorized;
 3110 l. Article 1.1 (§ 18.2-498.1 et seq.) of Chapter 12 of Title 18.2;
 3111 m. Article 1 (§ 32.1-310 et seq.) of Chapter 9 of Title 32.1;
 3112 n. Chapter 4.2 (§ 59.1-68.6 et seq.) of Title 59.1;
 3113 o. Article 9 (§ 3.2-6570 et seq.) of Chapter 65 of Title 3.2;
 3114 p. Article 1 (§ 18.2-30 et seq.) of Chapter 4 of Title 18.2;
 3115 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;
 3116 r. Article 5 (§ 18.2-186 et seq.) and Article 6 (§ 18.2-191 et seq.) of Chapter 6 of Title 18.2;
 3117 s. Chapter 6.1 (§ 59.1-92.1 et seq.) of Title 59.1;
 3118 t. Section 18.2-178 where the violation involves insurance fraud;
 3119 u. Section 18.2-346.01, 18.2-348, or 18.2-349 for which punishment as a felony is authorized or
 3120 § 18.2-355, 18.2-356, 18.2-357, or 18.2-357.1;
 3121 v. Article 9 (§ 18.2-246.1 et seq.) of Chapter 6 of Title 18.2;
 3122 w. Article 2 (§ 18.2-38 et seq.) of Chapter 4 of Title 18.2;
 3123 x. Malicious felonious assault and malicious bodily wounding under Article 4 (§ 18.2-51 et seq.) of
 3124 Chapter 4 of Title 18.2;
 3125 y. Article 5 (§ 18.2-58 et seq.) of Chapter 4 of Title 18.2;
 3126 z. Felonious sexual assault under Article 7 (§ 18.2-61 et seq.) of Chapter 4 of Title 18.2;
 3127 aa. Arson in violation of § 18.2-77 when the structure burned was occupied or a Class 3 felony violation
 3128 of § 18.2-79;
 3129 ab. Chapter 13 (§ 18.2-512 et seq.) of Title 18.2;
 3130 ac. Section 18.2-246.14 and Chapter 10 (§ 58.1-1000 et seq.) of Title 58.1;
 3131 ad. Subsection A or B of § 18.2-57 where the victim was selected because of his race, religious
 3132 conviction, gender, disability, gender identity, sexual orientation, color, or *ethnic or* national origin;
 3133 ae. Section 18.2-121 for which punishment as a felony is authorized;
 3134 af. Article 5 (§ 18.2-420 et seq.) of Chapter 9 of Title 18.2;
 3135 ag. §§ 18.2-178.1 and 18.2-178.2;
 3136 ah. § 18.2-369; and
 3137 ai. Any other provision of law when such condition is discovered in the course of an investigation that a
 3138 multi-jurisdiction grand jury is otherwise authorized to undertake and to investigate any condition that
 3139 involves or tends to promote any attempt, solicitation, or conspiracy to violate the laws enumerated in this
 3140 section.
 3141 2. To report evidence of any criminal offense enumerated in subdivision 1 and for which a court reporter
 3142 has recorded all oral testimony as provided by § 19.2-215.9 to the attorney for the Commonwealth or United
 3143 States attorney of any jurisdiction where such offense could be prosecuted or investigated, or to the chief
 3144 law-enforcement officer of any jurisdiction where such offense could be prosecuted or investigated, or to a
 3145 sworn investigator designated pursuant to § 19.2-215.6, or, when appropriate, to the Attorney General.
 3146 3. To consider bills of indictment prepared by a special counsel to determine whether there is sufficient
 3147 probable cause to return each such indictment as a "true bill." Only bills of indictment which allege an
 3148 offense enumerated in subdivision 1 may be submitted to a multi-jurisdiction grand jury.
 3149 4. The provisions of this section shall not abrogate the authority of an attorney for the Commonwealth in a
 3150 particular jurisdiction to determine the course of a prosecution in that jurisdiction.
 3151 **§ 19.2-389. (Effective until July 1, 2026) Dissemination of criminal history record information.**
 3152 A. Criminal history record information shall be disseminated, whether directly or through an intermediary,
 3153 only to:
 3154 1. Authorized officers or employees of criminal justice agencies, as defined by § 9.1-101, for purposes of
 3155 the administration of criminal justice and the screening of an employment application or review of
 3156 employment by a criminal justice agency with respect to its own employees or applicants, and dissemination
 3157 to the Virginia Parole Board, pursuant to this subdivision, of such information on all state-responsible

3158 inmates for the purpose of making parole determinations pursuant to subdivisions 1, 2, 3, 4, and 6 of
3159 § 53.1-136 shall include collective dissemination by electronic means every 30 days. For purposes of this
3160 subdivision, criminal history record information includes information sent to the Central Criminal Records
3161 Exchange pursuant to §§ 37.2-819 and 64.2-2014 when disseminated to any full-time or part-time employee
3162 of the State Police, a police department or sheriff's office that is a part of or administered by the
3163 Commonwealth or any political subdivision thereof, and who is responsible for the prevention and detection
3164 of crime and the enforcement of the penal, traffic or highway laws of the Commonwealth for the purposes of
3165 the administration of criminal justice;

3166 2. Such other individuals and agencies that require criminal history record information to implement a
3167 state or federal statute or executive order of the President of the United States or Governor that expressly
3168 refers to criminal conduct and contains requirements or exclusions expressly based upon such conduct, except
3169 that information concerning the arrest of an individual may not be disseminated to a noncriminal justice
3170 agency or individual if an interval of one year has elapsed from the date of the arrest and no disposition of the
3171 charge has been recorded and no active prosecution of the charge is pending;

3172 3. Individuals and agencies pursuant to a specific agreement with a criminal justice agency to provide
3173 services required for the administration of criminal justice pursuant to that agreement which shall specifically
3174 authorize access to data, limit the use of data to purposes for which given, and ensure the security and
3175 confidentiality of the data;

3176 4. Individuals and agencies for the express purpose of research, evaluative, or statistical activities pursuant
3177 to an agreement with a criminal justice agency that shall specifically authorize access to data, limit the use of
3178 data to research, evaluative, or statistical purposes, and ensure the confidentiality and security of the data;

3179 5. Agencies of state or federal government that are authorized by state or federal statute or executive order
3180 of the President of the United States or Governor to conduct investigations determining employment
3181 suitability or eligibility for security clearances allowing access to classified information;

3182 6. Individuals and agencies where authorized by court order or court rule;

3183 7. Agencies of any political subdivision of the Commonwealth, public transportation companies owned,
3184 operated or controlled by any political subdivision, and any public service corporation that operates a public
3185 transit system owned by a local government for the conduct of investigations of applicants for employment,
3186 permit, or license whenever, in the interest of public welfare or safety, it is necessary to determine under a
3187 duly enacted ordinance if the past criminal conduct of a person with a conviction record would be compatible
3188 with the nature of the employment, permit, or license under consideration;

3189 7a. Commissions created pursuant to the Transportation District Act of 1964 (§ 33.2-1900 et seq.) of Title
3190 33.2 and their contractors, for the conduct of investigations of individuals who have been offered a position
3191 of employment whenever, in the interest of public welfare or safety and as authorized in the Transportation
3192 District Act of 1964, it is necessary to determine if the past criminal conduct of a person with a conviction
3193 record would be compatible with the nature of the employment under consideration;

3194 8. Public or private agencies when authorized or required by federal or state law or interstate compact to
3195 investigate (i) applicants for foster or adoptive parenthood or (ii) any individual, and the adult members of
3196 that individual's household, with whom the agency is considering placing a child or from whom the agency is
3197 considering removing a child due to abuse or neglect, on an emergency, temporary, or permanent basis
3198 pursuant to §§ 63.2-901.1 and 63.2-1505, subject to the restriction that the data shall not be further
3199 disseminated to any party other than a federal or state authority or court as may be required to comply with an
3200 express requirement of law;

3201 9. To the extent permitted by federal law or regulation, public service companies as defined in § 56-1, for
3202 the conduct of investigations of applicants for employment when such employment involves personal contact
3203 with the public or when past criminal conduct of an applicant would be incompatible with the nature of the
3204 employment under consideration;

3205 10. The appropriate authority for purposes of granting citizenship and for purposes of international travel,
3206 including, but not limited to, issuing visas and passports;

3207 11. A person requesting a copy of his own criminal history record information as defined in § 9.1-101 at
3208 his cost, except that criminal history record information shall be supplied at no charge to a person who has
3209 applied to be a volunteer with (i) a Virginia affiliate of Big Brothers/Big Sisters of America; (ii) a volunteer
3210 fire company; (iii) the Volunteer Emergency Families for Children; (iv) any affiliate of Prevent Child Abuse,
3211 Virginia; (v) any Virginia affiliate of Compeer; or (vi) any board member or any individual who has been
3212 offered membership on the board of a Crime Stoppers, Crime Solvers or Crime Line program as defined in
3213 § 15.2-1713.1;

3214 12. Administrators and board presidents of and applicants for licensure or registration as a child welfare
3215 agency as defined in § 63.2-100 for dissemination to the Commissioner of Social Services' representative
3216 pursuant to § 63.2-1702 for the conduct of investigations with respect to employees of and volunteers at such
3217 facilities, caretakers, and foster and adoptive parent applicants of private child-placing agencies, pursuant to
3218 §§ 63.2-1719, 63.2-1720, and 63.2-1721, subject to the restriction that the data shall not be further
3219 disseminated by the facility or agency to any party other than the data subject, the Commissioner of Social

3220 Services' representative or a federal or state authority or court as may be required to comply with an express
 3221 requirement of law for such further dissemination; however, nothing in this subdivision shall be construed to
 3222 prohibit the Commissioner of Social Services' representative from issuing written certifications regarding the
 3223 results of a background check that was conducted before July 1, 2021, in accordance with subsection J of
 3224 § 22.1-289.035 or § 22.1-289.039;

3225 13. The Department of Social Services for the purpose of screening individuals as a condition of licensure,
 3226 employment, volunteering, or providing services on a regular basis in a licensed child welfare agency
 3227 pursuant to §§ 63.2-1721 and 63.2-1726 or foster or adoptive home approved by a child-placing agency
 3228 pursuant to § 63.2-901.1;

3229 14. The school boards of the Commonwealth for the purpose of screening individuals who are offered or
 3230 who accept public school employment and those current school board employees for whom a report of arrest
 3231 has been made pursuant to § 19.2-83.1;

3232 15. The Virginia Lottery for the conduct of investigations as set forth in the Virginia Lottery Law (§
 3233 58.1-4000 29.5-700 et seq.) and ~~easino~~ gaming as set forth in Chapter 41 (§ 58.1-4100 et seq.) of Title 58.1,
 3234 and the Department of Agriculture and Consumer Services the Virginia Gaming Commission for the conduct
 3235 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
 3236 (§ 29.5-200 et seq.) and 6 (§ 29.5-600 et seq.) of Title 29.5;

3237 16. Licensed nursing homes, hospitals and home care organizations for the conduct of investigations of
 3238 applicants for compensated employment in licensed nursing homes pursuant to § 32.1-126.01, hospital
 3239 pharmacies pursuant to § 32.1-126.02, and home care organizations pursuant to § 32.1-162.9:1, subject to the
 3240 limitations set out in subsection E;

3241 17. Licensed assisted living facilities and licensed adult day centers for the conduct of investigations of
 3242 applicants for compensated employment in licensed assisted living facilities and licensed adult day centers
 3243 pursuant to § 63.2-1720, subject to the limitations set out in subsection F;

3244 18. The Virginia Alcoholic Beverage Control Authority for the conduct of investigations as set forth in
 3245 § 4.1-103.1;

3246 19. The State Board of Elections and authorized officers and employees thereof and general registrars
 3247 appointed pursuant to § 24.2-110 in the course of conducting necessary investigations with respect to voter
 3248 registration, limited to any record of felony convictions;

3249 20. The Commissioner of Behavioral Health and Developmental Services (the Commissioner) or his
 3250 designees for individuals who are committed to the custody of or being evaluated by the Commissioner
 3251 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,
 3252 19.2-182.8, and 19.2-182.9 where such information may be beneficial for the purpose of placement,
 3253 evaluation, treatment, or discharge planning;

3254 21. Any alcohol safety action program certified by the Commission on the Virginia Alcohol Safety Action
 3255 Program for (i) interventions with first offenders under § 18.2-251 or (ii) services to offenders under
 3256 § 18.2-51.4, 18.2-266, or 18.2-266.1;

3257 22. Residential facilities for juveniles regulated or operated by the Department of Social Services, the
 3258 Department of Education, or the Department of Behavioral Health and Developmental Services for the
 3259 purpose of determining applicants' fitness for employment or for providing volunteer or contractual services;

3260 23. The Department of Behavioral Health and Developmental Services and facilities operated by the
 3261 Department for the purpose of determining an individual's fitness for employment pursuant to departmental
 3262 instructions;

3263 24. Pursuant to § 22.1-296.3, the governing boards or administrators of private elementary or secondary
 3264 schools which are accredited pursuant to § 22.1-19 or a private organization coordinating such records
 3265 information on behalf of such governing boards or administrators pursuant to a written agreement with the
 3266 Department of State Police;

3267 25. Public institutions of higher education and nonprofit private institutions of higher education for the
 3268 purpose of screening individuals who are offered or accept employment;

3269 26. Members of a threat assessment team established by a local school board pursuant to § 22.1-79.4, by a
 3270 public institution of higher education pursuant to § 23.1-805, or by a private nonprofit institution of higher
 3271 education, for the purpose of assessing or intervening with an individual whose behavior may present a threat
 3272 to safety; however, no member of a threat assessment team shall redisclose any criminal history record
 3273 information obtained pursuant to this section or otherwise use any record of an individual beyond the purpose
 3274 that such disclosure was made to the threat assessment team;

3275 27. Executive directors of community services boards or the personnel director serving the community
 3276 services board for the purpose of determining an individual's fitness for employment, approval as a sponsored
 3277 residential service provider, permission to enter into a shared living arrangement with a person receiving
 3278 medical assistance services pursuant to a waiver, or permission for any person under contract with the
 3279 community services board to serve in a direct care position on behalf of the community services board
 3280 pursuant to §§ 37.2-506, 37.2-506.1, and 37.2-607;

3281 28. Executive directors of behavioral health authorities as defined in § 37.2-600 for the purpose of

3282 determining an individual's fitness for employment, approval as a sponsored residential service provider, 3283 permission to enter into a shared living arrangement with a person receiving medical assistance services 3284 pursuant to a waiver, or permission for any person under contract with the behavioral health authority to 3285 serve in a direct care position on behalf of the behavioral health authority pursuant to §§ 37.2-506, 3286 37.2-506.1, and 37.2-607;

3287 29. The Commissioner of Social Services for the purpose of locating persons who owe child support or 3288 who are alleged in a pending paternity proceeding to be a putative father, provided that only the name, 3289 address, demographics and social security number of the data subject shall be released;

3290 30. Authorized officers or directors of agencies licensed pursuant to Article 2 (§ 37.2-403 et seq.) of 3291 Chapter 4 of Title 37.2 by the Department of Behavioral Health and Developmental Services for the purpose 3292 of determining if any applicant who accepts employment in any direct care position or requests approval as a 3293 sponsored residential service provider, permission to enter into a shared living arrangement with a person 3294 receiving medical assistance services pursuant to a waiver, or permission for any person under contract with 3295 the provider to serve in a direct care position has been convicted of a crime that affects his fitness to have 3296 responsibility for the safety and well-being of individuals with mental illness, intellectual disability, or 3297 substance abuse pursuant to §§ 37.2-416, 37.2-416.1, 37.2-506, 37.2-506.1, and 37.2-607;

3298 31. The Commissioner of the Department of Motor Vehicles, for the purpose of evaluating applicants for 3299 and holders of a motor carrier certificate or license subject to the provisions of Chapters 20 (§ 46.2-2000 et 3300 seq.) and 21 (§ 46.2-2100 et seq.) of Title 46.2;

3301 32. The Chairman of the Senate Committee for Courts of Justice or the Chairman of the House Committee 3302 for Courts of Justice for the purpose of determining if any person being considered for election to any 3303 judgeship has been convicted of a crime;

3304 33. Heads of state agencies in which positions have been identified as sensitive for the purpose of 3305 determining an individual's fitness for employment in positions designated as sensitive under Department of 3306 Human Resource Management policies developed pursuant to § 2.2-1201.1;

3307 34. The Office of the Attorney General, for all criminal justice activities otherwise permitted under 3308 subdivision A 1 and for purposes of performing duties required by the Civil Commitment of Sexually Violent 3309 Predators Act (§ 37.2-900 et seq.);

3310 35. Shipyards, to the extent permitted by federal law or regulation, engaged in the design, construction, 3311 overhaul, or repair of nuclear vessels for the United States Navy, including their subsidiary companies, for 3312 the conduct of investigations of applications for employment or for access to facilities, by contractors, leased 3313 laborers, and other visitors;

3314 36. Any employer of individuals whose employment requires that they enter the homes of others, for the 3315 purpose of screening individuals who apply for, are offered, or have accepted such employment;

3316 37. Public agencies when and as required by federal or state law to investigate (i) applicants as providers 3317 of adult foster care and home-based services or (ii) any individual with whom the agency is considering 3318 placing an adult on an emergency, temporary, or permanent basis pursuant to § 63.2-1601.1, subject to the 3319 restriction that the data shall not be further disseminated by the agency to any party other than a federal or 3320 state authority or court as may be required to comply with an express requirement of law for such further 3321 dissemination, subject to limitations set out in subsection G;

3322 38. The Department of Medical Assistance Services, or its designee, for the purpose of screening 3323 individuals who, through contracts, subcontracts, or direct employment, volunteer, apply for, are offered, or 3324 have accepted a position related to the provision of transportation services to enrollees in the Medicaid 3325 Program or the Family Access to Medical Insurance Security (FAMIS) Program, or any other program 3326 administered by the Department of Medical Assistance Services;

3327 39. The State Corporation Commission for the purpose of investigating individuals who are current or 3328 proposed members, senior officers, directors, and principals of an applicant or person licensed under Chapter 3329 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. 3330 Notwithstanding any other provision of law, if an application is denied based in whole or in part on 3331 information obtained from the Central Criminal Records Exchange pursuant to Chapter 16, 19, or 26 of Title 3332 6.2, the Commissioner of Financial Institutions or his designee may disclose such information to the applicant 3333 or its designee;

3334 40. The Department of Professional and Occupational Regulation for the purpose of investigating 3335 individuals for initial licensure pursuant to § 54.1-2106.1;

3336 41. The Department for Aging and Rehabilitative Services and the Department for the Blind and Vision 3337 Impaired for the purpose of evaluating an individual's fitness for various types of employment and for the 3338 purpose of delivering comprehensive vocational rehabilitation services pursuant to Article 11 (§ 51.5-170 et 3339 seq.) of Chapter 14 of Title 51.5 that will assist the individual in obtaining employment;

3340 42. Bail bondsmen, in accordance with the provisions of § 19.2-120;

3341 43. The State Treasurer for the purpose of determining whether a person receiving compensation for 3342 wrongful incarceration meets the conditions for continued compensation under § 8.01-195.12;

3343 44. The Department of Education or its agents or designees for the purpose of screening individuals

3344 seeking to enter into a contract with the Department of Education or its agents or designees for the provision
 3345 of child care services for which child care subsidy payments may be provided;

3346 45. The Department of Juvenile Justice to investigate any parent, guardian, or other adult members of a
 3347 juvenile's household when completing a predispositional or postdispositional report required by § 16.1-273 or
 3348 a Board of Juvenile Justice regulation promulgated pursuant to § 16.1-233;

3349 46. The State Corporation Commission, for the purpose of screening applicants for insurance licensure
 3350 under Chapter 18 (§ 38.2-1800 et seq.) of Title 38.2;

3351 47. Administrators and board presidents of and applicants for licensure or registration as a child day
 3352 program or family day system, as such terms are defined in § 22.1-289.02, for dissemination to the
 3353 Superintendent of Public Instruction's representative pursuant to § 22.1-289.013 for the conduct of
 3354 investigations with respect to employees of and volunteers at such facilities pursuant to §§ 22.1-289.034
 3355 through 22.1-289.037, subject to the restriction that the data shall not be further disseminated by the facility
 3356 or agency to any party other than the data subject, the Superintendent of Public Instruction's representative, or
 3357 a federal or state authority or court as may be required to comply with an express requirement of law for such
 3358 further dissemination; however, nothing in this subdivision shall be construed to prohibit the Superintendent
 3359 of Public Instruction's representative from issuing written certifications regarding the results of prior
 3360 background checks in accordance with subsection J of § 22.1-289.035 or § 22.1-289.039;

3361 48. The National Center for Missing and Exploited Children for the purpose of screening individuals who
 3362 are offered or accept employment or will be providing volunteer or contractual services with the National
 3363 Center for Missing and Exploited Children;

3364 49. The Executive Director or investigators of the Board of Accountancy for the purpose of the
 3365 enforcement of laws relating to the Board of Accountancy in accordance with § 54.1-4407; and

3366 50. Other entities as otherwise provided by law.

3367 Upon an ex parte motion of a defendant in a felony case and upon the showing that the records requested
 3368 may be relevant to such case, the court shall enter an order requiring the Central Criminal Records Exchange
 3369 to furnish the defendant, as soon as practicable, copies of any records of persons designated in the order on
 3370 whom a report has been made under the provisions of this chapter.

3371 Notwithstanding any other provision of this chapter to the contrary, upon a written request sworn to
 3372 before an officer authorized to take acknowledgments, the Central Criminal Records Exchange, or the
 3373 criminal justice agency in cases of offenses not required to be reported to the Exchange, shall furnish a copy
 3374 of conviction data covering the person named in the request to the person making the request; however, such
 3375 person on whom the data is being obtained shall consent in writing, under oath, to the making of such
 3376 request. A person receiving a copy of his own conviction data may utilize or further disseminate that data as
 3377 he deems appropriate. In the event no conviction data is maintained on the data subject, the person making
 3378 the request shall be furnished at his cost a certification to that effect.

3379 B. Use of criminal history record information disseminated to noncriminal justice agencies under this
 3380 section shall be limited to the purposes for which it was given and may not be disseminated further, except as
 3381 otherwise provided in subdivision A 47.

3382 C. No criminal justice agency or person shall confirm the existence or nonexistence of criminal history
 3383 record information for employment or licensing inquiries except as provided by law.

3384 D. Criminal justice agencies shall establish procedures to query the Central Criminal Records Exchange
 3385 prior to dissemination of any criminal history record information on offenses required to be reported to the
 3386 Central Criminal Records Exchange to ensure that the most up-to-date disposition data is being used.
 3387 Inquiries of the Exchange shall be made prior to any dissemination except in those cases where time is of the
 3388 essence and the normal response time of the Exchange would exceed the necessary time period. A criminal
 3389 justice agency to whom a request has been made for the dissemination of criminal history record information
 3390 that is required to be reported to the Central Criminal Records Exchange may direct the inquirer to the
 3391 Central Criminal Records Exchange for such dissemination. Dissemination of information regarding offenses
 3392 not required to be reported to the Exchange shall be made by the criminal justice agency maintaining the
 3393 record as required by § 15.2-1722.

3394 E. Criminal history information provided to licensed nursing homes, hospitals and to home care
 3395 organizations pursuant to subdivision A 16 shall be limited to the convictions on file with the Exchange for
 3396 any offense specified in §§ 32.1-126.01, 32.1-126.02, and 32.1-162.9:1.

3397 F. Criminal history information provided to licensed assisted living facilities and licensed adult day
 3398 centers pursuant to subdivision A 17 shall be limited to the convictions on file with the Exchange for any
 3399 offense specified in § 63.2-1720.

3400 G. Criminal history information provided to public agencies pursuant to subdivision A 37 shall be limited
 3401 to the convictions on file with the Exchange for any offense set forth in clause (i) of the definition of barrier
 3402 crime in § 19.2-392.02.

3403 H. Upon receipt of a written request from an employer or prospective employer, the Central Criminal
 3404 Records Exchange, or the criminal justice agency in cases of offenses not required to be reported to the
 3405 Exchange, shall furnish at the employer's cost a copy of conviction data covering the person named in the

3406 request to the employer or prospective employer making the request, provided that the person on whom the
3407 data is being obtained has consented in writing to the making of such request and has presented a photo-
3408 identification to the employer or prospective employer. In the event no conviction data is maintained on the
3409 person named in the request, the requesting employer or prospective employer shall be furnished at his cost a
3410 certification to that effect. The criminal history record search shall be conducted on forms provided by the
3411 Exchange.

3412 I. The attorney for the Commonwealth shall provide a physical or electronic copy of a person's criminal
3413 history record information, including criminal history record information maintained in the National Crime
3414 Information Center (NCIC) and the Interstate Identification Index System (III System) that is in his
3415 possession, pursuant to the rules of court for obtaining discovery or for review by the court. No criminal
3416 history record information provided under this subsection shall be disseminated further.

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

3417 A. Criminal history record information shall be disseminated, whether directly or through an intermediary,
3418 only to:

3419 1. Authorized officers or employees of criminal justice agencies, as defined by § 9.1-101, for purposes of
3420 the administration of criminal justice and the screening of an employment application or review of
3421 employment by a criminal justice agency with respect to its own employees or applicants, and dissemination
3422 to the Virginia Parole Board, pursuant to this subdivision, of such information on all state-responsible
3423 inmates for the purpose of making parole determinations pursuant to subdivisions 1, 2, 3, 4, and 6 of
3424 § 53.1-136 shall include collective dissemination by electronic means every 30 days. For purposes of this
3425 subdivision, criminal history record information includes information sent to the Central Criminal Records
3426 Exchange pursuant to §§ 37.2-819 and 64.2-2014 when disseminated to any full-time or part-time employee
3427 of the State Police, a police department or sheriff's office that is a part of or administered by the
3428 Commonwealth or any political subdivision thereof, and who is responsible for the prevention and detection
3429 of crime and the enforcement of the penal, traffic or highway laws of the Commonwealth for the purposes of
3430 the administration of criminal justice;

3431 2. Such other individuals and agencies that require criminal history record information to implement a
3432 state or federal statute or executive order of the President of the United States or Governor that expressly
3433 refers to criminal conduct and contains requirements or exclusions expressly based upon such conduct, except
3434 that information concerning the arrest of an individual may not be disseminated to a noncriminal justice
3435 agency or individual if an interval of one year has elapsed from the date of the arrest and no disposition of the
3436 charge has been recorded and no active prosecution of the charge is pending;

3437 3. Individuals and agencies pursuant to a specific agreement with a criminal justice agency to provide
3438 services required for the administration of criminal justice pursuant to that agreement which shall specifically
3439 authorize access to data, limit the use of data to purposes for which given, and ensure the security and
3440 confidentiality of the data;

3441 4. Individuals and agencies for the express purpose of research, evaluative, or statistical activities pursuant
3442 to an agreement with a criminal justice agency that shall specifically authorize access to data, limit the use of
3443 data to research, evaluative, or statistical purposes, and ensure the confidentiality and security of the data;

3444 5. Agencies of state or federal government that are authorized by state or federal statute or executive order
3445 of the President of the United States or Governor to conduct investigations determining employment
3446 suitability or eligibility for security clearances allowing access to classified information;

3447 6. Individuals and agencies where authorized by court order or court rule;

3448 7. Agencies of any political subdivision of the Commonwealth, public transportation companies owned,
3449 operated or controlled by any political subdivision, and any public service corporation that operates a public
3450 transit system owned by a local government for the conduct of investigations of applicants for employment,
3451 permit, or license whenever, in the interest of public welfare or safety, it is necessary to determine under a
3452 duly enacted ordinance if the past criminal conduct of a person with a conviction record would be compatible
3453 with the nature of the employment, permit, or license under consideration;

3454 7a. Commissions created pursuant to the Transportation District Act of 1964 (§ 33.2-1900 et seq.) of Title
3455 33.2 and their contractors, for the conduct of investigations of individuals who have been offered a position
3456 of employment whenever, in the interest of public welfare or safety and as authorized in the Transportation
3457 District Act of 1964, it is necessary to determine if the past criminal conduct of a person with a conviction
3458 record would be compatible with the nature of the employment under consideration;

3459 8. Public or private agencies when authorized or required by federal or state law or interstate compact to
3460 investigate (i) applicants for foster or adoptive parenthood or (ii) any individual, and the adult members of
3461 that individual's household, with whom the agency is considering placing a child or from whom the agency is
3462 considering removing a child due to abuse or neglect, on an emergency, temporary, or permanent basis
3463 pursuant to §§ 63.2-901.1 and 63.2-1505, subject to the restriction that the data shall not be further
3464 disseminated to any party other than a federal or state authority or court as may be required to comply with an
3465 express requirement of law;

3466 9. To the extent permitted by federal law or regulation, public service companies as defined in § 56-1, for

3468 the conduct of investigations of applicants for employment when such employment involves personal contact
 3469 with the public or when past criminal conduct of an applicant would be incompatible with the nature of the
 3470 employment under consideration;

3471 10. The appropriate authority for purposes of granting citizenship and for purposes of international travel,
 3472 including, but not limited to, issuing visas and passports;

3473 11. A person requesting a copy of his own criminal history record information as defined in § 9.1-101 at
 3474 his cost, except that criminal history record information shall be supplied at no charge to a person who has
 3475 applied to be a volunteer with (i) a Virginia affiliate of Big Brothers/Big Sisters of America; (ii) a volunteer
 3476 fire company; (iii) the Volunteer Emergency Families for Children; (iv) any affiliate of Prevent Child Abuse,
 3477 Virginia; (v) any Virginia affiliate of Compeer; or (vi) any board member or any individual who has been
 3478 offered membership on the board of a Crime Stoppers, Crime Solvers or Crime Line program as defined in
 3479 § 15.2-1713.1;

3480 12. Administrators and board presidents of and applicants for licensure or registration as a child welfare
 3481 agency as defined in § 63.2-100 for dissemination to the Commissioner of Social Services' representative
 3482 pursuant to § 63.2-1702 for the conduct of investigations with respect to employees of and volunteers at such
 3483 facilities, caretakers, and foster and adoptive parent applicants of private child-placing agencies, pursuant to
 3484 §§ 63.2-1719, 63.2-1720, and 63.2-1721, subject to the restriction that the data shall not be further
 3485 disseminated by the facility or agency to any party other than the data subject, the Commissioner of Social
 3486 Services' representative or a federal or state authority or court as may be required to comply with an express
 3487 requirement of law for such further dissemination; however, nothing in this subdivision shall be construed to
 3488 prohibit the Commissioner of Social Services' representative from issuing written certifications regarding the
 3489 results of a background check that was conducted before July 1, 2021, in accordance with subsection J of
 3490 § 22.1-289.035 or § 22.1-289.039;

3491 13. Administrators and board presidents of and applicants for licensure as a prescribed pediatric extended
 3492 care center for dissemination to the State Health Commissioner's representative pursuant to
 3493 §§ 32.1-162.15:1.5 and 32.1-162.15:1.10 for the conduct of investigations with respect to employees of and
 3494 volunteers at such centers, pursuant to § 32.1-162.15:1.17, subject to the restriction that the data shall not be
 3495 further disseminated by the center to any party other than the data subject, the State Health Commissioner's
 3496 representative, or a federal or state authority or court as may be required to comply with an express
 3497 requirement of law;

3498 14. The Department of Social Services for the purpose of screening individuals as a condition of licensure,
 3499 employment, volunteering, or providing services on a regular basis in a licensed child welfare agency
 3500 pursuant to §§ 63.2-1721 and 63.2-1726 or foster or adoptive home approved by a child-placing agency
 3501 pursuant to § 63.2-901.1;

3502 15. The school boards of the Commonwealth for the purpose of screening individuals who are offered or
 3503 who accept public school employment and those current school board employees for whom a report of arrest
 3504 has been made pursuant to § 19.2-83.1;

3505 16. The Virginia Lottery for the conduct of investigations as set forth in the Virginia Lottery Law (§
 3506 58.1-4000 29.5-700 et seq.) and ~~easino~~ gaming as set forth in Chapter 41 (§ 58.1-4100 et seq.) of Title 58.1,
 3507 and the Department of Agriculture and Consumer Services the Virginia Gaming Commission for the conduct
 3508 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
 3509 (§ 29.5-200 et seq.) and 6 (§ 29.5-600 et seq.) of Title 29.5;

3510 17. Licensed prescribed pediatric extended care centers for the conduct of investigations of applicants for
 3511 compensated employment and volunteers in licensed prescribed pediatric extended care centers pursuant to
 3512 § 32.1-162.15:1.17;

3513 18. Licensed nursing homes, hospitals and home care organizations for the conduct of investigations of
 3514 applicants for compensated employment in licensed nursing homes pursuant to § 32.1-126.01, hospital
 3515 pharmacies pursuant to § 32.1-126.02, and home care organizations pursuant to § 32.1-162.9:1, subject to the
 3516 limitations set out in subsection E;

3517 19. Licensed assisted living facilities and licensed adult day centers for the conduct of investigations of
 3518 applicants for compensated employment in licensed assisted living facilities and licensed adult day centers
 3519 pursuant to § 63.2-1720, subject to the limitations set out in subsection F;

3520 20. The Virginia Alcoholic Beverage Control Authority for the conduct of investigations as set forth in
 3521 § 4.1-103.1;

3522 21. The State Board of Elections and authorized officers and employees thereof and general registrars
 3523 appointed pursuant to § 24.2-110 in the course of conducting necessary investigations with respect to voter
 3524 registration, limited to any record of felony convictions;

3525 22. The Commissioner of Behavioral Health and Developmental Services (the Commissioner) or his
 3526 designees for individuals who are committed to the custody of or being evaluated by the Commissioner
 3527 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,
 3528 19.2-182.8, and 19.2-182.9 where such information may be beneficial for the purpose of placement,
 3529 evaluation, treatment, or discharge planning;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

3592 39. Public agencies when and as required by federal or state law to investigate (i) applicants as providers
 3593 of adult foster care and home-based services or (ii) any individual with whom the agency is considering
 3594 placing an adult on an emergency, temporary, or permanent basis pursuant to § 63.2-1601.1, subject to the
 3595 restriction that the data shall not be further disseminated by the agency to any party other than a federal or
 3596 state authority or court as may be required to comply with an express requirement of law for such further
 3597 dissemination, subject to limitations set out in subsection G;

3598 40. The Department of Medical Assistance Services, or its designee, for the purpose of screening
 3599 individuals who, through contracts, subcontracts, or direct employment, volunteer, apply for, are offered, or
 3600 have accepted a position related to the provision of transportation services to enrollees in the Medicaid
 3601 Program or the Family Access to Medical Insurance Security (FAMIS) Program, or any other program
 3602 administered by the Department of Medical Assistance Services;

3603 41. The State Corporation Commission for the purpose of investigating individuals who are current or
 3604 proposed members, senior officers, directors, and principals of an applicant or person licensed under Chapter
 3605 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.
 3606 Notwithstanding any other provision of law, if an application is denied based in whole or in part on
 3607 information obtained from the Central Criminal Records Exchange pursuant to Chapter 16, 19, or 26 of Title
 3608 6.2, the Commissioner of Financial Institutions or his designee may disclose such information to the applicant
 3609 or its designee;

3610 42. The Department of Professional and Occupational Regulation for the purpose of investigating
 3611 individuals for initial licensure pursuant to § 54.1-2106.1;

3612 43. The Department for Aging and Rehabilitative Services and the Department for the Blind and Vision
 3613 Impaired for the purpose of evaluating an individual's fitness for various types of employment and for the
 3614 purpose of delivering comprehensive vocational rehabilitation services pursuant to Article 11 (§ 51.5-170 et
 3615 seq.) of Chapter 14 of Title 51.5 that will assist the individual in obtaining employment;

3616 44. Bail bondsmen, in accordance with the provisions of § 19.2-120;

3617 45. The State Treasurer for the purpose of determining whether a person receiving compensation for
 3618 wrongful incarceration meets the conditions for continued compensation under § 8.01-195.12;

3619 46. The Department of Education or its agents or designees for the purpose of screening individuals
 3620 seeking to enter into a contract with the Department of Education or its agents or designees for the provision
 3621 of child care services for which child care subsidy payments may be provided;

3622 47. The Department of Juvenile Justice to investigate any parent, guardian, or other adult members of a
 3623 juvenile's household when completing a predispositional or postdispositional report required by § 16.1-273 or
 3624 a Board of Juvenile Justice regulation promulgated pursuant to § 16.1-233;

3625 48. The State Corporation Commission, for the purpose of screening applicants for insurance licensure
 3626 under Chapter 18 (§ 38.2-1800 et seq.) of Title 38.2;

3627 49. Administrators and board presidents of and applicants for licensure or registration as a child day
 3628 program or family day system, as such terms are defined in § 22.1-289.02, for dissemination to the
 3629 Superintendent of Public Instruction's representative pursuant to § 22.1-289.013 for the conduct of
 3630 investigations with respect to employees of and volunteers at such facilities pursuant to §§ 22.1-289.034
 3631 through 22.1-289.037, subject to the restriction that the data shall not be further disseminated by the facility
 3632 or agency to any party other than the data subject, the Superintendent of Public Instruction's representative, or
 3633 a federal or state authority or court as may be required to comply with an express requirement of law for such
 3634 further dissemination; however, nothing in this subdivision shall be construed to prohibit the Superintendent
 3635 of Public Instruction's representative from issuing written certifications regarding the results of prior
 3636 background checks in accordance with subsection J of § 22.1-289.035 or § 22.1-289.039;

3637 50. The National Center for Missing and Exploited Children for the purpose of screening individuals who
 3638 are offered or accept employment or will be providing volunteer or contractual services with the National
 3639 Center for Missing and Exploited Children;

3640 51. The Executive Director or investigators of the Board of Accountancy for the purpose of the
 3641 enforcement of laws relating to the Board of Accountancy in accordance with § 54.1-4407; and

3642 52. Other entities as otherwise provided by law.

3643 Upon an ex parte motion of a defendant in a felony case and upon the showing that the records requested
 3644 may be relevant to such case, the court shall enter an order requiring the Central Criminal Records Exchange
 3645 to furnish the defendant, as soon as practicable, copies of any records of persons designated in the order on
 3646 whom a report has been made under the provisions of this chapter.

3647 Notwithstanding any other provision of this chapter to the contrary, upon a written request sworn to
 3648 before an officer authorized to take acknowledgments, the Central Criminal Records Exchange, or the
 3649 criminal justice agency in cases of offenses not required to be reported to the Exchange, shall furnish a copy
 3650 of conviction data covering the person named in the request to the person making the request; however, such
 3651 person on whom the data is being obtained shall consent in writing, under oath, to the making of such
 3652 request. A person receiving a copy of his own conviction data may utilize or further disseminate that data as
 3653 he deems appropriate. In the event no conviction data is maintained on the data subject, the person making

3654 the request shall be furnished at his cost a certification to that effect.

3655 B. Use of criminal history record information disseminated to noncriminal justice agencies under this
3656 section shall be limited to the purposes for which it was given and may not be disseminated further, except as
3657 otherwise provided in subdivision A 49.

3658 C. No criminal justice agency or person shall confirm the existence or nonexistence of criminal history
3659 record information for employment or licensing inquiries except as provided by law.

3660 D. Criminal justice agencies shall establish procedures to query the Central Criminal Records Exchange
3661 prior to dissemination of any criminal history record information on offenses required to be reported to the
3662 Central Criminal Records Exchange to ensure that the most up-to-date disposition data is being used.
3663 Inquiries of the Exchange shall be made prior to any dissemination except in those cases where time is of the
3664 essence and the normal response time of the Exchange would exceed the necessary time period. A criminal
3665 justice agency to whom a request has been made for the dissemination of criminal history record information
3666 that is required to be reported to the Central Criminal Records Exchange may direct the inquirer to the
3667 Central Criminal Records Exchange for such dissemination. Dissemination of information regarding offenses
3668 not required to be reported to the Exchange shall be made by the criminal justice agency maintaining the
3669 record as required by § 15.2-1722.

3670 E. Criminal history information provided to licensed nursing homes, hospitals and to home care
3671 organizations pursuant to subdivision A 18 shall be limited to the convictions on file with the Exchange for
3672 any offense specified in §§ 32.1-126.01, 32.1-126.02, and 32.1-162.9:1.

3673 F. Criminal history information provided to licensed assisted living facilities and licensed adult day
3674 centers pursuant to subdivision A 19 shall be limited to the convictions on file with the Exchange for any
3675 offense specified in § 63.2-1720.

3676 G. Criminal history information provided to public agencies pursuant to subdivision A 39 shall be limited
3677 to the convictions on file with the Exchange for any offense set forth in clause (i) of the definition of barrier
3678 crime in § 19.2-392.02.

3679 H. Upon receipt of a written request from an employer or prospective employer, the Central Criminal
3680 Records Exchange, or the criminal justice agency in cases of offenses not required to be reported to the
3681 Exchange, shall furnish at the employer's cost a copy of conviction data covering the person named in the
3682 request to the employer or prospective employer making the request, provided that the person on whom the
3683 data is being obtained has consented in writing to the making of such request and has presented a photo-
3684 identification to the employer or prospective employer. In the event no conviction data is maintained on the
3685 person named in the request, the requesting employer or prospective employer shall be furnished at his cost a
3686 certification to that effect. The criminal history record search shall be conducted on forms provided by the
3687 Exchange.

3688 I. The attorney for the Commonwealth shall provide a physical or electronic copy of a person's criminal
3689 history record information, including criminal history record information maintained in the National Crime
3690 Information Center (NCIC) and the Interstate Identification Index System (III System) that is in his
3691 possession, pursuant to the rules of court for obtaining discovery or for review by the court. No criminal
3692 history record information provided under this subsection shall be disseminated further.

3693 **§ 19.2-390. Reports to be made by local law-enforcement officers, conservators of the peace, clerks
3694 of court, Secretary of the Commonwealth and Corrections officials to State Police; material submitted
3695 by other agencies.**

3696 A. 1. Every state official or agency having the power to arrest, the sheriffs of counties, the police officials
3697 of cities and towns, and any other local law-enforcement officer or conservator of the peace having the power
3698 to arrest for a felony shall make a report to the Central Criminal Records Exchange, on forms provided by it,
3699 of any arrest, including those arrests involving the taking into custody of, or service of process upon, any
3700 person on charges resulting from an indictment, presentment or information, the arrest on capias or warrant
3701 for failure to appear, and the service of a warrant for another jurisdiction, for each charge when any person is
3702 arrested on any of the following charges:

3703 a. Treason;

3704 b. Any felony;

3705 c. Any offense punishable as a misdemeanor under Title 54.1;

3706 d. Any misdemeanor punishable by confinement in jail (i) under Title 18.2 or 19.2, or any similar
3707 ordinance of any county, city or town, (ii) under § 20-61, or (iii) under § 16.1-253.2; or

3708 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,
3709 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.

3710 The reports shall contain such information as is required by the Exchange and shall be accompanied by
3711 fingerprints of the individual arrested for each charge. Effective January 1, 2006, the corresponding
3712 photograph of the individual arrested shall accompany the report. Fingerprint cards prepared by a
3713 law-enforcement agency for inclusion in a national criminal justice file shall be forwarded to the Exchange
3714 for transmittal to the appropriate bureau. Nothing in this section shall preclude each local law-enforcement
3715 agency from maintaining its own separate photographic database. Fingerprints and photographs required to

3716 be taken pursuant to this subsection or subdivision A 3c of § 19.2-123 may be taken at the facility where the
 3717 magistrate is located, including a regional jail, even if the accused is not committed to jail.

3718 Law-enforcement agencies and clerks of court shall only submit reports to the Central Criminal Records
 3719 Exchange only for those offenses enumerated in this subsection. Only reports received for those offenses
 3720 enumerated in this subsection shall be included in the Central Criminal Records Exchange.

3721 2. For persons arrested and released on summonses in accordance with subsection B of § 19.2-73 or
 3722 § 19.2-74, such report shall not be required until (i) a conviction is entered and no appeal is noted or if an
 3723 appeal is noted, the conviction is upheld upon appeal or the person convicted withdraws his appeal; (ii) the
 3724 court defers or dismisses the proceeding pursuant to § 18.2-57.3, 18.2-251, or 19.2-303.2; or (iii) an acquittal
 3725 by reason of insanity pursuant to § 19.2-182.2 is entered. Upon such conviction or acquittal, the court shall
 3726 remand the individual to the custody of the office of the chief law-enforcement officer of the county or city. It
 3727 shall be the duty of the chief law-enforcement officer, or his designee who may be the arresting officer, to
 3728 ensure that such report is completed for each charge after a determination of guilt or acquittal by reason of
 3729 insanity. The court shall require the officer to complete the report immediately following the person's
 3730 conviction or acquittal, and the individual shall be discharged from custody forthwith, unless the court has
 3731 imposed a jail sentence to be served by him or ordered him committed to the custody of the Commissioner of
 3732 Behavioral Health and Developmental Services.

3733 3. For persons arrested on a capias for any allegation of a violation of the terms or conditions of a
 3734 suspended sentence or probation for a felony offense pursuant to § 18.2-456, 19.2-306, or 53.1-165, a report
 3735 shall be made to the Central Criminal Records Exchange pursuant to subdivision 1. Upon finding such person
 3736 in violation of the terms or conditions of a suspended sentence or probation for such felony offense, the court
 3737 shall order that the fingerprints and photograph of such person be taken by a law-enforcement officer for each
 3738 such offense and submitted to the Central Criminal Records Exchange.

3739 4. For any person served with a show cause for any allegation of a violation of the terms or conditions of a
 3740 suspended sentence or probation for a felony offense pursuant to § 18.2-456, 19.2-306, or 53.1-165, such
 3741 report to the Central Criminal Records Exchange shall not be required until such person is found to be in
 3742 violation of the terms or conditions of a suspended sentence or probation for such felony offense. Upon
 3743 finding such person in violation of the terms or conditions of a suspended sentence or probation for such
 3744 felony offense, the court shall order that the fingerprints and photograph of such person be taken by a
 3745 law-enforcement officer for each such offense and submitted to the Central Criminal Records Exchange.

3746 5. If the accused is in custody when an indictment or presentment is found or made, or information is
 3747 filed, and no process is awarded, the attorney for the Commonwealth shall so notify the court of such at the
 3748 time of first appearance for each indictment, presentment, or information for which a report is required upon
 3749 arrest pursuant to subdivision 1, and the court shall order that the fingerprints and photograph of the accused
 3750 be taken for each offense by a law-enforcement officer or by the agency that has custody of the accused at the
 3751 time of first appearance. The law-enforcement officer or agency taking the fingerprints and photograph shall
 3752 submit a report to the Central Criminal Records Exchange for each offense.

3753 B. Within 72 hours following the receipt of (i) a warrant or capias for the arrest of any person on a charge
 3754 of a felony or (ii) a Governor's warrant of arrest of a person issued pursuant to § 19.2-92, the
 3755 law-enforcement agency which received the warrant shall enter the person's name and other appropriate
 3756 information required by the Department of State Police into the "information systems" known as the Virginia
 3757 Criminal Information Network (VCIN), established and maintained by the Department pursuant to Chapter 2
 3758 (§ 52-12 et seq.) of Title 52 and the National Crime Information Center (NCIC), maintained by the Federal
 3759 Bureau of Investigation. The report shall include the person's name, date of birth, social security number and
 3760 such other known information which the State Police or Federal Bureau of Investigation may require. Where
 3761 feasible and practical, the magistrate or court issuing the warrant or capias may transfer information
 3762 electronically into VCIN. When the information is electronically transferred to VCIN, the court or magistrate
 3763 shall forthwith forward the warrant or capias to the local police department or sheriff's office. When criminal
 3764 process has been ordered destroyed pursuant to § 19.2-76.1, the law-enforcement agency destroying such
 3765 process shall ensure the removal of any information relating to the destroyed criminal process from the VCIN
 3766 and NCIC.

3767 B1. Within 72 hours following the receipt of a written statement issued by a parole officer pursuant to
 3768 § 53.1-149 authorizing the arrest of a person who has violated the provisions of his probation, the
 3769 law-enforcement agency that received the written statement shall enter, or cause to be entered, the person's
 3770 name and other appropriate information required by the Department of State Police into the "information
 3771 systems" known as the Virginia Criminal Information Network (VCIN), established and maintained by the
 3772 Department pursuant to Chapter 2 (§ 52-12 et seq.) of Title 52.

3773 C. For offenses not charged on a summons in accordance with subsection B of § 19.2-73 or § 19.2-74, the
 3774 clerk of each circuit court and district court shall make an electronic report to the Central Criminal Records
 3775 Exchange of (i) any dismissal, including a dismissal pursuant to § 18.2-57.3, 18.2-251, or 19.2-303.2,
 3776 indefinite postponement or continuance, charge still pending due to mental incompetency or incapacity,
 3777 deferral, nolle prosequi, acquittal, or conviction of, including any sentence imposed, or failure of a grand jury

3778 to return a true bill as to, any person charged with an offense listed in subsection A, including any action that
3779 may have resulted from an indictment, presentment or information, or any finding that the person is in
3780 violation of the terms or conditions of a suspended sentence or probation for a felony offense and (ii) any
3781 adjudication of delinquency based upon an act that, if committed by an adult, would require fingerprints to be
3782 filed pursuant to subsection A. For offenses listed in subsection A and charged on a summons in accordance
3783 with subsection B of § 19.2-73 or § 19.2-74, such electronic report by the clerk of each circuit court and
3784 district court to the Central Criminal Records Exchange may be submitted but shall not be required until (a) a
3785 conviction is entered and no appeal is noted or, if an appeal is noted, the conviction is upheld upon appeal or
3786 the person convicted withdraws his appeal; (b) the court defers or dismisses the proceeding pursuant to
3787 § 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
3788 entered. The clerk of each circuit court shall make an electronic report to the Central Criminal Records
3789 Exchange of any finding that a person charged on a summons is in violation of the terms or conditions of a
3790 suspended sentence or probation for a felony offense. Upon conviction of any person, including juveniles
3791 tried and convicted in the circuit courts pursuant to § 16.1-269.1, whether sentenced as adults or juveniles, for
3792 an offense for which registration is required as defined in § 9.1-902, the clerk shall within seven days of
3793 sentencing submit a report to the Sex Offender and Crimes Against Minors Registry. The report to the
3794 Registry shall include the name of the person convicted and all aliases that he is known to have used, the date
3795 and locality of the conviction for which registration is required, his date of birth, social security number, and
3796 last known address, and specific reference to the offense for which he was convicted. No report of conviction
3797 or adjudication in a district court shall be filed unless the period allowed for an appeal has elapsed and no
3798 appeal has been perfected. In the event that the records in the office of any clerk show that any conviction or
3799 adjudication has been nullified in any manner, he shall also make a report of that fact to the Exchange and, if
3800 appropriate, to the Registry. In addition, each clerk of a circuit court, upon receipt of certification thereof
3801 from the Supreme Court, shall report to the Exchange or the Registry, or to the law-enforcement agency
3802 making the arrest in the case of offenses not required to be reported to the Exchange, on forms provided by
3803 the Exchange or Registry, as the case may be, any reversal or other amendment to a prior sentence or
3804 disposition previously reported. When criminal process is ordered destroyed pursuant to § 19.2-76.1, the
3805 clerk shall report such action to the law-enforcement agency that entered the warrant or capias into the VCIN.

3806 D. In addition to those offenses enumerated in subsection A, the Central Criminal Records Exchange may
3807 receive, classify, and file any other fingerprints, photographs, and records of confinement submitted to it by
3808 any correctional institution or the Department of Corrections. Unless otherwise prohibited by law, any such
3809 fingerprints, photographs, and records received by the Central Criminal Records Exchange from any
3810 correctional institution or the Department of Corrections may be classified and filed as criminal history
3811 record information.

3812 E. Corrections officials, sheriffs, and jail superintendents of regional jails, responsible for maintaining
3813 correctional status information, as required by the regulations of the Department of Criminal Justice Services,
3814 with respect to individuals about whom reports have been made under the provisions of this chapter shall
3815 make reports of changes in correctional status information to the Central Criminal Records Exchange. The
3816 reports to the Exchange shall include any commitment to or release or escape from a state or local
3817 correctional facility, including commitment to or release from a parole or probation agency.

3818 F. Any pardon, reprieve or executive commutation of sentence by the Governor shall be reported to the
3819 Exchange by the office of the Secretary of the Commonwealth.

3820 G. Officials responsible for reporting disposition of charges, and correctional changes of status of
3821 individuals under this section, including those reports made to the Registry, shall adopt procedures
3822 reasonably designed at a minimum (i) to ensure that such reports are accurately made as soon as feasible by
3823 the most expeditious means and in no instance later than 30 days after occurrence of the disposition or
3824 correctional change of status and (ii) to report promptly any correction, deletion, or revision of the
3825 information.

3826 H. Upon receiving a correction, deletion, or revision of information, the Central Criminal Records
3827 Exchange shall notify all criminal justice agencies known to have previously received the information.

3828 I. As used in this section:

3829 "Chief law-enforcement officer" means the chief of police of cities and towns and sheriffs of counties,
3830 unless a political subdivision has otherwise designated its chief law-enforcement officer by appropriate
3831 resolution or ordinance, in which case the local designation shall be controlling.

3832 "Electronic report" means a report transmitted to, or otherwise forwarded to, the Central Criminal Records
3833 Exchange in an electronic format approved by the Exchange. The report shall contain the name of the person
3834 convicted and all aliases which he is known to have used, the date and locality of the conviction, his date of
3835 birth, social security number, last known address, and specific reference to the offense including the Virginia
3836 Code section and any subsection, the Virginia crime code for the offense, and the offense tracking number for
3837 the offense for which he was convicted.

3838 **§ 22.1-140.1. School Construction Fund and Program.**

3839 A. For the purpose of this section:

3840 "Local school division" includes joint or regional schools established pursuant to § 22.1-26.
 3841 "Public school buildings and facilities" or "public school buildings" includes any building or facility used
 3842 for career and technical education programs provided at any regional comprehensive school established
 3843 pursuant to § 22.1-26.

3844 B. There is hereby created in the state treasury a special nonreverting fund to be known as the School
 3845 Construction Fund. The Fund shall be established on the books of the Comptroller. All funds appropriated for
 3846 such purpose, including funds appropriated pursuant to subdivision B 5 of § 58.1-4125 29.5-327, and any
 3847 gifts, donations, grants, bequests, and other funds received on its behalf shall be paid into the state treasury
 3848 and credited to the Fund. Interest earned on moneys in the Fund shall remain in the Fund and be credited to it.
 3849 Any moneys remaining in the Fund, including interest thereon, at the end of each fiscal year shall not revert
 3850 to the general fund but shall remain in the Fund. Moneys in the Fund shall be used solely for the purposes of
 3851 awarding grants pursuant to the School Construction Program established in subsection C. Expenditures and
 3852 disbursements from the Fund shall be made by the State Treasurer on warrants issued by the Comptroller
 3853 upon written request signed by the president of the Board.

3854 C. There is hereby established the School Construction Program (the Program) for the purpose of
 3855 awarding grants from the Fund to local school boards to fund the construction of new public school buildings
 3856 or the renovation or expansion of existing public school buildings and facilities in the local school division.
 3857 The Program shall be administered by the Board in accordance with criteria and other requirements set forth
 3858 in the general appropriation act.

TITLE 29.5.

GAMING AND WAGERING.

SUBTITLE I.

VIRGINIA GAMING COMMISSION.

CHAPTER 1.

GENERAL PROVISIONS.

§ 29.5-100. Definitions.

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

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

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

"Commissioner" means the Commissioner of the Virginia Gaming Commission appointed pursuant
 3870 § 29.5-102.

"Executive Secretary" means the Executive Secretary of Racing and Deputy Commissioner of Gaming
 3872 appointed pursuant to § 29.5-105.

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

§ 29.5-101. Virginia Gaming Commission established.

Notwithstanding the provisions of Article 1 (§ 18.2-325 et seq.) of Chapter 8 of Title 18.2 or any other
 3876 provision of law, there is hereby established as an independent agency of the Commonwealth, exclusive of the
 3877 legislative, executive, or judicial branches of government, the Virginia Gaming Commission, which shall
 3878 include the (i) Virginia Racing Commission established pursuant to § 29.5-602, (ii) Charitable Gaming
 3879 Advisory Board established pursuant to § 29.5-201, and (iii) Virginia Gaming Commission Board established
 3880 pursuant to § 29.5-103 and a Commissioner appointed pursuant to § 29.5-102 for the purpose of overseeing
 3881 all gaming regulatory operations in the Commonwealth, except as otherwise provided in Subtitle II
 3882 (§ 29.5-700 et seq.).

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

A. The Commission shall be under the immediate supervision and direction of a Commissioner, who shall
 3885 be a person of good reputation, particularly as to honesty and integrity, and shall be subject to a thorough
 3886 background investigation conducted by the Department of State Police prior to appointment. The
 3887 Commissioner shall possess demonstrated experience and expertise in one or more of the following fields:
 3888 law, finance, public policy, or management of a significant regulatory enterprise. The Commissioner shall be
 3889 appointed by and serve at the pleasure of the Governor, subject to confirmation by a majority of the members
 3890 elected to each house of the General Assembly if in session when the appointment is made, and if not in
 3891 session, then at its next succeeding session. The Commissioner shall receive a salary as provided in the
 3892 general appropriation act.

The Commissioner shall devote his full time to the performance of his official duties and shall not be
 3894 engaged in any other profession or occupation.

Before entering upon the discharge of his duties, the Commissioner shall take an oath that he will
 3896 faithfully and honestly execute the duties of his office during his continuance therein and shall give bond in
 3897 such amount as may be fixed by the Governor, conditioned upon the faithful discharge of his duties. The
 3898 premium on such bond shall be paid out of the Commonwealth Gaming Operations Fund, established
 3899 pursuant to § 29.5-119.

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

1. Supervise and administer the operation of the Virginia Gaming Commission in accordance with the

3902 provisions of this subtitle and with the rules and regulations promulgated pursuant to this subtitle.

3903 2. Employ such (i) deputy commissioners; (ii) professional, technical, and clerical assistants; and (iii) other qualified personnel as may be required to carry out the functions and duties of the Commission, including (a) an Executive Secretary of Racing and Deputy Commissioner of Gaming, (b) a Deputy Commissioner of Gaming and Regulatory Oversight, (c) a Chief Operating Officer, and (d) in-house legal counsel, who shall work in coordination with any legal counsel appointed by the Office of the Attorney General.

3909 3. Act as secretary and executive officer of the Board.

3910 4. Require bond or other surety satisfactory to the Commissioner from Commission employees with access 3911 to Commission funds, in such amount as provided in the rules and regulations of the Board. The 3912 Commissioner may also require bond from other employees, as he deems necessary.

3913 5. Confer regularly, but not less than four times each year, with the Board on the operation and oversight 3914 of gaming activities regulated by the Commission; make available for inspection by the Board, upon request, 3915 all books, records, files, and other information and documents of the Commission; and advise the Board and 3916 recommend such matters as he deems necessary and advisable to improve the operation and oversight of 3917 gaming activities regulated by the Commission.

3918 6. Suspend, revoke, or refuse to renew any license, permit, or registration issued pursuant to this subtitle 3919 or the rules and regulations adopted pursuant to this subtitle.

3920 7. Enter into any arrangements with any foreign or domestic governmental agency for the purposes of 3921 exchanging information or performing any other act to better ensure the proper conduct of all gaming 3922 activities regulated by the Commission pursuant to this subtitle or the efficient conduct of the Commissioner's 3923 duties.

3924 8. Participate in the Problem Gambling Treatment and Support Advisory Committee established pursuant 3925 to § 37.2-304 by the Department of Behavioral Health and Developmental Services to enable collaboration 3926 among prevention and treatment providers and operators of legal gaming in the Commonwealth on efforts to 3927 reduce the negative effects of problem gambling.

3928 C. The Commissioner shall establish the following divisions within the Commission:

3929 1. A Problem Gambling Division for the purpose of coordinating with local, state, and national 3930 stakeholders to manage problem gambling research, prevention, recovery, and treatment efforts.

3931 2. An External Affairs and Policy Division for the purpose of communicating with relevant stakeholders in 3932 the Commonwealth and recommending gaming policy decisions and legislative proposals to the General 3933 Assembly.

3934 3. Any other division necessary to accomplish the goals of this subtitle.

3935 § 29.5-103. **Virginia Gaming Commission Board established; membership; appointment; terms; 3936 compensation.**

3937 A. There is hereby created the Virginia Gaming Commission Board (the Board) within the Virginia 3938 Gaming Commission. The Board shall have a total membership of 11 members that shall consist of nine 3939 nonlegislative citizen members and two ex officio members. Members shall be appointed as follows: five 3940 nonlegislative citizen members, who shall be appointed by and serve at the pleasure of the Governor, subject 3941 to confirmation by a majority of the members elected to each house of the General Assembly if in session 3942 when the appointment is made, and if not in session, then at its next succeeding session; two nonlegislative 3943 citizen members appointed by the Speaker of the House of Delegates from a list of at least four nominees 3944 provided by the Chairman of the House Committee on General Laws; and two nonlegislative citizen members 3945 appointed by the Senate Committee on Rules from a list of at least four nominees provided by the Chairman 3946 of the Senate Committee on General Laws and Technology. Of the nonlegislative citizen members appointed 3947 by the Governor, at least one nonlegislative citizen member shall have experience in criminal investigations 3948 and law enforcement, and at least one nonlegislative citizen member shall be a certified public accountant 3949 authorized to practice in the Commonwealth or have experience in corporate finance and securities. A 3950 current member of the Virginia Racing Commission and the Executive Secretary of Racing and Deputy 3951 Commissioner of Gaming, or his designee, shall serve ex officio with nonvoting privileges. Nonlegislative 3952 citizen members of the Board shall be individuals of good reputation, particularly as to honesty and integrity, 3953 and shall be citizens of the Commonwealth. Consideration shall be given with respect to the political 3954 affiliation and the geographic residence of the nonlegislative citizen members prior to their appointment.

3955 B. Ex officio members of the Board shall serve terms coincident with their terms of office. Appointments to 3956 fill vacancies, other than by expiration of a term, shall be for the unexpired terms. Vacancies shall be filled in 3957 the same manner as the original appointments. All members may be reappointed.

3958 C. After the initial staggering of terms, nonlegislative citizen members shall be appointed for a term of 3959 five years. No nonlegislative citizen member shall serve more than two consecutive five-year terms. The 3960 remainder of any term to which a member is appointed to fill a vacancy shall not constitute a term in 3961 determining the member's eligibility for reappointment.

3962 D. The Board shall elect a chairman and vice-chairman from among its membership. A majority of the 3963 members shall constitute a quorum. The meetings of the Board shall be held at the call of the chairman or

3964 whenever the majority of the members so request.

3965 E. Members shall receive such compensation for the performance of their duties as provided in
 3966 § 2.2-2813. All members shall be reimbursed for all reasonable and necessary expenses incurred in the
 3967 performance of their duties as provided in §§ 2.2-2813 and 2.2-2825. Funding for the costs of compensation
 3968 and expenses of the members shall be provided by the Virginia Gaming Commission.

3969 F. Before entering upon the discharge of their duties, members shall take an oath that they will faithfully
 3970 and honestly execute the duties of the office during their continuance therein and shall give bond in such
 3971 amount as may be fixed by the Governor, conditioned upon the faithful discharge of their duties. The
 3972 premium on such bond shall be paid out of the Commonwealth Gaming Operations Fund, established
 3973 pursuant to § 29.5-119.

3974 G. No member shall:

3975 1. Have any direct or indirect financial, ownership, or management interest in any gaming activities
 3976 regulated by the Commission or any agency of the Commonwealth.

3977 2. Receive or share in, directly or indirectly, the receipts or proceeds of any gaming activities regulated
 3978 by the Commission or any agency of the Commonwealth.

3979 3. Have an interest in any contract for the manufacture or sale of gaming devices, the conduct of any
 3980 gaming activity, or the provision of independent consulting services in connection with any gaming
 3981 establishment or gaming activity regulated by the Commission or any agency of the Commonwealth.

3982 **§ 29.5-104. Powers and duties of the Board.**

3983 A. The Board shall have the power to (i) promulgate regulations governing the establishment and
 3984 operation of charitable gaming, casino gaming, sports betting, and fantasy contests pursuant to Chapter 2
 3985 (§ 29.5-200 et seq.) and (ii) oversee the promulgation of regulations governing live horse racing, historical
 3986 horse racing, and simulcast horse racing with pari-mutuel wagering pursuant to the provisions of Chapter 6
 3987 (§ 29.5-600 et seq.). Such regulations shall be promulgated in accordance with the Administrative Process
 3988 Act (§ 2.2-4000 et seq.). The regulations shall provide for all matters necessary or desirable for the efficient,
 3989 honest, and economical operation and administration of all forms of gaming regulated by the Board.

3990 B. The Board shall also exercise the following powers and duties, and such others as may be provided by
 3991 law:

3992 1. Administer a voluntary exclusion program as provided in § 29.5-118.

3993 2. Establish a consumer protection program and publish a consumer protection bill of rights. Such
 3994 program and bill of rights shall include measures to protect sports bettors, as defined in § 29.5-400, with
 3995 respect to identity, funds and accounts, consumer complaints, self-exclusion, and any other consumer
 3996 protection measure the Board determines to be reasonable.

3997 3. Adjust the percentage of uncollectible gaming receivables allowed to be subtracted from adjusted gross
 3998 revenue, as defined in § 29.5-400, if it determines that a different percentage is reasonable and customary in
 3999 the sports betting industry.

4000 4. Hear and decide an appeal of any (i) penalty, (ii) denial of a permit or renewal, or (iii) suspension or
 4001 revocation of a permit imposed by the Commissioner pursuant to Chapter 4 (§ 29.5-400 et seq.).

4002 5. Promulgate regulations for the operation of a sports betting program under the direction of the
 4003 Commissioner, who shall allow applicants to apply for permits to engage in sports betting operations in the
 4004 Commonwealth. The Commission shall not operate a sports betting platform or a sports betting facility.

4005 6. Partner with law-enforcement authorities, including the Office of the Attorney General and the Office
 4006 of the Gaming Enforcement Coordinator in the Department of State Police, to address instances of illegal
 4007 gaming activities in the Commonwealth.

4008 C. The Board shall make policy and legislative recommendations to the Governor and General Assembly
 4009 related to (i) the regulation of existing legal gaming and wagering, (ii) the expansion of new gaming types,
 4010 and (iii) the eradication of illegal gaming activity in the Commonwealth.

4011 **§ 29.5-105. Executive Secretary of Racing and Deputy Commissioner of Gaming; powers and duties.**

4012 A. The Executive Secretary of Racing and Deputy Commissioner of Gaming shall have the following
 4013 powers and duties:

4014 1. Appoint stewards pursuant to § 29.5-605, with the advice of, in consultation with, and with the consent
 4015 of the Virginia Racing Commission.

4016 2. Keep a true and full record of all proceedings of the Racing Commission and preserve at the Virginia
 4017 Gaming Commission's general office all books, documents, and papers of the Racing Commission.

4018 3. Exercise and perform such powers and duties as may be delegated to him by the Commissioner or the
 4019 Board or as may be conferred or imposed upon him by law.

4020 B. Neither the Executive Secretary nor his spouse nor any member of his immediate family shall make any
 4021 contributions to a candidate for office or office holder at the local or state level, or cause such a contribution
 4022 to be made on his behalf.

4023 **§ 29.5-106. Deputy Commissioner of Gaming and Regulatory Oversight; powers and duties.**

4024 A. The Deputy Commissioner of Gaming and Regulatory Oversight shall have the following powers and
 4025 duties:

4026 1. *Oversee regulation of all gaming activities authorized pursuant to this subtitle;*
4027 2. *Manage a gaming compliance and audit division for the Commission;*
4028 3. *Assume responsibility for all gaming licensing and permitting and related investigations;*
4029 4. *Oversee electronic gaming operations authorized pursuant to this subtitle;*
4030 5. *Exercise and perform such powers and duties as may be delegated to him by the Commissioner or the*
4031 *Board or as may be conferred or imposed upon him by law.*

4032 *B. Neither the Deputy Commissioner of Gaming and Regulatory Oversight nor his spouse nor any*
4033 *member of his immediate family shall make any contributions to a candidate for office or office holder at the*
4034 *local or state level, or cause such a contribution to be made on his behalf.*

4035 **§ 29.5-107. Chief Operating Officer; powers and duties.**

4036 A. *The Chief Operating Officer shall have the following powers and duties:*

4037 1. *Oversee and manage human resources, information technology systems, facilities and security, finance*
4038 *and accounting, purchasing, and internal auditing departments within the Commission; and*

4039 2. *Exercise and perform such powers and duties as may be delegated to him by the Commissioner or the*
4040 *Board or as may be conferred or imposed upon him by law.*

4041 *B. Neither the Chief Operating Officer nor his spouse nor any member of his immediate family shall make*
4042 *any contributions to a candidate for office or office holder at the local or state level, or cause such a*
4043 *contribution to be made on his behalf.*

4044 **§ 29.5-108. Financial interests of Board, employees, and family members prohibited.**

4045 A. *No Board member or employee of the Commission shall (i) be a principal stockholder or (ii) otherwise*
4046 *have any financial interest, direct or indirect, in any licensee or permit holder subject to the provisions of this*
4047 *subtitle. No Board member and no spouse or immediate family member of a Board member shall make any*
4048 *contribution to a candidate for office or officeholder at the local or state level or cause such a contribution to*
4049 *be made on his behalf.*

4050 B. *No employee of the Commission and no spouse or immediate family member of a Board member shall:*
4051 1. *Have any direct or indirect financial, ownership, or management interest in any gaming activities*
4052 *regulated by the Commission or any agency of the Commonwealth.*

4053 2. *Receive or share in, directly or indirectly, the receipts or proceeds of any gaming activities regulated*
4054 *by the Commission or any agency of the Commonwealth.*

4055 3. *Have an interest in any contract for the manufacture or sale of gaming devices, the conduct of any*
4056 *gaming activity, or the provision of independent consulting services in connection with any gaming*
4057 *establishment or gaming activity regulated by the Commission or any agency of the Commonwealth.*

4058 **§ 29.5-109. Leases and purchases of property by the Board.**

4059 *The making of leases and the purchasing of real estate by the Board under the provisions of this subtitle*
4060 *are exempt from the Virginia Public Procurement Act (§ 2.2-4300 et seq.). The Commission shall be exempt*
4061 *from the provisions of § 2.2-1149 and from any rules, regulations, and guidelines of the Division of*
4062 *Engineering and Buildings of the Department of General Services in relation to leases of real property into*
4063 *which it enters.*

4064 **§ 29.5-110. Exemption of Commission from personnel and procurement procedures; information**
4065 *systems; etc.*

4066 A. *The provisions of the Virginia Personnel Act (§ 2.2-2900 et seq.) and the Virginia Public Procurement*
4067 *Act (§ 2.2-4300 et seq.) shall not apply to the Commission in the exercise of any power conferred under this*
4068 *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*
4069 *seq.) of Chapter 11 of Title 51.1 apply to the Commission in the exercise of any power conferred under this*
4070 *subtitle.*

4071 B. *To effect its implementation, the Commission's procurement of goods, services, insurance, and*
4072 *construction and the disposition of surplus materials shall be exempt from:*

4073 1. *State agency requirements regarding disposition of surplus materials and distribution of proceeds from*
4074 *the sale or recycling of surplus materials under §§ 2.2-1124 and 2.2-1125;*

4075 2. *The requirement to purchase from the Department for the Blind and Vision Impaired under § 2.2-1117;*
4076 *and*

4077 3. *Any other state statutes, rules, regulations, or requirements relating to the procurement of goods,*
4078 *services, insurance, and construction, including Article 3 (§ 2.2-1109 et seq.) of Chapter 11 of Title 2.2,*
4079 *regarding the duties, responsibilities, and authority of the Division of Purchases and Supply of the*
4080 *Department of General Services, and Article 4 (§ 2.2-1129 et seq.) of Chapter 11 of Title 2.2, regarding the*
4081 *review and the oversight by the Division of Engineering and Buildings of the Department of General Services*
4082 *of contracts for the construction of the Commission's capital projects and construction-related professional*
4083 *services under § 2.2-1132.*

4084 C. *The Commission (i) may purchase from and participate in all statewide contracts for goods and*
4085 *services, including information technology goods and services; (ii) shall use directly or by integration or*
4086 *interface the Commonwealth's electronic procurement system subject to the terms and conditions agreed*
4087 *upon between the Commission and the Department of General Services; and (iii) shall post on the*

4088 *Department of General Services' central electronic procurement website all Invitations to Bid, Requests for
4089 Proposals, sole source award notices, and emergency award notices to ensure visibility and access to the
4090 Commission's procurement opportunities on one website.*

4091 **§ 29.5-111. Assistance from Department of State Police.**

4092 *The Department of State Police shall assist in the conduct of investigations by the Commission.*

4093 **§ 29.5-112. Criminal history records check required on certain employees; reimbursement of costs.**

4094 *All persons hired by the Commission whose job duties involve access to or handling of the Commission's
4095 funds shall be subject to a criminal history records check before, and as a condition of, employment.*

4096 *The Board shall develop policies regarding the employment of persons who have been convicted of a
4097 felony or a crime involving moral turpitude.*

4098 *The Department of State Police shall be reimbursed by the Commission for the cost of investigations
4099 conducted pursuant to this section.*

4100 **§ 29.5-113. Employees of the Commission.**

4101 *Employees of the Commission shall be considered employees of the Commonwealth. Employees of the
4102 Commission shall be eligible for membership in the Virginia Retirement System or other retirement plan as
4103 authorized by Article 4 (§ 51.1-125 et seq.) of Chapter 1 of Title 51.1 and participation in all health and
4104 related insurance and other benefits, including premium conversion and flexible benefits, available to state
4105 employees as provided by law. Employees of the Commission shall be employed on such terms and conditions
4106 as established by the Board. The Board shall develop and adopt policies and procedures that afford its
4107 employees grievance rights, ensure that employment decisions shall be based upon the merit and fitness of
4108 applicants, and prohibit discrimination because of race, color, religion, ethnic or national origin, sex,
4109 pregnancy, childbirth or related medical conditions, age, marital status, sexual orientation, gender identity,
4110 military status, or disability. Notwithstanding any other provision of law, the Board shall develop, implement,
4111 and administer a paid leave program, which may include annual, personal, and sick leave or any
4112 combination thereof. All other leave benefits shall be administered in accordance with Chapter 11
4113 (§ 51.1-1100 et seq.) of Title 51.1, except as otherwise provided in this section.*

4114 **§ 29.5-114. Liability of Board members; suits by and against Board members.**

4115 *A. No Board member may be sued civilly for doing or omitting to do any act in the performance of his
4116 duties as prescribed by this subtitle, except by the Commonwealth, and then only in the Circuit Court of the
4117 City of Richmond. Such proceedings by the Commonwealth shall be instituted and conducted by the Attorney
4118 General.*

4119 *B. The Board may, in the name of the Commonwealth, be sued in the Circuit Court of the City of
4120 Richmond to enforce any contract made by it or to recover damages for any breach thereof. The Board may
4121 defend the proceedings and may institute proceedings in any court. No such proceedings shall be taken
4122 against, or in the names of, the members of the Board.*

4123 **§ 29.5-115. Counsel for members, agents, and employees of Board.**

4124 *If any member, agent, or employee of the Board is arrested, indicted, or otherwise prosecuted on any
4125 charge arising out of any act committed in the discharge of his official duties, the Board chairman may
4126 employ special counsel approved by the Attorney General to defend such member, agent, or employee. The
4127 compensation for special counsel employed pursuant to this section shall, subject to the approval of the
4128 Attorney General, be paid in the same manner as other expenses incident to the administration of this subtitle
4129 are paid.*

4130 **§ 29.5-116. Hearings; representation by counsel.**

4131 *Any licensee, permittee, registrant, or applicant for a license, permit, or registration authorized by this
4132 subtitle shall have the right to be represented by counsel at any Board hearing for which he has received
4133 notice. The licensee, permittee, registrant, or applicant shall not be required to be represented by counsel
4134 during such hearing. Any officer or director of a corporation may examine, cross-examine, and question
4135 witnesses, present evidence on behalf of the corporation, and draw conclusions and make arguments before
4136 the Board or hearing officers without being in violation of the provisions of § 54.1-3904.*

4137 **§ 29.5-117. Hearings; allowances to witnesses.**

4138 *Witnesses subpoenaed to appear on behalf of the Board shall be entitled to the same allowance for
4139 expenses as witnesses for the Commonwealth in criminal cases in accordance with § 17.1-611. Such
4140 allowances shall be paid out of the fund from which other costs incurred by the Board are paid upon
4141 certification to the Comptroller.*

4142 **§ 29.5-118. Voluntary exclusion program.**

4143 *The Board shall adopt regulations to establish and implement a voluntary exclusion program.*

4144 *The regulations shall include the following provisions:*

4145 *1. Except as provided by regulation of the Board, a person who participates in the voluntary exclusion
4146 program agrees to refrain from (i) participating in charitable gaming, as defined in § 29.5-200; (ii) engaging
4147 in any form of casino gaming authorized under the provisions of Chapter 3 (§ 29.5-300 et seq.); (iii)
4148 participating in sports betting, as defined in § 29.5-400; (iv) participating in fantasy contests, as defined in
4149 § 29.5-500; (v) participating in pari-mutuel wagering on live horse racing, historical horse racing, or*

4150 *simulcast horse racing authorized pursuant to the provisions of Chapter 6 (§ 29.5-600 et seq.); or (vi)*
4151 *playing any account-based lottery game authorized under the provisions of Subtitle II (§ 29.5-700 et seq.).*
4152 *Any state agency, at the request of the Commission, shall assist in administering the voluntary exclusion*
4153 *program pursuant to the provisions of this section.*

4154 *2. A person who participates in the voluntary exclusion program may choose an exclusion period of two*
4155 *years, five years, or lifetime.*

4156 *3. Except as provided by regulation of the Board, a person who participates in the voluntary exclusion*
4157 *program may not petition the Board for removal from the voluntary exclusion program for the duration of his*
4158 *exclusion period.*

4159 *4. The name of a person participating in the voluntary exclusion program shall be included on a list of*
4160 *excluded persons. The list of persons entering the voluntary exclusion program and the personal information*
4161 *of the participants shall be confidential, with dissemination by the Board limited to any parties the Board*
4162 *deems necessary for purposes of enforcement. The list and the personal information of participants in the*
4163 *voluntary exclusion program shall not be subject to disclosure under the Virginia Freedom of Information*
4164 *Act (§ 2.2-3700 et seq.). In addition, the Board may disseminate the list to other parties upon request by the*
4165 *participant and agreement by the Board.*

4166 *5. Permit holders, as defined in § 29.5-400, and owners and operators of casino gaming establishments*
4167 *shall make all reasonable attempts as determined by the Board to cease all direct marketing efforts to a*
4168 *person participating in the voluntary exclusion program. The voluntary exclusion program shall not preclude*
4169 *permit holders or owners and operators of casino gaming establishments from seeking the payment of a debt*
4170 *incurred by a person before entering the voluntary exclusion program. In addition, any permit holder or*
4171 *owner or operator of a casino gaming establishment may share the names of individuals who self-exclude*
4172 *across its corporate enterprise, including sharing such information with any of its affiliates.*

4173 **§ 29.5-119. Commonwealth Gaming Operations Fund.**

4174 *There is hereby created in the state treasury a special nonreverting fund to be known as the*
4175 *Commonwealth Gaming Operations Fund, referred to in this section as "the Fund." The Fund shall be*
4176 *established on the books of the Comptroller. All funds appropriated for such purpose and any gifts,*
4177 *donations, grants, bequests, and other funds received on its behalf shall be paid into the state treasury and*
4178 *credited to the Fund. Interest earned on moneys in the Fund shall remain in the Fund and be credited to it.*
4179 *Any moneys remaining in the Fund, including interest thereon, at the end of each fiscal year shall not revert*
4180 *to the general fund but shall remain in the Fund. Moneys in the Fund shall be used solely to offset the*
4181 *Commission's costs associated with (i) the conduct of investigations required pursuant to any provision of*
4182 *this subtitle and (ii) the enforcement of regulations promulgated by the Virginia Gaming Commission Board*
4183 *pursuant to § 29.5-104. Expenditures and disbursements from the Fund shall be made by the State Treasurer*
4184 *on warrants issued by the Comptroller upon written request signed by the Commissioner.*

4185 **CHAPTER 2.**
4186 **CHARITABLE GAMING.**

4187 **§ 29.5-200. Definitions.**

4188 *As used in this chapter, unless the context requires a different meaning:*

4189 *"Bingo" means a specific game of chance played with (i) individual cards having randomly numbered*
4190 *squares ranging from one to 75, (ii) Board-approved electronic devices that display facsimiles of bingo cards*
4191 *and are used for the purpose of marking and monitoring players' cards as numbers are called, or (iii) Board-*
4192 *approved cards, in which prizes are awarded on the basis of designated numbers on such cards conforming*
4193 *to a predetermined pattern of numbers selected at random.*

4194 *"Bona fide member" means an individual who participates in activities of a qualified organization other*
4195 *than such organization's charitable gaming activities.*

4196 *"Charitable gaming" or "charitable games" means those raffles, Texas Hold'em poker tournaments, and*
4197 *games of chance explicitly authorized by this chapter. Unless otherwise specified, "charitable gaming"*
4198 *includes electronic gaming authorized by this chapter.*

4199 *"Charitable gaming permit" or "permit" means a permit issued by the Commissioner to an organization*
4200 *that authorizes such organization to conduct charitable gaming, and if such organization is qualified as a*
4201 *social organization, electronic gaming.*

4202 *"Charitable gaming supplies" includes bingo cards or sheets, devices for selecting bingo numbers, instant*
4203 *bingo cards, pull-tab cards and seal cards, playing cards for Texas Hold'em poker, poker chips, and any*
4204 *other equipment or product manufactured for or intended to be used in the conduct of charitable games.*
4205 *However, for the purposes of this chapter, charitable gaming supplies shall not include items incidental to*
4206 *the conduct of charitable gaming such as markers, wands, or tape.*

4207 *"Conduct" means the actions associated with the provision of a gaming operation during and immediately*
4208 *before or after the permitted activity, which may include (i) selling bingo cards or packs, electronic devices,*
4209 *instant bingo or pull-tab cards, or raffle tickets, (ii) calling bingo games, (iii) distributing prizes, and (iv) any*
4210 *other services provided by volunteer workers.*

4211 *"Electronic gaming" or "electronic games" means any instant bingo, pull tab, or seal card gaming that is*

4212 conducted primarily by use of an electronic device. "Electronic gaming" does not include (i) the game of
 4213 chance identified in clause (ii) of the definition of "bingo" or (ii) network bingo.

4214 "Electronic gaming adjusted gross receipts" means the gross receipts derived from electronic gaming less
 4215 the total amount in prize money paid out to players.

4216 "Electronic gaming manufacturer" means a manufacturer of electronic devices used to conduct electronic
 4217 gaming.

4218 "Fair market rental value" means the rent that a rental property will bring when offered for lease by a
 4219 lessor who desires to lease the property but is not obligated to do so and leased by a lessee under no
 4220 necessity of leasing.

4221 "Gaming expenses" means prizes, supplies, costs of publicizing gaming activities, audit and
 4222 administration or permit fees, and a portion of the rent, utilities, accounting and legal fees, and such other
 4223 reasonable and proper expenses as are directly incurred for the conduct of charitable gaming.

4224 "Gross receipts" means the total amount of money generated by an organization from charitable gaming
 4225 before the deduction of expenses, including prizes.

4226 "Instant bingo," "pull tabs," or "seal cards" means specific games of chance played by the random
 4227 selection of one or more individually prepacked cards with winners being determined by the preprinted or
 4228 predetermined appearance of concealed letters, numbers, or symbols that must be exposed by the player to
 4229 determine wins and losses and may include the use of a seal card that conceals one or more numbers or
 4230 symbols that have been designated in advance as prize winners. Such cards may be dispensed by mechanical
 4231 equipment.

4232 "Jackpot" means a bingo game that the organization has designated on its game program as a jackpot
 4233 game in which the prize amount is greater than \$100.

4234 "Landlord" means any person or his agent, firm, association, organization, partnership, or corporation,
 4235 employee, or immediate family member thereof, that owns and leases, or leases any premises devoted in
 4236 whole or in part to the conduct of bingo games or other charitable gaming pursuant to this chapter, and any
 4237 person residing in the same household as a landlord.

4238 "Management" means the provision of oversight of a gaming operation, which may include the
 4239 responsibilities of applying for and maintaining a permit or authorization, compiling, submitting, and
 4240 maintaining required records and financial reports, and ensuring that all aspects of the operation are in
 4241 compliance with all applicable statutes and regulations.

4242 "Network bingo" means a specific bingo game in which pari-mutuel play is permitted.

4243 "Network bingo provider" means a person licensed by the Commissioner to operate network bingo.

4244 "Operation" means the activities associated with production of a charitable gaming or electronic gaming
 4245 activity, which may include (i) the direct on-site supervision of the conduct of charitable gaming and
 4246 electronic gaming; (ii) coordination of volunteers; and (iii) all responsibilities of charitable gaming and
 4247 electronic gaming designated by the organization's management.

4248 "Organization" means any one of the following:

4249 1. A volunteer fire department or volunteer emergency medical services agency or auxiliary unit thereof
 4250 that has been recognized in accordance with § 15.2-955 by an ordinance or resolution of the political
 4251 subdivision where the volunteer fire department or volunteer emergency medical services agency is located
 4252 as being a part of the safety program of such political subdivision;

4253 2. An organization that is exempt from income tax pursuant to § 501(c)(3) of the Internal Revenue Code,
 4254 is operated, and has always been operated, exclusively for educational purposes, and awards scholarships to
 4255 accredited public institutions of higher education or other postsecondary schools licensed or certified by the
 4256 Board of Education or the State Council of Higher Education for Virginia;

4257 3. An athletic association or booster club or a band booster club established solely to raise funds for
 4258 school-sponsored athletic or band activities for a public school or private school accredited pursuant to
 4259 § 22.1-19 or to provide scholarships to students attending such school;

4260 4. An association of war veterans or auxiliary units thereof organized in the United States;

4261 5. A fraternal association or corporation operating under the lodge system;

4262 6. An organization that is exempt from income tax pursuant to § 501(c)(3) of the Internal Revenue Code
 4263 and is operated, and has always been operated, exclusively to provide services and other resources to older
 4264 Virginians, as defined in § 51.5-116;

4265 7. An organization that is exempt from income tax pursuant to § 501(c)(3) of the Internal Revenue Code
 4266 and is operated, and has always been operated, exclusively to foster youth amateur sports;

4267 8. An organization that is exempt from income tax pursuant to § 501(c)(3) of the Internal Revenue Code
 4268 and is operated, and has always been operated, exclusively to provide health care services or conduct
 4269 medical research;

4270 9. An accredited public institution of higher education or other postsecondary school licensed or certified
 4271 by the Board of Education or the State Council of Higher Education for Virginia that is exempt from income
 4272 tax pursuant to § 501(c)(3) of the Internal Revenue Code;

4273 10. A church or religious organization that is exempt from income tax pursuant to § 501(c)(3) of the

4274 *Internal Revenue Code;*

4275 11. An organization that is exempt from income tax pursuant to § 501(c)(3) or 501(c)(4) of the Internal
4276 Revenue Code and is operated, and has always been operated, exclusively to (i) create and foster a spirit of
4277 understanding among the people of the world; (ii) promote the principles of good government and
4278 citizenship; (iii) take an active interest in the civic, cultural, social, and moral welfare of the community; (iv)
4279 provide a forum for the open discussion of matters of public interest; (v) encourage individuals to serve the
4280 community without personal financial reward; and (vi) encourage efficiency and promote high ethical
4281 standards in commerce, industries, professions, public works, and private endeavors;

4282 12. An organization that is exempt from income tax pursuant to § 501(c)(3) of the Internal Revenue Code
4283 and is operated, and has always been operated, exclusively to (i) raise awareness of law-enforcement officers
4284 who died in the line of duty; (ii) raise funds for the National Law Enforcement Officers Memorial and
4285 Museum; and (iii) raise funds for the charitable causes of other organizations that are exempt from income
4286 tax pursuant to § 501(c)(3) of the Internal Revenue Code;

4287 13. An organization that is exempt from income tax pursuant to § 501(c)(3) of the Internal Revenue Code
4288 and is operated, and has always been operated, exclusively to (i) promote the conservation of the
4289 environment, caves, or other natural resources; (ii) promote or develop opportunities for the use of science
4290 and technology to advance the conservation of the environment, caves, or other natural resources; and (iii)
4291 raise funds for the conservation of the environment, caves, or other natural resources or provide grant
4292 opportunities to other nonprofit organizations that are devoted to such conservation efforts;

4293 14. An organization that is exempt from income tax pursuant to § 501(c)(3) of the Internal Revenue Code
4294 that manages a museum that is operated, and has always been operated, exclusively for the purposes of
4295 musical heritage and the legacy of the "1927 Bristol Sessions";

4296 15. An organization (i) established on or before December 31, 1963, as a result of its members being
4297 prohibited from joining similar existing organizations because of laws such as the Public Assemblages Act of
4298 1926, which required the racial segregation of all public events in the Commonwealth; (ii) that is exempt
4299 from income tax pursuant to § 501(c)(7) of the Internal Revenue Code; and (iii) that is operated, and has
4300 always been operated, for community awareness and action through educational, economic, and cultural
4301 service activities;

4302 16. An organization established on or before December 31, 1977, that is exempt from income tax pursuant
4303 to § 501(c)(7) of the Internal Revenue Code and is incorporated, in part, to raise funds for donation to
4304 organizations whose missions include promoting early detection of and public education about and
4305 supporting research and treatment options for heart disease and various cancers;

4306 17. A local chamber of commerce; or

4307 18. Any other nonprofit organization that is exempt from income tax pursuant to § 501(c) of the Internal
4308 Revenue Code and that raises funds by conducting raffles, bingo, instant bingo, pull tabs, or seal cards that
4309 generate annual gross receipts of \$40,000 or less, provided that such gross receipts, less expenses and prizes,
4310 are used exclusively for charitable, educational, religious, or community purposes. Notwithstanding
4311 § 29.5-213, proceeds from instant bingo, pull tabs, and seal cards shall be included when calculating an
4312 organization's annual gross receipts for the purposes of this subdivision.

4313 "Pari-mutuel play" means an integrated network operated by a licensee of the Commission composed of
4314 participating charitable organizations for the conduct of network bingo games in which the purchase of a
4315 network bingo card by a player automatically includes the player in a pool with all other players in the
4316 network, and where the prize to the winning player is awarded based on a percentage of the total amount of
4317 network bingo cards sold in a particular network.

4318 "Qualified organization" means any organization to which a valid permit has been issued by the
4319 Commissioner to conduct charitable gaming or any organization that is exempt pursuant to § 29.5-206.

4320 "Raffle" means a lottery in which the prize is won by (i) a random drawing of the name or prearranged
4321 number of one or more persons purchasing chances or (ii) a random contest in which the winning name or
4322 preassigned number of one or more persons purchasing chances is determined by a race involving inanimate
4323 objects floating on a body of water, commonly referred to as a "duck race."

4324 "Reasonable and proper business expenses" means business expenses actually incurred by a qualified
4325 organization in the conduct of charitable gaming and not otherwise allowed under this chapter or under
4326 Board regulations on real estate and personal property tax payments, travel expenses, payments of utilities
4327 and trash collection services, legal and accounting fees, costs of business furniture, fixtures and office
4328 equipment and costs of acquisition, maintenance, repair, or construction of an organization's real property.
4329 For the purpose of this definition, (i) salaries and wages of employees whose primary responsibility is to
4330 provide services for the principal benefit of an organization's members or (ii) expenses for social or
4331 recreational activities for the principal benefit of a social organization's members may qualify as a business
4332 expense, if so determined by the Board. However, payments made pursuant to § 51.1-1204 to the Volunteer
4333 Firefighters' and Rescue Squad Workers' Service Award Fund shall be deemed a reasonable and proper
4334 business expense.

4335 "Social organization" means any qualified organization that provides certification to the Commission that

4336 it is:

4337 1. An accredited public institution of higher education or other postsecondary school licensed or certified
 4338 by the Board of Education or the State Council of Higher Education for Virginia qualified under § 501(c)(3)
 4339 of the Internal Revenue Code;

4340 2. An organization established on or before November 10, 1922, that is qualified under § 501(c)(4) of the
 4341 Internal Revenue Code, is the only federally chartered Marine Corps-related veterans organization in the
 4342 country, and is operated for the purpose of promoting the interest and preserving the traditions of the United
 4343 States Marine Corps;

4344 3. An organization established on or before December 31, 1963, as a result of its members being
 4345 prohibited from joining similar existing organizations because of laws such as the Public Assemblages Act of
 4346 1926, which required the racial segregation of all public events in the Commonwealth, that is qualified under
 4347 § 501(c)(7) of the Internal Revenue Code;

4348 4. An organization established on or before December 31, 1977, that is qualified under § 501(c)(7) of the
 4349 Internal Revenue Code and is incorporated, in part, to raise funds for donation to organizations whose
 4350 missions include promoting early detection of and public education about and supporting research and
 4351 treatment options for heart disease and various cancers;

4352 5. A fraternal beneficiary society, order, or association qualified under § 501(c)(8) of the Internal
 4353 Revenue Code;

4354 6. A domestic fraternal society, order, or association qualified under § 501(c)(10) of the Internal Revenue
 4355 Code; or

4356 7. A post or organization of past or present members of the Armed Forces of the United States, or an
 4357 auxiliary unit or society of, or a trust or foundation for, any such post or organization qualified under §
 4358 501(c)(19) of the Internal Revenue Code.

4359 "Social quarters" means, in addition to any specifications prescribed by the Board, an area at a social
 4360 organization's primary location that (i) such organization designates to be used predominantly by its
 4361 members for social and recreational activities, (ii) is accessible exclusively to members of the social
 4362 organization and their guests, and (iii) is not advertised or open to the general public. It shall not disqualify
 4363 the area from being considered social quarters if guests occasionally accompany members into the area, so
 4364 long as such guests do not spend their own funds to participate in charitable gaming or electronic gaming
 4365 activities conducted in the area. In determining if an area is social quarters for purposes of § 29.5-215, the
 4366 Board may rely on publications of the Internal Revenue Service regarding the allowable participation of
 4367 guests in an organization's social and recreational activities for purposes of § 501 of the Internal Revenue
 4368 Code.

4369 "Supplier" means any person who offers to sell, sells, or otherwise provides charitable gaming supplies to
 4370 any qualified organization.

4371 "Texas Hold'em poker game" means a variation of poker in which (i) players receive two cards facedown
 4372 that may be used individually, (ii) five cards shown face up are shared among all players in the game, (iii)
 4373 players combine any number of their individual cards with the shared cards to make the highest five-card
 4374 hand to win the value wagered during the game, and (iv) the ranking of hands and the rules of the game are
 4375 governed by the official rules of the Poker Tournament Directors Association.

4376 "Texas Hold'em poker tournament" or "tournament" means an organized competition of players (i) who
 4377 pay a fixed fee for entry into the competition and for a certain amount of poker chips for use in the
 4378 competition; (ii) who may be allowed to pay an additional fee, during set preannounced times of the
 4379 competition, to receive additional poker chips for use in the competition; (iii) who may be seated at one or
 4380 more tables simultaneously playing Texas Hold'em poker games; (iv) who upon running out of poker chips
 4381 are eliminated from the competition; and (v) a pre-set number of whom are awarded prizes of value
 4382 according to how long such players remain in the competition.

4383 **§ 29.5-201. Charitable Gaming Advisory Board established; powers and duties.**

4384 A. The Charitable Gaming Advisory Board (the Advisory Board) is hereby established as an advisory
 4385 board within the Virginia Gaming Commission for the purpose of advising the Commission on all aspects of
 4386 the conduct of charitable gaming in Virginia.

4387 B. The Advisory Board shall consist of 11 members who shall be appointed by the Governor subject to
 4388 confirmation by the General Assembly as follows: one member who is a member of a charitable, fraternal
 4389 organization subject to the provisions of this chapter in good standing with the Commission; two members
 4390 who are members of a veterans service organization selected from a list provided by the Joint Leadership
 4391 Council of Veterans Service Organizations; one member who is a charitable gaming supplier registered and
 4392 in good standing with the Commission; one member who is an owner, lessor, or lessee of premises where
 4393 charitable gaming is conducted; at least one member who is or has been a law-enforcement officer in the
 4394 Commonwealth but who (i) is not a charitable gaming supplier registered with the Commission, (ii) is not a
 4395 lessor of premises where charitable gaming is conducted, (iii) is not a member of a charitable organization,
 4396 and (iv) does not have an interest in or is not affiliated with such supplier or charitable organization or
 4397 owner, lessor, or lessee of premises where charitable gaming is conducted; and five citizens who do not have

4398 an interest in or are not affiliated with a charitable organization, charitable gaming supplier, or owner,
4399 lessor, or lessee of premises where charitable gaming is conducted.

4400 To the extent practicable, the Advisory Board shall consist of individuals from different geographic
4401 regions of the Commonwealth. Each member of the Advisory Board shall have been a resident of the
4402 Commonwealth for a period of at least three years next preceding his appointment, and his continued
4403 residency shall be a condition of his tenure in office. Members shall be appointed for four-year terms.
4404 Vacancies shall be filled by the Governor in the same manner as the original appointment for the unexpired
4405 portion of the term. Each Advisory Board member shall be eligible for reappointment for a second
4406 consecutive term at the discretion of the Governor. Persons who are first appointed to initial terms of less
4407 than four years shall thereafter be eligible for reappointment to two consecutive terms of four years each. No
4408 sitting member of the General Assembly shall be eligible for appointment to the Advisory Board. The
4409 members of the Advisory Board shall serve at the pleasure of the Governor.

4410 C. The Advisory Board shall elect from among its members a chairman and vice-chairman from among its
4411 members.

4412 D. A quorum shall consist of six members. The decision of a majority of those members present and voting
4413 shall constitute a decision of the Advisory Board.

4414 E. For each day or part thereof spent in the performance of his duties, each member of the Advisory
4415 Board shall receive such compensation and reimbursement for his reasonable expenses as provided in
4416 § 2.2-2104.

4417 F. The Advisory Board shall adopt rules and procedures for the conduct of its business, including a
4418 provision that Advisory Board members shall abstain or otherwise recuse themselves from voting on any
4419 matter in which they or a member of their immediate family have a personal interest in a transaction as
4420 defined in § 2.2-3101. The Advisory Board shall meet at least four times a year, and other meetings may be
4421 held at any time or place determined by the Advisory Board or upon call of the chairman or upon a written
4422 request to the chairman by any two members. Except for emergency meetings, all members shall be duly
4423 notified of the time and place of any regular or other meeting at least 10 days in advance of such meeting.

4424 G. Staff to the Advisory Board shall be provided by the Commission.

4425 H. The Advisory Board shall:

4426 1. Advise the Virginia Gaming Commission on the conduct of charitable gaming in Virginia and
4427 recommend changes to this chapter;

4428 2. Advise on other matters related to charitable gaming that the Commission may request or the Advisory
4429 Board may deem necessary; and

4430 3. Keep a complete and accurate record of its proceedings. A copy of such record and any other public
4431 records not exempt from disclosure under the Virginia Freedom of Information Act (§ 2.2-3700 et seq.) shall
4432 be available for public inspection and copying during regular office hours at the Commission.

4433 § 29.5-202. Powers and duties of the Commission and the Board.

4434 The Commission shall have all powers and duties necessary to carry out the provisions of this chapter
4435 and to exercise the control of charitable gaming. Such powers and duties shall include the following:

4436 1. The Commission is vested with jurisdiction and supervision over all charitable gaming authorized
4437 under the provisions of this chapter and including all persons that conduct or provide goods, services, or
4438 premises used in the conduct of charitable gaming. It may employ such persons as are necessary to ensure
4439 that charitable gaming is conducted in conformity with the provisions of this chapter and Board regulations.
4440 The Commission shall designate such agents and employees as it deems necessary and appropriate who shall
4441 be sworn to enforce the provisions of this chapter and the criminal laws of the Commonwealth and who shall
4442 be law-enforcement officers as defined in § 9.1-101.

4443 2. The Commission, its agents, and employees charged with the enforcement of charitable gaming laws
4444 shall have free access to the offices, facilities, or any other place of business of any organization, including
4445 any premises devoted in whole or in part to the conduct of charitable gaming. These individuals may enter
4446 such places or premises for the purpose of carrying out any duty imposed by this chapter, securing records
4447 required to be maintained by an organization, investigating complaints, or conducting audits.

4448 3. The Board may compel the production of any books, documents, records, or memoranda of any
4449 organization, electronic gaming manufacturer, or supplier involved in the conduct of charitable gaming for
4450 the purpose of satisfying itself that this chapter and its regulations are strictly complied with. In addition, the
4451 Board may require the production of an annual balance sheet and operating statement of any person granted
4452 a permit pursuant to the provisions of this chapter and may require the production of any contract to which
4453 such person is or may be a party.

4454 4. The Board may issue subpoenas for the attendance of witnesses before it, administer oaths, and compel
4455 production of records or other documents and testimony of such witnesses whenever, in the judgment of the
4456 Commission, it is necessary to do so for the effectual discharge of its duties.

4457 5. The Board may compel any person conducting charitable gaming to file with the Commission such
4458 documents, information, or data as shall appear to the Commission to be necessary for the performance of its
4459 duties.

4460 6. The Commissioner may enter into arrangements with any governmental agency of this or any other
 4461 state or any locality in the Commonwealth or any agency of the federal government for the purposes of
 4462 exchanging information or performing any other act to better ensure the proper conduct of charitable
 4463 gaming.

4464 7. The Commissioner may issue a charitable gaming permit while the permittee's tax-exempt status is
 4465 pending approval by the Internal Revenue Service.

4466 8. The Commission shall report annually to the Governor and the General Assembly, which report shall
 4467 include a financial statement of the operation of the Commission and any recommendations for legislation
 4468 applicable to charitable gaming in the Commonwealth.

4469 9. The Commission, its agents, and employees may conduct such audits, in addition to those required by
 4470 § 29.5-223, as they deem necessary and desirable.

4471 10. The Board may limit the number of organizations for which a person may manage, operate, or
 4472 conduct charitable games.

4473 11. The Board may promulgate regulations that require any landlord that leases to a qualified
 4474 organization any premises devoted in whole or in part to the conduct of bingo games or any other charitable
 4475 gaming to register with the Commission.

4476 12. The Commission may report any alleged criminal violation of this chapter to the appropriate attorney
 4477 for the Commonwealth for appropriate action.

4478 13. Beginning July 1, 2026, and at least once every five years thereafter, the Commission shall convene a
 4479 stakeholder work group to review the limitations on prize amounts and provide any recommendations to the
 4480 General Assembly by November 30 of the year in which the stakeholder work group is convened.

4481 **§ 29.5-203. Regulations of the Board.**

4482 A. The Board shall adopt regulations that:

4483 1. Require, as a condition of receiving a charitable gaming permit or authorization to conduct electronic
 4484 gaming, that the applicant use a predetermined percentage of its receipts for those lawful religious,
 4485 charitable, community, or educational purposes for which the organization is specifically chartered or
 4486 organized, including (i) those expenses relating to the acquisition, construction, maintenance, or repair of
 4487 any interest in real property or (ii) expenses related to the rental of real property by an organization as
 4488 described by subdivision 5, 6, or 7 of the definition of "social organization" in § 29.5-200 where such real
 4489 property is involved in the operation of the organization and used for lawful religious, charitable,
 4490 community, or educational purposes, as follows:

4491 a. With respect to charitable gaming, other than electronic gaming, a predetermined percentage of its
 4492 gross receipts.

4493 b. With respect to electronic gaming, a predetermined percentage of its electronic gaming adjusted gross
 4494 receipts.

4495 2. Specify the conditions under which a complete list of the organization's members who participate in the
 4496 management, operation, or conduct of charitable gaming may be required in order for the Commissioner to
 4497 ascertain the percentage of Virginia residents in accordance with subdivision A 3 of § 29.5-207.

4498 Membership lists furnished to the Commission in accordance with this subdivision shall not be a matter of
 4499 public record and shall be exempt from disclosure under the provisions of the Virginia Freedom of
 4500 Information Act (§ 2.2-3700 et seq.).

4501 3. Prescribe fees for processing applications for charitable gaming permits and authorizing social
 4502 organizations to conduct electronic gaming. Such fees may reflect the nature and extent of the charitable
 4503 gaming activity proposed to be conducted.

4504 4. Establish requirements for the audit of all reports required in accordance with §§ 29.5-221 and
 4505 29.5-222.

4506 5. Define electronic and mechanical equipment used in the conduct of charitable gaming. Board
 4507 regulations shall include capacity for such equipment to provide full automatic daubing as numbers are
 4508 called. For the purposes of this subdivision, electronic or mechanical equipment for instant bingo, pull tabs,
 4509 or seal cards shall include such equipment that displays facsimiles of instant bingo, pull tabs, or seal cards
 4510 and is used solely for the purpose of dispensing or opening such paper or electronic cards, or both, but shall
 4511 not include (i) devices operated by dropping one or more coins or tokens into a slot and pulling a handle or
 4512 pushing a button or touchpoint on a touchscreen to activate one to three or more reels marked into horizontal
 4513 segments by varying symbols, where the predetermined prize amount depends on how and how many of the
 4514 symbols line up when the rotating reels come to rest, or (ii) other similar devices that display flashing lights
 4515 or illuminations, or bells, whistles, or other sounds, solely intended to entice players to play. Such
 4516 regulations shall not prohibit (a) devices that display spinning, rotating, or rolling reels or animations or
 4517 flashing lights; (b) devices that accept vouchers; (c) the purchase and play of an electronic pull tab with a
 4518 single press or touch of a button; or (d) the use of multiple video monitors or touchscreens on an electronic
 4519 gaming device.

4520 6. Prescribe the conditions under which a qualified organization may (i) provide food and nonalcoholic
 4521 beverages to its members who participate in the management, operation, or conduct of bingo; (ii) permit

4522 members who participate in the management, operation, or conduct of bingo to play bingo; and (iii) subject
4523 to the provisions of subdivision 12 of § 29.5-224, permit nonmembers to participate in the conduct of bingo
4524 so long as the nonmembers are under the direct supervision of a bona fide member of the organization during
4525 the bingo game.

4526 7. Prescribe the conditions under which a qualified organization may sell raffle tickets for a raffle
4527 drawing that will be held outside the Commonwealth pursuant to subsection B of § 29.5-212.

4528 8. Prescribe the conditions under which persons who are bona fide members of a qualified organization
4529 or a child, above the age of 13 years, of a bona fide member of such organization may participate in the
4530 conduct or operation of bingo games.

4531 9. Prescribe the conditions under which a person below the age of 18 years may play bingo, provided that
4532 such person is accompanied by his parent or legal guardian.

4533 10. Require all qualified organizations that are subject to Board regulations to post in a conspicuous
4534 place in every place where charitable gaming is conducted a sign that bears a toll-free telephone number for
4535 the National Problem Gambling Helpline.

4536 11. Require all qualified organizations that are subject to Board regulations to post in a conspicuous
4537 place in every place where charitable gaming is conducted a sign that bears the toll-free telephone number
4538 and website for the illegal gaming tip line established and administered by the Office of the Gaming
4539 Enforcement Coordinator in the Department of State Police pursuant to § 52-54 for members of the public to
4540 report concerns about, or suspected instances of, illegal gaming activities.

4541 12. Prescribe the conditions under which a qualified organization may sell network bingo cards in
4542 accordance with § 29.5-218 and establish a percentage of proceeds derived from network bingo sales to be
4543 allocated to (i) prize pools, (ii) the organization conducting the network bingo, and (iii) the network bingo
4544 provider. The regulations shall also establish procedures for the retainage and ultimate distribution of any
4545 unclaimed prize.

4546 13. Prescribe the conditions under which a qualified organization may manage, operate, or contract with
4547 operators of or conduct Texas Hold'em poker tournaments.

4548 14. Prescribe the conditions under which a qualified organization may lease the premises of a permitted
4549 social organization for the purpose of conducting bingo, network bingo, instant bingo, pull tabs, seal cards,
4550 and electronic gaming permitted under this chapter and establish requirements for proper financial reporting
4551 of all disbursements, gross receipts, and electronic gaming adjusted gross receipts and payment of all fees
4552 required under this chapter.

4553 B. The Board may, by regulation, approve variations to the card formats for bingo games, provided that
4554 such variations result in bingo games that are conducted in a manner consistent with the provisions of this
4555 chapter. Board-approved variations may include bingo games commonly referred to as player selection
4556 games and 90-number bingo.

4557 **§ 29.5-204. Denial, suspension, or revocation of permit; hearings and appeals.**

4558 A. The Commissioner may deny, suspend, or revoke the permit of any organization found not to be in
4559 strict compliance with the provisions of this chapter and Board regulations. The action of the Commissioner
4560 in denying, suspending, or revoking any permit shall be subject to the Administrative Process Act (§ 2.2-4000
4561 et seq.).

4562 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
4563 charitable gaming or authorization to conduct electronic gaming shall be denied, suspended, or revoked, and
4564 no charitable games or funds from charitable gaming operations shall be seized, except upon notice stating
4565 the proposed basis for such action and the time and place for the hearing. At the discretion of the
4566 Commissioner, hearings may be conducted by hearing officers who shall be selected from the list prepared by
4567 the Executive Secretary of the Supreme Court. After a hearing on the issues, the Commissioner may refuse to
4568 issue or may suspend or revoke any such permit or authorization if it determines that the organization has
4569 not complied with the provisions of this chapter or Board regulations.

4570 C. Any person aggrieved by a refusal of the Commissioner to issue any permit, the suspension or
4571 revocation of a permit, or any other action of the Commission may seek review of such action in accordance
4572 with Article 5 (§ 2.2-4025 et seq.) of the Administrative Process Act.

4573 **§ 29.5-205. Permitted forms of gaming; prizes not gaming contracts.**

4574 A. This chapter permits qualified organizations to conduct (i) raffles, bingo, network bingo, instant bingo
4575 games, and Texas Hold'em poker tournaments and (ii) electronic gaming authorized pursuant to the
4576 provisions of § 29.5-215. All games not explicitly authorized by this chapter or Board regulations adopted in
4577 accordance with § 29.5-203 are prohibited. Nothing herein shall be construed to authorize the Board to
4578 approve the conduct of any other form of poker in the Commonwealth.

4579 B. The award of any prize money for any charitable game shall not be deemed to be part of any gaming
4580 contract within the purview of § 11-14.

4581 C. Nothing in this chapter shall prohibit an organization from using the Virginia Lottery's Pick-3 number
4582 or any number or other designation selected by the Virginia Lottery in connection with any lottery, as the
4583 basis for determining the winner of a raffle.

4584 § 29.5-206. Organizations exempt from certain fees and reports.

4585 A. No organization that reasonably expects, on the basis of prior charitable gaming annual results or any
 4586 other quantifiable method, to realize gross receipts of \$40,000 or less in any 12-month period from raffles
 4587 conducted in accordance with the provisions of this chapter shall be required to (i) notify the Commission of
 4588 its intention to conduct raffles or (ii) comply with Board regulations governing raffles.

4589 B. Any organization that reasonably expects, on the basis of prior charitable gaming annual results or
 4590 any other quantifiable method, to realize gross receipts of \$40,000 or less from all charitable gaming other
 4591 than raffles on a total of no more than seven days per calendar year shall be required to register with the
 4592 Commission pursuant to the provisions of § 29.5-208.

4593 C. If any organization's actual gross receipts from raffles for the 12-month period exceed \$40,000 as
 4594 described in subsection A or actual gross receipts from all charitable gaming other than raffles conducted on
 4595 a total of no more than seven days per calendar year exceed \$40,000 as described in subsection B, the
 4596 Commission shall require the organization to obtain a permit pursuant to the provisions of § 29.5-209 and
 4597 file by a specified date the report required by § 29.5-221.

4598 D. Any (i) organization described in subdivision 18 of the definition of "organization" in § 29.5-200 or (ii)
 4599 volunteer fire department or volunteer emergency medical services agency or auxiliary unit thereof that has
 4600 been recognized in accordance with § 15.2-955 by an ordinance or resolution of the political subdivision
 4601 where the volunteer fire department or volunteer emergency medical services agency is located as being part
 4602 of the safety program of such political subdivision shall be exempt from the payment of application fees
 4603 required by § 29.5-209 and the payment of audit fees required by § 29.5-223. Any such organization,
 4604 department, agency, or unit that conducts electronic gaming shall be subject to such application fees and
 4605 audit fees for its electronic gaming activities; however, in accordance with the provisions of § 29.5-223, any
 4606 audit fees may be paid by either the organization or the electronic gaming manufacturer whose electronic
 4607 gaming devices are present on the premises of the organization, department, agency, or unit. Nothing in this
 4608 subsection shall be construed as exempting any organizations described in subdivision 18 of the definition of
 4609 "organization" in § 29.5-200, volunteer fire departments, or volunteer emergency medical services agencies
 4610 from any other provisions of this chapter or other Board regulations.

4611 E. Nothing in this section shall prevent the Commission from conducting any investigation or audit it
 4612 deems appropriate to ensure an organization's compliance with the provisions of this chapter and, to the
 4613 extent applicable, Board regulations.

4614 § 29.5-207. Eligibility for permit; exceptions; where valid.

4615 A. To be eligible for a permit to conduct charitable gaming, an organization shall:

4616 1. Have been in existence and met on a regular basis in the Commonwealth for a period of at least three
 4617 years immediately prior to applying for a permit.

4618 The three-year residency requirement shall not apply (i) to any lodge or chapter of a national or
 4619 international fraternal order or of a national or international civic organization that is exempt under §
 4620 501(c) of the United States Internal Revenue Code and that has a lodge or chapter holding a charitable
 4621 gaming permit issued under the provisions of this chapter anywhere within the Commonwealth; (ii) to
 4622 booster clubs that have been operating for less than three years and that have been established solely to raise
 4623 funds for school-sponsored activities in public schools or private schools accredited pursuant to § 22.1-19;
 4624 (iii) to recently established volunteer fire and rescue companies or departments, after county, city, or town
 4625 approval; or (iv) to an organization that relocates its meeting place on a permanent basis from one
 4626 jurisdiction to another, complies with the requirements of subdivision 2, and was the holder of a valid permit
 4627 at the time of its relocation.

4628 2. Be operating currently and have always been operated as a nonprofit organization.

4629 3. Have at least 50 percent of its membership consist of residents of the Commonwealth; however, if an
 4630 organization (i) does not consist of bona fide members and (ii) is exempt under § 501(c)(3) of the United
 4631 States Internal Revenue Code, the Commission shall exempt such organization from the requirements of this
 4632 subdivision.

4633 B. Any organization whose gross receipts from all charitable gaming exceeds or can be expected to
 4634 exceed \$40,000 in any calendar year shall have been granted tax-exempt status pursuant to § 501(c) of the
 4635 United States Internal Revenue Code. At the same time tax-exempt status is sought from the Internal Revenue
 4636 Service, the same documentation may be filed with the Commission in conjunction with an application for a
 4637 charitable gaming permit. If such documentation is filed, the Commissioner may, after reviewing such
 4638 documentation it deems necessary, issue a charitable gaming permit.

4639 C. A permit shall be valid only for the dates and times designated in the permit.

4640 § 29.5-208. Registration requirements; certain organizations.

4641 A. Any organization seeking to conduct charitable gaming in accordance with subsection B of § 29.5-206
 4642 shall first register with the Commission on a form prescribed by the Board. The Board shall only require the
 4643 organization to provide (i) proof of the organization's nonprofit status; (ii) contact information for the chief
 4644 executive officer of the organization or his designee; (iii) the location, dates, and times of any expected
 4645 charitable gaming activity; (iv) a description of the general nature of the anticipated charitable gaming

4646 activity; and (v) a signed attestation that the organization (a) does not reasonably expect to realize more than
4647 \$40,000 in gross receipts on a total of no more than seven days per calendar year for the charitable gaming
4648 activities listed on the registration form, (b) understands that should the organization exceed the \$40,000
4649 threshold, it will be required to file the report in accordance with § 29.5-221, and (c) understands it shall be
4650 required to comply with the provisions of this chapter and Board regulations.

4651 B. Any organization that registers with the Commission pursuant to this section is subject to random
4652 audits of its charitable gaming activities by the Commission and is subject to the penalties specified in
4653 §§ 29.5-228 and 29.5-230 for gross violations of this chapter.

4654 C. The Commissioner may deny, suspend, or revoke the registration of any organization found not to be in
4655 compliance with the provisions of this chapter and Board regulations. The action of the Commissioner in
4656 denying, suspending, or revoking any registration shall be subject to the Administrative Process Act
4657 (§ 2.2-4000 et seq.).

4658 D. Any person aggrieved by the denial, suspension, or revocation of a registration or any other action of
4659 the Commission may seek review of such action in accordance with Article 5 (§ 2.2-4025 et seq.) of the
4660 Administrative Process Act.

4661 **§ 29.5-209. Permit required; application fee; form of application.**

4662 A. Except as provided for in § 29.5-206, prior to the commencement of any charitable game, an
4663 organization shall obtain a permit from the Commission.

4664 B. All complete applications for a permit shall be acted upon by the Commissioner within 45 days from
4665 the filing thereof. Upon compliance by the applicant with the provisions of this chapter, and at the discretion
4666 of the Commissioner, a permit may be issued. All permits when issued shall be valid for the period specified
4667 in the permit unless it is sooner suspended or revoked. No permit shall be valid for longer than two years.
4668 The application shall be a matter of public record.

4669 All permits shall be subject to regulation by the Board to ensure the public safety and welfare in the
4670 operation of charitable games. The permit shall only be granted after a reasonable investigation has been
4671 conducted by the Commission. The Commission may require any prospective employee, permit holder, or
4672 applicant to submit to fingerprinting and to provide personal descriptive information to be forwarded along
4673 with employee's, licensee's, or applicant's fingerprints through the Central Criminal Records Exchange to the
4674 Federal Bureau of Investigation for the purposes of obtaining criminal history record information regarding
4675 such prospective employee, permit holder, or applicant. The Central Criminal Records Exchange, upon
4676 receipt of a prospective employee, licensee, or applicant record or notification that no record exists, shall
4677 forward the report to the Commissioner or his designee, who shall belong to a governmental entity. However,
4678 nothing in this subsection shall be construed to require the routine fingerprinting of volunteer bingo workers.

4679 C. In no case shall an organization receive more than one permit allowing it to conduct charitable
4680 gaming, except that an organization may also apply for and receive a temporary permit pursuant to
4681 § 29.5-211.

4682 D. Application for a charitable gaming permit shall be made on forms prescribed by the Board and shall
4683 be accompanied by payment of the fee for processing the application.

4684 E. Applications for renewal of permits shall be made in accordance with Board regulations. If a complete
4685 renewal application is received 45 days or more prior to the expiration of the permit, the permit shall
4686 continue to be effective until such time as the Commissioner has taken final action. Otherwise, the permit
4687 shall expire at the end of its term.

4688 F. The failure to meet any of the requirements of § 29.5-207 shall cause the automatic denial of the
4689 permit, and no organization shall conduct any charitable gaming until the requirements are met and a permit
4690 is obtained.

4691 **§ 29.5-210. Authorization to conduct electronic gaming required; fee.**

4692 A. In addition to a charitable gaming permit, a social organization shall receive authorization from the
4693 Commissioner prior to conducting any electronic gaming pursuant to the provisions of § 29.5-215. A social
4694 organization may request such authorization from the Commissioner by providing certain information, as
4695 determined by the Board, on a form prescribed by the Board.

4696 B. All requests for authorization to conduct electronic gaming shall be acted upon by the Commissioner
4697 within 45 days from the date of the request. A social organization that meets the necessary requirements
4698 pursuant to this chapter may be, at the discretion of the Commissioner, authorized to conduct electronic
4699 gaming pursuant to the provisions of § 29.5-215. Any such authorization granted by the Commissioner shall
4700 be noted on the social organization's charitable gaming permit and shall be valid for the time specified in the
4701 permit unless it is sooner suspended or revoked. No authorization to conduct electronic gaming shall be valid
4702 for longer than two years. All requests received by the Commission shall be a matter of public record.

4703 All authorizations to conduct electronic gaming shall be subject to regulation by the Board to ensure the
4704 public safety and welfare in the operation of electronic games. The authorization shall only be granted after
4705 a reasonable investigation has been conducted by the Commission.

4706 C. In no case shall a social organization be authorized to conduct electronic gaming at more than one
4707 location.

4708 D. Requests for authorization to conduct electronic gaming shall be made on forms prescribed by the
 4709 Board and shall be accompanied by payment of a fee.

4710 E. Requests for renewal of such authorizations shall be made in accordance with Board regulations. If a
 4711 complete renewal request is received 45 days or more prior to the expiration of the authorization, the
 4712 authorization shall continue to be effective until such time as the Commissioner has taken final action.
 4713 Otherwise, the authorization shall expire at the end of its term.

4714 § 29.5-211. **Temporary permits authorized; limitations.**

4715 A. Any qualified organization described in subdivision 4 or 5 of the definition of "organization" in
 4716 § 29.5-200 may obtain a temporary permit from the Commissioner allowing such organization to sell instant
 4717 bingo, pull tabs, or seal cards upon premises located anywhere in the Commonwealth during a convention,
 4718 conference, or related event lasting no more than seven consecutive days held by such organization's
 4719 affiliated state, regional, or national organization up to once per quarter as designated in the permit.

4720 B. All complete applications for a permit shall be acted upon by the Commissioner within 45 days from
 4721 the filing thereof. Upon compliance by the applicant with the provisions of this chapter, and at the discretion
 4722 of the Commissioner, a temporary permit may be issued. All temporary permits when issued shall be valid for
 4723 the period specified in the permit unless it is sooner suspended or revoked. No permit shall be valid for
 4724 longer than one year. The application shall be a matter of public record.

4725 All temporary permits shall be subject to regulation by the Board to ensure the public safety and welfare
 4726 in the operation of charitable games. The temporary permit shall only be granted after a reasonable
 4727 investigation has been conducted by the Commission. The Commission may require any prospective
 4728 employee, permit holder, or applicant to submit to fingerprinting and to provide personal descriptive
 4729 information to be forwarded along with the employee's, permit holder's, or applicant's fingerprints through
 4730 the Central Criminal Records Exchange to the Federal Bureau of Investigation for the purposes of obtaining
 4731 criminal history record information regarding such prospective employee, permit holder, or applicant. The
 4732 Central Criminal Records Exchange, upon receipt of a prospective employee, permit holder, or applicant
 4733 record or notification that no record exists, shall forward the report to the Commissioner or his designee,
 4734 who shall belong to a governmental entity. However, nothing in this subsection shall be construed to require
 4735 the routine fingerprinting of volunteer bingo workers.

4736 C. In no case shall an organization receive more than one temporary permit allowing it to conduct
 4737 charitable gaming; however, an organization may also receive a permit in accordance with the provisions of
 4738 § 29.5-209.

4739 D. Application for a temporary permit shall be made on forms prescribed by the Board and shall be
 4740 accompanied by payment of the fee for processing the application.

4741 E. Applications for renewal of temporary permits shall be made in accordance with Board regulations. If
 4742 a complete renewal application is received 45 days or more prior to the expiration of the temporary permit,
 4743 the temporary permit shall continue to be effective until such time as the Commissioner has taken final
 4744 action. Otherwise, the temporary permit shall expire at the end of its term.

4745 F. The failure to meet any of the requirements of § 29.5-207 shall cause the automatic denial of the
 4746 temporary permit, and no organization shall conduct any charitable gaming in accordance with the
 4747 provisions of subsection A until such requirements are met and a temporary permit is obtained.

4748 § 29.5-212. **Sale of raffle tickets; drawings.**

4749 A. Except as provided in subsection B, a qualified organization may sell raffle tickets both in and out of
 4750 the jurisdiction designated in its permit and shall conduct the drawing within the Commonwealth.

4751 B. A qualified organization may sell raffle tickets for a raffle drawing that will be held outside the
 4752 Commonwealth, provided the raffle is conducted in accordance with (i) Board regulations and (ii) the laws
 4753 and regulations of the jurisdiction in which the raffle drawing will be held.

4754 C. Before a prize drawing, each stub or other detachable section of each ticket sold or won through some
 4755 other authorized charitable game conducted by the same organization holding the raffle shall be placed into
 4756 a receptacle from which the winning tickets are drawn. The receptacle shall be designed so that each ticket
 4757 placed in it has an equal chance of being drawn.

4758 § 29.5-213. **Sale of instant bingo, pull tabs, or seal cards.**

4759 A. Except as provided in subsection D, instant bingo, pull tabs, or seal cards may be sold only (i) by a
 4760 qualified organization, as defined in § 29.5-200, (ii) upon premises that are owned or exclusively and entirely
 4761 leased by the qualified organization or leased by the qualified organization pursuant to subsection C, and
 4762 (iii) at such times that the premises in which the instant bingo, pull tabs, or seal cards are sold is open only to
 4763 members and their guests via controlled access. Except as provided in subsections C and D, no organization
 4764 may sell instant bingo, pull tabs, or seal cards (a) at a location outside of the county, city, or town in which
 4765 the organization's principal office, as registered with the State Corporation Commission, is located or in an
 4766 adjoining county, city, or town or (b) at an establishment that has been granted a license pursuant to Chapter
 4767 2 (§ 4.1-200 et seq.) of Title 4.1 unless such license is held by the organization. Nothing in this chapter shall
 4768 be construed to prohibit the conduct of games of chance involving the sale of pull tabs or seal cards,
 4769 commonly known as last sale games, conducted in accordance with this section or, if such games are

4770 electronic games, in accordance with § 29.5-215.

4771 B. It is prohibited to use an electronic device to conduct instant bingo, pull tabs, or seal cards except as
4772 permitted under § 29.5-215.

4773 C. Notwithstanding the provisions of subsection A, a qualified organization may lease the premises of any
4774 social organization authorized pursuant to § 29.5-215 for the purpose of selling instant bingo, pull tabs, or
4775 seal cards.

4776 D. Notwithstanding the provisions of subsection A, instant bingo, pull tabs, or seal cards may be sold by a
4777 qualified organization that has received a temporary permit from the Commissioner pursuant to § 29.5-211
4778 upon premises located anywhere in the Commonwealth during a convention, conference, or related event
4779 lasting no more than seven consecutive days held by such organization's affiliated state, regional, or national
4780 organization up to once per quarter as designated in the temporary permit.

4781 **§ 29.5-214. Sale of instant bingo, pull tabs, or seal cards dispensed by mechanical equipment.**

4782 As a part of its annual fundraising event, any qualified organization may sell instant bingo, pull tabs, or
4783 seal cards, provided that (i) any such instant bingo, pull tabs, or seal cards are dispensed by mechanical
4784 equipment only; (ii) the sale of the same is limited to a single event of no more than seven days per calendar
4785 year; (iii) any such event is open to the public; and (iv) no such organization realizes actual gross receipts of
4786 more than \$40,000 from the conduct of all charitable gaming other than raffles on a total of no more than
4787 seven days per calendar year. Notwithstanding the provisions of § 29.5-217, an organization authorized
4788 under this section shall not be required to sell such instant bingo, pull tabs, or seal cards at such times
4789 designated in the permit for regular bingo games or at a location at which the organization is authorized to
4790 conduct regular bingo games pursuant to subsections E and F of § 29.5-216. If any organization's actual
4791 gross receipts from the sale of instant bingo, pull tabs, or seal cards pursuant to this section exceed \$40,000,
4792 the Commission shall require the organization to obtain a permit pursuant to the provisions of § 29.5-209
4793 and file by a specified date the report required by § 29.5-221. The Commission may require organizations
4794 authorized under this section to make such financial reporting as it deems necessary.

4795 Nothing in this section shall be construed as exempting organizations authorized to sell instant bingo, pull
4796 tabs, or seal cards under this section from any other provisions of this chapter or other Board regulations.

4797 **§ 29.5-215. Electronic gaming; penalty.**

4798 A. The Commissioner may authorize a social organization to conduct electronic gaming (i) within its
4799 social quarters and (ii) elsewhere on the premises of its primary location. Any such authorized social
4800 organization may lease its premises to any qualified organization for the purpose of conducting electronic
4801 gaming. A qualified organization that leases the premises of a social organization pursuant to this section
4802 shall be subject to the rules and regulations prescribed by the Board. No other electronic gaming shall be
4803 allowed under this chapter. Any person who conducts or participates in electronic gaming that is not
4804 authorized under this section shall be subject to the penalties specified in § 29.5-230.

4805 B. A social organization may request authorization from the Commissioner to conduct electronic gaming
4806 pursuant to this section in accordance with the procedures established under §§ 29.5-204 and 29.5-209. Any
4807 fee charged by the Commission for the purpose of such authorization shall be in addition to any fee charged
4808 for a charitable gaming permit. Any charitable gaming permit that also authorizes a social organization to
4809 conduct electronic gaming shall identify the expiration date of such authorization and the number of
4810 electronic gaming devices authorized at the location.

4811 C. A social organization and any qualified organization that leases the premises of a social organization
4812 pursuant to this section are prohibited from advertising any electronic gaming activities to the general
4813 public.

4814 D. The Commission may authorize a maximum of 18 electronic gaming devices at a location. Each such
4815 device shall bear a mark indicating it has been authorized and approved by the Commission.

4816 E. An electronic gaming manufacturer that has been issued a permit by the Commissioner in accordance
4817 with § 29.5-225 shall report all electronic gaming adjusted gross receipts pursuant to the provisions of
4818 § 29.5-222.

4819 F. The use of electronic gaming devices utilizing multiple video monitors or touchscreens shall be limited
4820 to one player at a time.

4821 G. No social organization or qualified organization leasing the premises of a social organization shall
4822 allow any individual younger than 21 years of age to participate in electronic gaming. No individual younger
4823 than 21 years of age shall participate in electronic gaming or otherwise use an electronic device to play or
4824 redeem any instant bingo, pull tabs, or seal cards.

4825 H. No social organization or any qualified organization leasing the premises of a social organization
4826 shall extend lines of credit or accept any credit or other electronic fund transfer other than debit cards in
4827 payment of any charges or assessments for players to participate in electronic gaming.

4828 **§ 29.5-216. Conduct of bingo games.**

4829 A. A qualified organization shall accept only cash or, at its option, checks or debit cards in payment of
4830 any charges or assessments for players to participate in bingo games. However, no such organization shall
4831 accept postdated checks in payment of any charges or assessments for players to participate in bingo games.

4832 B. No qualified organization or any person on the premises shall extend lines of credit or accept any
 4833 credit or other electronic fund transfer other than debit cards in payment of any charges or assessments for
 4834 players to participate in bingo games.

4835 C. Bingo games may be held by qualified organizations on any calendar day.

4836 D. Qualified organizations may hold an unlimited number of bingo sessions on any calendar day.

4837 E. Except as provided in subsection F, no organization may conduct bingo games (i) at a location outside
 4838 of the county, city, or town in which its principal office, as registered with the State Corporation Commission,
 4839 is located or in an adjoining county, city, or town or (ii) at an establishment that has been granted a license
 4840 pursuant to Chapter 2 (§ 4.1-200 et seq.) of Title 4.1 unless such license is held by the organization.

4841 F. Notwithstanding the provisions of subsection E, a qualified organization may lease the premises of any
 4842 social organization authorized pursuant to § 29.5-215 for the purpose of conducting bingo games.

4843 **§ 29.5-217. Conduct of instant bingo, network bingo, pull tabs, and seal cards.**

4844 A. Any organization qualified to conduct bingo games pursuant to the provisions of this chapter may also
 4845 play instant bingo, network bingo, pull tabs, or seal cards; however, such games shall be played only at such
 4846 times designated in the permit for regular bingo games and only at locations at which the organization is
 4847 authorized to conduct regular bingo games pursuant to subsections E and F of § 29.5-216, except that a
 4848 qualified organization that is issued a temporary permit pursuant to § 29.5-211 shall be authorized to play
 4849 instant bingo, pull tabs, or seal cards in accordance with subsection D of § 29.5-213. It is prohibited to use
 4850 an electronic device to conduct instant bingo, pull tabs, or seal cards except as permitted under § 29.5-215.

4851 B. Any organization conducting instant bingo, network bingo, pull tabs, or seal cards shall maintain a
 4852 record of the date, quantity, and card value of instant bingo supplies purchased as well as the name and
 4853 address of the supplier of such supplies. The organization shall also maintain a written invoice or receipt
 4854 from a nonmember of the organization verifying any information required by this subsection. Such supplies
 4855 shall be paid for only by check drawn on the gaming account of the organization. A complete inventory of all
 4856 such gaming supplies shall be maintained by the organization on the premises where the gaming is being
 4857 conducted.

4858 C. No qualified organization shall sell any instant bingo, network bingo, pull tabs, or seal cards to any
 4859 individual younger than 18 years of age. No individual younger than 18 years of age shall play or redeem
 4860 any instant bingo, network bingo, pull tabs, or seal cards.

4861 D. No qualified organization or any person on the premises shall extend lines of credit or accept any
 4862 credit or other electronic fund transfer other than debit cards in payment of any charges or assessments for
 4863 players to participate in instant bingo, network bingo, pull tabs, or seal cards.

4864 **§ 29.5-218. Conduct of network bingo.**

4865 A. Any organization qualified to conduct bingo games pursuant to the provisions of this chapter may also
 4866 sell network bingo cards; however, network bingo shall be sold only at such times designated in the permit
 4867 for regular bingo games and only at locations at which the organization is authorized to conduct regular
 4868 bingo games pursuant to subsections E and F of § 29.5-216.

4869 B. Any organization selling network bingo cards shall maintain a record of the date and quantity of
 4870 network bingo cards purchased from a licensed network bingo provider. The organization shall also maintain
 4871 a written invoice or receipt from a licensed supplier verifying any information required by this subsection.
 4872 Such supplies shall be paid for only by check drawn on the gaming account of the organization or by
 4873 electronic fund transfer. A complete inventory of all such gaming supplies shall be maintained by the
 4874 organization on the premises where network bingo cards are sold.

4875 C. No qualified organization shall sell any network bingo cards to any individual younger than 18 years
 4876 of age. No individual younger than 18 years of age shall play or redeem any network bingo cards.

4877 D. A qualified organization shall accept only cash or, at its option, checks or debit cards in payment of
 4878 any charges or assessments for players to participate in any network bingo game. However, no such
 4879 organization shall accept postdated checks in payment of any charges or assessments for players to
 4880 participate in network bingo games.

4881 E. No qualified organization or any person on the premises shall extend lines of credit or accept any
 4882 credit or other electronic fund transfer other than debit cards in payment of any charges or assessments for
 4883 players to participate in network bingo games.

4884 F. No qualified organization shall conduct network bingo more frequently than one day in any calendar
 4885 week, which shall not be the same day of each week.

4886 G. No qualified organization shall sell network bingo cards on the Internet or other online service or
 4887 allow the play of network bingo on the Internet or other online service. However, the location where network
 4888 bingo games are conducted shall be equipped with a video monitor, television, or video screen, or any other
 4889 similar means of visually displaying a broadcast or signal, that relays live, real-time video of the numbers as
 4890 they are called by a live caller. The Internet or other online service may be used to relay information about
 4891 winning players.

4892 H. Qualified organizations may award network bingo prizes on a graduated scale; however, no single
 4893 network bingo prize shall exceed \$25,000.

4894 *I. Nothing in this section shall be construed to prohibit an organization from participating in more than*
4895 *one network bingo network.*

4896 **§ 29.5-219. Conduct of Texas Hold'em poker tournaments by qualified organizations; limitation of**
4897 **operator fee; conditions.**

4898 A. Any organization qualified to conduct bingo games on or after July 1, 2019, may conduct Texas
4899 Hold'em poker tournaments; however, no such organization may conduct individual Texas Hold'em poker
4900 games. The Board shall promulgate regulations establishing circumstances under which organizations
4901 qualified to conduct bingo games prior to July 1, 2019, may conduct Texas Hold'em poker tournaments.

4902 B. A qualified organization may contract with an operator to administer Texas Hold'em poker
4903 tournaments. Limitations on operator fees shall be established by Board regulations.

4904 C. A qualified organization shall accept only cash or, at its option, checks in payment of any charges or
4905 assessments for players to participate in Texas Hold'em poker tournaments. However, no such organization
4906 shall accept postdated checks in payment of any charges or assessments for players to participate in Texas
4907 Hold'em poker tournaments.

4908 D. No qualified organization or any person on the premises shall extend lines of credit or accept any
4909 credit or debit card or other electronic fund transfer in payment of any charges or assessments for players to
4910 participate in Texas Hold'em poker tournaments.

4911 E. No qualified organization shall allow any individual younger than 18 years of age to participate in
4912 Texas Hold'em poker tournaments.

4913 **§ 29.5-220. Joint operation of bingo games; written reports; joint permit required.**

4914 A. Any two or more qualified organizations may jointly organize and conduct bingo games provided both
4915 have fully complied with all other provisions of this chapter.

4916 B. Any two or more qualified organizations jointly conducting such games shall be (i) subject to the same
4917 restrictions and prohibitions contained in this chapter that would apply to a single organization conducting
4918 bingo games and (ii) required to furnish to the Commission a written report setting forth the location where
4919 such games will be held and the division of manpower, costs, and proceeds for each game to be jointly
4920 conducted.

4921 Upon a finding that the division of manpower and costs for each game bears a reasonable relationship to
4922 the division of proceeds, the Commissioner shall issue a joint permit.

4923 C. No bingo game shall be jointly conducted until the joint permit issued pursuant to subsection B is
4924 obtained by the organizations.

4925 **§ 29.5-221. Reports of gross receipts, electronic gaming adjusted gross receipts, and disbursements**
4926 **required; form of reports; failure to file.**

4927 A. 1. Each qualified organization shall keep a complete record of all:

4928 a. Inventory of charitable gaming supplies purchased.

4929 b. Receipts from its charitable gaming operation, including a breakdown of receipts attributable to each
4930 type of game offered.

4931 c. Electronic gaming adjusted gross receipts.

4932 d. Disbursements related to charitable gaming and electronic gaming operations, including a breakdown
4933 of disbursements for each purpose specified in subdivision 1 of § 29.5-224.

4934 2. Except as provided in §§ 29.5-206 and 29.5-222, each qualified organization shall file under penalty of
4935 perjury and at least annually, on a form prescribed by the Board, a report of all receipts and disbursements
4936 specified in subdivision 1, the amount of money on hand attributable to charitable gaming as of the end of the
4937 period covered by the report, and any other information related to its charitable gaming operation that the
4938 Commission may require. In addition, the Board, by regulation, may require any qualified organization,
4939 except any qualified organization that realizes annual gross receipts of \$40,000 or less, whose net receipts
4940 exceed a specified amount during any three-month period to file a report of its receipts and disbursements for
4941 such period. All reports filed pursuant to this section shall be a matter of public record.

4942 B. All reports required by this section shall be filed on or before the date prescribed by the Commissioner.
4943 The Board, by regulation, shall establish a schedule of late fees to be assessed for any organization that fails
4944 to submit required reports by the due date.

4945 C. Except as provided in § 29.5-206, each qualified organization shall designate or compensate an
4946 outside individual or group who shall be responsible for filing an annual, and, if required, quarterly,
4947 financial report if the organization goes out of business or otherwise ceases to conduct charitable gaming
4948 activities. The Commission shall require such reports as it deems necessary until all proceeds of any
4949 charitable gaming have been used for the purposes specified in § 29.5-203 or have been disbursed in a
4950 manner approved by the Commission.

4951 D. Each qualified organization shall maintain for three years a complete written record of (i) all
4952 charitable gaming sessions using Board-prescribed forms or reasonable facsimiles thereof approved by the
4953 Commission; (ii) the name and address of each individual to whom is awarded any charitable gaming prize
4954 or jackpot that meets or exceeds the requirements of Internal Revenue Service Publication 3079, as well as
4955 the amount of the award; and (iii) an itemized record of all receipts and disbursements, including operating

4956 costs and use of proceeds incurred in operating bingo games.

4957 E. The failure to file reports within 30 days of the time such reports are due shall cause the automatic
 4958 revocation of the permit, and no organization shall conduct any bingo game or raffle thereafter until the
 4959 report is properly filed and a new permit is obtained. However, the Commissioner may grant an extension of
 4960 time for filing such reports for a period not to exceed 45 days if requested by an organization, provided the
 4961 organization requests an extension within 15 days of the time such reports are due and all projected fees are
 4962 paid. For the term of any such extension, the organization's permit shall not be automatically revoked, such
 4963 organization may continue to conduct charitable gaming, or electronic gaming if authorized to do so
 4964 pursuant to the provisions of this chapter, and no new permit shall be required.

4965 F. For purposes of this section, the requirement to file a report shall also include the payment of any
 4966 applicable fees required to accompany such report.

4967 § 29.5-222. **Reports of electronic gaming adjusted gross receipts by electronic gaming manufacturer
 4968 required; form of reports; failure to file.**

4969 A. Each electronic gaming manufacturer that holds a permit issued by the Commissioner pursuant to
 4970 § 29.5-225 shall keep a complete record of all electronic gaming adjusted gross receipts and shall file at
 4971 least annually, on a form prescribed by the Board, a report of all such receipts and any other information
 4972 related to the manufacture of electronic gaming devices that the Commission may require.

4973 B. The report required by this section shall be filed on or before the date prescribed by the Commission.
 4974 The Board, by regulation, shall establish a schedule of late fees to be assessed for any electronic gaming
 4975 manufacturer that fails to submit required reports by the due date.

4976 C. Each electronic gaming manufacturer shall maintain for three years a complete written record of all
 4977 electronic gaming adjusted gross receipts.

4978 D. The failure to file the report required by this section within 30 days of the time such report is due shall
 4979 cause the automatic revocation of the electronic gaming manufacturer's permit, and no such manufacturer
 4980 shall manufacture any new electronic gaming device until the report is properly filed and a new permit is
 4981 obtained. However, the Commissioner may grant an extension of time for filing such report for a period not
 4982 to exceed 45 days if requested by a manufacturer, provided that the manufacturer requests an extension
 4983 within 15 days of the time such report is due and all projected fees are paid. For the term of any such
 4984 extension, the manufacturer's permit shall not be automatically revoked, such manufacturer may continue to
 4985 manufacture electronic gaming devices, and no new permit shall be required.

4986 E. For purposes of this section, the requirement to file a report shall also include the payment of any
 4987 applicable fees required to accompany such report.

4988 § 29.5-223. **Audit of reports; exemption; audit and administration fee; additional assessment of gross
 4989 receipts and electronic gaming adjusted gross receipts.**

4990 A. All reports filed pursuant to §§ 29.5-221 and 29.5-222 shall be subject to audit by the Commission in
 4991 accordance with Board regulations. The Commission may engage the services of independent certified public
 4992 accountants to perform any audits deemed necessary to fulfill the Commission's responsibilities under this
 4993 chapter.

4994 B. The Commission shall prescribe a reasonable audit and administration fee to be paid by (i) any
 4995 organization conducting charitable gaming under a permit issued by the Commissioner unless the
 4996 organization is exempt from such fee pursuant to § 29.5-206 or (ii) any electronic gaming manufacturer that
 4997 holds a permit issued by the Commissioner pursuant to § 29.5-225. Such fee shall not exceed one-half of one
 4998 percent of the gross receipts that an organization reports pursuant to § 29.5-221 or one-half of one percent of
 4999 the electronic gaming adjusted gross receipts that an electronic gaming manufacturer reports pursuant to
 5000 § 29.5-222. The audit and administration fee shall accompany each report for each calendar quarter.

5001 C. The audit and administration fee shall be payable to the Treasurer of Virginia. All such fees received
 5002 by the Treasurer of Virginia shall be separately accounted for and shall be used only by the Commissioner
 5003 for the purposes of auditing and regulating charitable gaming.

5004 D. In addition to the fee imposed under subsection B, an additional fee of (i) one-quarter of one percent of
 5005 the gross receipts that an organization reports pursuant to § 29.5-221 shall be paid by the organization or
 5006 (ii) one-quarter of one percent of the electronic gaming adjusted gross receipts that an electronic gaming
 5007 manufacturer reports pursuant to § 29.5-222 shall be paid by the electronic gaming manufacturer to the
 5008 Treasurer of Virginia. All such amounts shall be collected and deposited in the same manner as prescribed in
 5009 subsections B and C and shall be used for the same purposes.

5010 § 29.5-224. **Prohibited practices.**

5011 In addition to those other practices prohibited by this chapter, the following acts or practices are
 5012 prohibited:

5013 1. No part of the gross receipts or electronic gaming adjusted gross receipts derived by a qualified
 5014 organization may be used for any purpose other than (i) gaming expenses; (ii) reasonable and proper
 5015 business expenses; and (iii) those lawful religious, charitable, community, or educational purposes for which
 5016 the organization is specifically chartered or organized.

5017 2. Except as provided in § 29.5-226, no qualified organization shall enter into a contract with or

5018 otherwise employ for compensation any person for the purpose of organizing, managing, or conducting any
5019 charitable games. However, organizations composed of or for deaf or blind persons may use a part of their
5020 gross receipts for costs associated with providing clerical assistance in the management and operation but
5021 not the conduct of charitable gaming.

5022 The provisions of this subdivision shall not prohibit the joint operation of bingo games held in accordance
5023 with § 29.5-220.

5024 3. No person shall pay or receive for use of any premises wholly devoted to the conduct of any charitable
5025 games any consideration in excess of the current fair market rental value of such property. Fair market
5026 rental value consideration shall not be based upon or determined by reference to a percentage of the
5027 proceeds derived from the operation of any charitable games or to the number of people in attendance at
5028 such charitable games.

5029 4. No person shall participate in the management or operation of any charitable game unless such person
5030 is and, for a period of at least 30 days immediately preceding such participation, has been a bona fide
5031 member of the organization. For any organization that is not composed of members, a person who is not a
5032 bona fide member may volunteer in the conduct of a charitable game as long as that person is directly
5033 supervised by a bona fide official member of the organization.

5034 The provisions of this subdivision shall not apply to (i) persons employed as clerical assistants by
5035 qualified organizations composed of or for deaf or blind persons; (ii) employees of a corporate sponsor of a
5036 qualified organization, provided such employees' participation is limited to the management, operation, or
5037 conduct of no more than one raffle per year; (iii) the spouse or family member of any such bona fide member
5038 of a qualified organization, provided at least one bona fide member is present; or (iv) persons employed by a
5039 qualified organization authorized to sell pull tabs or seal cards in accordance with § 29.5-200, provided (a)
5040 such sales are conducted by no more than two on-duty employees and (b) such employees receive no
5041 compensation for or based on the sale of the pull tabs or seal cards.

5042 5. No person shall receive any remuneration for participating in the management, operation, or conduct
5043 of any charitable game, except that:

5044 a. Persons employed by organizations composed of or for deaf or blind persons may receive remuneration
5045 not to exceed \$30 per event for providing clerical assistance in the management and operation but not the
5046 conduct of charitable games only for such organizations;

5047 b. Persons under the age of 19 who sell raffle tickets for a qualified organization to raise funds for youth
5048 activities in which they participate may receive nonmonetary incentive awards or prizes from the
5049 organization;

5050 c. Remuneration may be paid to off-duty law-enforcement officers from the jurisdiction in which such
5051 bingo games are played for providing uniformed security for such bingo games even if such officer is a
5052 member of the sponsoring organization, provided the remuneration paid to such member is in accordance
5053 with off-duty law-enforcement personnel work policies approved by the local law-enforcement official and
5054 further provided that such member is not otherwise engaged in the management, operation, or conduct of the
5055 bingo games of that organization, or to private security services businesses licensed pursuant to § 9.1-139
5056 providing uniformed security for such bingo games, provided that employees of such businesses shall not
5057 otherwise be involved in the management, operation, or conduct of the bingo games of that organization;

5058 d. A member of a qualified organization lawfully participating in the management, operation, or conduct
5059 of a bingo game may be provided food and nonalcoholic beverages by such organization for on-premises
5060 consumption during the bingo game, provided the food and beverages are provided in accordance with
5061 Board regulations;

5062 e. Remuneration may be paid to bingo managers or callers who have a current registration certificate
5063 issued by the Commissioner in accordance with § 29.5-226, or who are exempt from such registration
5064 requirement. Except as provided for in subdivision f and subsection E of § 29.5-226, such remuneration shall
5065 not exceed \$200 per session;

5066 f. For services provided on any day designated as a legal holiday pursuant to § 2.2-3300, remuneration
5067 shall be paid at a rate not less than one and one-half times the remuneration rate paid pursuant to
5068 subdivision e to bingo managers or callers who have a current registration certificate issued by the
5069 Commissioner in accordance with § 29.5-226, or who are exempt from such registration requirement; and

5070 g. Volunteers of a qualified organization may be reimbursed for their reasonable and necessary travel
5071 expenses, not to exceed \$50 per session.

5072 6. No landlord shall, at bingo games conducted on the landlord's premises, (i) participate in the conduct,
5073 management, or operation of any bingo games; (ii) sell, lease, or otherwise provide for consideration any
5074 bingo supplies, including bingo cards, instant bingo cards, or other game pieces; or (iii) require as a
5075 condition of the lease or by contract that a particular manufacturer, distributor, or supplier of bingo supplies
5076 or equipment be used by the organization.

5077 The provisions of this subdivision shall not apply to any qualified organization conducting bingo games
5078 on its own behalf at premises owned by it.

5079 7. No qualified organization shall enter into any contract with or otherwise employ or compensate any

5080 member of the organization on account of the sale of bingo supplies or equipment.

5081 8. No organization shall award any bingo prize money or any merchandise valued in excess of the
5082 following amounts:

5083 a. No bingo door prize shall exceed \$250 for a single door prize or \$500 in cumulative door prizes in any
5084 one session;

5085 b. No regular bingo or special bingo game prize shall exceed \$100. However, up to 10 games per bingo
5086 session may feature a regular bingo or special bingo game prize of up to \$200;

5087 c. No instant bingo, pull tab, or seal card prize for a single card shall exceed \$2,000;

5088 d. Except as provided in this subdivision 8, no bingo jackpot of any nature whatsoever shall exceed
5089 \$1,000, nor shall the total amount of bingo jackpot prizes awarded in any one session exceed \$1,000.
5090 Proceeds from the sale of bingo cards and the sheets used for bingo jackpot games shall be accounted for
5091 separately from the bingo cards or sheets used for any other bingo games; and

5092 e. No single network bingo prize shall exceed \$25,000. Proceeds from the sale of network bingo cards
5093 shall be accounted for separately from bingo cards and sheets used for any other bingo game.

5094 9. The provisions of subdivision 8 shall not apply to any progressive bingo game in which (i) a regular or
5095 special prize, not to exceed \$100, is awarded on the basis of predetermined numbers or patterns selected at
5096 random and (ii) a progressive prize, not to exceed \$500 for the initial progressive prize and \$5,000 for the
5097 maximum progressive prize, is awarded if the predetermined numbers or patterns are covered when a certain
5098 number of numbers is called, provided that (a) there are no more than six such games per session per
5099 organization, (b) the amount of increase of the progressive prize per session is no more than \$200, (c) the
5100 bingo cards or sheets used in such games are sold separately from the bingo cards or sheets used for any
5101 other bingo games, (d) the organization separately accounts for the proceeds from such sale, and (e) such
5102 games are otherwise operated in accordance with the Commission's rules of play.

5103 10. No organization shall award any raffle prize valued at more than \$100,000.

5104 The provisions of this subdivision shall not apply to a raffle conducted no more than three times per
5105 calendar year by a qualified organization qualified as a tax-exempt organization pursuant to § 501(c) of the
5106 Internal Revenue Code for a prize consisting of a lot improved by a residential dwelling where 100 percent of
5107 the moneys received from such a raffle, less deductions for the fair market value for the cost of acquisition of
5108 the land and materials, are donated to lawful religious, charitable, community, or educational organizations
5109 specifically chartered or organized under the laws of the Commonwealth and qualified as a § 501(c) tax-
5110 exempt organization. No more than one such raffle shall be conducted in any one geographical region of the
5111 Commonwealth.

5112 11. No qualified organization composed of or for deaf or blind persons that employs a person not a
5113 member to provide clerical assistance in the management and operation but not the conduct of any charitable
5114 games shall conduct such games unless it has in force fidelity insurance, as defined in § 38.2-120, written by
5115 an insurer licensed to do business in the Commonwealth.

5116 12. No person shall participate in the management or operation of any charitable game if he has ever
5117 been convicted of any felony or if he has been convicted of any misdemeanor involving fraud, theft, or
5118 financial crimes within the preceding five years. No person shall participate in the conduct of any charitable
5119 game if, within the preceding 10 years, he has been convicted of any felony or if, within the preceding five
5120 years, he has been convicted of any misdemeanor involving fraud, theft, or financial crimes. In addition, no
5121 person shall participate in the management, operation, or conduct of any charitable game if that person,
5122 within the preceding five years, has participated in the management, operation, or conduct of any charitable
5123 game that was found by the Commission or a court of competent jurisdiction to have been operated in
5124 violation of state law, local ordinance, or Board regulation.

5125 13. Qualified organizations jointly conducting bingo games pursuant to § 29.5-220 shall not circumvent
5126 any restrictions and prohibitions that would otherwise apply if a single organization were conducting such
5127 games. These restrictions and prohibitions shall include the frequency with which bingo games may be held,
5128 the value of merchandise or money awarded as prizes, or any other practice prohibited under this section.

5129 14. A qualified organization shall not purchase any charitable gaming supplies for use in the
5130 Commonwealth from any person who is not currently registered with the Commission as a supplier pursuant
5131 to § 29.5-225.

5132 15. Unless otherwise permitted in this chapter, no part of an organization's charitable gaming gross
5133 receipts shall be used for an organization's social or recreational activities.

5134 16. No organization qualified to conduct Texas Hold'em poker tournaments pursuant to § 29.5-219 shall
5135 conduct any Texas Hold'em poker games where the game has no predetermined end time and the players
5136 wager actual money or poker chips that have cash value.

5137 § 29.5-225. **Suppliers of charitable gaming supplies; manufacturers of electronic gaming devices;**
5138 **permit; qualification; suspension, revocation, or refusal to renew certificate; maintenance, production,**
5139 **and release of records.**

5140 A. No person shall offer to sell, sell, or otherwise provide charitable gaming supplies to any qualified
5141 organization and no manufacturer shall distribute electronic gaming devices for charitable gaming in the

5142 Commonwealth unless and until such person has made application for and has been issued a permit by the
5143 Commissioner. An application for permit shall be made on forms prescribed by the Board and shall be
5144 accompanied by a fee in the amount of \$1,000. Each permit shall remain valid for a period of one year from
5145 the date of issuance. Application for renewal of a permit shall be accompanied by a fee in the amount of
5146 \$1,000 and shall be made on forms prescribed by the Board.

5147 B. The Board shall have authority to prescribe by regulation reasonable criteria consistent with the
5148 provisions of this chapter for the registration of suppliers and manufacturers of electronic gaming devices for
5149 charitable gaming. The Commissioner shall refuse to issue a permit to any supplier or manufacturer who
5150 has, or who has any officer, director, partner, or owner who has, (i) been convicted of or pleaded nolo
5151 contendere to a felony in any state or federal court or has been convicted of any offense that, if committed in
5152 the Commonwealth, would be a felony; (ii) been convicted of or pleaded nolo contendere to a crime involving
5153 gambling; (iii) violated the gaming laws of any jurisdiction within the last five years, including violations for
5154 failure to register; or (iv) had any license, permit, certificate, or other authority related to charitable gaming
5155 suspended or revoked in the Commonwealth or in any other jurisdiction within the last five years. The
5156 Commissioner may refuse to issue a permit to any supplier or manufacturer who has, or who has any officer,
5157 director, partner, or owner who has, (a) failed to file or has been delinquent in excess of one year in the filing
5158 of any tax returns or the payment of any taxes due the Commonwealth or (b) failed to establish a registered
5159 office or registered agent in the Commonwealth if so required by § 13.1-634 or 13.1-763.

5160 C. The Commissioner shall suspend, revoke, or refuse to renew the permit of any supplier or
5161 manufacturer for any conduct described in clause (i), (ii), (iii), or (iv) of subsection B. The Commissioner
5162 shall suspend, revoke, or refuse to renew the permit of any supplier or manufacturer for any conduct
5163 described in clause (a) or (b) of subsection B or for any violation of this chapter or regulation of the Board.
5164 Before taking any such action, the Commissioner shall give the supplier or manufacturer a written statement
5165 of the grounds upon which he proposes to take such action and an opportunity to be heard. Every hearing in
5166 a contested case shall be conducted in accordance with the Administrative Process Act (§ 2.2-4000 et seq.).

5167 D. Each supplier shall document each sale of charitable gaming supplies, including electronic gaming
5168 devices, and other items incidental to the conduct of charitable gaming, such as markers, wands, or tape, to a
5169 qualified organization on an invoice that clearly shows (i) the name and address of the qualified organization
5170 to which such supplies or items were sold; (ii) the date of the sale; (iii) the name or form and serial number
5171 of each deal of instant bingo cards and pull-tab raffle cards, the quantity of deals sold, and the price per deal
5172 paid by the qualified organization; (iv) the serial number of the top sheet in each packet of bingo paper, the
5173 serial number for each series of uncollated bingo paper, and the cut, color, and quantity of bingo paper sold;
5174 and (v) any other information with respect to charitable gaming supplies, including electronic gaming
5175 devices, or other items incidental to the conduct of charitable gaming as the Board may prescribe by
5176 regulation. A legible copy of the invoice shall accompany the charitable gaming supplies when delivered to
5177 the qualified organization.

5178 Each manufacturer of electronic gaming devices shall document each distribution of such devices to a
5179 qualified organization or supplier on an invoice that clearly shows (a) the name and address of the qualified
5180 organization or supplier to which such systems were distributed; (b) the date of distribution; (c) the serial
5181 number of each such device; and (d) any other information with respect to electronic gaming devices as the
5182 Board may prescribe by regulation. A legible copy of the invoice shall accompany the electronic gaming
5183 devices when delivered to the qualified organization or supplier.

5184 E. Each supplier and manufacturer shall maintain a legible copy of each invoice required by subsection D
5185 for a period of three years from the date of sale. Each supplier and manufacturer shall make such documents
5186 immediately available for inspection and copying to any agent or employee of the Commission upon request
5187 made during normal business hours. This subsection shall not limit the right of the Commission to require the
5188 production of any other documents in the possession of the supplier or manufacturer that relate to its
5189 transactions with qualified organizations. All documents and other information of a proprietary nature
5190 furnished to the Commission in accordance with this subsection shall not be a matter of public record and
5191 shall be exempt from disclosure under the provisions of the Virginia Freedom of Information Act (§ 2.2-3700
5192 et seq.).

5193 F. Each supplier and manufacturer shall provide to the Commission the results of background checks and
5194 any other records or documents necessary for the Commission to enforce the provisions of subsections B and
5195 C.

5196 **§ 29.5-226. Bingo managers and callers; remuneration; registration; qualification; suspension,
5197 revocation, or refusal to renew certificate; exceptions.**

5198 A. No person shall receive remuneration as a bingo manager or caller from any qualified organization
5199 unless and until such person has made application for and has been issued a registration certificate by the
5200 Commissioner. Application for registration shall be made on forms prescribed by the Board and shall be
5201 accompanied by a fee in the amount of \$75. Each registration certificate shall remain valid for a period of
5202 one year from the date of issuance. Application for renewal of a registration certificate shall be accompanied
5203 by a fee in the amount of \$75 and shall be made on forms prescribed by the Board.

5204 *B. As a condition of registration as a bingo manager, the applicant shall (i) have been a bona fide*
 5205 *member of the qualified organization for at least 12 consecutive months prior to making application for*
 5206 *registration and (ii) be required to complete a reasonable training course developed and conducted by the*
 5207 *Board.*

5208 *As a condition of registration as a bingo caller, the applicant shall be required to complete a reasonable*
 5209 *training course developed and conducted by the Board.*

5210 *The Commissioner may refuse to register any bingo manager or caller who has (a) been convicted of or*
 5211 *pledged nolo contendere to a felony in any state or federal court or has been convicted of any offense that, if*
 5212 *committed in the Commonwealth, would be a felony; (b) been convicted of or pleaded nolo contendere to a*
 5213 *crime involving gambling; (c) had any license, permit, certificate, or other authority related to activities*
 5214 *defined as charitable gaming in the Commonwealth suspended or revoked in the Commonwealth or in any*
 5215 *other jurisdiction; or (d) failed to file or has been delinquent in excess of one year in the filing of any tax*
 5216 *returns or the payment of any taxes due the Commonwealth.*

5217 *C. The Commissioner may suspend, revoke, or refuse to renew the registration certificate of any bingo*
 5218 *manager or caller for any conduct described in subsection B or for any violation of this chapter or Board*
 5219 *regulations. Before taking any such action, the Commissioner shall give the bingo manager or caller a*
 5220 *written statement of the grounds upon which he proposes to take such action and an opportunity to be heard.*
 5221 *Every hearing in a contested case shall be conducted in accordance with the Administrative Process Act*
 5222 *(§ 2.2-4000 et seq.).*

5223 *D. The provisions of subsection A requiring registration for bingo callers with the Commission shall not*
 5224 *apply to a bingo caller for a volunteer fire department or volunteer emergency medical services agency or*
 5225 *auxiliary unit thereof that has been recognized in accordance with § 15.2-955 by an ordinance or resolution*
 5226 *of the political subdivision where the volunteer fire department or volunteer emergency medical services*
 5227 *agency is located as being a part of the safety program of such political subdivision.*

5228 *E. By October 1, 2029, and annually thereafter, the Board shall adjust the dollar amount of \$200*
 5229 *specified in subdivision 5 e of § 29.5-224 to reflect the rate of inflation from the previous date that the dollar*
 5230 *amount was established, as measured by the Consumer Price Index or other method of measuring the rate of*
 5231 *inflation that the Department determines is reliable and generally accepted. The amount of each annual*
 5232 *adjustment shall not be less than zero and shall be rounded to the nearest whole dollar.*

5233 *§ 29.5-227. Licensing of network bingo providers; qualification; suspension, revocation, or refusal to*
 5234 *renew license; maintenance, production, and release of records.*

5235 *A. No person shall sell or offer to sell or otherwise provide access to a network bingo network to any*
 5236 *qualified organization unless and until such person has made application for and has been issued a license*
 5237 *by the Commissioner. An application for license shall be made on forms prescribed by the Board and shall be*
 5238 *accompanied by a fee in the amount of \$500. Each license shall remain valid for a period of two years from*
 5239 *the date of issuance. Application for renewal of a license shall be accompanied by a fee in the amount of*
 5240 *\$500 and shall be made on forms prescribed by the Board.*

5241 *B. The Board shall have authority to prescribe by regulation reasonable criteria consistent with the*
 5242 *provisions of this chapter for the licensure of network bingo providers. The Commissioner may refuse to issue*
 5243 *a license to any network bingo provider that has any officer, director, partner, or owner who has (i) been*
 5244 *convicted of or pleaded nolo contendere to a felony in any state or federal court or has been convicted of any*
 5245 *offense that, if committed in the Commonwealth, would be a felony; (ii) been convicted of or pleaded nolo*
 5246 *contendere to a crime involving gambling; (iii) had any license, permit, certificate, or other authority related*
 5247 *to activities defined as charitable gaming in the Commonwealth suspended or revoked in the Commonwealth*
 5248 *or in any other jurisdiction; (iv) failed to file or been delinquent in excess of one year in the filing of any tax*
 5249 *returns or the payment of any taxes due the Commonwealth; or (v) failed to establish a registered office or*
 5250 *registered agent in the Commonwealth if so required by § 13.1-634 or 13.1-763.*

5251 *C. The Commissioner may suspend, revoke, or refuse to renew the license of any network bingo provider*
 5252 *for any conduct described in subsection B or for any violation of this chapter or regulation of the Board.*
 5253 *Before taking any such action, the Commissioner shall give the network bingo provider a written statement of*
 5254 *the grounds upon which he proposes to take such action and an opportunity to be heard. Every hearing in a*
 5255 *contested case shall be conducted in accordance with the Administrative Process Act (§ 2.2-4000 et seq.).*

5256 *D. The Board by regulation shall require network bingo providers to have onsite independent supervision*
 5257 *of network bingo games as the numbers are called.*

5258 *E. Each network bingo provider shall document each sale of network bingo supplies and other items*
 5259 *incidental to the conduct of network bingo to a qualified organization on an invoice that clearly shows (i) the*
 5260 *name and address of the qualified organization to which such supplies or items were sold; (ii) the date of the*
 5261 *sale; (iii) the name or form and serial number of each network bingo card, the quantity of cards sold, and the*
 5262 *price per card paid by the qualified organization; and (iv) any other information required by the*
 5263 *Commission. A legible copy of the invoice shall accompany the network bingo supplies when delivered to the*
 5264 *qualified organization.*

5265 *F. Each network bingo provider shall maintain a legible copy of each invoice required by subsection E for*

5266 *a period of three years from the date of sale. Each network bingo provider shall make such documents*
5267 *immediately available for inspection and copying to any agent or employee of the Commission upon request*
5268 *made during normal business hours. This subsection shall not limit the right of the Commission to require the*
5269 *production of any other documents in the possession of the network bingo provider that relate to its*
5270 *transactions with qualified organizations. All documents and other information of a proprietary nature*
5271 *furnished to the Commission in accordance with this subsection shall be exempt from disclosure under the*
5272 *provisions of the Virginia Freedom of Information Act (§ 2.2-3700 et seq.).*

5273 **§ 29.5-228. Suspension of permit and registration.**

5274 *A. When any officer charged with the enforcement of the charitable gaming laws of the Commonwealth*
5275 *has reasonable cause to believe that the conduct of charitable gaming is being conducted by an organization*
5276 *in violation of this chapter or Board regulations, he may apply to any judge, magistrate, or other person*
5277 *having authority to issue criminal warrants for the immediate suspension of the permit or registration of the*
5278 *organization conducting charitable gaming. If the judge, magistrate, or person to whom such application is*
5279 *presented is satisfied that probable cause exists to suspend the permit or registration, he shall suspend the*
5280 *permit or registration. Immediately upon such suspension, the officer shall notify the organization in writing*
5281 *of such suspension.*

5282 *B. Written notice specifying the particular basis for the immediate suspension shall be provided by the*
5283 *officer to the organization within one business day of the suspension and a hearing held thereon by the*
5284 *Commission or its designated hearing officer within 10 days of the suspension unless the organization*
5285 *consents to a later date. No charitable gaming shall be conducted by the organization until the suspension*
5286 *has been lifted by the Commission or a court of competent jurisdiction.*

5287 **§ 29.5-229. Civil penalty.**

5288 *A. Any person or organization, whether permitted or qualified pursuant to this chapter or not, that (i)*
5289 *conducts charitable gaming without first obtaining a permit to do so, (ii) continues to conduct such games*
5290 *after revocation or suspension of such permit, or (iii) otherwise violates any provision of this chapter shall, in*
5291 *addition to any other penalties provided, be subject to a civil penalty of not less than \$25,000 and not more*
5292 *than \$50,000 per incident. Any civil penalties collected pursuant to this section shall be payable to the State*
5293 *Treasurer for remittance to the Commission.*

5294 *B. Any electronic gaming manufacturer, whether permitted pursuant to this chapter or not, shall, in*
5295 *addition to any other penalties provided, be subject to the penalty identified in subsection A for any violation*
5296 *of any provision of this chapter.*

5297 **§ 29.5-230. Criminal penalties.**

5298 *A. Any person who violates the provisions of this chapter or who willfully and knowingly files, or causes*
5299 *to be filed, a false application, report, or other document or who willfully and knowingly makes a false*
5300 *statement, or causes a false statement to be made, on any application, report, or other document required to*
5301 *be filed with or made to the Commission is guilty of a Class 1 misdemeanor.*

5302 *B. Each day in violation of this section shall constitute a separate offense.*

5303 *C. Any person who converts funds derived from any charitable gaming to his own or another's use, when*
5304 *the amount of funds is less than \$1,000, is guilty of petit larceny and, when the amount of funds is \$1,000 or*
5305 *more, is guilty of grand larceny. The provisions of this section shall not preclude the applicability of any*
5306 *other provision of the criminal law of the Commonwealth that may apply to any course of conduct that*
5307 *violates this section.*

5308 **CHAPTER 3.**
5309 **CASINO GAMING.**
5310 **Article 1.**
5311 **General Provisions.**

5312 **§ 29.5-300. Definitions.**

5313 *As used in this chapter, unless the context requires a different meaning:*

5314 *"Adjusted gross receipts" means the gross receipts from casino gaming less winnings paid to winners.*

5315 *"Casino gaming" or "game" means baccarat, blackjack, twenty-one, poker, craps, dice, slot machines,*
5316 *roulette wheels, Klondike tables, Mah Jongg, electronic table games, hybrid table games, punchboards, faro*
5317 *layouts, numbers tickets, push cards, jar tickets, or pull tabs, or any variation of the aforementioned games,*
5318 *and any other activity that is authorized by the Board as a wagering game or device under this chapter.*
5319 *"Casino gaming" or "game" includes on-premises mobile casino gaming.*

5320 *"Casino gaming establishment" means the premises, including the entire property located at the address*
5321 *of the licensed casino, upon which lawful casino gaming is authorized and licensed as provided in this*
5322 *chapter. "Casino gaming establishment" does not include a riverboat or similar vessel.*

5323 *"Casino gaming operator" means any person issued a license by the Commissioner to operate a casino*
5324 *gaming establishment.*

5325 *"Cheat" means to alter the selection criteria that determine the result of a game or the amount or*
5326 *frequency of payment in a game for the purpose of obtaining an advantage for one or more participants in a*
5327 *game over other participants in a game.*

5328 "Counter check" means an interest-free negotiable instrument for a specified amount executed by a player
5329 and held by the casino that serves as evidence of the casino gaming patron's obligation to pay the casino and
5330 that can be exchanged by the casino gaming patron for the specified amount in chips, tokens, credits,
5331 electronic credits, electronic cash, or electronic cards.

5332 "Eligible host city" means any city described in § 29.5-307 in which a casino gaming establishment is
5333 authorized to be located.

5334 "Entity" means a person that is not a natural person.

5335 "Gaming operation" means the conduct of authorized casino gaming within a casino gaming
5336 establishment.

5337 "Gross receipts" means the total amount of money exchanged for the purchase of chips, tokens, electronic
5338 credits, electronic cash, or electronic cards by casino gaming patrons. "Gross receipts" does not include the
5339 cash value of promotions or credits provided to and exchanged by casino gaming patrons for chips, tokens,
5340 electronic credits, electronic cash, or electronic cards. "Gross receipts" also does not include uncollectable
5341 counter checks.

5342 "Immediate family" means (i) a spouse and (ii) any other person residing in the same household as an
5343 officer or employee and who is a dependent of the officer or employee or of whom the officer or employee is a
5344 dependent.

5345 "Individual" means a natural person.

5346 "Licensee" or "license holder" means any person holding an operator's license under § 29.5-312.

5347 "On-premises mobile casino gaming" means casino gaming offered by a casino gaming operator at a
5348 casino gaming establishment using a computer network of both federal and nonfederal interoperable packet-
5349 switched data networks through which the casino gaming operator may offer casino gaming to individuals
5350 who have established an on-premises mobile casino gaming account with the casino gaming operator and
5351 who are physically present on the premises of the casino gaming establishment, as authorized by regulations
5352 promulgated by the Board.

5353 "Permit holder" means any person holding a supplier or service permit pursuant to this chapter.

5354 "Person" means an individual, partnership, joint venture, association, limited liability company, stock
5355 corporation, or nonstock corporation and includes any person that directly or indirectly controls or is under
5356 common control with another person.

5357 "Preferred casino gaming operator" means the proposed casino gaming establishment and operator
5358 thereof submitted by an eligible host city to the Board as an applicant for licensure.

5359 "Prepaid access instrument" means a system device that allows a casino gaming patron access to funds
5360 that have been paid in advance and can be retrieved or transferred at some point in the future through such a
5361 device. In order to transfer funds for gaming purposes, a prepaid access instrument shall be redeemed for
5362 tokens, chips, credits, electronic credits, electronic cash, or electronic cards or used in conjunction with an
5363 approved cashless wagering system or interactive gaming account.

5364 "Principal" means any individual who solely or together with his immediate family members (i) owns or
5365 controls, directly or indirectly, five percent or more of the pecuniary interest in any entity that is a licensee or
5366 (ii) has the power to vote or cause the vote of five percent or more of the voting securities or other ownership
5367 interests of such entity, and any person who manages a gaming operation on behalf of a licensee.

5368 "Professional sports" means the same as that term is defined in § 29.5-400.

5369 "Security" has the same meaning as provided in § 13.1-501. If the Board finds that any obligation, stock,
5370 or other equity interest creates control of or voice in the management operations of an entity in the manner of
5371 a security, then such interest shall be considered a security.

5372 "Sports betting" means the same as that term is defined in § 29.5-400.

5373 "Sports betting facility" means an area, kiosk, or device located inside a casino gaming establishment
5374 licensed pursuant to this chapter that is designated for sports betting.

5375 "Supplier" means any person that sells or leases, or contracts to sell or lease, any casino gaming
5376 equipment, devices, or supplies, or provides any management services, to a licensee.

5377 "Voluntary exclusion program" means a program established by the Board pursuant to § 29.5-118 that
5378 allows individuals to voluntarily exclude themselves from engaging in the activities described in subdivision
5379 1 of § 29.5-118 by placing their names on a voluntary exclusion list and following the procedures set forth by
5380 the Board.

5381 "Youth sports" means the same as that term is defined in § 29.5-400.

5382 § 29.5-301. Regulation and control of casino gaming; limitation.

A. Casino gaming shall be licensed and permitted as herein provided to benefit the people of the
Commonwealth. The Board is vested with authority to prescribe regulations and conditions under this
chapter. The Commissioner shall retain control of all other facets of control for all casino gaming in the
Commonwealth. The purposes of this chapter are to assist economic development, promote tourism, and
provide for the implementation of casino gaming operations of the highest quality, honesty, and integrity and
free of any corrupt, incompetent, dishonest, or unprincipled practices.

B. The conduct of casino gaming shall be limited to the qualified locations established in § 29.5-307. The

5390 *Commissioner shall be limited to the issuance of a single operator's license for each such qualified location.*
5391 *C. The conduct of any casino gaming and entrance to such establishment is a privilege that may be*
5392 *granted or denied by the Commissioner or his duly authorized representatives in his discretion in order to*
5393 *effectuate the purposes set forth in this chapter. Any proposed site for a casino gaming establishment shall be*
5394 *privately owned property subject to the local land use and property taxation authority of the eligible host city*
5395 *in which the casino gaming establishment is located.*

5396 **§ 29.5-302. Additional powers of the Commissioner.**

5397 *In addition to the powers and duties set forth in § 29.5-102, the Commissioner shall:*

5398 *1. Issue permits and licenses under this chapter and supervise all gaming operations licensed under the*
5399 *provisions of this chapter, including all persons conducting or participating in any gaming operation. The*
5400 *Commissioner shall employ such persons to be present during gaming operations as are necessary to ensure*
5401 *that such gaming operations are conducted with order and the highest degree of integrity.*

5402 *2. Issue an operator's license only to a person who meets the criteria of § 29.5-309.*

5403 *3. Suspend, revoke, or refuse to renew any license or permit issued pursuant to this chapter.*

5404 *4. Eject or exclude from a casino gaming establishment any person, whether or not he possesses a license*
5405 *or permit, whose conduct or reputation is such that his presence may, in the opinion of the Commissioner,*
5406 *reflect negatively on the honesty and integrity of casino gaming or interfere with the orderly gaming*
5407 *operations.*

5408 *5. Immediately upon the receipt of a credible complaint of an alleged criminal violation of this chapter,*
5409 *report the complaint to the Attorney General and the Office of the Gaming Enforcement Coordinator at the*
5410 *Department of State Police for appropriate action.*

5411 *6. Inspect and investigate, and have free access to, the offices, facilities, or other places of business of any*
5412 *licensee or permit holder and may compel the production of any of the books, documents, records, or*
5413 *memoranda of any licensee or permit holder for the purpose of ensuring compliance with this chapter and*
5414 *Board regulations.*

5415 *7. Compel any person holding a license or permit pursuant to this chapter to file with the Commission*
5416 *such information as shall appear to the Commissioner to be necessary for the performance of the*
5417 *Commission's functions, including financial statements and information relative to principals and all others*
5418 *with any pecuniary interest in such person.*

5419 *8. Impose a fine or penalty not to exceed \$1 million upon any person determined, in proceedings*
5420 *commenced pursuant to § 29.5-305, to have violated any of the provisions of this chapter or regulations*
5421 *promulgated by the Board.*

5422 *9. Report annually to the Governor and the General Assembly on the expenses incurred in the regulation*
5423 *of casino gaming operations. Such annual report shall also include recommendations for changes in this*
5424 *chapter, as the Commissioner and Board deem necessary or desirable.*

5425 *10. Report immediately to the Governor and the General Assembly any matters that require immediate*
5426 *changes in the laws of the Commonwealth in order to prevent abuses and evasions of this chapter or the rules*
5427 *and regulations adopted hereunder or to rectify undesirable conditions in connection with the operation or*
5428 *regulation of casino gaming in the Commonwealth.*

5429 **§ 29.5-303. Additional powers and duties of the Board; regulations.**

5430 *In addition to the powers and duties set forth in § 29.5-104, the Board shall have the power and duty to:*

5431 *1. Adopt regulations regarding the conditions under which casino gaming shall be conducted in the*
5432 *Commonwealth and all such other regulations it deems necessary and appropriate to further the purposes of*
5433 *this chapter.*

5434 *2. Issue subpoenas for the attendance of witnesses before the Board, administer oaths, and compel*
5435 *production of records or other documents and testimony of such witnesses whenever in the judgment of the*
5436 *Board it is necessary to do so for the effectual discharge of its duties.*

5437 *3. Order such audits as it deems necessary and desirable.*

5438 *4. Provide for the withholding of the applicable amount of state and federal income tax of persons*
5439 *claiming a prize or payoff for winning a game and establish the thresholds for such withholdings.*

5440 **§ 29.5-304. Fingerprints and background investigations.**

5441 *The Commissioner, in conjunction with an accredited law-enforcement agency, shall conduct a*
5442 *background investigation, including a criminal history records check and fingerprinting, of the following*
5443 *individuals: (i) every individual applying for a license or permit pursuant to this chapter; (ii) every individual*
5444 *who is an officer, director, or principal of a licensee or applicant for a license and every employee of the*
5445 *licensee who conducts gaming operations; (iii) all security personnel of any licensee; and (iv) all permit*
5446 *holders and officers, directors, principals, and employees of permit holders whose duties relate to gaming*
5447 *operations in the Commonwealth. Each such individual shall submit his fingerprints and personal descriptive*
5448 *information to the Central Criminal Records Exchange to be forwarded to the Federal Bureau of*
5449 *Investigation for a national criminal records search and to the Department of State Police for a Virginia*
5450 *criminal history records check. The results of the background check and national and state criminal records*
5451 *check shall be returned to the Commissioner.*

§ 29.5-305. Hearing and appeal.

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

§ 29.5-306. Injunction.

The Commission may apply to the appropriate circuit court for an injunction against any person who has violated or may violate any provision of this chapter, Board regulation, or final decision of the Commission. The order granting or refusing such injunction shall be subject to appeal as in other cases in equity.

Article 2.

*Eligible Host City; Certification of Preferred Casino Gaming Operator.***§ 29.5-307. Eligible host city; certification of preferred casino gaming operator.**

A. The conduct of casino gaming shall be limited to the following eligible host cities:

1. Any city (i) in which at least 40 percent of the assessed value of all real estate in such city is exempt from local property taxation, according to the Virginia Department of Taxation Annual Report for Fiscal Year 2018, and (ii) that experienced a population decrease of at least seven percent from 1990 to 2016, according to data provided by the U.S. Census Bureau;

2. Any city that had (i) an annual unemployment rate of at least five percent in 2018, according to data provided by the U.S. Bureau of Labor Statistics; (ii) an annual poverty rate of at least 20 percent in 2017, according to data provided by the U.S. Census Bureau; and (iii) a population decrease of at least 20 percent from 1990 to 2016, according to data provided by the U.S. Census Bureau;

3. Any city that (i) had an annual unemployment rate of at least 3.6 percent in 2018, according to data provided by the U.S. Bureau of Labor Statistics; (ii) had an annual poverty rate of at least 20 percent in 2017, according to data provided by the U.S. Census Bureau; (iii) experienced a population decrease of at least four percent from 1990 to 2016, according to data provided by the U.S. Census Bureau; and (iv) is located adjacent to a state that has adopted a Border Region Retail Tourism Development District Act;

4. Any city (i) with a population greater than 200,000 according to the 2018 population estimates from the Weldon Cooper Center for Public Service of the University of Virginia; (ii) in which at least 24 percent of the assessed value of all real estate in such city is exempt from local property taxation, according to the Virginia Department of Taxation Annual Report for Fiscal Year 2018; and (iii) that experienced a population decrease of at least five percent from 1990 to 2016, according to data provided by the U.S. Census Bureau; and

5. Any city (i) in which at least 17 percent of the assessed value of all real estate in such city is exempt from local property taxation, according to the Virginia Department of Taxation Annual Report for Fiscal Year 2016; (ii) that had a poverty rate of at least 21 percent in 2019, according to data provided by the U.S. Census Bureau; and (iii) that had an annual unemployment rate of at least 13 percent in 2020, according to data provided by the U.S. Bureau of Labor and Statistics.

B. In selecting a preferred casino gaming operator, an eligible host city shall have considered and given substantial weight to factors such as:

1. The potential benefit and prospective revenues of the proposed casino gaming establishment.

2. The total value of the proposed casino gaming establishment.

3. The proposed capital investment and the financial health of the proposer and any proposed development partners.

4. The experience of the proposer and any development partners in the operation of a casino gaming establishment.

5. Security plans for the proposed casino gaming establishment.

6. The economic development value of the proposed casino gaming establishment and the potential for community reinvestment and redevelopment in an area in need of such.

7. Availability of city-owned assets and privately owned assets, such as real property, including where there is only one location practicably available or land under a development agreement between a potential operator and the city, incorporated in the proposal.

8. The best financial interest of the city.

9. The proposer's status as a minority-owned business as defined in § 2.2-1604 or the proposer's commitment to solicit equity investment in the proposed casino gaming establishment from one or more minority-owned businesses and the proposer's commitment to solicit contracts with minority-owned businesses for the purchase of goods and services.

C. The Commissioner shall, upon request of any eligible host city, provide a list of resources that may be of assistance in evaluating the technical merits of any proposal submitted pursuant to this section, provided that selection of the preferred casino gaming operator shall be at the city's sole discretion.

D. The eligible host city described in subdivision A 4 shall provide substantial and preferred consideration to a proposer who is a Virginia Indian tribe recognized in House Joint Resolution No. 54

5514 (1983) and acknowledged by the Assistant Secretary-Indian Affairs for the U.S. Department of the Interior as
5515 an Indian tribe within the meaning of federal law that has the authority to conduct gaming activities as a
5516 matter of claimed inherent authority or under the authority of the Indian Gaming Regulatory Act (25 U.S.C. §
5517 2701 et seq.).

5518 E. An eligible host city shall promptly submit its preferred casino gaming operator to the Commission for
5519 review prior to scheduling the referendum required by § 29.5-325. An eligible host city shall include with the
5520 submission any written or electronic documentation considered as part of the criteria in subsection B,
5521 including any memorandums of understanding, incentives, development agreements, land purchase
5522 agreements, or local infrastructure agreements. The Commissioner shall conduct a preliminary review of the
5523 financial status and ability of the preferred casino gaming operator to operate and properly support ongoing
5524 operations in an eligible host city, as well as current casino operations in other states and territories. The
5525 Commissioner shall conduct such review within 45 days of receipt of the submission by the eligible host city.
5526 An eligible host city and preferred casino gaming operator shall fully cooperate with all necessary requests
5527 by the Commissioner in that regard. Upon successful preliminary review, the Commissioner shall certify
5528 approval for the eligible host city to proceed to the referendum required by § 29.5-325. The Board shall
5529 develop guidelines establishing procedures and criteria for conducting the preliminary review required by
5530 this subsection. Certification by the Commissioner to proceed to referendum shall in no way entitle the
5531 preferred casino gaming operator to approval of any application to operate a casino gaming establishment.

5532 **§ 29.5-308. Regional Improvement Commission.**

5533 There is hereby established the Regional Improvement Commission (the RIC). The membership of the RIC
5534 shall consist of one member appointed by the local governing body of each jurisdiction composing the
5535 transportation district created pursuant to the Transportation District Act of 1964 (§ 33.2-1900 et seq.) that
5536 includes the eligible host city described in subdivision A 3 of § 29.5-307. Each member shall be appointed to
5537 serve a two-year term. Notwithstanding the provisions of subdivision B 1 of § 29.5-327, for a casino gaming
5538 establishment located in the eligible host city described in subdivision A 3 of § 29.5-307, such transfer,
5539 otherwise returned to the city where it was collected, shall instead be made to the RIC. The purpose of the
5540 RIC shall be to (i) receive disbursements made to it; (ii) establish funding priorities for member localities
5541 related to improvements in the areas of education, transportation, and public safety; and (iii) make annual
5542 payments divided equally among the jurisdictions to fund the established priorities as determined by the RIC.

5543 Article 3.

5544 **Licenses and Supplier's Permits.**

5545 **§ 29.5-309. Operator's license required; capital investment; equity interest; transferability; fee.**

5546 A. No person shall operate a casino gaming establishment unless he has obtained an operator's license
5547 issued by the Commissioner in accordance with the provisions of this chapter and the regulations
5548 promulgated pursuant to this chapter.

5549 B. To obtain an operator's license issued under the provisions of this chapter, the applicant shall (i) make
5550 a capital investment of at least \$300 million in a casino gaming establishment, including the value of the real
5551 property upon which such establishment is located and all furnishings, fixtures, and other improvements, and
5552 (ii) possess an equity interest equal to at least 20 percent of the casino gaming establishment.

5553 C. A license issued under the provisions of this chapter shall be transferable, provided that the
5554 Commissioner has approved the proposed transfer and all licensure requirements are satisfied at the time the
5555 transfer takes effect.

5556 D. A nonrefundable fee of \$15 million shall be paid by the applicant to the Commission upon the issuance
5557 of a license and upon any subsequent transfer of a license to operate a casino gaming establishment. Such
5558 fees shall be deposited by the Commission into the Commonwealth Gaming Operations Fund established
5559 pursuant to § 29.5-119.

5560 E. No person issued a license pursuant to this chapter shall be precluded from obtaining a license for
5561 online sports betting pursuant to Chapter 4 (§ 29.5-400 et seq.) or any subsequently created online sports
5562 betting license.

5563 **§ 29.5-310. Submission of preferred casino gaming operator by eligible host city; application for
5564 operator's license; penalty.**

5565 A. If a majority of those voting in a referendum held pursuant to § 29.5-325 vote in the affirmative, the
5566 eligible host city shall certify its preferred casino gaming operator and submit such certification to the
5567 Commission within 30 days.

5568 B. Any preferred casino gaming operator desiring to operate a casino gaming establishment shall file
5569 with the Commission an application for an operator's license. Such application shall be filed at the place
5570 prescribed by the Board and shall be in such form and contain such information as prescribed by the Board,
5571 including the following:

5572 1. The name and address of such person; if a corporation, the state of its incorporation, the full name and
5573 address of each officer and director thereof, and, if a foreign corporation, whether it is qualified to do
5574 business in the Commonwealth; if a partnership or joint venture, the name and address of each general
5575 partner thereof; if a limited liability company, the name and address of each manager thereof; or, if another

5576 entity, the name and address of each person performing duties similar to those of officers, directors, and
 5577 general partners;

5578 2. The name and address of each principal and of each person who has contracted to become a principal
 5579 of the applicant, including providing management services with respect to any part of gaming operations; the
 5580 nature and cost of such principal's interest; and the name and address of each person who has agreed to lend
 5581 money to the applicant;

5582 3. Such information as the Board considers appropriate regarding the character, background, and
 5583 responsibility of the applicant and the principals, officers, and directors of the applicant;

5584 4. A description of the casino gaming establishment in which such gaming operations are to be conducted,
 5585 the city where such casino gaming establishment will be located, and the applicant's capital investment plan
 5586 for the site. The Board shall require such information about a casino gaming establishment and its location
 5587 as it deems necessary and appropriate to determine whether it complies with the minimum standards
 5588 provided in this chapter and whether gaming operations at such location will be in furtherance of the
 5589 purposes of this chapter;

5590 5. Such information relating to the financial responsibility of the applicant, including the applicant's
 5591 financing plan for the casino gaming establishment, and the applicant's ability to perform under its license as
 5592 the Board considers appropriate;

5593 6. If any of the facilities necessary for the conduct of gaming operations are to be leased, the terms of
 5594 such lease;

5595 7. Evidence of compliance by the applicant with the economic development and land use plans and design
 5596 review criteria of the local governing body of the city in which the casino gaming establishment is proposed
 5597 to be located, including certification that the project complies with all applicable land use ordinances
 5598 pursuant to Chapter 22 (§ 15.2-2200 et seq.) of Title 15.2;

5599 8. Such information necessary to enable the Commissioner to review the application based upon the best
 5600 financial interests of the Commonwealth;

5601 9. Such information necessary to enable the Commissioner to authorize on-premises mobile casino
 5602 gaming pursuant to this chapter;

5603 10. Submission of the following: (i) a minority investment plan disclosing any equity interest owned by a
 5604 minority individual or minority-owned business or the applicant's efforts to seek equity investment from
 5605 minority individuals or minority-owned businesses and (ii) a plan for the participation of minority individuals
 5606 or minority-owned businesses in the applicant's purchase of goods and services related to the casino gaming
 5607 establishment. As used in this subdivision, "minority individual" and "minority-owned business" mean the
 5608 same as those terms are defined in § 2.2-1604; and

5609 11. Any other information that the Board in its discretion considers appropriate.

5610 C. A nonrefundable application fee of \$50,000 shall be paid for each principal at the time of filing to
 5611 defray the costs associated with the background investigation conducted for the Commission. If the
 5612 reasonable costs of the investigation exceed the application fee, the applicant shall pay the additional amount
 5613 to the Commission. The Board may establish regulations calculating the reasonable costs to the Commission
 5614 in performing its functions under this chapter and allocating such costs to the applicants for licensure at the
 5615 time of filing.

5616 D. Any license application from an Indian tribe as described in subsection D of § 29.5-307 shall certify
 5617 that the material terms of the relevant development agreements between the Indian tribe and any
 5618 development partner have been determined in the opinion of the Office of General Counsel of the National
 5619 Indian Gaming Commission after review not to deprive the Indian tribe of the sole proprietor interest in the
 5620 gaming operations for purposes of federal Indian gaming law.

5621 E. Any application filed pursuant to this chapter shall be verified by the oath or affirmation of the
 5622 applicant. Any person who knowingly makes a false statement on an application is guilty of a Class 4 felony.

5623 F. The licensed operator shall be the person primarily responsible for the gaming operations under its
 5624 license and compliance of such operations with the provisions of this chapter.

5625 G. The Commissioner may use or rely on any application, supporting documentation, or information
 5626 submitted pursuant to § 29.5-402, in reviewing and verifying an application submitted pursuant to this
 5627 chapter.

5628 § 29.5-311. **Issuance of operator's license to preferred casino gaming operator; standards for licensure;**
 5629 **temporary casino gaming allowed under certain conditions.**

5630 A. If a preferred casino gaming operator, as certified by the applicable eligible host city, submits an
 5631 application that meets the standards for licensure set forth in this chapter, the Commissioner shall issue an
 5632 operator's license to such preferred casino gaming operator. The Commissioner shall not consider an
 5633 application from any applicant that has not been certified as a preferred casino gaming operator by an
 5634 eligible host city.

5635 B. The Commissioner may issue an operator's license to an applicant only if he finds that:

5636 1. The applicant submits a plan for addressing responsible gaming issues, including the goals of the plan,
 5637 procedures, and deadlines for implementation of the plan;

5638 2. The applicant has established a policy requiring all license and permit holders who interact directly
5639 with the public in the casino gaming establishment to complete a training course acceptable to the Board in
5640 how to recognize and report suspected human trafficking;

5641 3. The casino gaming establishment the applicant proposes to use on a permanent basis is or will be
5642 appropriate for gaming operations consistent with the purposes of this chapter;

5643 4. The city where the casino gaming establishment will be located certifies that the proposed project
5644 complies with all applicable land use ordinances pursuant to Chapter 22 (§ 15.2-2200 et seq.) of Title 15.2;

5645 5. Any required local infrastructure or site improvements, including necessary sewerage, water, drainage
5646 facilities, or traffic flow, are to be paid exclusively by the applicant without state or local financial
5647 assistance;

5648 6. If the applicant is an entity, its securities are fully paid and, in the case of stock, nonassessable and
5649 have been subscribed and will be paid for only in cash or property to the exclusion of past services;

5650 7. All principals meet the criteria of this subsection and have submitted to the jurisdiction of the courts of
5651 the Commonwealth, and all nonresident principals have designated the Commissioner as their agent for
5652 receipt of process;

5653 8. If the applicant is an entity, it has the right to purchase at fair market value the securities of, and
5654 require the resignation of, any person who is or becomes disqualified under subsection C;

5655 9. The applicant meets any other criteria established by this chapter and the Board's regulations for the
5656 granting of an operator's license;

5657 10. The applicant is qualified to do business in the Commonwealth or is subject to the jurisdiction of the
5658 courts of the Commonwealth; and

5659 11. The applicant has not previously been denied a license pursuant to subsection C.

5660 C. The Commissioner shall deny a license to an applicant if he finds that for any reason the issuance of a
5661 license to the applicant would reflect adversely on the honesty and integrity of the casino gaming industry in
5662 the Commonwealth or that the applicant, or any officer, principal, manager, or director of the applicant:
5663 1. Is or has been guilty of any illegal act, conduct, or practice in connection with gaming operations in
5664 this or any other state or has been convicted of a felony;

5665 2. Has had a license or permit to hold or conduct a gaming operation denied for cause, suspended, or
5666 revoked, in this or any other state or country, unless the license or permit was subsequently granted or
5667 reinstated;

5668 3. Has at any time during the previous five years knowingly failed to comply with the provisions of this
5669 chapter or any Board regulation;

5670 4. Has knowingly made a false statement of material fact to the Commission or has deliberately failed to
5671 disclose any information requested by the Commission;

5672 5. Has defaulted in the payment of any obligation or debt due to the Commonwealth and has not cured
5673 such default; or

5674 6. Has operated or caused to be operated a casino gaming establishment for which a license is required
5675 under this chapter without obtaining such license.

5676 D. The Commissioner shall make a determination regarding whether to issue the operator's license within
5677 12 months of the receipt of a completed application.

5678 E. The Commissioner shall be limited to the issuance of one operator's license for each eligible host city.

5679 F. If, at the time of application, the applicant has not satisfied the capital investment requirement of at
5680 least \$300 million pursuant to subsection B of § 29.5-309 but otherwise meets the standards for licensure set
5681 forth in this chapter, the Commissioner shall issue the operator's license, which, prior to satisfying the
5682 capital investment requirement, may not be used to conduct gaming other than temporary casino gaming
5683 pursuant to subsection G.

5684 G. The Commissioner may authorize casino gaming to occur on a temporary basis for a period of one
5685 year under the following conditions:

5686 1. The request to authorize casino gaming is made by a preferred casino gaming operator that has been
5687 issued a license consistent with this section.

5688 2. The preferred casino gaming operator has submitted as a part of its application for licensure a
5689 construction schedule for a casino gaming establishment that has been approved by the eligible host city and
5690 the Commissioner.

5691 3. The temporary casino gaming is to be conducted at the same site referenced in the referendum held
5692 pursuant to § 29.5-325.

5693 4. The preferred casino gaming operator has secured suppliers and employees holding the appropriate
5694 permits required by this chapter and sufficient for the routine operation of the site where the temporary
5695 casino gaming is authorized.

5696 5. A performance bond is posted in an amount acceptable to the Board.

5697 H. No portion of any facility developed with the assistance of any grants or loans provided by a
5698 redevelopment and housing authority created pursuant to § 36-4 shall be used as a casino gaming
5699 establishment.

5700 *The Commissioner may renew the authorization to conduct temporary casino gaming for an additional
5701 year if he determines that the preferred casino gaming operator has made a good faith effort to comply with
5702 the approved construction schedule.*

5703 *I. An operator issued a license under this chapter shall not be precluded from operating a sports betting
5704 facility for individuals to participate in sports betting activities in a casino gaming establishment, which may
5705 include in-person sports betting where the bettor places a bet directly with an employee of the casino or the
5706 sports betting permit holder, or through a kiosk or device.*

5707 **§ 29.5-312. Duration and form of operator's license; bond.**

5708 *A. A casino gaming operator license under this chapter shall be valid for a period of 10 years from its
5709 date of issuance but shall be reviewed no less frequently than annually to determine compliance with this
5710 chapter and Board regulations. Such annual review shall include a certification by the eligible host city of
5711 the status of the operator's compliance with local ordinances and regulations. If the certification states that
5712 the operator is not in compliance, the Commissioner shall require the operator to submit a plan of
5713 compliance, corrective action, or request for variance.*

5714 *B. The Board shall establish by regulation the criteria and procedures for license renewal and for
5715 amending licenses to conform to changes in a licensee's gaming operations. Such regulations shall require
5716 the operator to submit to the Commissioner any updates or revisions to the capital investment plan provided
5717 with the initial license application pursuant to subdivision B 4 of § 29.5-310. Renewal shall not be
5718 unreasonably refused.*

5719 *C. The Board shall require a bond with surety acceptable to it, and in an amount determined by it, to be
5720 sufficient to cover any indebtedness incurred by the licensee to the Commonwealth.*

5721 **§ 29.5-313. Records to be kept; reports; reinvestment projection.**

5722 *A. A licensed operator shall keep his books and records so as to clearly indicate the total amount of gross
5723 receipts and adjusted gross receipts.*

5724 *B. The licensed operator shall furnish to the Commission reports and information as the Commission may
5725 require with respect to its activities on forms designated and supplied for such purpose by the Board.*

5726 *C. Every five years the licensed operator shall submit to the Commission for review and approval a
5727 reinvestment projection related to the casino gaming establishment to cover the succeeding five-year period
5728 of operations.*

5729 **§ 29.5-314. Electronic accounting and reporting requirements; annual audit of licensed gaming
5730 operations.**

5731 *A. Each casino game that operates electronically shall be connected to a central monitoring and audit
5732 system established and operated by the Commission. Such system shall provide the ability to audit and
5733 account for terminal revenues and distributions in real time. The central monitoring and audit system shall
5734 collect the following information from each electronically operated casino game, as applicable: (i) cash in,
5735 (ii) cash out, (iii) points played, (iv) points won, (v) gross terminal income, (vi) net terminal income, (vii) the
5736 number of plays of the game, (viii) the amounts paid to play the game, (ix) door openings, (x) power failures,
5737 (xi) remote activations and disabling, and (xii) any other information required by Board regulations.*

5738 *B. Within 90 days after the end of each fiscal year, the licensed operator shall transmit to the Commission
5739 a third-party, independent audit of the financial transactions and condition of the licensee's total operations.
5740 All audits required by this section shall conform to Board regulations.*

5741 **§ 29.5-315. Supplier's permits; penalty.**

5742 *A. The Commissioner may issue a supplier's permit to any person upon application and payment of a
5743 nonrefundable application fee set by the Board, a determination by the Commissioner that the applicant is
5744 eligible for a supplier's permit, and payment of a \$5,000 initial permit fee. A supplier's permit shall be
5745 renewed at a fee to be determined by the Board, not to exceed \$5,000 per year of licensure. Such fees shall be
5746 deposited by the Commission into the Commonwealth Gaming Operations Fund established pursuant to §
5747 29.5-119. The Board shall prescribe by regulation the criteria for the issuance, duration, and renewal of
5748 supplier's permits.*

5749 *B. The holder of a supplier's permit may sell or lease, or contract to sell or lease, casino gaming
5750 equipment and supplies, or provide management services, to any licensee involved in the ownership or
5751 management of gaming operations to the extent provided in the permit.*

5752 *C. Gaming equipment, devices, and supplies shall not be distributed unless such equipment, devices, and
5753 supplies conform to standards adopted by the Board.*

5754 *D. A person is ineligible to receive a supplier's permit if:*

5755 *1. The person has been convicted of a felony under the laws of the Commonwealth or any other state or of
5756 the United States;*

5757 *2. The person has submitted an application for a license under this chapter that contains false
5758 information;*

5759 *3. The person is a Board member, employee of the Commission, or a member of the immediate household
5760 of a Board member or Commission employee;*

5761 *4. The person is an entity in which a person described in subdivision 1, 2, or 3 is an officer, director,*

5762 principal, or managerial employee;

5763 5. The firm or corporation employs a person who participates in the management or operation of casino
5764 gaming authorized under this chapter; or

5765 6. A prior permit issued to such person to own or operate casino gaming establishments or supply goods
5766 or services to a gaming operation under this chapter or any laws of any other jurisdiction has been revoked.

5767 E. Any person that supplies any casino gaming equipment, devices, or supplies to a licensed gaming
5768 operation or manages any operation, including a computerized network, of a casino gaming establishment
5769 shall first obtain a supplier's permit. A supplier shall furnish to the Commission a list of all management
5770 services, equipment, devices, and supplies offered for sale or lease in connection with the games authorized
5771 under this chapter. A supplier shall keep books and records for the furnishing of casino gaming equipment,
5772 devices, and supplies to gaming operations separate and distinct from any other business that the supplier
5773 might operate. A supplier shall file a quarterly return with the Commission listing all sales and leases for
5774 which a permit is required. A supplier shall permanently affix its name to all its equipment, devices, and
5775 supplies for gaming operations. Any supplier's equipment, devices, or supplies that are used by any person in
5776 an unauthorized gaming operation shall be forfeited to the Commonwealth.

5777 F. A licensed operator may operate its own equipment, devices, and supplies and may utilize casino
5778 gaming equipment, devices, and supplies at such locations as may be approved by the Commission for the
5779 purpose of training enrollees in a school operated by the licensee to train individuals who desire to become
5780 qualified for employment or promotion in gaming operations. The Board may promulgate regulations for the
5781 conduct of any such schools.

5782 G. Each holder of an operator's license under this chapter shall file an annual report with the
5783 Commission listing its inventories of casino gaming equipment, devices, and supplies related to its operations
5784 in the Commonwealth.

5785 H. Any person who knowingly makes a false statement on an application for a supplier's permit is guilty
5786 of a Class 4 felony.

5787 § 29.5-316. Denial of permit final.

5788 The denial of a supplier's permit by the Commissioner shall be final unless appealed under § 29.5-305. A
5789 permit may not be applied for again for a period of five years from the date of denial without the permission
5790 of the Commissioner.

5791 § 29.5-317. Suspension or revocation of license or permit.

5792 A. The Commissioner may suspend, revoke, refuse to renew, or assess a civil penalty against the holder of
5793 a license or permit in a sum not to exceed \$100,000, after notice and a hearing. Such license or permit may,
5794 however, be temporarily suspended by the Commissioner without prior notice, pending any prosecution,
5795 hearing, or investigation, whether by a third party or by the Commissioner. A license may be suspended,
5796 revoked, or refused renewal by the Commissioner for one or more of the following reasons:

5797 1. Failure to comply with, or violation of, any provision of this chapter or any regulation or condition of
5798 the Board;

5799 2. Failure to disclose facts during the application process that indicate that such license or permit should
5800 not have been issued;

5801 3. Conviction of a felony under the laws of the Commonwealth or any other state or of the United States
5802 subsequent to issuance of a license or permit;

5803 4. Failure to file any return or report, to keep any records, or to pay any fees or other charges required by
5804 this chapter;

5805 5. Any act of fraud, deceit, misrepresentation, or conduct prejudicial to public confidence in the integrity
5806 of gaming operations;

5807 6. A material change, since issuance of the license or permit, with respect to any matters required to be
5808 considered by the Commissioner under this chapter; or

5809 7. Other factors established by Board regulation.

5810 B. Such action by the Commissioner shall be final unless appealed in accordance with § 29.5-305.
5811 Suspension or revocation of a license or permit for any violation shall not preclude criminal liability for such
5812 violation.

5813 § 29.5-318. Acquisition of interest in licensee or permit holder.

5814 The Commission shall require any person desiring to become a principal of, or other investor in, any
5815 licensee or holder of a supplier's permit to apply to the Commissioner for approval and may demand such
5816 information of the applicant as it finds necessary. The Commissioner shall consider such application within
5817 60 days of its receipt, and if in his judgment the acquisition by the applicant would be detrimental to the
5818 public interest, to the honesty and integrity of gaming operations, or to its reputation, the application shall be
5819 denied. All reasonable costs for review by the Commissioner shall be borne by the applicant.

5820 Article 4.

5821 Service Permits.

5822 § 29.5-319. Service permit required.

5823 No person shall participate in any gaming operation as a casino gaming employee or concessionaire or

5824 employee of either or in any other occupation that the Board has determined necessary to regulate in order
 5825 to ensure the integrity of casino gaming in the Commonwealth unless such person possesses a service permit
 5826 to perform such occupation issued by the Commissioner. The Board shall prescribe by regulation the criteria
 5827 for the issuance, duration, and renewal of service permits.

5828 **§ 29.5-320. Application for service permit.**

5829 A. Any person desiring to obtain a service permit as required by this chapter shall apply on a form
 5830 prescribed by the Board. The application shall be accompanied by a fee prescribed by the Board. Such fees
 5831 shall be deposited by the Commission into the Commonwealth Gaming Operations Fund established pursuant
 5832 to § 29.5-119.

5833 B. Any application filed hereunder shall be verified by the oath or affirmation of the applicant.

5834 **§ 29.5-321. Consideration of service permit application.**

5835 A. The Commissioner shall promptly consider any application for a service permit and issue or deny such
 5836 service permit on the basis of the information in the application and all other information provided, including
 5837 any investigation he considers appropriate. If an application for a service permit is approved, the
 5838 Commissioner shall issue a service permit containing such information as the Board considers appropriate.

5839 B. The Commissioner shall deny the application and refuse to issue the service permit, which denial shall
 5840 be final unless an appeal is taken under § 29.5-305, if it finds that the issuance of such service permit to such
 5841 applicant would not be in the best interests of the Commonwealth or would reflect negatively on the honesty
 5842 and integrity of casino gaming in the Commonwealth or that the applicant:

5843 1. Has knowingly made a false statement of a material fact in the application or has deliberately failed to
 5844 disclose any information requested by the Commission;

5845 2. Is or has been guilty of any corrupt or fraudulent practice or conduct in connection with gaming
 5846 operations in the Commonwealth or any other state;

5847 3. Has knowingly failed to comply with the provisions of this chapter or the regulations promulgated
 5848 pursuant to this chapter;

5849 4. Has had a service permit to engage in activity related to casino gaming denied for cause, suspended, or
 5850 revoked in the Commonwealth or any other state, and such denial, suspension, or revocation is still in effect;

5851 5. Is unqualified to perform the duties required for the service permit sought; or

5852 6. Has been convicted of a misdemeanor or felony involving unlawful conduct of wagering, fraudulent use
 5853 of a gaming credential, unlawful transmission of information, touting, bribery, embezzlement, distribution or
 5854 possession of drugs, excluding misdemeanor possession of marijuana, or any crime considered by the
 5855 Commission to be detrimental to the honesty and integrity of casino gaming in the Commonwealth.

5856 C. The Commissioner may refuse to issue a service permit if for any reason he determines the granting of
 5857 such service permit is not consistent with the provisions of this chapter or its responsibilities or any
 5858 regulations promulgated by any other agency of the Commonwealth.

5859 **§ 29.5-322. Suspension or revocation of service permit; civil penalty.**

5860 A. The Commissioner may suspend, revoke, refuse to renew, or assess a civil penalty against the holder of
 5861 a service permit in a sum not to exceed \$10,000, after notice and a hearing. Such service permit may,
 5862 however, be temporarily suspended by the Commissioner without prior notice, pending any prosecution,
 5863 hearing, or investigation, whether by a third party or by the Commissioner. A service permit may be
 5864 suspended, revoked, or refused renewal by the Commissioner for one or more of the following reasons:

5865 1. Failure to comply with, or violation of, any provision of this chapter or any regulation or condition of
 5866 the Board;

5867 2. Failure to disclose facts during the application process that indicate that such service permit should
 5868 not have been issued;

5869 3. Conviction of a felony under the laws of the Commonwealth or any other state or of the United States
 5870 subsequent to issuance of a service permit;

5871 4. Failure to file any return or report, keep any record, or pay any fees or other charges required by this
 5872 chapter;

5873 5. Any act of fraud, deceit, misrepresentation, or conduct prejudicial to public confidence in the integrity
 5874 of gaming operations;

5875 6. A material change, since issuance of the service permit, with respect to any matters required to be
 5876 considered by the Commissioner under this chapter; or

5877 7. Other factors established by Board regulation.

5878 B. Actions taken by the Commissioner pursuant to this section shall be final unless appealed in
 5879 accordance with § 29.5-305. Suspension or revocation of a service permit for any violation shall not preclude
 5880 criminal liability for such violation.

5881 **Article 5.**

5882 **Conduct of Casino Gaming; Local Referendum.**

5883 **§ 29.5-323. Conduct of casino gaming.**

5884 A. Casino gaming may be conducted by licensed operators, subject to the following:

5885 1. Minimum and maximum wagers on games shall be set by Board regulations.

5886 2. Agents of the Commission, the Department of State Police, and the local law-enforcement and fire
5887 departments may enter any casino gaming establishment and inspect such facility at any time for the purpose
5888 of determining compliance with this chapter and other applicable fire prevention and safety laws.

5889 3. Employees of the Commission shall have the right to be present in any facilities under the control of the
5890 licensee.

5891 4. Gaming equipment, devices, and supplies customarily used in conducting casino gaming shall be
5892 purchased or leased only from suppliers holding permits for such purpose under this chapter.

5893 5. Persons licensed under this chapter shall permit no form of wagering on games except as permitted by
5894 this chapter.

5895 6. Wagers may be received only from a person present at the licensed casino gaming establishment. No
5896 person present at such facility shall place or attempt to place a wager on behalf of another person who is not
5897 present at the facility.

5898 7. No person under age 21 shall be permitted to make a wager under this chapter or be present where
5899 casino gaming is being conducted. A licensee or permit holder may employ persons between the ages of 18
5900 and 21 for positions in nongaming areas and such employees may traverse the gaming floor, while on duty.

5901 8. No person shall place or accept a wager on youth sports.

5902 9. No licensee or permit holder shall accept postdated checks in payment for participation in any gaming
5903 operation. No licensee or permit holder, or any person on the premises of a casino gaming establishment,
5904 shall extend lines of credit or accept any credit card or other electronic fund transfer in payment for
5905 participation in any gaming operation. A licensee or permit holder may accept prepaid access instruments. In
5906 order to transfer funds for gaming purposes, a prepaid access instrument must be redeemed for tokens, chips,
5907 credits, electronic credits, electronic cash, or electronic cards or used in conjunction with an approved
5908 cashless wagering system or interactive gaming account. A licensee or permit holder may issue interest-free
5909 counter checks to a player provided (i) the player submits an application and (ii) the licensee or permit
5910 holder verifies funds sufficient to cover the face value of the counter check. Such counter checks shall be
5911 subject to the tax reporting requirements under state and federal law. Nothing shall preclude a player from
5912 making a wire transfer to licensees or permit holders.

5913 B. Casino gaming wagers shall be conducted only with tokens, chips, electronic credits, electronic cash,
5914 or electronic cards purchased from a licensed casino gaming operator. The conversion of cash to tokens,
5915 chips, credits, electronic credits, electronic cash, or electronic cards at a slot machine or any other casino
5916 game is permissible and does not constitute conducting a wager. Such tokens, chips, credits, electronic
5917 credits, electronic cash, or electronic cards may be used only for the purpose of (i) making wagers on games,
5918 (ii) redeeming for cash or check, or (iii) making a donation to a charitable entity granted tax-exempt status
5919 under § 501(c)(3) of the Internal Revenue Code, provided that the donated tokens, chips, credits, electronic
5920 credits, electronic cash, or electronic cards are redeemed by the same charitable entity accepting the
5921 donation. The provisions of this subsection shall not apply to sports betting in a sports betting facility, which
5922 may be conducted using cash.

5923 **§ 29.5-324. Posting of illegal gaming tip line.**

5924 Every casino gaming operator shall post in a conspicuous place in its casino gaming establishment a sign
5925 that bears (i) the toll-free telephone number and website for the illegal gaming tip line established and
5926 administered by the Office of the Gaming Enforcement Coordinator in the Department of State Police
5927 pursuant to § 52-54 for members of the public to report concerns about, or suspected instances of, illegal
5928 gaming activities and (ii) the toll-free telephone number for the National Problem Gambling Helpline.

5929 **§ 29.5-325. Local referendum required.**

5930 A. The Commissioner shall not grant any initial license to operate a gaming operation in an eligible host
5931 city until a referendum on the question of whether casino gaming shall be permitted in such city is approved
5932 by the voters of such city.

5933 B. The governing body of any city containing an eligible host city shall petition the court, by resolution,
5934 asking that a referendum be held on the question of whether casino gaming shall be permitted within the city.
5935 The court, by order entered of record in accordance with Article 5 (§ 24.2-681 et seq.) of Chapter 6 of Title
5936 24.2, shall require the regular election officials of the city to open the polls and take the sense of the voters
5937 on the question as herein provided.

5938 C. The clerk of such court of record of such city shall publish notice of such election in a newspaper of
5939 general circulation in such city once a week for three consecutive weeks prior to such election.

5940 D. The regular election officers of such city shall open the polls at the various voting places in such city
5941 on the date specified in such order and conduct such election in the manner provided by law. The election
5942 shall be by ballot, which shall be prepared by the electoral board of the city and on which shall be printed
5943 the following question:

5944 "Shall casino gaming be permitted at a casino gaming establishment in (name of city and location) as
5945 may be approved by the Virginia Gaming Commission?"

5946 Yes
5947 No"

5948 *In the blank shall be inserted the name of the city in which such election is held and the proposed location*
5949 *of the casino gaming establishment. Any voter desiring to vote "Yes" shall mark in the square provided for*
5950 *such purpose immediately preceding the word "Yes," leaving the square immediately preceding the word*
5951 *"No" unmarked. Any voter desiring to vote "No" shall mark in the square provided for such purpose*
5952 *immediately preceding the word "No," leaving the square immediately preceding the word "Yes" unmarked.*

5953 *E. The ballots shall be counted, the returns made and canvassed as in other elections, and the results*
5954 *certified by the electoral board to the court ordering such election. Thereupon, such court shall enter an*
5955 *order proclaiming the results of such election and a duly certified copy of such order shall be transmitted to*
5956 *the Commission and to the governing body of such city.*

5957 F. A subsequent local referendum shall be required if a license has not been granted by the Commissioner
5958 within five years of the court order proclaiming the results of the election.

5959 *G. The governing body of any eligible host city that holds a local referendum pursuant to this section that*
5960 *subsequently fails shall be prohibited from holding another local referendum on the same question for a*
5961 *period of three years from the date of the last referendum.*

Article 6. Taxation

§ 29.5-326. Tax rate on adjusted gross receipts.

5965 A tax on the adjusted gross receipts of each licensed operator received from games authorized under
5966 this chapter shall be imposed as follows:

5967 1. On the first \$200 million of adjusted gross receipts of an operator each calendar year, a rate of 18
5968 percent.

5969 2. On the adjusted gross receipts of an operator that exceed \$200 million but do not exceed \$400 million
5970 each calendar year, a rate of 23 percent.

5971 3. On the adjusted gross receipts of an operator that exceed \$400 million each calendar year, a rate of 30
5972 percent.

**5973 B. All tax revenues collected pursuant to the provisions of this section shall accrue to the Gaming
5974 Proceeds Fund and be allocated as provided in § 29.5-327.**

5975 C. The taxes imposed by this section shall be paid by the licensed operator to the Commission no later
5976 than the close of the fifth day of each month for the preceding month when the adjusted gross receipts were
5977 received and shall be accompanied by forms and returns prescribed by the Board. Revenues collected
5978 pursuant to this section shall be credited to the Gaming Proceeds Fund to be appropriated as set forth in
5979 § 29.5-327. The Commissioner may suspend or revoke the license of an operator for willful failure to submit
5980 the wagering tax payment or the return within the specified time.

5981 *D. The tax imposed under this section shall not apply to the receipts of a licensed operator from sports*
5982 *betting, whether such receipts were generated from a sports betting facility or sports betting platform;*
5983 *instead, such receipts shall be taxable under § 29.5-407.*

§ 29.5-327. *Gaming Proceeds Fund; distribution of revenue.*

5985 A. There is hereby created in the state treasury a special nonreverting fund to be known as the Gaming
5986 Proceeds Fund, referred to in this section as "the Fund." The Fund shall be established on the books of the
5987 Comptroller. All moneys required to be deposited into the Fund pursuant to this chapter shall be paid into the
5988 state treasury and credited to the Fund. Any moneys remaining in the Fund, including interest thereon, at the
5989 end of each fiscal year shall not revert to the general fund but shall remain in the Fund.

5990 *B. Revenues from the Fund shall be apportioned by the Comptroller as follows:*

5991 1. The following amounts shall be distributed to the city in which they were collected by warrants of the
5992 Comptroller drawn on the Treasurer of Virginia on a quarterly basis:

5993 *a. An amount equal to a six percent tax on the first \$200 million of adjusted gross receipts;*

5994 *b. An amount equal to a seven percent tax on the adjusted gross receipts that exceed \$200 million but do*
5995 *not exceed \$400 million; and*

5996 c. An amount equal to an eight percent tax on the adjusted gross receipts that exceed \$400 million.

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.

6004 3. Eight-tenths of one percent of the Fund shall be deposited in the Problem Gambling Treatment and
6005 Support Fund established pursuant to § 37.2-314.2.

6006 *4. Two-tenths of one percent of the Fund shall be deposited in the Family and Children's Trust Fund*
6007 *established pursuant to § 63.2-2100.*

6008 5. Any remaining revenues not apportioned pursuant to subdivisions 1 through 4 shall be deposited in the
6009 School Construction Fund established pursuant to § 22.1-140.1.

*Article 7.**Prohibited Acts; Penalties.***§ 29.5-328. Illegal operation; penalty.**

A. No person shall:

1. Operate casino gaming where wagering is used or to be used without a license issued by the Commissioner.

2. Operate casino gaming where wagering is permitted other than in the manner specified by this chapter.

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.

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 understanding or arrangement or with the intent that the promise or thing of value or benefit will influence the actions of the person 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.

5. Use or possess with the intent to use a device to assist in:

a. Projecting the outcome of a game;

b. Keeping track of the cards played;

c. Analyzing the probability of the occurrence of an event relating to a game; or

d. Analyzing the strategy for playing or betting to be used in a game except as permitted by Board regulation.

6. Cheat at gaming.

7. Manufacture, sell, or distribute any card, chip, dice, game, or device that is intended to be used to violate any provision of this chapter.

8. Alter or misrepresent the outcome of a game on which wagers have been made after the outcome is made sure but before it is revealed to the players.

9. Place a bet after acquiring knowledge, not available to all players, of the outcome of the game that is the subject of the bet or to aid a person in acquiring the knowledge for the purpose of placing a bet contingent on that outcome.

10. Claim, collect, or take, or attempt to claim, collect, or take, money or anything of value in or from a game, with intent to defraud, without having made a wager contingent on winning the game or claim, collect, or take an amount of money or thing of value of greater value than the amount won.

11. Use counterfeit chips or tokens in a game.

12. Possess any key or device designed for the purpose of opening, entering, or affecting the operation of a game, drop box, or electronic or mechanical device connected with the game or for removing coins, tokens, chips, or other contents of a game. This subdivision does not apply to a casino gaming licensee or employee of a casino gaming licensee acting in furtherance of the employee's employment.

B. Any person convicted of a violation of this section is guilty of a Class 6 felony. In addition, any person convicted of a violation of subsection A shall be barred for life from gaming operations under the jurisdiction of the Commission.

§ 29.5-329. Fraudulent use of credential; penalty.

Any person other than the lawful holder thereof who has in his possession any credential, license, or permit issued by the Commissioner, or any person who has in his possession any forged or simulated credential, license, or permit of the Commission, and who uses such credential, license, or permit for the purposes of misrepresentation, fraud, or touting, is guilty of a Class 4 felony.

Any credential, license, or permit issued by the Commissioner, if used by the holder thereof for a purpose other than identification and in the performance of legitimate duties in a casino gaming establishment, shall be automatically revoked.

§ 29.5-330. Prohibition on persons younger than 21 years of age placing wagers and sports betting on youth sports; penalty.

A. No person shall wager on or conduct any wagering on the outcome of a game pursuant to the provisions of this chapter unless such person is 21 years of age or older. No person shall accept any wager from a person younger than 21 years of age.

B. No person shall wager on or conduct any wagering on the outcome of a youth sports game. No person shall accept any wager from a person on a youth sports game.

C. Violation of this section is a Class 1 misdemeanor.

§ 29.5-331. Conspiracies and attempts to commit violations; penalty.

A. Any person who conspires, confederates, or combines with another, within or outside the Commonwealth, to commit a felony prohibited by this chapter is guilty of a Class 6 felony.

6072 *B. Any person who attempts to commit any act prohibited by this chapter is guilty of a criminal offense*
6073 *and shall be punished as provided in § 18.2-26, 18.2-27, or 18.2-28, as appropriate.*

§ 29.5-332. Civil penalties.

6075 Any person who conducts a gaming operation without first obtaining a license to do so, or who continues
6076 to conduct such games after revocation of his license, in addition to other penalties provided, shall be subject
6077 to a civil penalty assessed by the Commission equal to the amount of gross receipts derived from wagering on
6078 games, whether unauthorized or authorized, conducted on the day, as well as confiscation and forfeiture of
6079 all casino gaming equipment, devices, and supplies used in the conduct of unauthorized games. Any civil
6080 penalties collected pursuant to this section shall be payable to the State Treasurer for deposit to the general
6081 fund.

§ 29.5-333. Use of the phrase "Virginia is for Bettors" prohibited; civil penalty.

6083 3. A. No licensee, or any affiliate thereof, shall use the phrase "Virginia is for Bettors" in an advertisement
6084 in association with its product or service. Any licensee, or affiliate thereof, that violates this section shall be
6085 subject to a civil penalty of not more than \$50,000. The Commissioner shall enforce the provisions of this
6086 section.

6087 *B. All civil penalties collected pursuant to this section shall accrue to the general fund.*

Article 8.

6090 § 29.5-334. Federal law applicable.
6091 *On-premises mobile casino gaming shall be subject to the provisions of, and preempted and superseded*
6092 *by, any applicable federal law.*

any applicable federal law.
§ 29.5-335. Authorized on-premises mobile casino gaming

6093 § 29.3-355. Authorized on-premises mobile casino gaming.
6094 On-premises mobile casino gaming is prohibited except when offered by a casino gaming operator to
6095 individuals who participate in on-premises mobile casino gaming on the premises of the casino gaming
6096 establishment. Any casino gaming operator that offers on-premises mobile casino gaming shall comply with
6097 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.

6099 *g 27A.3.c. Location of primary on-premises mobile casino gaming operation.*

6100 *A casino gaming operator's primary on-premises mobile casino gaming operation, including facilities,*

6101 *equipment, and personnel who are directly engaged in the conduct of on-premises mobile casino gaming,*

6102 *shall be located within a restricted area on the premises of the casino gaming establishment. Backup*

6103 *equipment used on a temporary basis pursuant to regulations promulgated by the Board to conduct on-*

6104 *premises mobile casino gaming may, with the approval of the Commissioner, be located outside the*

6104 *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.

A. A casino gaming operator may offer on-premises mobile casino gaming only to an individual who has 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.

6120 *B. A casino gaming operator shall not accept a wager in an amount in excess of funds on deposit in the*
6121 *account of the individual placing the wager.*

§ 29.5-338. Disposition of inactive, dormant accounts.

6123 All amounts remaining in on-premises mobile casino gaming accounts inactive or dormant for such
6124 period and under such conditions as established by regulation by the Board shall be closed. Any funds
6125 remaining in the account at such time shall be paid 50 percent to the casino gaming operator and 50 percent
6126 to the general fund. Before closing an account pursuant to this section, the casino gaming operator shall
6127 attempt to contact the account holder by mail, phone, and electronic mail.

§ 29.5-339. Assistance to people with gambling problem.

6129 A. In order to assist those persons who may have a gambling problem, a casino gaming operator shall:

6130 1. Cause the words "If you or someone you know has a gambling problem and wants help, call 1-800-
6131 GAMBLER," or some comparable language approved by the Department, which language shall include the
6132 words "gambling problem" and "call 1-800 GAMBLER," to be displayed prominently at log-on and log-off
6133 times to any person visiting or logged onto on-premises mobile casino gaming; and

6134 2. Provide a mechanism by which an account holder may establish the following controls on wagering
6135 activity through the wagering account:

6136 a. A limit on the amount of money deposited within a specified period of time and the length of time the
6137 account holder will be unable to participate in gaming if the holder reaches the established deposit limit; and
6138 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.

6146 Any person who offers on-premises mobile casino gaming in violation of this chapter or regulations
6147 promulgated pursuant to this chapter is guilty of a Class 6 felony and subject to a fine of not more than
6148 \$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.

§ 29.5-3.11. 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.

6155 B. In addition to the penalties provided in subsection A, an employee of the casino gaming operator who
6156 violates this section shall have his permit revoked and shall be subject to such further penalty as the
6157 Commission deems appropriate.

6158 C. In addition to the penalties provided in subsection A, a casino gaming operator that violates this
6159 section shall have its license to conduct casino gaming suspended for a period determined by the
6160 Commissioner and shall be subject to such further penalty as the Commission deems appropriate.

§ 29.5-342. Tampering affecting odds, payout; penalties.

6162 A. Any person who knowingly offers or allows to be offered any on-premises mobile casino game that has
6163 been tampered with in a way that affects the odds or the payout of a game or disables the game from
6164 operating according to the rules of the game as promulgated by the Board is guilty of a Class 5 felony and
6165 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
6166 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.

6169 C. In addition to the penalties provided in subsection A, a casino gaming operator that violates this
6170 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) that 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.

CHAPTER IV.

SPORTS BETTING.

Article 1.

General Provisions.

§ 29.5-400. Definitions.

6190 As used in this chapter, unless the context requires a different meaning:

6191 *"Adjusted gross revenue"* means gross revenue minus:

6192 *1. All cash and the cash value of merchandise paid out as winnings to bettors, and the value of all bonuses*
6193 *or promotions provided to patrons as an incentive to place or as a result of their having placed Internet*
6194 *sports betting wagers in an operator's first 12 months of operations;*

6195 2. Uncollectible gaming receivables, which shall not exceed two percent, or a different percentage as

6196 determined by the Board pursuant to § 29.5-104, of gross revenue minus all cash paid out as winnings to
 6197 bettors;

6198 3. If the permit holder is a significant infrastructure limited licensee, as defined in § 29.5-601, any funds
 6199 paid into the horsemen's purse account pursuant to the provisions of subdivision 13 of § 29.5-604; and

6200 4. All excise taxes on sports betting paid pursuant to federal law.

6201 "Amateur sports" means any sports or athletic event that is not professional sports, college sports,
 6202 Virginia college sports, or youth sports. "Amateur sports" includes domestic, international, and Olympic
 6203 sports or athletic events. "Amateur sports" does not include charitable gaming, as defined in § 29.5-200;
 6204 fantasy contests, as defined in § 29.5-500; or horse racing, as defined in § 29.5-601.

6205 "College sports" means an athletic event (i) in which at least one participant is a team from a public or
 6206 private institution of higher education, regardless of where such institution is located, and (ii) that does not
 6207 include a team from a Virginia public or private institution of higher education.

6208 "Covered persons" means athletes; umpires, referees, and officials; personnel associated with clubs,
 6209 teams, leagues, and athletic associations; medical professionals and athletic trainers who provide services to
 6210 athletes and players; and the immediate family members and associates of such persons.

6211 "Gross revenue" means the total of all cash, property, or any other form of remuneration, whether
 6212 collected or not, received by a permittee from its sports betting operations.

6213 "Major league sports franchise" means a professional baseball, basketball, football, hockey, or soccer
 6214 team that is at the highest-level league of play for its respective sport.

6215 "Motor sports facility" means an outdoor motor sports facility that hosts a National Association for Stock
 6216 Car Auto Racing (NASCAR) national touring race.

6217 "Official league data" means statistics, results, outcomes, and other data relating to a professional sports
 6218 event obtained by a permit holder under an agreement with a sports governing body or with an entity
 6219 expressly authorized by a sports governing body for determining the outcome of tier 2 bets.

6220 "Permit holder" means a person to which the Commissioner issues a permit pursuant to §§ 29.5-402 and
 6221 29.5-403.

6222 "Personal biometric data" means any information about an athlete that is derived from his DNA, heart
 6223 rate, blood pressure, perspiration rate, internal or external body temperature, hormone levels, glucose levels,
 6224 hydration levels, vitamin levels, bone density, muscle density, or sleep patterns, or other information as may
 6225 be prescribed by the Board by regulation.

6226 "Principal" means any individual who solely or together with his immediate family members (i) owns or
 6227 controls, directly or indirectly, five percent or more of the pecuniary interest in any entity that is a permit
 6228 holder or (ii) has the power to vote or cause the vote of five percent or more of the voting securities or other
 6229 ownership interests of such entity. "Principal" includes any individual who is employed in a managerial
 6230 capacity for a sports betting platform or sports betting facility on behalf of a permit holder.

6231 "Professional sports" means an athletic event involving at least two human competitors who receive
 6232 compensation, in excess of their expenses, for participating in such event. "Professional sports" does not
 6233 include charitable gaming, as defined in § 29.5-200; fantasy contests, as defined in § 29.5-500; or horse
 6234 racing, as defined in § 29.5-601.

6235 "Prohibited conduct" means any statement, action, or other communication intended to influence,
 6236 manipulate, or control a betting outcome of a sports event or of any individual occurrence or performance in
 6237 a sports event in exchange for financial gain or to avoid financial or physical harm. "Prohibited conduct"
 6238 includes statements, actions, and communications made to a covered person by a third party. "Prohibited
 6239 conduct" does not include statements, actions, or communications made or sanctioned by a sports team or
 6240 sports governing body.

6241 "Proposition bet" means a bet on an individual action, statistic, occurrence, or non-occurrence to be
 6242 determined during an athletic event and includes any such action, statistic, occurrence, or non-occurrence
 6243 that does not directly affect the final outcome of the athletic event to which it relates.

6244 "Sports betting" means placing wagers on professional sports, college sports, amateur sports, sporting
 6245 events, or any other event approved by the Commissioner, and any portion thereof, and includes placing
 6246 wagers related to the individual performance statistics of athletes in such sports and events. "Sports betting"
 6247 includes any system or method of wagering approved by the Commissioner, including single-game bets,
 6248 teaser bets, parlays, over-under, moneyline, pools, exchange wagering, in-game wagering, in-play bets,
 6249 proposition bets, and straight bets. "Sports betting" does not include participating in charitable gaming
 6250 authorized by Chapter 2 (§ 29.5-200 et seq.); participating in fantasy contests authorized by Chapter 5
 6251 (§ 29.5-500 et seq.); wagering on horse racing, historical horse racing, or simulcast horse racing authorized
 6252 by Chapter 6 (§ 29.5-600 et seq.); or participating in any lottery game authorized under Subtitle II (§
 6253 29.5-700 et seq.). "Sports betting" does not include placing a wager on a college sports event in which a
 6254 Virginia public or private institution of higher education is a participant.

6255 "Sports betting facility" means an area, kiosk, or device located inside a casino gaming establishment
 6256 licensed pursuant to Chapter 3 (§ 29.5-300 et seq.) that is designated for sports betting.

6257 "Sports betting permit" means a permit to operate a sports betting platform or sports betting facility

6258 issued pursuant to the provisions of §§ 29.5-402, 29.5-403, and 29.5-404.

6259 "Sports betting platform" means a website, app, or other platform accessible via the Internet or mobile, 6260 wireless, or similar communications technology that sports bettors use to participate in sports betting.

6261 "Sports betting program" means the program established by the Board to allow sports betting as 6262 described in this chapter.

6263 "Sports bettor" means a person physically located in Virginia who participates in sports betting.

6264 "Sports event" or "sporting event" means professional sports, college sports, amateur sports, and any 6265 athletic event, motor race event, electronic sports event, competitive video game event, or any other event 6266 approved by the Commissioner.

6267 "Sports governing body" means an organization, headquartered in the United States, that prescribes rules 6268 and enforces codes of conduct with respect to a professional sports or college sports event and the 6269 participants therein. "Sports governing body" includes a designee of the sports governing body.

6270 "Stadium" means the physical facility that is the primary location at which a major league sports 6271 franchise hosts athletic events and any appurtenant facilities.

6272 "Tier 1 bet" means a bet that is placed using the Internet and that is not a tier 2 bet.

6273 "Tier 2 bet" means a bet that is placed using the Internet and that is placed after the event it concerns has 6274 started.

6275 "Virginia college sports" means an athletic event in which at least one participant is a team from a 6276 Virginia public or private institution of higher education.

6277 "Youth sports" means an athletic event (i) involving a majority of participants under age 18 or (ii) in 6278 which at least one participant is a team from a public or private elementary, middle, or secondary school, 6279 regardless of where such school is located. However, if an athletic event meets the definition of college sports 6280 or professional sports, such event shall not be considered youth sports regardless of the age of the 6281 participants. An international athletic event organized by the International Olympic Committee shall not be 6282 considered to be youth sports, regardless of the age of the participants.

6283 **§ 29.5-401. Additional powers and duties of the Commissioner; reporting.**

6284 In addition to the powers and duties set forth in § 29.5-102:

6285 A. The Commissioner may:

6286 1. Require bond or other surety satisfactory to the Commissioner from permit holders in such amount as 6287 provided in the rules and regulations of the Board adopted under this chapter;

6288 2. Suspend, revoke, or refuse to renew any permit issued pursuant to this chapter or the rules and 6289 regulations adopted under this chapter; and

6290 3. Enter into contracts for the operation of the sports betting program, and enter into contracts with other 6291 states related to sports betting, provided that a contract awarded or entered into by the Commissioner shall 6292 not be assigned by the holder thereof except by specific approval of the Commissioner; and

6293 B. The Commissioner shall:

6294 1. Certify monthly to the State Comptroller and the Board a full and complete statement of sports betting 6295 revenues and expenses for the previous month;

6296 2. Report monthly to the Governor, the Secretary of Finance, and the Chairmen of the Senate Committee 6297 on Finance and Appropriations, House Committee on Finance, and House Committee on Appropriations the 6298 total sports betting revenues and expenses for the previous month and make an annual report, which shall 6299 include a full and complete statement of sports betting revenues and expenses, to the Governor and the 6300 General Assembly, including recommendations for changes in this chapter as the Commissioner and Board 6301 deem prudent;

6302 3. In accordance with sports betting program regulations, approve methods for sports bettors to fund 6303 sports betting accounts, including automated clearing house payments, credit cards, debit cards, wire 6304 transfers, and any other method that the Board determines is appropriate for sports betting; and

6305 4. Report immediately to the Governor and the General Assembly any matters that require immediate 6306 changes in the laws of the Commonwealth in order to prevent abuses and evasions of this chapter or the rules 6307 and regulations adopted under this chapter or to rectify undesirable conditions in connection with the 6308 administration or operation of the sports betting program.

6309 Article 2.

6310 Permits.

6311 **§ 29.5-402. Application for a sports betting permit; penalty.**

6312 A. An applicant for a sports betting permit shall:

6313 1. Submit an application to the Commission, on forms prescribed by the Board, containing the 6314 information prescribed in subsection B; and

6315 2. Pay to the Commission a nonrefundable fee of \$50,000 for each principal at the time of filing to defray 6316 the costs associated with the background investigations conducted by the Commission. If the reasonable costs 6317 of the investigation exceed the application fee, the applicant shall pay the additional amount to the 6318 Commission. The Board may establish regulations calculating the reasonable costs to the Commission in 6319 performing its functions under this chapter and allocating such costs to the applicants for licensure at the

6320 time of filing. The fees for each principal and any additional investigation costs paid to the Commission shall
 6321 be deposited into the Commonwealth Gaming Operations Fund established pursuant to § 29.5-119.

6322 B. An application for a sports betting permit shall include the following information:

6323 1. The applicant's background in sports betting;

6324 2. The applicant's experience in wagering activities in other jurisdictions, including the applicant's
 6325 history and reputation of integrity and compliance;

6326 3. The applicant's proposed internal controls, including controls to ensure that no prohibited or
 6327 voluntarily excluded person will be able to participate in sports betting;

6328 4. The applicant's history of working to prevent compulsive gambling, including training programs for its
 6329 employees;

6330 5. If applicable, any supporting documentation necessary to establish eligibility for substantial and
 6331 preferred consideration pursuant to the provisions of this section;

6332 6. The applicant's proposed procedures to detect and report suspicious or illegal betting activity; and

6333 7. Any other information the Board deems necessary.

6334 C. The Commission shall conduct a background investigation on the applicant. The background
 6335 investigation shall include a credit history check, a tax record check, and a criminal history records check.

6336 D. 1. The Commissioner shall not issue any permit pursuant to this chapter until the Board has
 6337 established a consumer protection program and published a consumer protection bill of rights pursuant to §
 6338 29.5-104.

6339 2. The Commissioner shall issue no fewer than four and no more than 12 permits pursuant to this section;
 6340 however, if an insufficient number of applicants apply for the Commissioner to satisfy the minimum, this
 6341 provision shall not be interpreted to direct the Commissioner to issue a permit to an unqualified applicant. A
 6342 permit shall not count toward the minimum or maximum if it (i) is issued pursuant to subdivision 4 or 5 to a
 6343 major league sports franchise or to the operator of a facility; (ii) is issued pursuant to subdivision 6 to an
 6344 applicant that operates or intends to operate a casino gaming establishment; or (iii) is revoked, expires, or
 6345 otherwise becomes not effective.

6346 3. In issuing permits to operate sports betting platforms and sports betting facilities, the Commissioner
 6347 shall consider the following factors:

6348 a. The contents of the applicant's application as required by subsection B;

6349 b. The extent to which the applicant demonstrates past experience, financial viability, compliance with
 6350 applicable laws and regulations, and success with sports betting operations in other states;

6351 c. The extent to which the applicant will be able to meet the duties of a permit holder, as specified in
 6352 § 29.5-404;

6353 d. Whether the applicant has demonstrated to the Commission that it has made serious, good-faith efforts
 6354 to solicit and interview a reasonable number of investors that are minority individuals, as defined in
 6355 § 2.2-1604;

6356 e. The amount of adjusted gross revenue and associated tax revenue that an applicant is expected to
 6357 generate;

6358 f. The effect of issuing an additional permit on the amount of gross revenue and associated tax revenue
 6359 generated by all existing permit holders, considered in the aggregate; and

6360 g. Any other factor the Board considers relevant.

6361 4. In issuing permits to operate sports betting platforms and sports betting facilities, the Commissioner
 6362 shall give substantial and preferred consideration to any applicant that (i) has made or intends to make a
 6363 capital investment of at least \$300 million in a casino gaming establishment, including the value of the real
 6364 property upon which such establishment is located and all furnishings, fixtures, and other improvements; (ii)
 6365 has had its name submitted as a preferred casino gaming operator to the Commissioner by an eligible host
 6366 city; and (iii) has been certified by the Commissioner to proceed to a local referendum on whether casino
 6367 gaming will be allowed in the locality in which the applicant intends to operate a casino gaming
 6368 establishment.

6369 5. In a manner as may be required by Board regulation, any entity that applies pursuant to subdivision 4
 6370 may demonstrate compliance with the requirements of an application, the duties of a permit holder, and any
 6371 other provision of this chapter through the use of a partner, subcontractor, or other affiliate of the applicant.

6372 E. The Commissioner shall make a determination on an initial application for a sports betting permit
 6373 within 90 days of receipt. The Commissioner's action shall be final unless appealed in accordance with §
 6374 29.5-104.

6375 F. The following shall be grounds for denial of a permit or renewal of a permit:

6376 1. The Commissioner reasonably believes the applicant will be unable to satisfy the duties of a permit
 6377 holder as described in subsection A of § 29.5-404;

6378 2. The Commissioner reasonably believes that the applicant or its directors lack good character, honesty,
 6379 or integrity;

6380 3. The Commissioner reasonably believes that the applicant's prior activities, criminal record, reputation,
 6381 or associations are likely to (i) pose a threat to the public interest, (ii) impede the regulation of sports betting,

6382 or (iii) promote unfair or illegal activities in the conduct of sports betting;

6383 4. The applicant or its directors knowingly make a false statement of material fact or deliberately fail to
6384 disclose information requested by the Commissioner;

6385 5. The applicant or its directors knowingly fail to comply with the provisions of this chapter or any
6386 requirements of the Commissioner;

6387 6. The applicant or its directors were convicted of a felony, a crime of moral turpitude, or any criminal
6388 offense involving dishonesty or breach of trust within the 10 years prior to the submission date of the permit
6389 application;

6390 7. The applicant's license, registration, or permit to conduct a sports betting operation issued by any
6391 other jurisdiction has been suspended or revoked;

6392 8. The applicant defaults in payment of any obligation or debt due to the Commonwealth; or

6393 9. The applicant's application is incomplete.

6394 G. The Commissioner shall have the discretion to waive any of the grounds for denial of a permit or
6395 renewal of a permit if he determines that denial would limit the number of applicants or permit holders in a
6396 manner contrary to the best interests of the Commonwealth.

6397 H. Prior to issuance of a permit, each permit holder shall either (i) be bonded by a surety company
6398 entitled to do business in the Commonwealth in such amount and penalty as may be prescribed by the
6399 regulations of the Board or (ii) provide other surety, letter of credit, or reserve as may be satisfactory to the
6400 Commissioner. Such surety shall be prescribed by Board regulations and shall not exceed a reasonable
6401 amount.

6402 I. Any person who knowingly and willfully falsifies, conceals, or misrepresents a material fact or
6403 knowingly and willfully makes a false, fictitious, or fraudulent statement or representation in any application
6404 pursuant to this chapter is guilty of a Class I misdemeanor.

6405 J. In addition to the fee required pursuant to subdivision A 2, any applicant to which the Commissioner
6406 issues a permit shall pay a nonrefundable fee of \$250,000 to the Commission prior to the issuance of such
6407 permit. Such fees shall be deposited by the Commission into the Commonwealth Gaming Operations Fund
6408 established pursuant to § 29.5-119.

6409 **§ 29.5-403. Renewals of permits.**

6410 A. A permit issued pursuant to § 29.5-402 shall be valid for three years from the date issued.

6411 B. At least 60 days before the expiration of a permit, the permit holder shall submit a renewal application,
6412 on forms prescribed by the Board, with a nonrefundable renewal fee of \$200,000. Such fees shall be
6413 deposited into the Commonwealth Gaming Operations Fund established pursuant to § 29.5-119.

6414 C. The Commissioner may deny a permit renewal if he finds grounds for denial as described in subsection
6415 F of § 29.5-402. The Commissioner's action shall be final unless appealed in accordance with § 29.5-104.

6416 D. The Commissioner shall make a determination on an application for a renewal of a sports betting
6417 permit within 60 days of receipt. The Commissioner's action shall be final unless appealed in accordance
6418 with § 29.5-104.

6419 **§ 29.5-404. Duties of permit holders.**

6420 A. A permit holder shall ensure that its sports betting operation takes reasonable measures to:

6421 1. Ensure that only persons physically located in Virginia are able to place bets through its sports betting
6422 platform, if applicable;

6423 2. Protect the confidential information of bettors using its sports betting platform or placing bets at its
6424 sports betting facility;

6425 3. Prevent betting on events that are prohibited by § 29.5-409, underage betting as prohibited by
6426 § 29.5-410, and bets by persons who are prohibited from sports betting by § 29.5-411;

6427 4. Allow persons to restrict themselves from placing bets with the permit holder, including sharing, at the
6428 person's request, his request for self-exclusion with the Commission for the sole purpose of disseminating the
6429 request to other permit holders;

6430 5. Establish procedures to detect suspicious or illegal betting activity, including measures to immediately
6431 report such activity to the Commission;

6432 6. Provide for the issuance of applicable tax forms to persons who meet the reporting threshold for
6433 income from sports betting; and

6434 7. If applicable, allow sports bettors to establish and fund sports betting accounts over the Internet on a
6435 sports betting platform, which may be funded through methods including automated clearing house
6436 payments, credit cards, debit cards, wire transfers, or any other method approved by the Commissioner
6437 under § 29.5-401.

6438 B. A permit holder shall maintain records on:

6439 1. All bets, including the bettor's personal information, the amount and type of bet, the time and location
6440 of the bet, and the outcome of the bet; and

6441 2. Suspicious or illegal betting activity.

6442 C. A permit holder shall disclose the records described in subsection B to the Commission upon request
6443 and shall maintain such records for at least three years after the related sports event occurs.

6444 D. 1. If a sports governing body notifies the Commission that real-time information-sharing for bets
 6445 placed on its sporting events is necessary and desirable, permit holders shall, as soon as is commercially
 6446 reasonable, share the information required to be retained pursuant to subdivision B 1 of § 29.5-404 with the
 6447 sports governing body or its designee with respect to bets on its sporting events. The information shared
 6448 pursuant to this subsection shall be shared pseudonymously and shall not include personal information
 6449 associated with any bettor. A permit holder shall not be required to share any information that is required to
 6450 be kept confidential under federal or state law.

6451 2. A sports governing body shall use information shared pursuant to this subsection only for the purpose
 6452 of integrity monitoring and shall not use such information for any commercial purpose. A sports governing
 6453 body shall provide for security measures with respect to such information so as to prevent unauthorized
 6454 access and distribution.

6455 E. In advertising its sports betting operations, a permit holder shall ensure that its advertisements:

1. Do not target persons under the age of 21;
2. Disclose the identity of the permit holder;
3. Provide information about or links to resources related to gambling addiction; and
4. Are not misleading to a reasonable person.

6460 F. A permit holder shall not sublicense, convey, concede, or otherwise transfer its permit to a third party
 6461 unless granted approval by the Commissioner. The Commissioner shall charge a nonrefundable fee of
 6462 \$200,000 for a permit transfer. Such fees shall be deposited into the Commonwealth Gaming Operations
 6463 Fund established pursuant to § 29.5-119.

6464 G. 1. A permit holder may operate its sports betting platform under a brand other than its own but is
 6465 prohibited from holding itself out to the public as a sports betting operation under more than one brand, and
 6466 a permit holder shall conspicuously display its utilized brand to sports bettors; however, if a permit holder is
 6467 a major league sports franchise, it shall not be required to associate the name of its sports betting platform
 6468 with the name of the major league sports franchise and shall be allowed to hold its sports betting platform
 6469 out to the public under a separate brand name.

6470 2. A permit holder is prohibited from cooperatively marketing its sports betting platform with any
 6471 business issued a license pursuant to the provisions of Title 4.1. If casino gaming is authorized under the
 6472 laws of the Commonwealth and a casino gaming operator is licensed by the Commissioner as a permit
 6473 holder, the prohibition in this subdivision shall not apply to such operator, provided that such operator shall
 6474 be authorized to cooperatively market only on the premises of its casino gaming establishment. A permit
 6475 holder shall not be allowed an exemption from the prohibition in this subdivision unless (i) such permit
 6476 holder complies with any applicable local zoning ordinances and (ii) the local governing body approves by
 6477 ordinance cooperative marketing with respect to the permit holder's stadium or casino gaming establishment.

6478 H. A permit holder shall not purchase or use any personal biometric data unless the permit holder has
 6479 received written permission from the athlete's exclusive bargaining representative.

6480 I. Permit holders shall at all times maintain cash reserves in amounts to be established by Board
 6481 regulation.

6482 **§ 29.5-405. Suspension and revocation of permits; civil penalties.**

6483 If the Commissioner determines that a permit holder has violated this chapter, he may, with at least 15
 6484 days' notice and a hearing, (i) suspend or revoke the permit holder's permit and (ii) impose a monetary
 6485 penalty of not more than \$1,000 for each violation per day of this chapter. The Commission shall enforce
 6486 civil penalties under this section and shall deposit all collected penalties to the general fund. The
 6487 Commissioner's action shall be final unless appealed in accordance with § 29.5-104.

6488 **§ 29.5-406. Use of official league data.**

6489 A. A permit holder may use any data source for determining the result of a tier 1 bet.

6490 B. A sports governing body may notify the Commission that it desires permit holders to use official league
 6491 data to settle tier 2 bets. A notification under this subsection shall be made according to forms and
 6492 procedures prescribed by the Board. The Commissioner shall notify each permit holder of the sports
 6493 governing body's notification within five days after the Commission's receipt of the notification. If a sports
 6494 governing body does not notify the Commission of its desire to supply official league data, a permit holder
 6495 may use any data source for determining the result of a tier 2 bet on a professional sports event of the league
 6496 governed by the sports governing body.

6497 C. Within 60 days after the Commissioner notifies each permit holder as required under subsection B,
 6498 permit holders shall use only official league data to determine the results of tier 2 bets on professional sports
 6499 events of the league governed by the sports governing body, unless any of the following apply:

6500 1. The sports governing body is unable to provide a feed, on commercially reasonable terms, of official
 6501 league data to determine the results of a tier 2 bets, in which case permit holders may use any data source for
 6502 determining the results of tier 2 bets until the data feed becomes available on commercially reasonable terms.

6503 2. A permit holder demonstrates to the Commission that the sports governing body has not provided or
 6504 offered to provide a feed of official league data to such permit holder on commercially reasonable terms,
 6505 according to criteria identified in subsection D.

6568 sports bet on behalf of, a person under the age of 21 years.

6569 B. Any person convicted of violating this section is guilty of a Class 1 misdemeanor.

6570 § 29.5-411. **Persons prohibited from sports betting; penalty.**

6571 A. The following persons shall be prohibited from sports betting:

6572 1. The Commissioner and any Board member, officer, or employee of the Commission;

6573 2. Any permit holder;

6574 3. Any director, officer, owner, or employee of a permit holder and any relative living in the same

6575 household as such persons; and

6576 4. Any officer or employee of any entity working directly on a contract with the Commission related to

6577 sports betting.

6578 B. The persons described in subdivision A 3 shall be prohibited from sports betting only with respect to

6579 the related permit holder, but shall not be prohibited from placing sports bets with other permit holders.

6580 C. Any competitor, coach, trainer, employee, or owner of a team in a professional or college sports event,

6581 or any referee for a professional or college sports event, shall be prohibited from placing a bet on any event

6582 in a league in which such person participates. In determining which persons are prohibited from placing

6583 wagers under this subsection, a permit holder shall use publicly available information and any lists of

6584 persons that a sports governing body may provide to the Commission.

6585 D. Any person convicted of violating this section is guilty of a Class 1 misdemeanor.

6586 § 29.5-412. **Operation and advertising of unpermitted facilities prohibited; penalty.**

6587 A. No person, except for a permit holder authorized pursuant to the provisions of this chapter, shall make

6588 its premises available for placing sports bets using the Internet or advertise that its premises may be used for

6589 such purpose.

6590 B. The Commissioner may impose a monetary penalty for each violation of this section. For a person

6591 determined to have made its premises available for placing sports bets using the Internet, the penalty shall

6592 not exceed \$1,000 per day per individual who places a sports bet. For a person determined to have

6593 advertised that its premises may be used for such purpose, the penalty shall not exceed \$10,000 per violation.

6594 § 29.5-413. **Use of the phrase "Virginia is for Bettors" prohibited; civil penalty.**

6595 A. No permit holder, or any affiliate thereof, shall use the phrase "Virginia is for Bettors" in an

6596 advertisement in association with its product or service. Any permit holder, or affiliate thereof, that violates

6597 this section shall be subject to a civil penalty of not more than \$50,000. The Commissioner shall enforce the

6598 provisions of this section.

6599 B. All civil penalties collected pursuant to this section shall accrue to the general fund.

6600 § 29.5-414. **Reporting and investigating prohibited conduct.**

6601 A. The Commission shall establish a hotline or other method of communication that allows any person to

6602 confidentially report information about prohibited conduct to the Commission.

6603 B. The Commission shall investigate all reasonable allegations of prohibited conduct by a permit holder.

6604 The Commission shall refer credible allegations of prohibited conduct by any person to the appropriate law-

6605 enforcement entity.

6606 C. The Commission shall maintain the confidentiality of the identity of any reporting person unless such

6607 person authorizes disclosure of his identity or until such time as the allegation of prohibited conduct is

6608 referred to law enforcement. If an allegation of prohibited conduct is referred to law enforcement, the

6609 Commission shall disclose a reporting person's identity only to the applicable law-enforcement agency. The

6610 identity of a reporting person shall be excluded from the provisions of § 2.2-3705.7.

6611 D. If the Commission receives a complaint of prohibited conduct by an athlete, the Commission shall

6612 notify the appropriate sports governing body of the athlete to review the complaint.

6613 E. The Commission and permit holders shall cooperate with investigations conducted by sports governing

6614 bodies or law-enforcement agencies. Such cooperation shall include providing or facilitating the provision of

6615 account-level betting information and audio or video files relating to persons placing wagers.

6616 § 29.5-415. **Required direct notification to the Commission and to sports governing bodies.**

6617 A. A permit holder shall, as soon as is commercially reasonable, report to the Commission any

6618 information relating to:

6619 1. Criminal or disciplinary proceedings commenced against the permit holder in connection with its

6620 operations in the Commonwealth or in any other jurisdiction;

6621 2. Abnormal betting activity or patterns that may indicate a risk to the integrity of a bet or wager;

6622 3. Any potential breach of a sports governing body's rules and codes of conduct pertaining to sports

6623 betting, to the extent that such rules and codes of conduct are provided to and known by the permit holder;

6624 4. Any conduct that may alter the outcome of an athletic event for purposes of financial gain, including

6625 match fixing; and

6626 5. Suspicious or illegal wagering activities, including using funds derived from illegal activity to place

6627 bets, using bets to conceal or launder funds derived from illegal activity, using agents to place bets, and

6628 using false identification to place bets.

6629 B. A permit holder shall, as soon as is commercially practicable, report the information described in

6630 subdivisions A 2, 3, and 4 to any sports governing body that may be affected by the activities described in
6631 subdivisions A 2, 3, and 4.

6632 **§ 29.5-416. Liquidity pools.**

6633 The Board may promulgate rules authorizing permit holders to offset loss and manage risk, directly or
6634 with a third party approved by the Commissioner, through the use of a liquidity pool in Virginia or another
6635 jurisdiction so long as such permit holder, or an affiliate of such permit holder, is licensed by such
6636 jurisdiction to operate a sports betting business. However, a permit holder's use of a liquidity pool shall not
6637 eliminate its duty to ensure that it has sufficient funds available to pay bettors.

6638 **§ 29.5-417. Intermediate routing of electronic data.**

6639 All sports betting shall be initiated and received within Virginia unless otherwise permitted by federal
6640 law. Consistent with the intent of the United States Congress as expressed in the Unlawful Internet Gambling
6641 Enforcement Act, 31 U.S.C. § 5361 et seq., the intermediate routing of electronic data relating to lawful
6642 intrastate sports betting authorized under this chapter shall not determine the location in which such bet is
6643 initiated and received.

6644 **CHAPTER 5.**

6645 **FANTASY CONTESTS.**

6646 **§ 29.5-500. Definitions.**

6647 As used in this chapter, unless the context requires otherwise:

6648 "Confidential information" means information related to the play of a fantasy contest by fantasy contest
6649 players obtained as a result of or by virtue of a person's employment.

6650 "Entry fee" means cash or cash equivalent that is required to be paid by a fantasy contest participant to a
6651 fantasy contest operator in order to participate in a fantasy contest.

6652 "Fantasy contest" includes any online fantasy or simulated game or contest with an entry fee in which (i)
6653 the value of all prizes and awards offered to winning participants is established and made known to the
6654 participants in advance of the contest; (ii) all winning outcomes reflect the relative knowledge and skill of the
6655 participants and shall be determined by accumulated statistical results of the performance of individuals,
6656 including athletes in the case of sports events; and (iii) no winning outcome is based on the score, point
6657 spread, or any performance of any single actual team or combination of teams or solely on any single
6658 performance of an individual athlete or player in any single actual event.

6659 "Fantasy contest operator" or "operator" means a person or entity that offers fantasy contests for a cash
6660 prize to members of the public.

6661 "Fantasy contest player" or "player" means a person who participates in a fantasy contest offered by a
6662 fantasy contest operator.

6663 "Principal stockholder" means any person who individually or in concert with his spouse and immediate
6664 family members beneficially owns or controls, directly or indirectly, 15 percent or more of the equity
6665 ownership of a fantasy contest operator or who in concert with his spouse and immediate family members has
6666 the power to vote or cause the vote of 15 percent or more of the equity ownership of any such operator.

6667 **§ 29.5-501. Registration of fantasy contest operators required; application for registration; issuance of
6668 registration certificate; penalty.**

6669 A. No fantasy contest operator shall offer any fantasy contest in the Commonwealth without first being
6670 registered with the Commission. Applications for registration shall be on forms prescribed by the Board. Any
6671 registration issued by the Commissioner shall be valid for one year from the date of issuance.

6672 B. The application for registration submitted by a fantasy contest operator shall contain the following
6673 information:

6674 1. The name and principal address of the applicant; if a corporation, the state of its incorporation, the full
6675 name and address of each officer and director thereof, and, if a foreign corporation, whether it is qualified to
6676 do business in the Commonwealth; if a partnership or joint venture, the name and address of each officer
6677 thereof;

6678 2. The address of any offices of the applicant in the Commonwealth and its designated agent for process
6679 within the Commonwealth. If no such agent is designated, the applicant shall be deemed to have designated
6680 the Commissioner. If the operator does not maintain an office, the name and address of the person having
6681 custody of its financial records;

6682 3. The place where and the date when the applicant was legally established and the form of its
6683 organization;

6684 4. The names and addresses of the officers, directors, trustees, and principal salaried executive staff
6685 officer;

6686 5. The name and address of each principal stockholder or member of such corporation; and

6687 6. Such information as the Board deems necessary to ensure compliance with the provisions of this
6688 chapter.

6689 C. Every registration filed pursuant to this chapter shall be accompanied by a nonrefundable, initial
6690 application fee set by the Board.

6691 D. As a condition of registration, a fantasy contest operator shall submit evidence satisfactory to the

6692 *Board that the operator has established and will implement procedures for fantasy contests that:*

6693 1. *Prevent him or his employees and relatives living in the same household as the operator from*
 6694 *competing in any public fantasy contest offered by such operator in which the operator offers a cash prize;*

6695 2. *Prevent the sharing of confidential information that could affect fantasy contest play with third parties*
 6696 *until the information is made publicly available;*

6697 3. *Verify that any fantasy contest player is 21 years of age or older;*

6698 4. *Ensure that players who are the subject of a fantasy contest are restricted from entering a fantasy*
 6699 *contest that is determined, in whole or part, on the accumulated statistical results of a team of individuals in*
 6700 *which such players are participants;*

6701 5. *Allow individuals to restrict themselves from entering a fantasy contest upon request and take*
 6702 *reasonable steps to prevent those individuals from entering the operator's fantasy contests;*

6703 6. *Disclose the number of entries a single fantasy contest player may submit to each fantasy contest and*
 6704 *take reasonable steps to prevent such players from submitting more than the allowable number; and*

6705 7. *Segregate player funds from operational funds in separate accounts and maintain a reserve in the form*
 6706 *of cash, cash equivalents, irrevocable letter of credit, bond, or a combination thereof in an amount sufficient*
 6707 *to pay all prizes and awards offered to winning participants.*

6708 E. *If the registration forms are filed online using a website approved by the Commissioner, the operator*
 6709 *shall follow the procedures on that website for signing the forms.*

6710 F. *Any operator that allows its registration to lapse, without requesting an extension of time to file, shall*
 6711 *be required to resubmit an initial registration. An extension may be granted by the Commissioner upon*
 6712 *receipt of a written request.*

6713 **§ 29.5-502. Issuance of registration; denial of same.**

6714 A. *The Commissioner shall consider all applications for registration and shall issue a valid registration to*
 6715 *an applicant that meets the criteria set forth in this chapter.*

6716 B. *The Commissioner shall deny registration to any applicant unless it finds that:*

6717 1. *If the corporation is a stock corporation, such stock is fully paid and nonassessable and has been*
 6718 *subscribed and paid for only in cash or property to the exclusion of past services and, if the corporation is a*
 6719 *nonstock corporation, that there are at least five members;*

6720 2. *All principal stockholders or members have submitted to the jurisdiction of the courts of the*
 6721 *Commonwealth for the purposes of this chapter, and all nonresident principal stockholders or members have*
 6722 *designated the Commissioner as their agent for receipt of process;*

6723 3. *The applicant's articles of incorporation provide that the corporation may, on vote of a majority of the*
 6724 *stockholders or members, purchase at fair market value the entire membership interest of any stockholder or*
 6725 *require the resignation of any member who is or becomes unqualified for such position under subsection C;*
 6726 *and*

6727 4. *The applicant meets the criteria established by the Board for the granting of registration.*

6728 C. *The Commissioner may deny registration to an applicant if he finds that the applicant, or any officer,*
 6729 *partner, principal stockholder, or director of the applicant:*

6730 1. *Has knowingly made a false statement of material fact or has deliberately failed to disclose any*
 6731 *information requested;*

6732 2. *Is or has been found guilty of any illegal, corrupt, or fraudulent act, practice, or conduct in connection*
 6733 *with any fantasy contest in this or any other state or has been convicted of a felony, a crime of moral*
 6734 *turpitude, or any criminal offense involving dishonesty or breach of trust within the 10 years prior to the date*
 6735 *of application for registration;*

6736 3. *Has at any time knowingly failed to comply with the provisions of this chapter or of any requirements of*
 6737 *the Board;*

6738 4. *Has had a registration or permit to hold or conduct fantasy contests denied for just cause, suspended,*
 6739 *or revoked in any other state or country;*

6740 5. *Has legally defaulted in the payment of any obligation or debt due to the Commonwealth; or*

6741 6. *Is not qualified to do business in the Commonwealth or is not subject to the jurisdiction of the courts of*
 6742 *the Commonwealth.*

6743 D. *Any operator applying for registration or renewal of a registration may operate during the application*
 6744 *period unless the Commissioner has reasonable cause to believe that such operator is or may be in violation*
 6745 *of the provisions of this chapter and the Commissioner requires such operator to suspend the operation of*
 6746 *any fantasy contest until registration or renewal of registration is issued.*

6747 E. *The Commissioner shall issue such registration within 60 days of receipt of the application for*
 6748 *registration. If the registration is not issued, the Commissioner shall provide the operator with specific*
 6749 *justification for not issuing such registration.*

6750 **§ 29.5-503. Independent audit required; submission to Commission.**

6751 A registered operator shall (i) annually contract with a certified public accountant to conduct an

6752 *independent audit, consistent with the standards accepted by the Board of Accountancy; (ii) annually*

6753 *contract with a testing laboratory recognized by the Commission to verify compliance with the provisions of*

6754 subsection D of § 29.5-501; and (iii) submit to the Commission a copy of the (a) audit report and (b) report
6755 of the testing laboratory as required by clause (ii).

6756 § 29.5-504. Powers and duties of the Board and the Commission.

6757 A. The Commission shall have all powers and duties necessary to carry out the provisions of this chapter.
6758 The Board may establish procedures deemed necessary to carry out the provisions of this chapter.

6759 B. Whenever it appears to the Commission that any person has violated any provision of this chapter, it
6760 may apply to the appropriate circuit court for an injunction against such person. The order granting or
6761 refusing such injunction shall be subject to appeal as in other cases in equity.

6762 C. Whenever the Commission has reasonable cause to believe that a violation of this chapter may have
6763 occurred, the Commission, upon its own motion or upon complaint of any person, may investigate any
6764 fantasy contest operator to determine whether such operator has violated the provisions of this chapter. In
6765 the conduct of such investigation, the Commission may:

6766 1. Require or permit any person to file a statement in writing, under oath or otherwise as the Commission
6767 determines, as to all facts and circumstances concerning the matter to be investigated; and

6768 2. Administer oaths or affirmations and, upon its own motion or upon request of any party, subpoena
6769 witnesses and compel their attendance, take evidence, and require the production of any matter that is
6770 relevant to the investigation, including the existence, description, nature, custody, condition, and location of
6771 any books, documents, or other tangibles and the identity and location of persons having knowledge of
6772 relevant facts or any other matter reasonably calculated to lead to the discovery of material evidence.

6773 D. Any proceedings or hearings by the Commission under this chapter, where witnesses are subpoenaed
6774 and their attendance is required for evidence to be taken or any matter is to be produced to ascertain
6775 material evidence, shall take place within the City of Richmond.

6776 E. Upon failure to obey a subpoena and upon reasonable notice to all persons affected thereby, the
6777 Commission may apply to the Circuit Court of the City of Richmond for an order imposing punishment for
6778 contempt of the subpoena or compelling compliance.

6779 § 29.5-505. Suspension or revocation of registration.

6780 A. After a hearing with 15 days' notice, the Commissioner may suspend or revoke any registration or
6781 impose on such operator a monetary penalty of not more than \$1,000 for each violation of this chapter, not to
6782 exceed \$50,000, in any case where a violation of this chapter has been shown by a preponderance of the
6783 evidence. The Commissioner may revoke a registration if he finds that facts not known by him at the time he
6784 considered the application indicate that such registration should not have been issued.

6785 B. The Commissioner may summarily suspend any registration for a period of not more than seven days
6786 pending a hearing and final determination by the Commission if the Commissioner determines that a
6787 violation of this chapter has occurred and emergency action is required to protect the public health, safety,
6788 and welfare. The Commission shall (i) schedule a hearing within seven business days after the registration is
6789 summarily suspended and (ii) notify the registered operator not less than five business days before the
6790 hearing of the date, time, and place of the hearing.

6791 C. If any such registration is suspended or revoked, the Commissioner shall state his reasons for doing so,
6792 which shall be entered of record. Such action shall be final unless appealed in accordance with § 29.5-506.
6793 Suspension or revocation of a registration issued by the Commissioner for any violation shall not preclude
6794 civil liability for such violation.

6795 § 29.5-506. Hearing and appeal.

6796 Any person aggrieved by a denial of the Commissioner to issue a registration, the suspension or
6797 revocation of a registration, the imposition of a fine, or any other action of the Commission may seek review
6798 of such action in accordance with Article 5 (§ 2.2-4025 et seq.) of the Administrative Process Act in the
6799 Circuit Court of the City of Richmond. Further appeals shall also be in accordance with Article 5 (§ 2.2-4025
6800 et seq.) of the Administrative Process Act.

6801 § 29.5-507. Fees and charges.

6802 All fees, charges, and monetary penalties collected by the Commission as provided in this chapter shall be
6803 paid into a special fund of the state treasury. Such funds shall be used to finance the administration and
6804 operation of this chapter.

6805 § 29.5-508. Commission to adjust fees; certain transfer of money collected prohibited.

6806 A. Nongeneral funds generated by fees collected in accordance with this chapter on behalf of the
6807 Commission and accounted for and deposited into a special fund by the Commissioner shall be held
6808 exclusively to cover the expenses of the Commission in administering this chapter and shall not be
6809 transferred to any other agency.

6810 B. Following the close of any biennium, when the account for the Commission maintained under this
6811 chapter shows expenses allocated to it for the past biennium to be more than 10 percent greater or less than
6812 moneys collected on behalf of the Commission, it shall revise the fees levied by it for registration and renewal
6813 thereof so that the fees are sufficient but not excessive to cover expenses.

6814 § 29.5-509. Public inspection of information filed with the Commission; charges for production.

6815 A. Except as provided in subsection B, registrations required to be filed under this chapter shall be open

6816 to the public for inspection at such time and under such conditions as the Board may prescribe. A charge not
 6817 exceeding \$1 per page may be made for any copy of such documents as may be furnished to any person by
 6818 the Commission.

6819 B. Reports, data, or documents submitted to the Commission pursuant to the audit requirements of
 6820 § 29.5-503 and records submitted to the Commission as part of an application for registration or renewal
 6821 that contain information about the character or financial responsibility of the operator or its principal
 6822 stockholders shall be deemed confidential and shall be exempt from disclosure under the Virginia Freedom of
 6823 Information Act (§ 2.2-3700 et seq.).

6824 **§ 29.5-510. Registration not endorsement.**

6825 No registered operator shall use or exploit the fact of registration under this chapter so as to lead the
 6826 public to believe that such registration in any manner constitutes an endorsement or approval by the
 6827 Commonwealth.

6828 **§ 29.5-511. Acquisition of interest in fantasy contest operator.**

6829 A. If any person acquires actual control of a registered operator, such person shall register with the
 6830 Commission in accordance with § 29.5-501.

6831 B. Where any such acquisition of control is without prior approval of the Commissioner, the
 6832 Commissioner may suspend any registration it has issued to such operator, order compliance with this
 6833 section, or take such other action as may be appropriate within the authority of the Commissioner.

6834 **§ 29.5-512. Civil penalty.**

6835 In addition to the provisions of § 29.5-505, any person, firm, corporation, association, agent, or employee
 6836 who knowingly violates any procedure implemented under subsection D of § 29.5-501 or any other provision
 6837 of this chapter shall be liable for a civil penalty of not more than \$1,000 for each such violation. Such
 6838 amount shall be recovered in a civil action brought by the Commission and be paid into the Literary Fund.

6839 **§ 29.5-513. Fantasy contests conducted under this chapter not illegal gambling.**

6840 A. Nothing contained in Article 1 (§ 18.2-325 et seq.) of Chapter 8 of Title 18.2 shall be applicable to a
 6841 fantasy contest conducted in accordance with this chapter. The award of any prize money for any fantasy
 6842 contest shall not be deemed to be part of any gaming contract within the purview of § 11-14.

6843 B. This section shall not apply to any sports betting or related activity that is lawful under Chapter 4
 6844 (§ 29.5-400 et seq.), which shall be regulated pursuant to such chapter.

6845 **§ 29.5-514. Liability imposed by other laws not decreased.**

6846 Except as provided in § 29.5-513, nothing contained in this chapter shall be construed as making lawful
 6847 any act or omission that is now unlawful, or as decreasing the liability, civil or criminal, of any person,
 6848 imposed by existing laws.

6849 **CHAPTER 6.**

6850 **LIVE HORSE RACING, HISTORICAL HORSE RACING, AND SIMULCAST HORSE RACING WITH PARI-
 6851 MUTUEL WAGERING.**

6852 **Article 1.**

6853 **General Provisions.**

6854 **§ 29.5-600. Control of live horse racing, historical horse racing, and simulcast horse racing with pari-
 6855 mutuel wagering.**

6856 A. Horse racing with pari-mutuel wagering licensed pursuant to this chapter is permitted in the
 6857 Commonwealth for the promotion, sustenance, and growth of a native industry, in a manner consistent with
 6858 the health, safety, and welfare of the people. The Virginia Gaming Commission is vested with (i) plenary
 6859 power and control of all historical horse racing and simulcast horse racing with pari-mutuel wagering in the
 6860 Commonwealth and (ii) power to prescribe regulations and conditions under which live horse racing with
 6861 pari-mutuel wagering shall be conducted, with the advice and in consultation with the Virginia Racing
 6862 Commission established pursuant to § 29.5-602, so as to maintain horse racing in the Commonwealth of the
 6863 highest quality and free of any corrupt, incompetent, dishonest, or unprincipled practices and to maintain in
 6864 such racing complete honesty and integrity. The Virginia Gaming Commission shall encourage participation
 6865 by local individuals and businesses in those activities associated with horse racing.

6866 B. The conduct of any horse racing with pari-mutuel wagering, participation in such horse racing or
 6867 wagering, and entrance to any place where such racing or wagering is conducted is a privilege that may be
 6868 granted or denied by the Commission or its duly authorized representatives in its discretion in order to
 6869 effectuate the purposes set forth in this chapter.

6870 C. The award of any prize money for any pari-mutuel wager placed at a racetrack or satellite facility
 6871 licensed by the Commission shall not be construed as a part of any gaming contract within the purview of §
 6872 11-14.

6873 D. This section shall not apply to any sports betting or related activity that is lawful under Chapter 3
 6874 (§ 29.5-300 et seq.) or 4 (§ 29.5-400 et seq.), which shall be regulated pursuant to such chapters.

6875 **§ 29.5-601. Definitions.**

6876 As used in this chapter, unless the context requires a different meaning:

6877 "Advance deposit account wagering" means a method of pari-mutuel wagering conducted in the

6878 Commonwealth that is permissible under the Interstate Horseracing Act, 15 U.S.C. § 3001 et seq., and in
6879 which an individual may establish an account with an entity, licensed by the Commission, to place pari-
6880 mutuel wagers in person or electronically.

6881 "Breakage" means the odd cents by which the amount payable on each dollar wagered exceeds a multiple
6882 of \$0.10.

6883 "Commission" or "Gaming Commission" means the Virginia Gaming Commission established pursuant to
6884 § 29.5-101.

6885 "Dependent" means a son, daughter, father, mother, brother, sister, or other person, whether or not
6886 related by blood or marriage, if such person receives from an officer or employee more than one-half of his
6887 financial support.

6888 "Drug" means the same as that term is defined in § 54.1-3401. The Board shall, by regulation, define and
6889 designate those drugs the use of which is prohibited or restricted.

6890 "Enclosure" means all areas of the property of a track to which admission can be obtained only by
6891 payment of an admission fee or upon presentation of authorized credentials, and any additional areas
6892 designated by the Racing Commission.

6893 "Handle" means the total amount of all pari-mutuel wagering sales excluding refunds and cancellations.

6894 "Historical horse racing" means a form of horse racing that creates pari-mutuel pools from wagers
6895 placed on previously conducted horse races and is hosted at (i) a racetrack owned or operated by a
6896 significant infrastructure limited licensee or (ii) a satellite facility that is owned or operated by (a) a
6897 significant infrastructure limited licensee or (b) the nonprofit industry stakeholder organization recognized
6898 by the Commission and licensed to own or operate such satellite facility.

6899 "Horse racing" or "live horse racing" means a competition on a set course involving a race between
6900 horses on which pari-mutuel wagering is permitted.

6901 "Immediate family" means (i) a spouse and (ii) any other person residing in the same household as an
6902 officer or employee, who is a dependent of the officer or employee or of whom the officer or employee is a
6903 dependent.

6904 "Licensee" includes any person holding an owner's or operator's license pursuant to this chapter.

6905 "Member" includes any person designated a member of a nonstock corporation, and any person who by
6906 means of a pecuniary or other interest in such corporation exercises the power of a member.

6907 "Pari-mutuel wagering" means the system of wagering on horse races in which those who wager on
6908 horses that finish in the position or positions for which wagers are taken share in the total amounts wagered,
6909 plus any amounts provided by a licensee, less deductions required or permitted by law and includes pari-
6910 mutuel wagering on historical horse racing and simulcast horse racing originating within the Commonwealth
6911 or from any other jurisdiction.

6912 "Participant" means any person who (i) has an ownership interest in any horse entered to race in the
6913 Commonwealth or who acts as the trainer, jockey, or driver of any horse entered to race in the
6914 Commonwealth or (ii) takes part in any horse racing subject to the jurisdiction of the Commission or in the
6915 conduct of a race meeting or pari-mutuel wagering there, including a horse owner, trainer, jockey, or driver,
6916 groom, stable foreman, valet, veterinarian, agent, pari-mutuel employee, concessionaire or employee thereof,
6917 track employee, or other position the Commission deems necessary to regulate to ensure the integrity of
6918 horse racing in Virginia.

6919 "Permit holder" includes any person holding a permit to participate in any horse racing subject to the
6920 jurisdiction of the Commission or in the conduct of a race meeting or pari-mutuel wagering thereon as
6921 provided in § 29.5-628.

6922 "Person" means any individual, group of individuals, firm, company, corporation, partnership, business,
6923 trust, association, or other legal entity.

6924 "Pool" means the amount wagered during a race meeting or during a specified period of a race meeting.

6925 "Principal stockholder" means any person who individually or in concert with his spouse and immediate
6926 family members, beneficially owns or controls, directly or indirectly, five percent or more of the stock of any
6927 person that is a licensee, or who in concert with his spouse and immediate family members, has the power to
6928 vote or cause the vote of five percent or more of any such stock. However, "principal stockholder" shall not
6929 include a broker-dealer registered under the Securities Exchange Act of 1934, as amended, which holds in
6930 inventory shares for sale on the financial markets for a publicly traded corporation holding, directly or
6931 indirectly, a license from the Commission.

6932 "Race meeting" means the whole consecutive period of time during which horse racing with pari-mutuel
6933 wagering is conducted by a licensee.

6934 "Racetrack" means an outdoor course located in the Commonwealth that is laid out for horse racing and
6935 is licensed by the Commission.

6936 "Racing Commission" means the Virginia Racing Commission established pursuant to § 29.5-602.

6937 "Recognized majority horsemen's group" means the organization recognized by the Racing Commission
6938 as the representative of the majority of owners and trainers racing at race meetings subject to the Gaming
6939 Commission's jurisdiction.

6940 "Retainage" means the total amount deducted from the pari-mutuel wagering pool for (i) a license fee to
6941 the Commission and localities, (ii) the licensee, (iii) purse money for the participants, (iv) the Virginia
6942 Breeders Fund, and (v) certain enumerated organizations as required or permitted by law, regulation, or
6943 contract approved by the Commission.

6944 "Satellite facility" means all areas of the property at which simulcast horse racing is received for the
6945 purposes of pari-mutuel wagering, and any additional areas designated by the Commission.

6946 "Significant infrastructure facility" means a horse racing facility that has been approved by a local
6947 referendum pursuant to § 29.5-632 and has a minimum racing infrastructure consisting of (i) a one-mile dirt
6948 track for flat racing, (ii) a seven-eighths-mile turf course for flat or jump racing, (iii) covered seating for no
6949 fewer than 500 persons, and (iv) barns with no fewer than 400 permanent stalls.

6950 "Significant infrastructure limited licensee" means a person who owns or operates a significant
6951 infrastructure facility and holds a limited license under § 29.5-616.

6952 "Simulcast horse racing" means the simultaneous transmission of the audio or video portion, or both, of
6953 horse races from a licensed horse racetrack or satellite facility to another licensed horse racetrack or
6954 satellite facility, regardless of state of licensure, whether such races originate within the Commonwealth or
6955 any other jurisdiction, by satellite communication devices, television cables, telephone lines, or any other
6956 means for the purposes of conducting pari-mutuel wagering.

6957 "Steward" means a racing official, duly appointed by the Commission, with powers and duties prescribed
6958 by Board regulations.

6959 "Stock" includes all classes of stock, partnership interest, membership interest, or similar ownership
6960 interest of an applicant or licensee, and any debt or other obligation of such person or an affiliated person if
6961 the Commission finds that the holder of such interest or stock derives therefrom such control of or voice in
6962 the operation of the applicant or licensee that he should be deemed an owner of stock.

6963 "Virginia Breeders Fund" means the fund established to foster the industry of breeding race horses in the
6964 Commonwealth.

6965 § 29.5-602. Virginia Racing Commission established; purpose; membership; compensation; duties.

6966 A. The Virginia Racing Commission is established as an advisory board in state government for the
6967 purpose of advising the Virginia Gaming Commission on all aspects of the live horse racing industry in the
6968 Commonwealth. The Racing Commission shall have a total membership of five nonlegislative citizen
6969 members to be appointed by the Governor, subject to confirmation by the General Assembly. Nonlegislative
6970 citizen members shall be citizens of the Commonwealth.

6971 Appointments to fill vacancies, other than by expiration of a term, shall be for the unexpired terms.
6972 Vacancies shall be filled in the same manner as the original appointments. All members may be reappointed.

6973 After the initial staggering of terms, nonlegislative citizen members shall be appointed for a term of five
6974 years.

6975 The Racing Commission shall elect a chairman and vice-chairman from among its membership. A
6976 majority of the members shall constitute a quorum. The meetings of the Racing Commission shall be held at
6977 the call of the chairman or whenever the majority of the members so request.

6978 Members shall receive such compensation for the performance of their duties as provided in § 2.2-2813.
6979 All members shall be reimbursed for all reasonable and necessary expenses incurred in the performance of
6980 their duties as provided in §§ 2.2-2813 and 2.2-2825. Funding for the costs of compensation and expenses of
6981 the members shall be provided by the Virginia Gaming Commission.

6982 B. The Racing Commission shall have the following powers and duties:

6983 1. Advise the Virginia Gaming Commission on the conduct of live horse racing in the Commonwealth,
6984 including consulting with the Commission on the promulgation of all rules and regulations related to the live
6985 horse racing industry;

6986 2. Recommend policy and legislative changes to the Commission regarding horse racing, licensure and
6987 permitting, upkeep of racetracks and stable maintenance, or other matters related to the horse racing
6988 industry;

6989 3. Advise on other matters related to horse racing that the Commission may request or the Racing
6990 Commission may deem necessary; and

6991 4. Keep a complete and accurate record of its proceedings. A copy of such record and any other public
6992 records not exempt from disclosure under the Virginia Freedom of Information Act (§ 2.2-3700 et seq.) shall
6993 be available for public inspection and copying during regular office hours at the Commission.

6994 § 29.5-603. Financial interests of Racing Commission members and family members prohibited.

6995 No member of the Racing Commission, and no spouse or immediate family member of any such member
6996 shall have any financial interest, direct or indirect, in (i) any horse racetrack, satellite facility, or operation
6997 incident thereto subject to the provisions of this chapter; (ii) any entity that has submitted an application for
6998 a license pursuant to this chapter; (iii) the operation of any such racetrack or satellite facility within the
6999 Commonwealth; or (iv) the operation of any wagering authorized under this chapter. No member of the
7000 Racing Commission, and no spouse or immediate family member of any such member shall (a) participate as
7001 owner of a horse or otherwise as a contestant in any race subject to the jurisdiction of the Gaming

7002 *Commission; (b) have any pecuniary interest in the purse or prize contested for in any such race; or (c) make*
7003 *any contribution to a candidate for office or office holders on the local or state level, or cause a contribution*
7004 *to be made on their behalf.*

7005 **§ 29.5-604. Powers and duties of the Commission.**

7006 *A. The Virginia Gaming Commission shall have all powers and duties necessary to carry out the*
7007 *provisions of this chapter. Such powers and duties may be executed by the Virginia Gaming Commission*
7008 *Board, and when in regard to live horse racing, shall be executed in consultation and with the advice and*
7009 *consent of the Virginia Racing Commission pursuant to the provisions of § 29.5-600.*

7010 *B. The powers and duties of the Gaming Commission shall include the following:*

7011 *1. The Commission is vested with jurisdiction and supervision over all horse racing, historical horse*
7012 *racing, and simulcast horse racing licensed under the provisions of this chapter including all persons*
7013 *conducting, participating in, or attending any race meeting. It shall employ such persons to be present at*
7014 *race meetings as are necessary to ensure that they are conducted with order and the highest degree of*
7015 *integrity. It may eject or exclude from the enclosure or from any part of such enclosure any person, whether*
7016 *or not he possesses a license or permit, whose conduct or reputation is such that his presence may, in the*
7017 *opinion of the Commission, reflect on the honesty and integrity of horse racing or interfere with the orderly*
7018 *conduct of horse racing.*

7019 *2. The Commission, its representatives, and employees shall visit, investigate, and have free access to the*
7020 *office, track, facilities, satellite facilities, or other places of business of any licensee or permit holder, and*
7021 *may compel the production of any of the books, documents, records, or memoranda of any licensee or permit*
7022 *holder for the purpose of satisfying itself that this chapter and its regulations are strictly complied with. In*
7023 *addition, the Commission may require any person granted a permit by the Commissioner and shall require*
7024 *any person licensed by the Commissioner, the recognized majority horsemen's group, and the nonprofit*
7025 *industry stakeholder organization recognized by the Commission under this chapter to produce an annual*
7026 *balance sheet and operating statement prepared by a certified public accountant approved by the*
7027 *Commission. The Commission may require the production of any contract to which such person is or may be*
7028 *a party.*

7029 *3. The Board shall promulgate regulations and conditions under which horse racing, historical horse*
7030 *racing, and simulcast horse racing with pari-mutuel wagering shall be conducted in the Commonwealth, and*
7031 *all such other regulations it deems necessary and appropriate to effect the purposes of this chapter, including*
7032 *a requirement that licensees post, in a conspicuous place in every place where pari-mutuel wagering is*
7033 *conducted, (i) a sign that bears a toll-free telephone number for "Gamblers Anonymous" or other*
7034 *organization that provides assistance to compulsive gamblers and (ii) a sign that bears the toll-free number*
7035 *and website for the illegal gaming tip line established and administered by the Office of the Gaming*
7036 *Enforcement Coordinator in the Department of State Police pursuant to § 52-54 for members of the public to*
7037 *report concerns about, or suspected instances of, illegal gaming activities. Such regulations shall include*
7038 *provisions for affirmative action to assure participation by minority persons in contracts granted by the*
7039 *Commission and its licensees. Nothing in this subdivision shall be deemed to preclude private local*
7040 *ownership or participation in any horse racetrack. Such regulations may include penalties for violations. The*
7041 *regulations shall be subject to the Administrative Process Act (§ 2.2-4000 et seq.).*

7042 *4. The Board shall promulgate regulations and conditions under which simulcast horse racing shall be*
7043 *conducted at a licensed horse racetrack or satellite facility in the Commonwealth and all such other*
7044 *regulations it deems necessary and appropriate to effect the purposes of this chapter. Such regulations shall*
7045 *include provisions that all simulcast horse racing shall comply with the Interstate Horse Racing Act of 1978*
7046 *(15 U.S.C. § 3001 et seq.) and shall require the holder of a license to schedule no more than 125 live racing*
7047 *days in the Commonwealth each calendar year; however, the Racing Commission shall have the authority to*
7048 *alter the required number of live racing days in the event of force majeure. Such regulations shall authorize*
7049 *up to 10 satellite facilities and restrict majority ownership of satellite facilities to an entity licensed by the*
7050 *Commissioner that is a significant infrastructure limited licensee, or if by August 1, 2015, there is no such*
7051 *licensee or a pending application for such license, then the nonprofit industry stakeholder organization*
7052 *recognized by the Commission may be granted licenses to own or operate satellite facilities. If, however, after*
7053 *the issuance of a license to own or operate a satellite facility to such nonprofit industry stakeholder*
7054 *organization, the Commissioner grants a license to a significant infrastructure limited licensee pursuant to*
7055 *§ 29.5-616, then such limited licensee may own or operate the remaining available satellite facilities*
7056 *authorized in accordance with this subdivision. In no event shall the Commission authorize any such entities*
7057 *to own or operate more than a combined total of 10 satellite facilities. Nothing in this subdivision shall be*
7058 *deemed to preclude private local ownership or participation in any satellite facility. Except as authorized*
7059 *pursuant to subdivision 5, wagering on simulcast horse racing shall take place only at a licensed horse*
7060 *racetrack or satellite facility. For purposes of this subdivision, "force majeure" means an event or events*
7061 *reasonably beyond the ability of the Racing Commission to anticipate and control. "Force majeure" includes*
7062 *acts of God, incidences of terrorism, war or riots, labor strikes or civil disturbances, floods, earthquakes,*
7063 *fire, explosions, epidemics, hurricanes, tornadoes, and governmental actions and restrictions.*

7064 5. The Board shall promulgate regulations and conditions regulating and controlling advance deposit
 7065 account wagering. Such regulations shall include (i) standards, qualifications, and procedures for the
 7066 issuance of a license to an entity for the operation of pari-mutuel wagering in the Commonwealth, except that
 7067 the Commissioner shall not issue a license to, and shall revoke the license of, an entity that, either directly or
 7068 through an entity under common control with it, withholds the sale at fair market value to a licensee of
 7069 simulcast horse racing signals that such entity or an entity under common control with it sells to other
 7070 racetracks, satellite facilities, or advance deposit account wagering providers located in or outside of the
 7071 Commonwealth; (ii) provisions regarding access to books, records, and memoranda, and submission to
 7072 investigations and audits, as authorized by subdivisions 2 and 10; and (iii) provisions regarding the
 7073 collection of all revenues due to the Commonwealth from the placing of such wagers. No pari-mutuel wager
 7074 may be made on or with any computer owned or leased by the Commonwealth, or any of its subdivisions, or
 7075 at any public elementary or secondary school or institution of higher education. The Commission also shall
 7076 ensure that, except for this method of pari-mutuel wagering, all wagering on simulcast horse racing shall
 7077 take place only at a licensed horse racetrack or satellite facility.

7078 Nothing in this subdivision shall be construed to limit the Commission's authority as set forth elsewhere in
 7079 this section.

7080 6. The Board may issue subpoenas for the attendance of witnesses before it, administer oaths, and compel
 7081 production of records or other documents and testimony of such witnesses whenever, in the judgment of the
 7082 Board, it is necessary to do so for the effectual discharge of its duties.

7083 7. The Board may compel any person holding a license or permit to file with the Commission such data as
 7084 shall appear to the Board to be necessary for the performance of its duties including financial statements and
 7085 information relative to stockholders and all others with any pecuniary interest in such person. It may
 7086 prescribe the manner in which books and records of such persons shall be kept.

7087 8. The Commission shall report annually on or before March 1 to the Governor and the General
 7088 Assembly, which report shall include a financial statement of the operation of the Commission.

7089 9. The Commission may order such audits, in addition to those required by § 29.5-610, as it deems
 7090 necessary and desirable.

7091 10. The Commission, shall upon the receipt of a complaint of an alleged criminal violation of this chapter,
 7092 immediately report the complaint to the Attorney General and the Office of the Gaming Enforcement
 7093 Coordinator at the Department of State Police pursuant to § 52-54 for appropriate action.

7094 11. The Commission shall provide for the withholding of the applicable amount of state and federal
 7095 income tax of persons claiming a prize or pay-off for a winning wager and shall establish the thresholds for
 7096 such withholdings.

7097 12. The Commission, its representatives, and employees may, within the enclosure, stable, or other facility
 7098 related to the conduct of horse racing, and during regular or usual business hours, subject any (i) permit
 7099 holder to personal inspections, including alcohol and drug testing for illegal drugs, inspections of personal
 7100 property, and inspections of other property or premises under the control of such permit holder and (ii) horse
 7101 eligible to race at a race meeting licensed by the Commission to testing for substances foreign to the natural
 7102 horse within the racetrack enclosure or other place where such horse is kept. Any item, document, or record
 7103 indicative of a violation of any provision of this chapter or Board regulations may be seized as evidence of
 7104 such violation. All permit holders consent to the searches and seizures authorized by this subdivision,
 7105 including breath, blood, and urine sampling for alcohol and illegal drugs, by accepting the permit issued by
 7106 the Commissioner. The Commissioner may revoke or suspend the permit of any person who fails or refuses to
 7107 comply with this subdivision or any rules of the Commission. Board regulations in effect on July 1, 1998,
 7108 shall continue in full force and effect until modified by the Board in accordance with law.

7109 13. The Commission shall require the existence of a contract between each licensee and the recognized
 7110 majority horsemen's group for that licensee. Such contract shall be subject to the approval of the Board,
 7111 which shall have the power to approve or disapprove any of its items, including the provisions regarding
 7112 purses and prizes. Such contracts shall provide that on pools generated by wagering on simulcast horse
 7113 racing from outside the Commonwealth, (i) for the first \$75 million of the total pari-mutuel handle for each
 7114 breed, the licensee shall deposit funds at the minimum rate of five percent in the horsemen's purse account;
 7115 (ii) for any amount in excess of \$75 million but less than \$150 million of the total pari-mutuel handle for each
 7116 breed, the licensee shall deposit funds at the minimum rate of six percent in the horsemen's purse account;
 7117 and (iii) for amounts in excess of \$150 million for each breed, the licensee shall deposit funds at the minimum
 7118 rate of seven percent in the horsemen's purse account. Such deposits shall be made in the horsemen's purse
 7119 accounts of the breed that generated the pools and such deposits shall be made within five days from the date
 7120 on which the licensee receives wagers. In the absence of the required contract between the licensee and the
 7121 recognized majority horsemen's group, the Board may permit wagering to proceed on simulcast horse racing
 7122 from outside of the Commonwealth, provided that the licensee deposits into the Horse Racing Operations
 7123 Fund created pursuant to § 29.5-606 an amount equal to the minimum percentage of the total pari-mutuel
 7124 handles as required in clauses (i), (ii), and (iii) or such lesser amount as the Board may approve. The
 7125 deposits shall be made within five days from the date on which the licensee receives wagers. Once a contract

7126 between the licensee and the recognized majority horsemen's group is executed and approved by the Board,
7127 the Commission shall transfer these funds to the licensee and the horsemen's purse accounts.

7128 14. Notwithstanding the provisions of § 29.5-632, the Commissioner may grant provisional limited
7129 licenses or provisional unlimited licenses to own or operate racetracks or satellite facilities to an applicant
7130 prior to the applicant securing the approval through the local referendum required by § 29.5-632. The
7131 provisional licenses issued by the Commissioner shall only become effective upon the approval of the
7132 racetrack or satellite wagering facilities in a referendum conducted pursuant to § 29.5-632 in the jurisdiction
7133 in which the racetrack or satellite wagering facility is to be located.

7134 15. The Board shall promulgate regulations requiring, for each calendar year, any significant
7135 infrastructure limited licensee that offers pari-mutuel wagering on historical horse racing to hold at least one
7136 live Thoroughbred horse racing day, consisting of not less than eight races per day, for every 100 historical
7137 horse racing terminals installed at its significant infrastructure facility together with any satellite facility
7138 owned, operated, controlled, managed, or otherwise directly or indirectly affiliated with such licensee. The
7139 regulations shall require any such significant infrastructure limited licensee that holds more than one live
7140 Thoroughbred horse racing day in accordance with the provisions of this subdivision to hold at least one of
7141 those racing days on a weekend. The number of historical horse racing terminals installed at a significant
7142 infrastructure facility shall be calculated as of December 31 of the calendar year in question; however, only
7143 historical horse racing terminals that are fully operational shall be included in such calculation.

7144 **§ 29.5-605. Staff; stewards.**

7145 A. The Commission shall appoint such employees as it deems essential to perform its duties under this
7146 chapter, who shall possess such authority and perform such duties as the Commission shall prescribe or
7147 delegate to them. Such employees may include stewards, chemists, veterinarians, inspectors, accountants,
7148 guards, and such other employees deemed by the Commission to be necessary for the supervision and the
7149 proper conduct of the highest standard of horse racing. Such employees shall be compensated as provided by
7150 the Commission.

7151 B. The stewards appointed by the Executive Secretary in accordance with § 29.5-105 shall act as racing
7152 officials to oversee the conduct of (i) horse racing at licensed racetracks and (ii) simulcast horse racing at
7153 satellite facilities. The stewards shall have the authority to interpret and enforce the Board's regulations and
7154 to decide all questions of horse racing and simulcast horse racing not specifically covered by the regulations
7155 of the Board. Nothing in this subsection shall limit the authority of the Commission to carry out the
7156 provisions of this chapter and to exercise control of horse racing as set forth in this chapter, including the
7157 power to review all decisions and rulings of the stewards.

7158 **§ 29.5-606. Horse Racing Operations Fund.**

7159 There is hereby created in the state treasury a special nonreverting fund to be known as the Horse Racing
7160 Operations Fund, referred to in this section as "the Fund." The Fund shall be established on the books of the
7161 Comptroller. All moneys and revenues received by the Virginia Gaming Commission pursuant to the
7162 provisions of this chapter shall be paid into the state treasury and credited to the Fund. Interest earned on
7163 moneys in the Fund shall remain in the Fund and be credited to it. Any moneys remaining in the Fund,
7164 including interest thereon, at the end of each fiscal year shall not revert to the general fund but shall remain
7165 in the Fund. Moneys in the Fund shall be used solely for the operation and administration of this chapter by
7166 the Virginia Gaming Commission. Expenditures and disbursements from the Fund shall be made by the State
7167 Treasurer on warrants issued by the Comptroller upon written request signed by the Commissioner.

7168 **§ 29.5-607. Fingerprints and background investigations; investigations from other states.**

7169 A. The Commission shall fingerprint and require a background investigation, including a criminal history
7170 record information check, conducted by a representative of a law-enforcement agency of the Commonwealth
7171 or federal government of the following persons: (i) every person licensed to hold race meetings within the
7172 Commonwealth; (ii) every person who is an officer, director, or principal stockholder of a corporation that
7173 holds such a license, and every employee of the holder of any such license whose duties relate to the horse
7174 racing business in the Commonwealth; (iii) all security personnel of any license holder; (iv) members and
7175 employees of the Virginia Gaming Commission; (v) all permit holders, owners, trainers, jockeys, apprentices,
7176 stable employees, managers, agents, blacksmiths, veterinarians, and employees of any licensee or permit
7177 holder; and (vi) any person who actively participates in the horse racing activities of any licensee or permit
7178 holder.

7179 B. Notwithstanding the provisions of subsection A, the Board may (i) by regulation, establish a procedure
7180 to recognize a license or permit issued by another state in which horse racing is authorized when the Board,
7181 in its discretion, determines that (a) the laws or requirements of the licensing authority for such state
7182 governing fingerprinting and background investigations are substantially the same as required under this
7183 chapter and Board regulations and (b) the applicant has not been convicted of an offense as provided in
7184 subsection C of § 29.5-630 and (ii) waive the requirements for fingerprinting and background investigations
7185 for permit holders participating in (a) horse racing in nonsecure areas or (b) nonracing activities.

7186 **§ 29.5-608. Hearing and appeal.**

7187 Any person aggrieved by (i) a refusal of the Commissioner to issue any license or permit, (ii) the

7188 suspension or revocation of a license or permit, (iii) the imposition of a fine, or (iv) any other action of the
 7189 Commission or Board pursuant to this chapter, may seek review of such action in accordance with Article 5
 7190 (§ 2.2-4025 et seq.) of the Administrative Process Act in the Circuit Court of the City of Richmond, and any
 7191 further appeals shall also be in accordance with such article.

7192 **§ 29.5-609. Injunction.**

7193 Whenever it appears to the Commission that any person has violated or may violate any provision of this
 7194 chapter, any Board regulation, or final decision of the Commission, it may apply to the appropriate circuit
 7195 court for an injunction against such person. The order granting or refusing such injunction shall be subject
 7196 to appeal as in other cases in equity.

7197 **§ 29.5-610. Audit required.**

7198 A regular post-audit shall be conducted of all accounts and transactions of the Commission. An audit of a
 7199 fiscal and compliance nature of the accounts and transactions of the Commission shall be conducted by the
 7200 Auditor of Public Accounts as determined necessary by the Auditor of Public Accounts. The cost of the audit
 7201 and post-audit examinations shall be paid by the Commission.

7202 **§ 29.5-611. Virginia Breeders Fund.**

7203 There is hereby created within the State Treasury the Virginia Breeders Fund, referred to in this section
 7204 as "the Fund," which Fund, together with the interest thereon, shall be administered in whole or in part by
 7205 the Commission or by an entity designated by the Commission. The cost of administering and promoting the
 7206 Fund shall be deducted from the Fund, and the balance shall be disbursed by the Commission or designated
 7207 entity to the breeders of Virginia-bred horses that finish first, second, or third in races at race meetings
 7208 designated by the Commission, to the owners of Virginia sires of Virginia-bred horses that finish first,
 7209 second, or third in races at race meetings designated by the Commission, to the owners of Virginia-bred
 7210 horses that win or earn purse money in nonrestricted races at racetracks in Virginia licensed by the
 7211 Commission, to the owners of Virginia-bred horses that win races at race meetings designated by the
 7212 Commission, and for purses for races restricted to Virginia-bred or Virginia-sired horses or both at race
 7213 meetings designated by the Commission. To assist the Commission in establishing this awards and incentive
 7214 program to foster the industry of breeding racehorses in Virginia, the Board shall appoint an advisory
 7215 committee composed of two members from each of the registered breed associations representing each breed
 7216 of horse participating in the Fund program, one member representing the owners and operators of
 7217 racetracks, and one member representing all of the meets sanctioned by the National Steeplechase
 7218 Association.

7219 **Article 2.**

7220 **Live Horseracing Compact.**

7221 **§ 29.5-612. Live Horseracing Compact; form of compact.**

7222 The Live Horseracing Compact is enacted into law and entered into with all other jurisdictions legally
 7223 joining therein in the form substantially as follows:

7224 **ARTICLE I. Purposes.**

7225 **§ 1. Purposes.**

7226 The purposes of this compact are to:

7227 1. Establish uniform requirements among the party states for the licensing of participants in live horse
 7228 racing with pari-mutuel wagering, and ensure that all such participants who are licensed pursuant to this
 7229 compact meet a uniform minimum standard of honesty and integrity.

7230 2. Facilitate the growth of the horse racing industry in each party state and nationwide by simplifying the
 7231 process for licensing participants in live racing, and reduce the duplicative and costly process of separate
 7232 licensing by the regulatory agency in each state that conducts live horse racing with pari-mutuel wagering.

7233 3. Authorize the Virginia Gaming Commission to participate in this compact.

7234 4. Provide for participation in this compact by officials of the party states, and permit those officials,
 7235 through the compact committee established by this compact, to enter into contracts with governmental
 7236 agencies and nongovernmental persons to carry out the purposes of this compact.

7237 5. Establish the compact committee created by this compact as an interstate governmental entity duly
 7238 authorized to request and receive criminal history record information from the Federal Bureau of
 7239 Investigation and other state and local law-enforcement agencies.

7240 **ARTICLE II. Definitions.**

7241 **§ 2. Definitions.**

7242 "Compact committee" means the organization of officials from the party states that is authorized and
 7243 empowered by this compact to carry out the purposes of this compact.

7244 "Official" means the appointed, elected, designated, or otherwise duly selected representative of a racing
 7245 commission or the equivalent thereof in a party state who represents that party state as a member of the
 7246 compact committee.

7247 "Participants in live racing" means participants in live horse racing with pari-mutuel wagering in the
 7248 party states.

7249 "Party state" means each state that has enacted this compact.

7250 "State" means each of the several states of the United States, the District of Columbia, the Commonwealth
7251 of Puerto Rico, and each territory or possession of the United States.

7252 **ARTICLE III. Entry into Force, Eligible Parties, and Withdrawal.**

7253 **§ 3. Entry into force.**

7254 *This compact shall come into force when enacted by any four states. Thereafter, this compact shall
7255 become effective as to any other state upon (i) that state's enactment of this compact and (ii) the affirmative
7256 vote of a majority of the officials on the compact committee as provided in § 8.*

7257 **§ 4. States eligible to join compact.**

7258 *Any state that has adopted or authorized horse racing with pari-mutuel wagering shall be eligible to
7259 become party to this compact.*

7260 **§ 5. Withdrawal from compact and impact thereof on force and effect of compact.**

7261 *Any party state may withdraw from this compact by enacting a statute repealing this compact, but no such
7262 withdrawal shall become effective until the head of the executive branch of the withdrawing state has given
7263 notice in writing of such withdrawal to the head of the executive branch of all other party states. If as a result
7264 of withdrawals participation in this compact decreases to less than three party states, this compact no longer
7265 shall be in force and effect unless and until there are at least three or more party states again participating in
7266 this compact.*

7267 **ARTICLE IV. Compact Committee.**

7268 **§ 6. Compact committee established.**

7269 *There is hereby created an interstate governmental entity to be known as the "compact committee," which
7270 shall be composed of one official from the racing commission or its equivalent in each party state who shall
7271 be appointed, serve, and be subject to removal in accordance with the laws of the party state he represents.
7272 Pursuant to the laws of his party state, each official shall have the assistance of his state's racing commission
7273 or the equivalent thereof in considering issues related to licensing of participants in live racing and in
7274 fulfilling his responsibilities as the representative from his state to the compact committee. If an official is
7275 unable to perform any duty in connection with the powers and duties of the compact committee, the racing
7276 commission or equivalent thereof from his state shall designate an alternate who shall serve in his place and
7277 represent the party state as its official on the compact committee until that racing commission or equivalent
7278 thereof determines that the original representative official is able once again to perform his duties as that
7279 party state's representative official on the compact committee. The designation of an alternate shall be
7280 communicated by the affected state's racing commission or equivalent thereof to the compact committee as
7281 the committee's bylaws may provide.*

7282 **§ 7. Powers and duties of compact committee.**

7283 *In order to carry out the purposes of this compact, the compact committee is hereby granted the power
7284 and duty to:*

7285 1. Determine which categories of participants in live racing, including but not limited to owners, trainers,
7286 jockeys, grooms, mutuel clerks, racing officials, veterinarians, and farriers, and which categories of
7287 equivalent participants in live racing with pari-mutuel wagering authorized in two or more of the party
7288 states, should be licensed by the committee, and establish the requirements for the initial licensure of
7289 applicants in each such category, the term of the license for each category, and the requirements for renewal
7290 of licenses in each category, provided, however, that with regard to requests for criminal records on the
7291 issuance or renewal of a license, the compact committee shall determine for each category of participants in
7292 live racing which licensure requirements for that category are, in its judgment, the most restrictive licensure
7293 requirements of any party state for that category and shall adopt licensure requirements for that category
7294 that are, in its judgment, comparable to those most restrictive requirements.

7295 2. Investigate applicants for a license from the compact committee and, as permitted by federal and state
7296 law, gather information on such applicants, including criminal history record information from the Federal
7297 Bureau of Investigation and relevant state and local law-enforcement agencies, and, where appropriate, from
7298 the Royal Canadian Mounted Police and law-enforcement agencies of other countries, necessary to
7299 determine whether a license should be issued under the licensure requirements established by the committee
7300 as provided in subdivision 1. Only officials on, and employees of, the compact committee may receive and
7301 review such criminal history record information, and those officials and employees may use that information
7302 only for the purposes of this compact. No such official or employee may disclose or disseminate such
7303 information to any person or entity other than another official or employee of the compact committee. The
7304 fingerprints of each applicant for a license from the compact committee shall be taken by the compact
7305 committee, its employees, or its designee and, pursuant to Public Law 92-544 or Public Law 100-413, shall
7306 be forwarded to a state identification bureau, or an association of state officials regulating pari-mutuel
7307 wagering designated by the Attorney General of the United States, for submission to the Federal Bureau of
7308 Investigation for a criminal history records check. Such fingerprints may be submitted on a fingerprint card
7309 or by electronic or other means authorized by the Federal Bureau of Investigation or other receiving law-
7310 enforcement agency.

7311 3. Issue licenses to, and renew the licenses of, participants in live racing listed in subdivision 1 who are

7312 found by the committee to have met the licensure and renewal requirements established by the committee.
 7313 The compact committee shall not have the power or authority to deny a license. If it determines that an
 7314 applicant will not be eligible for the issuance or renewal of a compact committee license, the compact
 7315 committee shall notify the applicant that it will not be able to process his application further. Such
 7316 notification does not constitute and shall not be considered to be the denial of a license. Any such applicant
 7317 shall have the right to present additional evidence to, and to be heard by, the compact committee, but the
 7318 final decision on issuance or renewal of the license shall be made by the compact committee using the
 7319 requirements established pursuant to subdivision 1.

7320 4. Enter into contracts or agreements with governmental agencies and with nongovernmental persons to
 7321 provide personal services for its activities and such other services as may be necessary to effectuate the
 7322 purposes of this compact.

7323 5. Create, appoint, and abolish those offices, employments, and positions, including an executive director,
 7324 as it deems necessary for the purposes of this compact, prescribe their powers, duties, and qualifications,
 7325 hire persons to fill those offices, employments, and positions, and provide for the removal, term, tenure,
 7326 compensation, fringe benefits, retirement benefits, and other conditions of employment of its officers,
 7327 employees, and other positions.

7328 6. Borrow, accept, or contract for the services of personnel from any state, the United States, or any other
 7329 governmental agency, or from any person, firm, association, corporation, or other entity.

7330 7. Acquire, hold, and dispose of real and personal property by gift, purchase, lease, license, or in other
 7331 similar manner, in furtherance of the purposes of this compact.

7332 8. Charge a fee to each applicant for an initial license or renewal of a license.

7333 9. Receive other funds through gifts, grants, and appropriations.

7334 § 8. Voting requirements.

7335 A. Each official shall be entitled to one vote on the compact committee.

7336 B. All action taken by the compact committee with regard to the addition of party states as provided in §
 7337 3, the licensure of participants in live racing, and the receipt and disbursement of funds shall require a
 7338 majority vote of the total number of officials, or their alternates, on the committee. All other action by the
 7339 compact committee shall require a majority vote of those officials, or their alternates, present and voting.

7340 C. No action of the compact committee may be taken unless a quorum is present. A majority of the
 7341 officials, or their alternates, on the compact committee shall constitute a quorum.

7342 § 9. Administration and management.

7343 A. The compact committee shall elect annually from among its members a chairman, a vice-chairman,
 7344 and a secretary/treasurer.

7345 B. The compact committee shall adopt bylaws for the conduct of its business by a two-thirds vote of the
 7346 total number of officials, or their alternates, on the committee at that time and shall have the power by the
 7347 same vote to amend and rescind such bylaws. The committee shall publish its bylaws in convenient form and
 7348 shall file a copy thereof and a copy of any amendments thereto with the secretary of state or equivalent
 7349 agency of each of the party states.

7350 C. The compact committee may delegate the day-to-day management and administration of its duties and
 7351 responsibilities to an executive director and his support staff.

7352 D. Employees of the compact committee shall be considered governmental employees.

7353 § 10. Immunity from liability for performance of official responsibilities and duties.

7354 No official of a party state or employee of the compact committee shall be held personally liable for any
 7355 good faith act or omission that occurs during the performance and within the scope of his responsibilities and
 7356 duties under this compact.

7357 ARTICLE V. Rights and Responsibilities of Each Party State.

7358 § 11. Rights and responsibilities of each party state.

7359 A. By enacting this compact, each party state:

7360 1. Agrees (i) to accept the decisions of the compact committee regarding the issuance of compact
 7361 committee licenses to participants in live racing pursuant to the committee's licensure requirements and (ii)
 7362 to reimburse or otherwise pay the expenses of its official representative on the compact committee or his
 7363 alternate.

7364 2. Agrees not to treat a notification to an applicant by the compact committee under subdivision 3 of § 7
 7365 that the compact committee will not be able to process his application further as the denial of a license, or to
 7366 penalize such an applicant in any other way based solely on such a decision by the compact committee.

7367 3. Reserves the right (i) to charge a fee for the use of a compact committee license in that state; (ii) to
 7368 apply its own standards in determining whether, on the facts of a particular case, a compact committee
 7369 license should be suspended or revoked; (iii) to apply its own standards in determining licensure eligibility,
 7370 under the laws of that party state, for categories of participants in live racing that the compact committee
 7371 determines not to license and for individual participants in live racing who do not meet the licensure
 7372 requirements of the compact committee; and (iv) to establish its own licensure standards for the licensure of
 7373 nonracing employees at horse racetracks and employees at separate satellite wagering facilities. Any party

7374 state that suspends or revokes a compact committee license shall, through its racing commission or the
7375 equivalent thereof or otherwise, promptly notify the compact committee of that suspension or revocation.

7376 B. No party state shall be held liable for the debts or other financial obligations incurred by the compact
7377 committee.

7378 **ARTICLE VI. Construction and Severability.**

7379 **§ 12. Construction and severability.**

7380 This compact shall be liberally construed so as to effectuate its purposes. The provisions of this compact
7381 shall be severable, and if any phrase, clause, sentence, or provision of this compact is declared to be
7382 contrary to the Constitution of the United States or of any party state, or the applicability of this compact to
7383 any government, agency, person, or circumstance is held invalid, the validity of the remainder of this
7384 compact and the applicability thereof to any government, agency, person, or circumstance shall not be
7385 affected thereby. If all or some portion of this compact is held to be contrary to the constitution of any party
7386 state, the compact shall remain in full force and effect as to the remaining party states and in full force and
7387 effect as to the state affected as to all severable matters.

7388 **§ 29.5-613. Compact Committee members.**

7389 The Governor shall appoint one official to represent the Commonwealth on the Compact Committee for a
7390 term of four years. No official shall serve more than three consecutive terms. A vacancy shall be filled by the
7391 Governor for the unexpired term.

7392 **§ 29.5-614. Cooperation of departments, agencies, and officers of the Commonwealth.**

7393 All departments, agencies, and officers of the Commonwealth and its political subdivisions are hereby
7394 authorized to cooperate with the Compact Committee in furtherance of any of its activities pursuant to the
7395 Compact.

7396 **Article 3.**

7397 **Licenses and Permits.**

7398 **§ 29.5-615. Owner's and operator's license required.**

7399 A. No person shall construct, establish, or own a satellite facility where pari-mutuel wagering is
7400 permitted unless he has obtained an owner's license issued by the Commissioner in accordance with the
7401 provisions of this chapter.

7402 B. No person shall operate pari-mutuel wagering with his knowledge or acquiescence unless he has
7403 obtained an operator's license issued by the Commissioner in accordance with the provisions of this chapter.

7404 C. No license issued under the provisions of this chapter shall be transferable.

7405 **§ 29.5-616. Limited licenses; transfer of meet; taxation; authority to issue; limitations.**

7406 A. Notwithstanding the provisions of § 29.5-615 or 29.5-618 but subject to such regulations and criteria
7407 as it may prescribe, the Commission is authorized to issue limited licenses, provided such licenses shall
7408 permit any holder to conduct a race meeting or meetings for a period not to exceed 14 days in any calendar
7409 year, or in the case of a significant infrastructure licensee, 75 days in any calendar year.

7410 B. The Commission may at any time, in its discretion, authorize any organization or association licensed
7411 under this section to transfer its race meeting or meetings from its own track or place for holding races to the
7412 track or place for holding races of any other organization or association licensed under this chapter upon the
7413 payment of any and all appropriate license fees. No such authority to transfer shall be granted without the
7414 express consent of the organization or association owning or leasing the track to which such transfer is
7415 made.

7416 C. For any such meeting the licensee shall retain and pay from the pool the tax as provided in Article 5
7417 (§ 29.5-633 et seq.).

7418 **§ 29.5-617. Application for owner's license; penalty.**

7419 A. Any person desiring to construct or own a satellite facility where pari-mutuel wagering is permitted
7420 shall file with the Commission an application for an owner's license. Such application shall be filed at the
7421 time and place, and in such form and containing such information, as prescribed by the Board with the
7422 following:

7423 1. The name and address of such person; if a corporation, the state of its incorporation, and the full name
7424 and address of each officer and director thereof, and if a foreign corporation, whether it is qualified to do
7425 business in the Commonwealth; if a partnership or joint venture, the name and address of each officer
7426 thereof;

7427 2. The name and address of each stockholder or member of such corporation, or each partner of such
7428 partnership or joint venture, and of each person who has contracted for a pecuniary interest in the applicant
7429 where pari-mutuel wagering will be conducted, whether such interest is an ownership or a security interest,
7430 and the nature and value of such interest, and the name and address of each person who has agreed to lend
7431 money to the applicant;

7432 3. Such information as the Board deems appropriate regarding the character, background, and
7433 responsibility of the applicant and the members, partners, stockholders, officers, and directors of the
7434 applicant;

7435 4. The location and description of the place where such person proposes to hold such wagering, including

7436 the name of any county, city, or town in which any property of such satellite facility is or will be located. The
 7437 Board shall require such information about the location of such satellite facility as it deems necessary and
 7438 appropriate to determine whether it complies with the minimum standards provided in this chapter, and
 7439 whether the conduct of pari-mutuel wagering at such location would be in the best interests of the people of
 7440 the Commonwealth;

7441 5. Such information relating to the financial responsibility of the applicant as the Board deems
 7442 appropriate;

7443 6. If any of the facilities necessary for the conduct of pari-mutuel wagering are to be leased, the terms of
 7444 such lease; and

7445 7. Any other information that the Board, in its discretion, deems appropriate.

7446 B. Any application filed hereunder shall be verified by the oath or affirmation of an officer of the
 7447 applicant and accompanied by a nonrefundable application fee as prescribed by the Board.

7448 C. Any person who knowingly makes a false statement to the Board for the purposes of obtaining a license
 7449 under this chapter is guilty of a Class 4 felony.

7450 **§ 29.5-618. Issuance of owner's license.**

7451 A. The Commissioner shall consider all applications for an owner's license and may grant a valid owner's
 7452 license to applicants who meet the criteria set forth in this chapter and established by the Board. The
 7453 Commissioner shall deny a license to any applicant unless he finds that the applicant's facilities are or will
 7454 be appropriate for the finest quality of racing.

7455 B. The Commissioner shall deny a license to an applicant if he finds that (i) for any reason, the issuance
 7456 of a license to the applicant would not be in the interest of the people of the Commonwealth or the horse
 7457 racing industry in the Commonwealth or would reflect adversely on the honesty and integrity of the horse
 7458 racing industry in the Commonwealth or (ii) that the applicant, or any officer, partner, principal stockholder,
 7459 or director of the applicant:

7460 1. Has knowingly made a false statement of material fact or has deliberately failed to disclose any
 7461 information requested;

7462 2. Is or has been found guilty of any illegal, corrupt, or fraudulent act, practice, or conduct in connection
 7463 with any horse racing in this or any other state, or has been convicted of a felony;

7464 3. Has at any time knowingly failed to comply with the provisions of this chapter or of any regulations of
 7465 the Board;

7466 4. Has had a license or permit to hold or conduct a horse race meeting denied for just cause, suspended,
 7467 or revoked in any other state or country;

7468 5. Has legally defaulted in the payment of any obligation or debt due to the Commonwealth;

7469 6. Has constructed or caused to be constructed a racetrack or satellite facility for which a license was
 7470 required under § 29.5-617 without obtaining such license, or has deviated substantially, without the
 7471 permission of the Commissioner, from the plans and specifications submitted to the Commission; or

7472 7. Is not qualified to do business in the Commonwealth or is not subject to the jurisdiction of the courts of
 7473 the Commonwealth.

7474 C. The Commissioner shall deny a license to any applicant unless he finds:

7475 1. That, if the corporation is a stock corporation, that such stock is fully paid and nonassessable, has been
 7476 subscribed and paid for only in cash or property to the exclusion of past services, and, if the corporation is a
 7477 nonstock corporation, that there are at least 20 members;

7478 2. That all principal stockholders or members have submitted to the jurisdiction of the courts of the
 7479 Commonwealth, and all nonresident principal stockholders or members have designated the Executive
 7480 Secretary as their agent for receipt of process;

7481 3. That the applicant's articles of incorporation provide that the corporation may, on vote of a majority of
 7482 the stockholders or members, purchase at fair market value the entire membership interest of any stockholder
 7483 or require the resignation of any member who is or becomes unqualified for such position under § 29.5-620;
 7484 and

7485 4. That the applicant meets the criteria established by the Board for the granting of an owner's license.

7486 **§ 29.5-619. Licensing of owners or operators of certain pari-mutuel facilities.**

7487 A. Notwithstanding the provisions of § 29.5-632, the Commissioner may grant a license, for a duration to
 7488 be determined by the Board, to the owner or operator of a facility for the purpose of conducting pari-mutuel
 7489 wagering on (i) Thoroughbred and standard bred race meetings and (ii) simulcast horse racing at that
 7490 facility in conjunction with the race meetings for a period not to exceed 14 days in any calendar year,
 7491 provided that, prior to making application for such license, (a) the facility has been approved by the Board
 7492 and (b) the owner or operator of such facility has been granted tax-exempt status under § 501(c)(3) or (4) of
 7493 the Internal Revenue Code.

7494 B. In deciding whether to grant any license pursuant to this section, the Commissioner shall consider (i)
 7495 the results of, circumstances surrounding, and issues involved in any referendum conducted under the
 7496 provisions of § 29.5-632 and (ii) whether the Commissioner had previously granted a license to such facility,
 7497 owner, or operator.

7498 C. In no event shall the Commissioner issue more than 12 licenses in a calendar year pursuant to this
7499 section.

7500 **§ 29.5-620. Refusal of owner's license.**

7501 No owner's license or renewal thereof shall be granted to any corporation if the Commissioner finds that
7502 any principal stockholder of such stock corporation, or any member of such nonstock corporation:

7503 1. Is or has been guilty of any illegal, corrupt, or fraudulent act, conduct, or practice in connection with
7504 horse racing in this or any other state, or has knowingly failed to comply with the provisions of this chapter
7505 or Board regulations;

7506 2. Has had a license or permit to hold or conduct a race meeting denied for cause, suspended, or revoked
7507 in any other state or country; or

7508 3. Has at any time during the previous five years knowingly failed to comply with the provisions of this
7509 chapter or any Board regulations.

7510 **§ 29.5-621. Duration, form of owner's license; bond.**

7511 A license issued under § 29.5-618 shall be for the period set by the Board, not to be less than 20 years,
7512 but shall be reviewed annually. The Board shall designate on the license the duration of such license, the
7513 location of such satellite facility or proposed satellite facility and such other information as it deems proper.
7514 The Board shall establish criteria and procedures for license renewal.

7515 The Board shall require (i) a bond with surety or (ii) a letter of credit, acceptable to the Board, and in an
7516 amount determined by it, to be sufficient to cover any indebtedness incurred by the licensee to the
7517 Commonwealth.

7518 **§ 29.5-622. Application for operator's license.**

7519 A. Any person desiring to operate a satellite facility shall file with the Commission an application for an
7520 operator's license. Such application may be made in conjunction with an application for an owner's license, if
7521 appropriate, and shall be filed at the time and place, and in such form and containing such information, as
7522 prescribed by the Board, including all information prescribed for an owner's license under § 29.5-617.

7523 B. Any application filed pursuant to this section shall be verified by the oath or affirmation of an officer of
7524 the applicant and accompanied by a nonrefundable application fee as prescribed by the Board.

7525 **§ 29.5-623. Issuance of operator's license.**

7526 The Commissioner shall promptly consider any application for an operator's license and grant a valid
7527 operator's license to applicants who meet the criteria set forth in this chapter and established by the Board.
7528 The Commissioner shall deny a license to any applicant, unless he finds:

7529 1. That such applicant is a corporation organized under Title 13.1 or comparable law of another state,
7530 and qualified to do business in the Commonwealth;

7531 2. That, if the corporation is a stock corporation, all principal stockholders have submitted to the
7532 jurisdiction of the courts of the Commonwealth and all nonresident principal stockholders have designated
7533 the Executive Secretary as their agent for process, and further, that an application shall also contain
7534 information as required by § 29.5-617;

7535 3. That the applicant's articles of incorporation provide that the corporation may, on vote of a majority of
7536 the stockholders or members, purchase at fair market value the entire membership interest of any
7537 stockholder, or require the resignation of any member, who is or becomes unqualified for such position under
7538 § 29.5-620;

7539 4. That the applicant would be qualified for a license to own such satellite facility under the provisions of
7540 §§ 29.5-618 and 29.5-620;

7541 5. That the applicant has made provisions satisfactory to the Board for the detection and prosecution of
7542 any illegal, corrupt, or fraudulent act, practice, or conduct in connection with any race meeting or pari-
7543 mutuel wagering, that the applicant has made provision for membership in the Thoroughbred Racing
7544 Association or other equivalent applicable association, and that the applicant shall utilize the services of the
7545 Thoroughbred Racing Protective Bureau or any other protective agency acceptable to the Commission and
7546 with the approval of the Racing Commission; and

7547 6. That the applicant has met the criteria established by the Board for the granting of an operator's
7548 license.

7549 **§ 29.5-624. Duration, form of operator's license; bond.**

7550 A license issued under § 29.5-623 shall be for a period of 20 years from the date of issuance, but shall be
7551 reviewed annually. The Board may, as it deems appropriate, change at the beginning of any year the dates on
7552 which the licensee is authorized to conduct pari-mutuel wagering. An applicant for renewal of a license may
7553 omit any information that in the opinion of the Commission is already available to it. The Board shall
7554 establish criteria and procedures for license renewal.

7555 Any license issued under § 29.5-623 shall designate on its face (i) the type or types of pari-mutuel
7556 wagering for which it is issued, (ii) the location of the satellite facility where such wagering is to be
7557 conducted, (iii) the period during which such license is in effect, and (iv) such other information as the Board
7558 deems proper.

7559 The Board shall require a bond with surety acceptable to it, and in an amount determined by it to be

7560 sufficient to cover any indebtedness incurred by such licensee during the days allotted for racing.

7561 **§ 29.5-625. Denial of license final.**

7562 The denial of an owner's or operator's license by the Commissioner shall be final unless appealed under §
7563 29.5-608.

7564 **§ 29.5-626. Suspension or revocation of license final.**

7565 A. After a hearing with 15 days' notice, the Commissioner may (i) suspend or revoke any license or (ii)
7566 fine the holder of such license a sum not to exceed \$100,000 in any case where he has reason to believe that
7567 any provision of this chapter, or any regulation or condition of the Board, has not been complied with or has
7568 been violated. The Commissioner may revoke a license if he finds that facts not known by him at the time he
7569 considered the application indicate that such license should not have been issued.

7570 B. The Commissioner shall revoke any license issued under § 29.5-623 for the operation of a satellite
7571 facility if the licensee, within one year of issuance of the satellite facility license, fails to conduct (i) live
7572 racing at a racetrack licensed pursuant to § 29.5-623 or (ii) the live racing days assigned to the licensee by
7573 the Racing Commission without the permission of the Racing Commission.

7574 C. The Commissioner may summarily suspend any license for a period of not more than 90 days pending
7575 a hearing and final determination by the Board if he determines that emergency action is required to protect
7576 the public health, safety, and welfare including revenues due the Commonwealth, localities, and the
7577 horsemen's purse account. The Board shall (i) schedule a hearing within 14 business days after the license is
7578 summarily suspended and (ii) notify the licensee not less than five business days before the hearing of the
7579 date, time, and place of the hearing.

7580 D. Deliberations of the Board pursuant to this section shall be conducted pursuant to the provisions of the
7581 Virginia Freedom of Information Act (§ 2.2-3700 et seq.). If any such license is suspended or revoked, the
7582 Commissioner shall state his reasons for doing so, which shall be entered of record. Such action shall be
7583 final unless appealed in accordance with § 29.5-608. Suspension or revocation of a license by the
7584 Commissioner for any violation shall not preclude criminal liability for such violation.

7585 **§ 29.5-627. Acquisition of interest in licensee.**

7586 A. The Commission shall require any person desiring to become a partner, member, or principal
7587 stockholder of any licensee to apply to the Commission for such approval and may demand such information
7588 of the applicant as it finds necessary. The Commissioner shall consider such application forthwith and shall
7589 approve or deny the application within 60 days of receipt. The Commissioner shall approve an application
7590 that meets the criteria set forth in this chapter. The Commissioner shall deny an application if in his judgment
7591 the acquisition by the applicant would be detrimental to the public interest or to the honesty, integrity, and
7592 reputation of horse racing. The Commissioner shall approve an application to acquire actual control of a
7593 licensee only if he finds that the applicant meets the criteria set forth in subsection B.

7594 B. If an applicant proposes to acquire actual control of a licensee, such person shall, pursuant to
7595 subsection A, submit to the Commission (i) its proposal for the future operation of any existing or planned
7596 satellite facility owned or operated by the licensee, (ii) such additional information as it desires, and (iii)
7597 such information as may be required by the Board to assure the Commissioner that the licensee, under the
7598 actual control of such person, will have the experience, expertise, financial responsibility, and commitment to
7599 comply with (a) the provisions of this chapter, (b) Board regulations and orders, (c) the requirements for the
7600 continued operation of the licensee pursuant to the terms and conditions in effect on the date of the
7601 application of all licenses held by the licensee, (d) any existing contract with a recognized majority
7602 horseman's group, and (e) any proposal submitted to the Commission by such person. The provisions of this
7603 subsection shall apply regardless of whether the control acquired is direct or indirect or whether its
7604 acquisition is accomplished individually or in concert with others.

7605 C. Any such acquisition of control without prior approval of the Commissioner shall be voidable by the
7606 Commission and, in such instance, the Commissioner may revoke any license he has issued to such licensee,
7607 order compliance with this section, or take such other action as may be appropriate within his authority.

7608 **§ 29.5-628. Permit required; exception.**

7609 A. No participant shall engage in any horse racing subject to the jurisdiction of the Commission or in the
7610 conduct of a race meeting or pari-mutuel wagering thereon, including as a horse owner, trainer, jockey,
7611 exercise rider, groom, stable foreman, valet, veterinarian, agent, pari-mutuel employee, concessionaire or
7612 employee thereof, track employee, or other position the Commission deems necessary to regulate to ensure
7613 the integrity of horse racing in Virginia, unless such person (i) possesses a permit therefor from the
7614 Commission and (ii) complies with the provisions of this chapter and all Board regulations. No permit issued
7615 under the provisions of this chapter shall be transferable.

7616 B. The Commissioner may waive the permit requirement for any person who possesses a valid permit or
7617 license to participate in the conduct of horse racing in another racing jurisdiction and participates in horse
7618 racing in Virginia on nonconsecutive racing days.

7619 C. Once a horse is entered to run in Virginia, all participants shall come under the jurisdiction of the
7620 Commission and its stewards and shall be subject to regulations of the Board and sanctions it or its stewards
7621 may impose.

§ 29.5-629. Application for permit.

7623 Any person desiring to obtain a permit as required by this chapter shall submit an application on a form,
7624 and accompanied by a fee, as prescribed by the Board and verified by the oath or affirmation of the
7625 applicant.

§ 29.5-630. Consideration of application.

A. The Commissioner shall promptly consider any application for a permit and issue or deny such permit based on the information in the application and all other information before him, including any investigation he deems appropriate. If an application for a permit is approved, the Commissioner shall issue a permit, which shall contain such information as the Board deems appropriate. Such permit shall be valid for one year; however, the permit of a licensee's employee shall expire automatically when such permit holder leaves the employment of the licensee or at the end of one year, whichever occurs first. The licensee shall promptly notify the Commission when a permit holder leaves the employment of the licensee. The Board shall establish criteria and procedures for permit renewal.

7635 B. The Commissioner shall deny the application and refuse to issue the permit, which denial shall be final
7636 unless an appeal is taken under § 29.5-608, if he finds that the issuance of such permit to such applicant (i)
7637 would not be in the interests of the people of the Commonwealth or the horse racing industry of the
7638 Commonwealth, or would reflect on the honesty and integrity of the horse racing industry in the
7639 Commonwealth, or (ii) that the applicant:

7640 *1. Has knowingly made a false statement of a material fact in the application, or has deliberately failed to*
7641 *disclose any information requested by the Commission;*

7642 *2. Is or has been found guilty of any corrupt or fraudulent practice or conduct in connection with horse*
7643 *racing in this or any other state;*

3. Has knowingly failed to comply with the provisions of this chapter or the regulations of the Board;

7645 4. Has had a permit to engage in activity related to horse racing denied for just cause, suspended, or
7646 revoked in any other state, and such denial, suspension, or revocation is still in effect; or

5. Is unqualified to perform the duties required for the permit sought.

C. The Commissioner shall deny the application and refuse to issue the permit if, within the five years immediately preceding the date of the application for the permit sought, the applicant has been convicted of a crime involving the unlawful conduct of wagering, fraudulent use of a credential, unlawful transmission of information, touting, bribery, or administration or possession of drugs or any felony considered by the Commission to be detrimental to horse racing in the Commonwealth; the denial shall be final unless an appeal is taken under § 29.5-608. Additionally, the Commissioner may deny the application and refuse to issue any permit if the applicant has been convicted of any such crime committed prior to the five years immediately preceding the date of his application.

D. The Commissioner may refuse to issue the permit if for any reason he feels the granting of such permit is not consistent with the provisions of this chapter or his responsibilities hereunder.

§ 29.5-631. Suspension or revocation of permit; fine.

7659 A. *The Commissioner, acting by and through his stewards or at a Board meeting at which a quorum is*
7660 *present, may (i) suspend or revoke a permit issued under this chapter or fine the holder of such permit a sum*
7661 *not to exceed \$10,000 or (ii) suspend a permit issued by this chapter and fine the holder of such permit a sum*
7662 *not to exceed \$10,000 after a hearing for which proper notice has been given to the permittee, in any case*
7663 *where it determines by a preponderance of the evidence that any provision of this chapter, or any regulation*
7664 *or condition of the Board, has not been complied with or has been violated. The Commissioner may revoke*
7665 *such permit, after such hearing, if he finds that facts not known by him at the time he was considering the*
7666 *application indicate that such permit should not have been issued. Deliberations of the Commission under*
7667 *this section shall be conducted pursuant to the provisions of the Virginia Freedom of Information Act (§*
7668 *2.2-3700 et seq.). If any permit is suspended or revoked, the Commissioner shall state his reasons for doing*
7669 *so, which shall be entered of record. Such action shall be final unless an appeal is taken in accordance with*
7670 *§ 29.5-608. Suspension or revocation of a permit by the Commissioner for any violation shall not preclude*
7671 *criminal liability for such violation.*

***7672 B. The Commissioner, acting by and through his stewards, or at a Board meeting at which a quorum is
7673 present, may summarily suspend the permit of a person for a period of not more than 90 days pending a
7674 hearing and final determination by the Commissioner or his stewards, if the Commissioner or his stewards
7675 determine the protection of the integrity of horse racing requires emergency action. The Commissioner or his
7676 stewards shall (i) schedule a hearing within 14 business days after the permit is summarily suspended and (ii)
7677 notify the permit holder, not less than five business days before the hearing, of the date, time, and place of the
7678 hearing.***

Article 4. *Local referendum.*

§ 29.5-632. Local referendum required.

7682 The Commissioner shall not grant any initial license to construct, establish, operate, or own a racetrack
7683 or satellite facility until a referendum approving the question is held in each county, city, or town in which

7684 such racetrack or satellite facility is to be located, in the following manner:

7685 1. A petition, signed by five percent of the qualified voters of such county, city, or town shall be filed with
 7686 the circuit court of such county, city, or town asking that a referendum be held on the question, "Shall pari-
 7687 mutuel wagering be permitted at a licensed racetrack in (name of such county, city, or town) on live horse
 7688 racing at, and on simulcast horse racing transmitted from another jurisdiction to, the licensed racetrack on
 7689 such days as may be approved by the Virginia Gaming Commission in accordance with Chapter 6 (§
 7690 29.5-600 et seq.) of Title 29.5 of the Code of Virginia?" In addition, or in the alternative, such petition may
 7691 ask that a referendum be held on the question, "Shall pari-mutuel wagering be permitted in
 7692 _____ (the name of such county, city, or town) at satellite facilities in accordance with Chapter 6
 7693 (§ 29.5-600 et seq.) of Title 29.5 of the Code of Virginia?"

7694 2. Following the filing of such petition, the court shall, by order of record entered in accordance with
 7695 § 24.2-684.1, require the regular election officers of such county, city, or town to cause a special election to
 7696 be held to take the sense of the qualified voters on the question. Such election shall be on a day designated by
 7697 order of such court, but shall not be later than the next general election unless such general election is within
 7698 60 days of the date of the entry of such order, nor shall it be held on a date designated as a primary election.

7699 3. The clerk of such court of record of such county, city, or town shall publish notice of such election in a
 7700 newspaper of general circulation in such county, city, or town once a week for three consecutive weeks prior
 7701 to such election.

7702 4. The regular election officers of such county or city shall open the polls at the various voting places in
 7703 such county or city on the date specified in such order and conduct such election in the manner provided by
 7704 law. The election shall be by ballot, which shall be prepared by the electoral board of the county, city, or
 7705 town and on which shall be printed either or both of the following questions:

7706 "Shall pari-mutuel wagering be permitted at a licensed racetrack in _____ on live horse
 7707 racing at, and on simulcast horse racing transmitted from another jurisdiction to, the licensed racetrack on
 7708 such days as may be approved by the Virginia Gaming Commission in accordance with Chapter 6 (§
 7709 29.5-600 et seq.) of Title 29.5 of the Code of Virginia?"

7710 Yes

7711 No"

7712 "Shall pari-mutuel wagering be permitted in _____ at satellite facilities in accordance with
 7713 Chapter 6 (§ 29.5-600 et seq.) of Title 29.5 of the Code of Virginia?"

7714 Yes

7715 No"

7716 In the blank shall be inserted the name of the county, city, or town in which such election is held. Any
 7717 voter desiring to vote "Yes" shall mark a check mark () or a cross mark (x or +) or a line (-) in the square
 7718 provided for such purpose immediately preceding the word "Yes," leaving the square immediately preceding
 7719 the word "No" unmarked. Any voter desiring to vote "No" shall mark a check mark () or a cross mark (x or
 7720 +) or a line (-) in the square provided for such purpose immediately preceding the word "No," leaving the
 7721 square immediately preceding the word "Yes" unmarked.

7722 The ballots shall be counted, the returns made and canvassed as in other elections, and the results
 7723 certified by the electoral board to the court ordering such election. Thereupon, such court shall enter an
 7724 order proclaiming the results of such election and a duly certified copy of such order shall be transmitted to
 7725 the Commission and to the governing body of such county, city, or town.

7726 No such referendum as described above shall be held more often than every three years in the same
 7727 county, city, or town.

7728 A subsequent local referendum shall be required if a license has not been granted by the Commission
 7729 within five years of the court order proclaiming the results of the election. "Town," for purposes of this
 7730 section, means any town with a population of 5,000 or more.

Article 5.

Taxation; Retainage; Distribution.

§ 29.5-633. Taxation and retainage generally.

7734 A. Moneys payable to the Commonwealth shall be deposited in the general fund. Gross receipts for
 7735 license tax purposes under Chapter 37 (§ 58.1-3700 et seq.) of Title 58.1 shall not include pari-mutuel
 7736 wagering pools and license taxes authorized by this article.

7737 B. All payments by the licensee to the Commonwealth or any locality shall be made within five days from
 7738 the date on which such wagers are received by the licensee. All payments by the licensee to the Virginia
 7739 Breeders Fund shall be made to the Commission within five days from the date on which such wagers are
 7740 received by the licensee. All payments by the licensee to the Virginia-Maryland Regional College of
 7741 Veterinary Medicine, the Virginia Horse Center Foundation, the Virginia Horse Industry Board, and the
 7742 Virginia Thoroughbred Association shall be made by the first day of each quarter of the calendar year. All
 7743 payments made under this article shall be used in support of the policy of the Commonwealth to sustain and
 7744 promote the growth of a native industry.

7745 C. If a satellite facility is located in more than one locality, any amount a licensee is required to pay

7746 under this article to the locality in which the satellite facility is located shall be prorated in equal shares
7747 among those localities.

7748 D. Any contractual agreement between a licensee and other entities concerning the distribution of the
7749 remaining portion of the retainage under subsections B through G of § 29.5-635 and subsections A and B of
7750 § 29.5-636 shall be subject to the approval of the Board.

7751 E. The recognized majority horsemen's group racing at a licensed race meeting may, subject to the
7752 approval of the Board, withdraw for administrative costs associated with serving the interests of the
7753 horsemen an amount not to exceed two percent of the amount in the horsemen's account.

7754 F. The legitimate breakage from each pari-mutuel pool for live, historical, and simulcast horse racing
7755 shall be distributed as follows:

7756 1. Seventy percent to be retained by the licensee to be used for capital improvements that are subject to
7757 approval of the Board; and

7758 2. Thirty percent to be deposited in the Racing Benevolence Fund, administered jointly by the licensee and
7759 the recognized majority horsemen's group racing at a licensed race meeting, to be disbursed with the
7760 approval of the Board for gambling addiction and substance abuse counseling, recreational, educational, or
7761 other related programs.

7762 **§ 29.5-634. Percentage retained; tax; live horse racing.**

7763 A. On pari-mutuel pools generated by wagering at the racetrack on live horse racing conducted within the
7764 Commonwealth involving win, place, and show wagering, the licensee shall retain a percentage amount
7765 approved by the Board as jointly requested by a recognized majority horsemen's group and a licensee and
7766 the legitimate breakage, out of which shall be paid 1.25 percent to be distributed as follows: 1.0 percent to
7767 the Commonwealth as a license tax and 0.25 percent to the locality in which the racetrack is located. The
7768 remainder of the retainage shall be paid as provided in subsection C, provided, however, that if the
7769 percentage amount approved by the Board is other than 18 percent, the amounts provided in subdivisions C
7770 1, 2, and 3 shall be adjusted by the proportion that the approved percentage amount bears to 18 percent.

7771 B. On pari-mutuel pools generated by wagering at each Virginia satellite facility on live horse racing
7772 conducted within the Commonwealth involving win, place, and show wagering, the licensee shall retain a
7773 percentage amount approved by the Board as jointly requested by a recognized majority horsemen's group
7774 and a licensee and the legitimate breakage, out of which shall be paid 1.25 percent to be distributed as
7775 follows: 0.75 percent to the Commonwealth as a license tax, 0.25 percent to the locality in which the satellite
7776 facility is located, and 0.25 percent to the locality in which the racetrack is located. The remainder of the
7777 retainage shall be paid as provided in subsection C, provided, however, that if the percentage amount
7778 approved by the Board is other than 18 percent, the amounts provided in subdivisions C 1, 2, and 3 shall be
7779 adjusted by the proportion that the approved percentage amount bears to 18 percent.

7780 C. On pari-mutuel pools generated by wagering at the racetrack and each Virginia satellite facility on
7781 live horse racing conducted within the Commonwealth involving win, place, and show wagering, the licensee
7782 shall retain a percentage amount approved by the Board as jointly requested by a recognized majority
7783 horsemen's group and a licensee and the legitimate breakage, out of which shall be paid:

7784 1. Eight percent as purses or prizes to the participants in such race meeting;

7785 2. Seven and one-half percent and all of the breakage and the proceeds of pari-mutuel tickets unredeemed
7786 180 days from the date on which the race was conducted, to the operator;

7787 3. One percent to the Virginia Breeders Fund;

7788 4. Fifteen one-hundredths percent to the Virginia-Maryland Regional College of Veterinary Medicine;

7789 5. Five one-hundredths percent to the Virginia Horse Center Foundation;

7790 6. Five one-hundredths percent to the Virginia Horse Industry Board; and

7791 7. The remainder as appropriate under subsection A or B.

7792 D. On pari-mutuel pools generated by wagering at the racetrack on live horse racing conducted within
7793 the Commonwealth involving wagering other than win, place, and show wagering, the licensee shall retain a
7794 percentage amount approved by the Board as jointly requested by a recognized majority horsemen's group
7795 and a licensee and the legitimate breakage, out of which shall be paid 2.75 percent to be distributed as
7796 follows: 2.25 percent to the Commonwealth as a license tax, and 0.5 percent to the locality in which the
7797 racetrack is located. The remainder of the retainage shall be paid as provided in subsection F, provided,
7798 however, that if the percentage amount approved by the Board is other than 22 percent, the amounts
7799 provided in subdivisions F 1, 2, and 3 shall be adjusted by the proportion that the approved percentage
7800 amount bears to 22 percent.

7801 E. On pari-mutuel pools generated by wagering at each Virginia satellite facility on live horse racing
7802 conducted within the Commonwealth involving wagering other than win, place, and show wagering, the
7803 licensee shall retain a percentage amount approved by the Board as jointly requested by a recognized
7804 majority horsemen's group and a licensee and the legitimate breakage, out of which shall be paid 2.75
7805 percent to be distributed as follows: 1.75 percent to the Commonwealth as a license tax, 0.5 percent to the
7806 locality in which the satellite facility is located, and 0.5 percent to the locality in which the racetrack is
7807 located. The remainder of the retainage shall be paid as provided in subsection F, provided, however, that if

7808 the percentage amount approved by the Board is other than 22 percent, the amounts provided in subdivisions
 7809 F 1, 2, and 3 shall be adjusted by the proportion that the approved percentage amount bears to 22 percent.

7810 F. On pari-mutuel pools generated by wagering at the racetrack and each Virginia satellite facility on live
 7811 horse racing conducted within the Commonwealth involving wagering other than win, place, and show
 7812 wagering, the licensee shall retain a percentage amount approved by the Board as jointly requested by a
 7813 recognized majority horsemen's group and a licensee and the legitimate breakage, out of which shall be paid:

7814 1. Nine percent as purses or prizes to the participants in such race meeting;

7815 2. Nine percent and the proceeds of the pari-mutuel tickets unredeemed 180 days from the date on which
 7816 the race was conducted, to the operator;

7817 3. One percent to the Virginia Breeders Fund;

7818 4. Fifteen one-hundredths percent to the Virginia-Maryland Regional College of Veterinary Medicine;

7819 5. Five one-hundredths percent to the Virginia Horse Center Foundation;

7820 6. Five one-hundredths percent to the Virginia Horse Industry Board; and

7821 7. The remainder as appropriate under subsection D or E.

7822 § 29.5-635. **Percentage retained; tax; simulcast horse racing.**

7823 A. On pari-mutuel wagering generated by simulcast horse racing transmitted from jurisdictions outside
 7824 the Commonwealth, the licensee may, with the approval of the Board, commingle pools with the racetrack
 7825 where the transmission emanates or establish separate pools for wagering within the Commonwealth. All
 7826 simulcast horse racing in this subsection must comply with the Interstate Horse Racing Act of 1978 (15
 7827 U.S.C. § 3001 et seq.).

7828 B. On pari-mutuel pools generated by wagering at the racetrack on simulcast horse racing transmitted
 7829 from jurisdictions outside the Commonwealth involving win, place, and show wagering, the licensee shall
 7830 retain 1.25 percent of such pool to be distributed as follows: 0.75 percent to the Commonwealth as a license
 7831 tax and 0.5 percent to the Virginia locality in which the racetrack is located.

7832 C. On pari-mutuel pools generated by wagering at each Virginia satellite facility on simulcast horse
 7833 racing transmitted from jurisdictions outside the Commonwealth involving win, place, and show wagering,
 7834 the licensee shall retain 1.25 percent of such pool to be distributed as follows: 0.75 percent to the
 7835 Commonwealth as a license tax, 0.25 percent to the locality in which the satellite facility is located, and 0.25
 7836 percent to the Virginia locality in which the racetrack is located.

7837 D. On pari-mutuel pools generated by wagering at the racetrack and each Virginia satellite facility on
 7838 simulcast horse racing transmitted from jurisdictions outside the Commonwealth involving win, place, and
 7839 show wagering, the licensee shall retain 1.3 percent of such pool to be distributed as follows:

7840 1. One percent of the pool to the Virginia Breeders Fund;

7841 2. Fifteen one-hundredths percent to the Virginia-Maryland Regional College of Veterinary Medicine;

7842 3. Five one-hundredths percent to the Virginia Horse Center Foundation;

7843 4. Five one-hundredths percent to the Virginia Horse Industry Board; and

7844 5. Five one-hundredths percent to the Virginia Thoroughbred Association for the promotion of breeding
 7845 in the Commonwealth.

7846 E. On pari-mutuel pools generated by wagering at the racetrack on simulcast horse racing transmitted
 7847 from jurisdictions outside the Commonwealth involving wagering other than win, place, and show wagering,
 7848 the licensee shall retain 2.75 percent of such pool to be distributed as follows: 1.75 percent to the
 7849 Commonwealth as a license tax and 1.0 percent to the Virginia locality in which the racetrack is located.

7850 F. On pari-mutuel pools generated by wagering at each Virginia satellite facility on simulcast horse
 7851 racing transmitted from jurisdictions outside the Commonwealth involving wagering other than win, place,
 7852 and show wagering, the licensee shall retain 2.75 percent of such pool to be distributed as follows: 1.75
 7853 percent to the Commonwealth as a license tax, 0.5 percent to the locality in which the satellite facility is
 7854 located, and 0.5 percent to the Virginia locality in which the racetrack is located.

7855 G. On pari-mutuel pools generated by wagering at the racetrack and each Virginia satellite facility on
 7856 simulcast horse racing transmitted from jurisdictions outside the Commonwealth involving wagering other
 7857 than win, place, and show wagering, the licensee shall retain 1.3 percent of such pool to be distributed as
 7858 follows:

7859 1. One percent of the pool to the Virginia Breeders Fund;

7860 2. Fifteen one-hundredths percent to the Virginia-Maryland Regional College of Veterinary Medicine;

7861 3. Five one-hundredths percent to the Virginia Horse Center Foundation;

7862 4. Five one-hundredths percent to the Virginia Horse Industry Board; and

7863 5. Five one-hundredths percent to the Virginia Thoroughbred Association for the promotion of breeding
 7864 in the Commonwealth.

7865 § 29.5-636. **Percentage retained; tax; historical horse racing.**

7866 A. On pari-mutuel pools generated by wagering on historical horse racing on the first 3,000 terminals
 7867 authorized, the licensee shall retain 1.25 percent of such pool to be distributed as follows:

7868 1. a. If generated at a racetrack, 0.5 percent to the locality in which the racetrack is located; or

7869 b. If generated at a satellite facility, 0.25 percent to the locality in which the satellite facility is located

7870 and 0.25 percent to the Virginia locality in which the racetrack is located;

7871 2. To the Problem Gambling Treatment and Support Fund established pursuant to § 37.2-314.2, 0.01
7872 percent;

7873 3. To the (i) Virginia Breeders Fund, (ii) Virginia-Maryland Regional College of Veterinary Medicine for
7874 its equine programs, (iii) Virginia Horse Center Foundation, and (iv) Virginia Horse Industry Board, 0.025
7875 percent each; and

7876 4. The remainder to the Commonwealth as a license tax.

7877 B. On pari-mutuel pools generated by wagering on historical horse racing on the 2,000 terminals
7878 authorized by the seventh enactment of Chapters 1197 and 1248 of the Acts of Assembly of 2020, the licensee
7879 shall retain 1.6 percent of such pool to be distributed as follows:

7880 1. a. If generated at a racetrack, 0.64 percent to the locality in which the racetrack is located; or

7881 b. If generated at a satellite facility, 0.32 percent to the locality in which the satellite facility is located
7882 and 0.32 percent to the Virginia locality in which the racetrack is located;

7883 2. To the Problem Gambling Treatment and Support Fund established pursuant to § 37.2-314.2, 0.01
7884 percent;

7885 3. To the (i) Virginia Breeders Fund, (ii) Virginia-Maryland Regional College of Veterinary Medicine for
7886 its equine programs, (iii) Virginia Horse Center Foundation, and (iv) Virginia Horse Industry Board, 0.025
7887 percent each; and

7888 4. The remainder to the Commonwealth as a license tax.

7889 **§ 29.5-637. Advance deposit account wagering revenues; distribution.**

7890 A. Notwithstanding the provisions of this article, the allocation of revenue from advance deposit account
7891 wagering shall include (i) a licensee fee of 1.5 percent paid to the Commission; (ii) an additional fee equal to
7892 one percent of all wagers made within the Commonwealth placed through an advance deposit account
7893 wagering licensee, which shall be paid to the Virginia Breeders Fund, and (iii) an additional fee equal to
7894 nine percent of all wagers made within the Commonwealth placed through an advance deposit account
7895 wagering licensee, out of which shall be paid:

7896 1. Four percent to a nonprofit industry stakeholder organization recognized by the Board to include the
7897 recognized majority horsemen's group, a breeder's organization, and a licensed track operator for the
7898 purpose of promoting, sustaining, and advancing horse racing within the Commonwealth; and

7899 2. Five percent to representatives of the recognized majority horsemen's group by breed to be used for
7900 purse funds at races conducted in the Commonwealth, unless otherwise authorized by the Board.

7901 Notwithstanding the foregoing, if the advance deposit account wagering licensee is a significant
7902 infrastructure limited licensee, the additional fee equal to nine percent of the wagers placed through such
7903 advance deposit account wagering licensee since November 1, 2014, shall instead be retained by such
7904 licensee for operational expenses, including defraying the costs of live racing.

7905 B. The Board-recognized nonprofit industry stakeholder organization shall make distributions from fees
7906 received from advance deposit wagering to organizations within the Commonwealth providing care for
7907 retired race horses, the Virginia-Maryland Regional College of Veterinary Medicine, the Virginia Horse
7908 Center Foundation, the Virginia Horse Industry Board, and the Virginia Thoroughbred Association in the
7909 percentages of wagering handles set forth in subsections D and G of § 29.5-635, and shall make a
7910 distribution of thirty-five one-hundredths of one percent of all wagers made within the Commonwealth placed
7911 through such advance deposit account wagering licensee to the locality where live racing licensed by the
7912 Commission occurred prior to January 1, 2012, and beginning January 1, 2020, to the locality or localities
7913 where such live racing occurs to be shared in a ratio of the number of such annual live races in a locality to
7914 the total number of such annual live races in the Commonwealth. Distributions under this section from the
7915 Board-recognized nonprofit stakeholder organization to the foregoing entities and locality or localities, when
7916 added to the distributions to such entities and locality or localities under this article, shall be capped at the
7917 sum necessary to equal distributions made in the 2013 calendar year to each entity under this article, and
7918 shall be capped at the sum necessary to equal \$400,000 for a locality or localities.

7919 C. Any additional distribution of fees received from advance deposit account licensees by the Board-
7920 recognized nonprofit industry stakeholder organization shall be approved by the Board.

7921 **§ 29.5-638. Admissions tax.**

7922 The governing body of any county or city may by ordinance impose a tax on any licensee hereunder to
7923 conduct a race meeting at a track located solely in such county or city of \$0.25 on the admission of each
7924 person on each day except those holding a valid permit under this chapter and actually employed at such
7925 track in the capacity for which such permit was issued. The licensee may collect such amount from the ticket
7926 holder in addition to the amount charged for the ticket of admission.

7927 If such track or its enclosure is located in two or in three localities, each locality may impose a tax
7928 pursuant to this section of twelve and one-half cents or eight and one-third cents per person, respectively.

7929 Gross receipts for license tax purposes under Chapter 37 (§ 58.1-3700 et seq.) of Title 58.1 shall not
7930 include the admissions tax imposed under this section.

7931

7932 *Prohibited Acts; Penalties.*

7933 § 29.5-639. Unlawful conduct of wagering; penalty.

7934 Any person not licensed pursuant to this chapter who conducts (i) pari-mutuel wagering or (ii) horse
7935 racing on which wagering is conducted with his knowledge or consent is guilty of a Class 4 felony.

7936 § 29.5-640. Fraudulent use of credential; penalty.

7937 A. Any person who has in his possession (i) any credential, license, or permit issued by the Commissioner
7938 other than the lawful holder thereof or (ii) a forged or simulated credential, license, or permit of the
7939 Commission, and uses such credential, license, or permit for the purpose of misrepresentation, fraud, or
7940 touting is guilty of a Class 4 felony.

7941 B. Any credential, license, or permit issued by the Commissioner shall be automatically revoked if used by
7942 the holder thereof for a purpose other than identification and in the performance of legitimate duties on a
7943 racetrack or within a satellite facility, whether so used on or off a racetrack or satellite facility.

7944 § 29.5-641. Unlawful transmission of information; penalty.

7945 A. Any person who knowingly transmits information as to the progress or results of a horse race, or
7946 information as to wagers, betting odds, post or off times, or jockey changes in any race by any means
7947 whatsoever for the purposes of carrying on illegal gambling operations as defined in § 18.2-325, or to a
7948 person engaged in illegal gambling operations is guilty of a Class 4 felony.

7949 *B. This section shall not be construed to prohibit (i) a newspaper from printing such results or*
7950 *information as news or (ii) any television or radio station from telecasting or broadcasting such results or*
7951 *information as news.*

7952 C. This section shall not be so construed as to place in jeopardy any common carrier or its agents
7953 performing operations within the scope of a public franchise or any gambling operation authorized by law.
7954

7954 **§ 29.5-642. Touting; penalty.**

7955 Any person who (i) knowingly and designedly by false representation persuades, procures, or causes, or
7956 attempts to persuade, procure, or cause, another person to wager on a horse in a race to be run in the
7957 Commonwealth or elsewhere, and upon which money is wagered in the Commonwealth, and (ii) asks or
7958 demands compensation as a reward for information or purported information given in such case is guilty of a
7959 Class 1 misdemeanor.

7960 § 29.5-643. Bribing of a jockey, driver, or other participant; penalty.

7961 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, 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.

7968 § 29.5-644. Prohibited acts, administration of drugs, etc.; penalty.

7969 *A. Any person who, with the intent to defraud, acts to alter the outcome of a race by (i) the administration*
7970 *of any substance foreign to the natural horse, except those substances specifically permitted by the*
7971 *regulations of the Board, or (ii) the use of any device, electrical or otherwise, except those specifically*
7972 *permitted by the regulations of the Board, is guilty of a Class 4 felony.*

7973 *B. Any person who, with the intent to defraud, influences or conspires with another to alter the outcome of*
7974 *a race by (i) the administration of any substance foreign to the natural horse, except those substances*
7975 *specifically permitted by the regulations of the Board, or (ii) the use of any device, electrical or otherwise,*
7976 *except those specifically permitted by the regulations of the Board, is guilty of a Class 4 felony.*

7977 C. Any person who (i) administers any substance foreign to the natural horse, except those substances
7978 specifically permitted by the regulations of the Board, when the horse is entered to start or (ii) at any time,
7979 exposes any substance foreign to the natural horse with the intent of impeding or increasing the speed,
7980 endurance, health, or condition of a horse, is guilty of a Class 4 felony.

7981 *§ 29.5-645. Possessing drugs; penalty.*

7982 *A. Except those drugs permitted by regulation of the Board, no person shall possess or transport any drug*
7983 *within the racing enclosure without a bona fide veterinarian's prescription with a complete statement of uses*
7984 *and purposes on the container. A copy of such prescription shall be filed with the stewards.*

B. Any person knowingly violating the provisions of this section relating to the legal possession of drugs is guilty of a Class 1 misdemeanor.

7987 *C. The provisions of the Drug Control Act (§ 54.1-3400 et seq.) shall apply in situations where drugs*
7988 *regulated by the Act are within the racing enclosure.*

7989 *§ 29.5-646. Racing under false name; penalty.*

7990 Any person who knowingly (i) enters or races any horse in any running or harness race under any name
7991 or designation other than the name or designation assigned to such horse by and registered with the Jockey
7992 Club, the United States Trotting Association, the American Quarter Horse Association, or other applicable
7993 association or (ii) instigates, engages in, or in any way furthers any act by which any horse is entered or

7994 raced in any running or trotting race under any name or designation other than the name or designation duly
7995 assigned by and registered with the Jockey Club, the United States Trotting Association, the American
7996 Quarter Horse Association, or other applicable association, is guilty of a Class 4 felony.

7997 **§ 29.5-647. Prohibition on underage pari-mutuel wagering; penalty.**

7998 A. No person shall wager on or conduct any wagering on the outcome of a horse race pursuant to the
7999 provisions of this chapter unless such person is 18 years of age or older.

8000 B. No person shall accept any wager from a minor.

8001 C. No person shall be admitted into a satellite facility if such person is under 18 years of age unless
8002 accompanied by a parent or legal guardian.

8003 D. No person under 21 years of age shall use any electronic gaming terminal or other electronic device in
8004 a satellite facility to wager on or conduct any wagering on historical horse racing.

8005 E. Violation of this section shall be a Class 1 misdemeanor.

8006 **§ 29.5-648. Conspiracies and attempts to commit violations; penalty.**

8007 A. Any person who conspires, confederates, or combines with another, either within or outside of the
8008 Commonwealth, to commit a felony prohibited by this chapter is guilty of a Class 4 felony.

8009 B. Any person who attempts to commit any act prohibited by this chapter shall be guilty of a criminal
8010 offense and punished as provided in either § 18.2-26, 18.2-27, or 18.2-28, as appropriate.

8011 **SUBTITLE II.**

8012 **VIRGINIA LOTTERY.**

8013 **CHAPTER 7.**

8014 **GENERAL PROVISIONS.**

8015 **§ 29.5-700. Short title.**

8016 This subtitle shall be known and may be cited as the "Virginia Lottery Law."

8017 **§ 29.5-701. Establishment of state lottery.**

8018 This subtitle establishes a lottery to be operated by the Commonwealth to produce revenue consonant
8019 with the probity of the Commonwealth and the general welfare of its people, to be used for the public purpose
8020 as provided in Article X, Section 7-A of the Constitution of Virginia.

8021 **§ 29.5-702. Definitions.**

8022 As used in this subtitle, unless the context requires a different meaning:

8023 "Board" means the Virginia Lottery Board established by this subtitle.

8024 "Department" means the independent agency responsible for the administration of the Virginia Lottery
8025 pursuant to this subtitle.

8026 "Director" means the Director of the Virginia Lottery.

8027 "Lottery" or "state lottery" means the lottery or lotteries established and operated pursuant to this
8028 subtitle.

8029 "Ticket courier service" means a third-party service operated for the purpose of purchasing Virginia
8030 Lottery tickets on behalf of individuals located within or outside of the Commonwealth and delivering or
8031 transmitting such tickets, or electronic images thereof, to such individuals as a business-for-profit delivery
8032 service.

8033 **§ 29.5-703. Virginia Lottery established.**

8034 Notwithstanding the provisions of Article 1 (§ 18.2-325 et seq.) of Chapter 8 of Title 18.2 or any other
8035 provision of law, there is hereby established as an independent agency of the Commonwealth, exclusive of the
8036 legislative, executive, or judicial branches of government, the Virginia Lottery, which shall include a
8037 Director and a Virginia Lottery Board for the purpose of operating a state lottery.

8038 **§ 29.5-704. Membership of Board; appointment; terms; vacancies; removal; expenses.**

8039 A. The Board shall consist of five members, all of whom shall be citizens and residents of the
8040 Commonwealth and all of whom shall be appointed by and serve at the pleasure of the Governor, subject to
8041 confirmation by a majority of the members elected to each house of the General Assembly if in session when
8042 the appointment is made, and if not in session, then at its next succeeding session. Prior to the appointment of
8043 any Board members, the Governor shall consider the political affiliation and the geographic residence of the
8044 Board members. The members shall be appointed for terms of five years. The members shall annually elect
8045 one member as chairman of the Board.

8046 B. Any vacancy on the Board occurring for any reason other than the expiration of a term shall be filled
8047 for the unexpired term in the same manner as the original term.

8048 C. The members of the Board shall receive such compensation as provided in § 2.2-2813, shall be subject
8049 to the requirements of such section, and shall be allowed reasonable expenses incurred in the performance of
8050 their official duties.

8051 D. Before entering upon the discharge of their duties, the members of the Board shall take an oath that
8052 they will faithfully and honestly execute the duties of the office during their continuance therein and they
8053 shall give bond in such amount as may be fixed by the Governor, conditioned upon the faithful discharge of
8054 their duties. The premium on such bond shall be paid out of the Virginia Lottery Fund.

8055 **§ 29.5-705. Appointment, qualifications, and salary of Director.**

8056 A. *The Department shall be under the immediate supervision and direction of a Director, who shall be a*
 8057 *person of good reputation, particularly as to honesty and integrity, and shall be subject to a thorough*
 8058 *background investigation conducted by the Department of State Police prior to appointment. The Director*
 8059 *shall be appointed by and serve at the pleasure of the Governor, subject to confirmation by a majority of the*
 8060 *members elected to each house of the General Assembly if in session when the appointment is made, and if*
 8061 *not in session, then at its next succeeding session. The Director shall receive a salary as provided in the*
 8062 *general appropriation act.*

8063 B. *The Director shall devote his full time to the performance of his official duties and shall not be engaged*
 8064 *in any other profession or occupation.*

8065 C. *Before entering upon the discharge of his duties, the Director shall take an oath that he will faithfully*
 8066 *and honestly execute the duties of his office during his continuance therein and shall give bond in such*
 8067 *amount as may be fixed by the Governor, conditioned upon the faithful discharge of his duties. The premium*
 8068 *on such bond shall be paid out of the Virginia Lottery Fund.*

8069 § 29.5-706. *Powers of the Director.*

8070 A. *The Director shall supervise and administer the operation of the lottery in accordance with the*
 8071 *provisions of this subtitle and with the rules and regulations promulgated hereunder.*

8072 B. *The Director shall also:*

8073 1. *Employ such deputy directors, professional, technical and clerical assistants, and other employees as*
 8074 *may be required to carry out the functions and duties of the Department.*

8075 2. *Act as secretary and executive officer of the Board.*

8076 3. *Require bond or other surety satisfactory to the Director from licensed agents as provided in*
 8077 *subsection E of § 29.5-709 and Department employees with access to Department funds or lottery funds, in*
 8078 *such amount as provided in the rules and regulations of the Board. The Director may also require bond from*
 8079 *other employees as he deems necessary.*

8080 4. *Confer regularly, but not less than four times each year, with the Board on the operation and*
 8081 *administration of the lottery; make available for inspection by the Board, upon request, all books, records,*
 8082 *files, and other information and documents of the Department; and advise the Board and recommend such*
 8083 *matters as he deems necessary and advisable to improve the operation and administration of the lottery.*

8084 5. *Suspend, revoke, or refuse to renew any license issued pursuant to this chapter or the rules and*
 8085 *regulations adopted hereunder.*

8086 6. *Enter into contracts for the operation of the lottery, or any part thereof, for the promotion of the lottery*
 8087 *and into interstate and international lottery contracts with other states and nations. A contract awarded or*
 8088 *entered into by the Director shall not be assigned by the holder thereof except by specific approval of the*
 8089 *Director.*

8090 7. *Certify monthly to the State Comptroller and the Board a full and complete statement of lottery*
 8091 *revenues, prize disbursements, and other expenses for the preceding month.*

8092 8. *Report monthly to the Governor, the Secretary of Finance, and the Chairmen of the Senate Committee*
 8093 *on Finance and Appropriations, House Committee on Finance, and House Committee on Appropriations the*
 8094 *total lottery revenues, prize disbursements, and other expenses for the preceding month and make an annual*
 8095 *report, which shall include a full and complete statement of lottery revenues, prize disbursements, and other*
 8096 *expenses to the Governor and the General Assembly.*

8097 9. *Report immediately to the Governor and the General Assembly any matters that require immediate*
 8098 *changes in the laws of the Commonwealth in order to prevent abuses and evasions of this subtitle or the rules*
 8099 *and regulations adopted hereunder or to rectify undesirable conditions in connection with the administration*
 8100 *or operation of the lottery.*

8101 10. *Notify prize winners and appropriate state and federal agencies of the payment of prizes in excess of*
 8102 *\$600 in the manner required by the lottery rules and regulations.*

8103 11. *Provide for the withholding of the applicable amount of state and federal income tax of persons*
 8104 *claiming a prize for a winning ticket in excess of \$5,001.*

8105 12. *Participate in the Problem Gambling Treatment and Support Advisory Committee established*
 8106 *pursuant to § 37.2-304 by the Department of Behavioral Health and Developmental Services to enable*
 8107 *collaboration among prevention and treatment providers and operators of legal gaming in the*
 8108 *Commonwealth on efforts to reduce the negative effects of problem gambling.*

8109 C. *The Director and the director of security or investigators appointed by the Director shall be vested*
 8110 *with the powers of sheriff and sworn to enforce the statutes and regulations pertaining to the Department and*
 8111 *to investigate violations of the statutes and regulations that the Director is required to enforce.*

8112 D. *The Director may authorize temporary bonus or incentive programs for payments to licensed sales*
 8113 *agents that he determines will be cost effective and support increased sales of lottery products.*

8114 § 29.5-707. *Powers of the Board.*

8115 A. *The Board shall have the power to adopt regulations governing the establishment and operation of a*
 8116 *lottery pursuant to this subtitle. The regulations governing the establishment and operation of the lottery*
 8117 *shall be promulgated by the Board after consultation with the Director. Such regulations shall be in*

8118 accordance with the Administrative Process Act (§ 2.2-4000 et seq.). The regulations shall provide for all
8119 matters necessary or desirable for the efficient, honest, and economical operation and administration of the
8120 lottery and for the convenience of the purchasers of tickets or shares and the holders of winning tickets or
8121 shares. The regulations, which may be amended, repealed, or supplemented as necessary, shall include the
8122 following:

8123 1. The type or types of lottery or game to be conducted in accordance with § 29.5-701.

8124 2. The price or prices of tickets or shares in the lottery.

8125 3. The numbers and sizes of the prizes on the winning tickets or shares, including informing the public of
8126 the approximate odds of winning and the proportion of lottery revenues (i) disbursed as prizes and (ii)
8127 returned to the Commonwealth as net revenues.

8128 4. The manner of selecting the winning tickets or shares.

8129 5. The manner of payment of prizes to the holders of winning tickets or shares.

8130 6. The frequency of the drawings or selections of winning tickets or shares without limitation.

8131 7. Without limitation as to number, the type or types of locations at which tickets or shares may be sold.

8132 8. The method to be used in selling tickets or shares, including the sale of tickets or shares over the
8133 Internet.

8134 9. The advertisement of the lottery in accordance with the provisions of subsection E of § 29.5-717.

8135 10. The licensing of agents to sell tickets or shares who will best serve the public convenience and
8136 promote the sale of tickets or shares. No person under the age of 18 shall be licensed as an agent. A licensed
8137 agent may employ a person who is 16 years of age or older to sell or otherwise vend tickets at the agent's
8138 place of business so long as the employee is supervised in the selling or vending of tickets by the manager or
8139 supervisor in charge at the location where the tickets are being sold. Employment of such person shall be in
8140 compliance with Chapter 5 (§ 40.1-78 et seq.) of Title 40.1.

8141 11. The manner and amount of compensation, if any, to be paid licensed sales agents necessary to provide
8142 for the adequate availability of tickets or shares to prospective buyers and for the convenience of the public.
8143 Notwithstanding the provisions of this subdivision, the Board shall not be required to approve temporary
8144 bonus or incentive programs for payments to licensed sales agents.

8145 12. Apportionment of the total revenues accruing from the sale of tickets or shares and from all other
8146 sources and establishment of the amount of the special reserve fund as provided in § 58.1-4022.

8147 13. Such other matters necessary or desirable for the efficient and economical operation and
8148 administration of the lottery.

8149 The Department shall not be subject to the provisions of Chapter 43 (§ 2.2-4300 et seq.) of Title 2.2;
8150 however, the Board shall promulgate regulations, after consultation with the Director, relative to
8151 departmental procurement that include standards of ethics for procurement consistent with the provisions of
8152 Article 6 (§ 2.2-4367 et seq.) of Chapter 43 of Title 2.2 and that ensure that departmental procurement will
8153 be based on competitive principles.

8154 The Board shall have the power to advise and recommend, but shall have no power to veto or modify,
8155 administrative decisions of the Director. However, the Board shall have the power to accept, modify, or
8156 reject any revenue projections before such projections are forwarded to the Governor.

8157 B. The Board shall carry on a continuous study and investigation of the lottery throughout the
8158 Commonwealth to:

8159 1. Ascertain any defects of this subtitle or the regulations issued hereunder that cause abuses in the
8160 administration and operation of the lottery and any evasions of such provisions.

8161 2. Formulate, with the Director, recommendations for changes in this subtitle and the regulations
8162 promulgated hereunder to prevent such abuses and evasions.

8163 3. Guard against the use of this subtitle and the regulations promulgated hereunder as a subterfuge for
8164 organized crime and illegal gambling.

8165 4. Ensure that this law and the regulations of the Board are in such form and are so administered as to
8166 serve the true purpose of this subtitle.

8167 C. The Board shall make a continuous study and investigation of (i) the operation and the administration
8168 of similar laws that may be in effect in other states or countries, (ii) any literature on the subject that may be
8169 published or available, (iii) any federal laws that may affect the operation of the lottery, and (iv) the reaction
8170 of Virginia citizens to the potential features of the lottery with a view to recommending or effecting changes
8171 that will serve the purpose of this subtitle.

8172 D. The Board shall hear and decide an appeal of any denial by the Director of the licensing or revocation
8173 of a license of a lottery agent pursuant to subdivision A 10 and to subdivision B 5 of § 29.5-706.

8174 E. The Board shall have the authority to initiate procedures for the planning, acquisition, and
8175 construction of capital projects as set forth in Article 4 (§ 2.2-1129 et seq.) of Chapter 11 and Article 3
8176 (§ 2.2-1819 et seq.) of Chapter 18 of Title 2.2.

8177 **§ 29.5-708. Employees of the Department; background investigations of employees.**

8178 All persons employed by the Department shall be fingerprinted before, and as a condition of, employment.
8179 These fingerprints shall be submitted to the Federal Bureau of Investigation for a national criminal records

8180 *search and to the Department of State Police for a Virginia criminal history records search. All board*
 8181 *members, officers, and employees of any vendor of lottery online or instant ticket goods or services working*
 8182 *directly on a contract with the Department for such goods or services shall be fingerprinted, and such*
 8183 *fingerprints shall be submitted to the Federal Bureau of Investigation for a national criminal records search*
 8184 *conducted by the chief security officer of the Department. A background investigation shall be conducted by*
 8185 *the chief security officer of the Department on every applicant prior to employment by the Department.*
 8186 *However, all division directors of the Department and employees of the Department performing duties*
 8187 *primarily related to security matters shall be subject to a background investigation report conducted by the*
 8188 *Department of State Police prior to employment by the Department. The Department of State Police shall be*
 8189 *reimbursed by the Virginia Lottery for the cost of investigations conducted pursuant to this section or §*
 8190 *29.5-705. No person who has been convicted of a felony, bookmaking, or other forms of illegal gambling, or*
 8191 *of a crime involving moral turpitude shall be employed by the Department or on contracts with vendors*
 8192 *described in this section.*

8193 **§ 29.5-709. Licensing of lottery sales agents; penalty.**

8194 A. No license as an agent to sell lottery tickets or shares shall be issued to any person to engage in
 8195 business primarily as a lottery sales agent. Before issuing such license, the Director shall consider such
 8196 factors as (i) the financial responsibility and security of the person and his business or activity; (ii) the
 8197 accessibility of his place of business or activity to the public; (iii) the sufficiency of existing licensees to serve
 8198 the public convenience; and (iv) the volume of expected sales.

8199 B. For the purposes of this section, the term "person" means an individual, association, partnership,
 8200 corporation, club, trust, estate, society, company, joint stock company, receiver, trustee, assignee, referee, or
 8201 any other person acting in a fiduciary or representative capacity, whether appointed by a court or otherwise,
 8202 and any combination of individuals. "Person" also means all departments, commissions, agencies, and
 8203 instrumentalities of the Commonwealth, including counties, cities, municipalities, agencies, and
 8204 instrumentalities thereof.

8205 C. The chief security officer of the Department shall conduct a background investigation, to include a
 8206 Virginia criminal history records search, and fingerprints that shall be submitted to the Federal Bureau of
 8207 Investigation if the Director deems a national criminal records search necessary, on applicants for licensure
 8208 as lottery sales agents. The Director may refuse to issue a license to operate as an agent to sell lottery tickets
 8209 or shares to any person who has been (i) convicted of a crime involving moral turpitude, (ii) convicted of
 8210 bookmaking or other forms of illegal gambling, (iii) found guilty of any fraud or misrepresentation in any
 8211 connection, (iv) convicted of a felony, or (v) engaged in conduct prejudicial to public confidence in the
 8212 Lottery. The Director may refuse to grant a license or may suspend, revoke, or refuse to renew a license
 8213 issued pursuant to this subtitle to a partnership or corporation, if he determines that any general or limited
 8214 partner, or officer or director of such partnership or corporation has been (a) convicted of a crime involving
 8215 moral turpitude, (b) convicted of bookmaking or other forms of illegal gambling, (c) found guilty of any fraud
 8216 or misrepresentation in any connection, (d) convicted of a felony, or (e) engaged in conduct prejudicial to
 8217 public confidence in the Lottery. Whoever knowingly and willfully falsifies, conceals, or misrepresents a
 8218 material fact or knowingly and willfully makes a false, fictitious, or fraudulent statement or representation in
 8219 any application for licensure to the Department for lottery sales agent is guilty of a Class 1 misdemeanor.

8220 D. In the event an applicant is a former lottery sales agent whose license was suspended, revoked, or
 8221 refused renewal pursuant to this section or § 29.5-712, no application for a new license to sell lottery tickets
 8222 or shares shall be considered for a minimum period of 90 days following the suspension, revocation, or
 8223 refusal to renew.

8224 E. Prior to issuance of a license, every lottery sales agent shall either (i) be bonded by a surety company
 8225 entitled to do business in the Commonwealth in such amount and penalty as may be prescribed by the
 8226 regulations of the Department or (ii) provide such other surety as may be satisfactory to the Director,
 8227 payable to the Virginia Lottery and conditioned upon the faithful performance of his duties.

8228 F. Every licensed agent shall prominently display his license, or a copy thereof, as provided in the
 8229 regulations of the Department.

8230 **§ 29.5-710. Authority of persons licensed as lottery sales agents; annual fee.**

8231 A. Notwithstanding any other provision of law, any person licensed as provided in this subtitle is hereby
 8232 authorized to act as a lottery sales agent.

8233 B. The rules and regulations of the Department shall provide for an initial licensing fee and an annual
 8234 license review fee to be collected from each lottery sales agent. Such fee, as promulgated by rule and
 8235 regulation of the Board, shall be designed to recover all or such portion of the installation and annual
 8236 operational costs borne by the Department in providing services to the agent.

8237 **§ 29.5-711. Meaning of "gross receipts."**

8238 A. Notwithstanding the provisions of Chapter 37 (§ 58.1-3700 et seq.) of Title 58.1 or § 29.5-812 relating
 8239 to local license taxes, the term "gross receipts" as used in Chapter 37 shall include only the compensation
 8240 actually paid to a licensed sales agent as provided by rule or regulation adopted by the Board consistent with
 8241 the provisions of subdivision A 11 of § 29.5-707.

8242 B. Unless otherwise provided by contract, any person licensed as a lottery agent who makes rental
8243 payments for the business premises on which state lottery tickets are sold on the basis of retail sales shall
8244 have that portion of rental payment based on sales of state lottery tickets or shares computed on the basis of
8245 the compensation received as a lottery agent from the Virginia Lottery.

8246 **§ 29.5-712. Suspension and revocation of licenses.**

8247 The Director may suspend, revoke, or refuse to renew, after notice and a hearing, any license issued
8248 pursuant to this subtitle. Such license may, however, be temporarily suspended by the Director without prior
8249 notice, pending any prosecution, hearing, or investigation, whether by a third party or by the Director. A
8250 license may be suspended, revoked, or refused renewal by the Director for one or more of the following
8251 reasons:

- 8252 1. Failure to properly account for lottery tickets received or the proceeds of the sale of lottery tickets;
- 8253 2. Failure to file a bond if required by the Director or to comply with instructions and rules and
8254 regulations of the Department concerning the licensed activity, especially with regard to the prompt payment
8255 of claims;
- 8256 3. Conviction of any offense referenced in subsection C of § 29.5-709 subsequent to licensure;
- 8257 4. Failure to file any return or report, to keep records, or to pay any fees or other charges required by this
8258 subtitle;
- 8259 5. Any act of fraud, deceit, misrepresentation, or conduct prejudicial to public confidence in the
8260 Commonwealth lottery;
- 8261 6. If the number of lottery tickets sold by the lottery sales agent is insufficient to meet administrative costs
8262 and public convenience is adequately served by other licensees;
- 8263 7. A material change, since issuance of the license, with respect to any matters required to be considered
8264 by the Director under this subtitle; or
- 8265 8. Other factors established by Department regulation.

8266 **§ 29.5-713. Prohibited actions; penalty.**

8267 Any person who wrongfully and fraudulently uses, disposes of, conceals, or embezzles any public money
8268 or funds associated with the operation of the lottery is guilty of a Class 3 felony. Any person who wrongfully
8269 and fraudulently tampers with any equipment or machinery used in the operation of the lottery is guilty of a
8270 Class 3 felony. Any person who makes inaccurate entries regarding a financial accounting of the lottery in
8271 order to conceal the truth, defraud the Commonwealth, and obtain money to which he is not entitled is guilty
8272 of a Class 3 felony.

8273 **§ 29.5-714. License required for "instant ticket" games or contests; penalty.**

8274 No person who owns or is employed by any retail establishment in the Commonwealth shall use any
8275 "instant ticket" game or contest for the purpose of promoting or furthering the sale of any product without
8276 first obtaining a license to do so from the Director. For the purposes of this section, an "instant ticket" game
8277 or contest means a game of chance played on a paper ticket or card where (i) a person may receive gifts,
8278 prizes, or gratuities and (ii) winners are determined by preprinted concealed letters, numbers, or symbols
8279 which, when exposed, reveal immediately whether the player has won a prize or entry into a prize drawing,
8280 but shall not include any "instant ticket" game or contest licensed by the Virginia Gaming Commission
8281 pursuant to Chapter 2 (§ 29.5-200 et seq.). The fact that no purchase is required in order to participate shall
8282 not exclude such game or contest from the provisions of this section; however, nothing in this section shall
8283 prohibit any retail establishment from using a Virginia lottery ticket to promote or further the sale of any
8284 products except those having both a federal and state excise tax placed on them. Any person convicted of a
8285 violation of this section is guilty of a Class 3 misdemeanor.

8286 **§ 29.5-715. Unclaimed prizes.**

8287 A. Unclaimed prizes for a winning ticket or share shall be retained by the Director for the person entitled
8288 thereto for 180 days after the drawing in which the prize was won in the case of a drawing prize and for 180
8289 days after the announced end of the lottery game in the case of a prize determined in any manner other than
8290 by means of a drawing. If no claim is made for the prize within the 180 days, the Director shall deem such
8291 prize forfeited by the person entitled to claim such winnings.

8292 B. All prizes deemed forfeited pursuant to subsection A shall be paid into the Literary Fund. The Director
8293 may develop procedures, to be approved by the Auditor of Public Accounts, for estimating the cumulative
8294 total of such unclaimed prizes in any lottery game in lieu of specifically identifying unclaimed prizes where
8295 such specific identification would not be cost effective. The Director, within 60 days after the end of each
8296 180-day retention period, shall report the total value of prizes forfeited at the end of such period to the
8297 Comptroller, who shall promptly transfer the total of such prizes to the Literary Fund. The total value of
8298 prizes forfeited during the fiscal year shall be audited by the Auditor of Public Accounts in accordance with §
8299 29.5-719. In the case of a prize payable over time on one or more winning tickets, if one or more winning
8300 tickets is not claimed within the 180-day redemption period, the Department shall transfer the then current
8301 monetary value of such portion of the prize remaining unclaimed to the Literary Fund in accordance with
8302 procedures approved by the State Treasurer. "Current monetary value" shall be determined by the net
8303 proceeds from the sale of that portion of jackpot securities allocated to the unclaimed winner plus the amount

8304 of the initial cash payment.

8305 C. Subsection B shall not apply to prizes of \$25 or less resulting from any lottery game other than a
 8306 lottery game in which a drawing determined the prize. The Board shall adopt regulations for the disposition
 8307 of all such unclaimed prizes of \$25 or less not resulting from a drawing. Such disposition shall be directed in
 8308 whole or in part to either the Virginia Lottery Fund or to other forms of compensation to licensed sales
 8309 agents.

8310 D. For purposes of this section, "prize" refers to a cash prize. In the case of a prize payable over time and
 8311 not as a lump sum payment, "prize" means the present cash value of the prize, not the value paid over time.

8312 E. In accordance with the provisions of the Soldiers' and Sailors' Civil Relief Act of 1940 (50 App.
 8313 U.S.C.A. § 525), any person whose unclaimed prize was deemed forfeited pursuant to subsection A while he
 8314 was in active military service may claim such forfeited prize by presenting his winning ticket to the Director
 8315 no later than 180 days after his discharge from active military service. Within 30 days of such presentation,
 8316 the Director shall verify the claim and report the verification to the Comptroller. The Comptroller shall
 8317 promptly pay the verified claim first from funds available in the Unclaimed Property Trust Fund; if such
 8318 funds are insufficient, then, from any undesignated, unreserved year-end balance of the general fund. All
 8319 verified claims shall be paid in accordance with the Board's rules and regulations then in effect regarding the
 8320 manner of payment of prizes to the holders of winning tickets or shares.

8321 § 29.5-716. **Deposit of moneys received by agents; performance of functions, etc., in connection with
 8322 operation of lottery; compensation of agents.**

8323 A. The Director shall require all lottery sales agents to deposit to the credit of the Virginia Lottery Fund
 8324 in banks, designated by the State Treasurer, all moneys received by such agents from the sale of lottery
 8325 tickets or shares, less any amount paid as prizes or retained as compensation to agents for the sale of the
 8326 tickets or shares, and to file with the Director, or his designated agents, reports of their receipts,
 8327 transactions, and disbursements pertaining to the sale of lottery tickets in such form and containing such
 8328 information as he may require. Such deposits and reports shall be submitted at such times and within such
 8329 intervals as shall be prescribed by rule and regulation of the Department. The Director may arrange for any
 8330 person, including a bank, to perform such functions, activities, or services in connection with the operation of
 8331 the lottery as he may deem advisable pursuant to this subtitle and the rules and regulations of the
 8332 Department, and such functions, activities, and services shall constitute lawful functions, activities, and
 8333 services of the person.

8334 B. The rules and regulations of the Department shall provide for a service charge to the licensed agent if
 8335 any payor bank dishonors a check or draft tendered for deposit to the credit of the Virginia Lottery Fund by a
 8336 licensed agent or for an electronic transfer of funds to the Virginia Lottery Fund from the account of a
 8337 licensed agent for money received from the sale of lottery tickets.

8338 The regulations of the Department shall provide for a service charge and penalty to a licensed agent if
 8339 any payor bank dishonors a check or draft from the account of a licensed agent tendered for payment of any
 8340 prize by a licensed agent to any claimant. Any such charge or penalty so collected by the Department shall be
 8341 used first to reimburse the claimant for any charges or penalties incurred by him as a result of the licensed
 8342 agent's dishonored check tendered as payment of any prize and the remainder to offset the Department's
 8343 administrative costs.

8344 C. A licensed agent shall be charged interest as provided in § 58.1-15 on the money that is not timely paid
 8345 to the Virginia Lottery Fund in accordance with the rules and regulations of the Department and shall in
 8346 addition thereto pay penalties as provided by rules and regulations of the Department.

8347 D. Should the Department refer the debt of any licensed agent to the Attorney General, the Department of
 8348 Taxation as provided in the Setoff Debt Collection Act (§ 58.1-520 et seq.), or any other central collection
 8349 unit of the Commonwealth, an additional service charge shall be imposed in the amount necessary to cover
 8350 the administrative costs of the Department and agencies to which such debt is referred.

8351 E. Notwithstanding the provisions of Chapter 5 (§ 8.01-257 et seq.) of Title 8.01, in any action for the
 8352 collection of a debt owed by any licensed agent to the lottery, venue shall lie in the City of Richmond.

8353 F. All proceeds from the sale of lottery tickets or shares received by a person in the capacity of a sales
 8354 agent shall constitute a trust fund until deposited into the Virginia Lottery Fund either directly or through the
 8355 Department's authorized collection representative. Proceeds shall include cash proceeds of the sale of any
 8356 lottery products, less any amount paid as prizes or retained as compensation to agents for the sale of the
 8357 tickets or shares. Sales agents shall be personally liable for all proceeds.

8358 G. If the Director determines that the deposit or collection from any sales agent of any moneys or
 8359 proceeds under this section is or will be jeopardized or will otherwise be delayed, he may adjust either the
 8360 time or the interval or both for such deposits or collections of any sales agent; require that all such moneys
 8361 or proceeds shall be kept separate and apart from all other funds and assets and shall not be commingled
 8362 with any other funds or assets prior to their deposit or collection under this section; and require such other
 8363 security of any sales agent as he may deem advisable to ensure the timely deposit or collection of moneys or
 8364 proceeds to the credit of the Virginia Lottery Fund.

8365 Collection of moneys or proceeds "is or will be jeopardized or will otherwise be delayed" when (i) a

8366 *check, draft, or electronic funds transfer to the credit of the Virginia Lottery Fund is dishonored as described*
8367 *in subsection B; (ii) an independent auditor states that the lottery sales agent's financial condition raises*
8368 *substantial doubt about its ability to continue as a going concern; or (iii) the lottery sales agent (a) closes for*
8369 *business or fails to maintain normal business hours without reasonable explanation, (b) has a credit record*
8370 *reflecting recent actions that cast doubt as to its creditworthiness, (c) states it has or may have cash flow*
8371 *problems or may be unable to meet its financial obligations, (d) states it may seek the protection of the*
8372 *federal bankruptcy or state insolvency law, (e) refuses to purchase additional lottery tickets or returns tickets*
8373 *ordered without good cause, or (f) does any other act tending to prejudice or to render wholly or partially*
8374 *ineffectual proceedings to collect moneys or proceeds that are or will become due and payable to the*
8375 *Virginia Lottery Fund.*

8376 **§ 29.5-717. Virginia Lottery Fund.**

8377 *A. All moneys received from the sale of lottery tickets or shares, less payment for prizes and compensation*
8378 *of agents as authorized by regulation and any other revenues received under this subtitle, shall be placed in a*
8379 *special fund known as the "Virginia Lottery Fund." Notwithstanding any other provisions of law, interest*
8380 *earned from moneys in the Virginia Lottery Fund shall accrue to the benefit of such Fund.*

8381 *B. The total costs for the operation and administration of the lottery shall be funded from the Virginia*
8382 *Lottery Fund and shall be in such amount as provided in the general appropriation act. Appropriations to the*
8383 *Department during any fiscal year beginning on and after July 1, 1989, exclusive of agent compensation,*
8384 *shall at no time exceed 10 percent of the total annual estimated gross revenues to be generated from lottery*
8385 *sales. However, should it be anticipated at any time by the Director that such operational and administrative*
8386 *costs for a fiscal year will exceed the limitation provided herein, the Director shall immediately report such*
8387 *information to the Board, the Governor, and the Chairmen of the Senate Committee on Finance and*
8388 *Appropriations and the House Committee on Appropriations. From the moneys in the Fund, the Comptroller*
8389 *shall establish a special reserve fund in such amount as shall be provided by regulation of the Department*
8390 *for (i) operation of the lottery, (ii) use if the game's pay-out liabilities exceed its cash on hand, or (iii)*
8391 *enhancement of the prize pool with income derived from lending securities held for payment of prize*
8392 *installments, which lending of securities shall be conducted in accordance with lending programs approved*
8393 *by the Department of the Treasury.*

8394 *C. The Comptroller shall transfer to the Lottery Proceeds Fund established pursuant to § 29.5-718, less*
8395 *the special reserve fund, the audited balances of the Virginia Lottery Fund at the close of each fiscal year.*
8396 *The transfer for each year shall be made in two parts: (i) on or before June 30, the Comptroller shall transfer*
8397 *balances of the Virginia Lottery Fund for the fiscal year, based on an estimate determined by the Virginia*
8398 *Lottery, and (ii) no later than 10 days after receipt of the annual audit report required by § 29.5-719, the*
8399 *Comptroller shall transfer to the Lottery Proceeds Fund the remaining audited balances of the Virginia*
8400 *Lottery Fund for the fiscal year. If such annual audit discloses that the actual revenue is less than the*
8401 *estimate on which the transfer was based, the State Comptroller shall transfer the difference between the*
8402 *actual revenue and the estimate from the Lottery Proceeds Fund to the Virginia Lottery Fund.*

8403 *D. In addition to such other funds as may be appropriated, 100 percent of the lottery revenues transferred*
8404 *to the Lottery Proceeds Fund shall be appropriated entirely and solely for the purpose of public education in*
8405 *the Commonwealth unless otherwise redirected pursuant to Article X, Section 7-A of the Constitution of*
8406 *Virginia. The additional appropriation of lottery revenues to local school divisions for public education*
8407 *purposes consistent with this provision shall be used for operating, capital outlay, or debt service expenses,*
8408 *as determined by the appropriation act. The additional appropriation of lottery revenues shall not be used by*
8409 *any local school division to reduce its total local expenditures for public education in accordance with the*
8410 *provisions of the general appropriation act.*

8411 *E. As a function of the administration of this subtitle, funds may be expended for the purposes of*
8412 *reasonably informing the public concerning (i) the facts embraced in the subjects contained in subdivisions A*
8413 *1 through 7 of § 29.5-707 and (ii) the fact that the net proceeds are paid into the Lottery Proceeds Fund of*
8414 *the Commonwealth, but no funds shall be expended for the primary purpose of inducing persons to*
8415 *participate in the lottery.*

8416 **§ 29.5-718. Lottery Proceeds Fund.**

8417 *A. There is hereby created in the state treasury a special nonreverting fund to be known as the Lottery*
8418 *Proceeds Fund, referred to in this section as the "Fund." The Fund shall be established on the books of the*
8419 *Comptroller and interest earned on moneys in the Fund shall remain in the Fund and be credited to it. Any*
8420 *moneys remaining in the Fund, including interest thereon, at the end of each fiscal year shall not revert to the*
8421 *general fund but shall remain in the Fund. The Fund shall consist of amounts deposited into it from the net*
8422 *revenues of any lottery conducted by the Commonwealth pursuant to Article X, Section 7-A of the*
8423 *Constitution of Virginia.*

8424 *B. For purposes of any appropriation act enacted by the General Assembly and for the purposes of the*
8425 *Comptroller's preliminary and final annual reports required by § 2.2-813, all deposits to and appropriations*
8426 *from the Lottery Proceeds Fund shall be accounted for and considered to be a part of the general fund of the*
8427 *state treasury.*

§ 29.5-719. Post-audit of accounts and transactions of Department; post-compliance audits.

A regular post-audit shall be conducted of all accounts and transactions of the Department. An annual audit of a fiscal and compliance nature of the accounts and transactions of the Department shall be conducted by the Auditor of Public Accounts on or before August 15 of each year. The cost of the annual audit and post-audit examinations shall be borne by the Department. The Board may order such other audits as it deems necessary and desirable.

§ 29.5-720. Employees of the Department.

Employees of the Department shall be exempt from the provisions of the Virginia Personnel Act, Chapter 29 (§ 2.2-2900 et seq.) of Title 2.2. Personnel actions shall be taken without regard to race, sex, sexual orientation, gender identity, color, ethnic or national origin, religion, age, disability, or political affiliation.

§ 29.5-721. Judicial review.

The action of the Board in granting or denying a license or registration or in suspending or revoking any license or registration under the provisions of this subtitle shall be subject to review in accordance with the provisions of the Administrative Process Act (§ 2.2-4000 et seq.). Such review shall be limited to the evidential record of the proceedings provided by the Board. Both the petitioner and the Board shall have the right to appeal to the Court of Appeals from any order of the court.

CHAPTER 8.**ADMINISTRATION OF TICKETS AND PRIZES.****§ 29.5-800. Lottery tickets to bear telephone number for compulsive gamblers.**

All lottery tickets shall bear a toll-free telephone number for "Gamblers Anonymous" or other organization that provides assistance to compulsive gamblers.

§ 29.5-801. Posting of illegal gaming tip line.

Every licensed lottery sales agent shall post in a conspicuous place in its retail establishment a sign that bears (i) the toll-free telephone number and website for the illegal gaming tip line established and administered by the Office of the Gaming Enforcement Coordinator in the Department of State Police pursuant to § 52-54 for members of the public to report concerns about, or suspected instances of, illegal gaming activities and (ii) the toll-free telephone number for the National Problem Gambling Helpline.

§ 29.5-802. Right to prize not assignable; exceptions.

A. No right of any person to a prize drawn shall be assignable, except that: (i) payment of any prize drawn may be paid according to the terms of a deceased prize winner's beneficiary designation or similar form filed with the Department or to the estate of a deceased prize winner who has not completed such a form; (ii) the prize to which the winner is entitled may be paid to a person pursuant to an appropriate judicial order; and (iii) payment of any prize drawn may be paid in accordance with the provisions of § 29.5-811. Payments made according to the terms of a deceased prize winner's beneficiary designation or similar form filed with the Department are effective by reason of the contract involved and this statute and are not to be considered as testamentary or subject to Chapter 4 (§ 64.2-400 et seq.) of Title 64.2. The Director shall be discharged of all liability upon payment of a prize pursuant to this section.

B. Investments of prize proceeds made by the Department to fund the payment of an annuitized prize are to be held in the name of the Department or the Commonwealth and not in the name of the prize winner. Any claim of a prize winner to a future payment remains inchoate until the date the payment is due under Department regulations.

C. Except as provided in Chapter 19 (§ 63.2-1900 et seq.) of Title 63.2 and this subtitle, no lottery prize or installment thereof may be subject to garnishment or to a lien of any kind until such prize or installment thereof has been paid or distributed.

D. Whenever the Department or the Director is or may be named as a party in any proceeding instituted by or on behalf of one or more persons who claim ownership of a winning lottery ticket, prize, share, or portion thereof for the purpose of determining the ownership or right to such ticket, prize, share, or portion thereof, the Director may voluntarily pay or tender the prize, share, or portion thereof into the circuit court where the action is filed, or may be ordered to do so by the court, and shall thereupon be discharged from all liability as between the claimants of such ticket, prize, share, or portion thereof without regard to whether such payment was made voluntarily or pursuant to a court order.

Nothing in this section shall be deemed to constitute a waiver of the sovereign immunity of the Commonwealth or to authorize any attachment, garnishment, or lien against the prize, share, or portion thereof paid into the court except as permitted by subsection C.

§ 29.5-803. Price of tickets or shares; who may sell; penalty.

No person shall sell a ticket or share at any price or at any location other than that fixed by rules and regulations of the Department. No person other than a licensed lottery sales agent or his employee shall sell 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 over the age of 18 years as a gift. No person shall operate a ticket courier service in the Commonwealth.

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

§ 29.5-804. Method of payment for purchase of tickets or shares.

8490 *Lottery sales agents licensed in accordance with this subtitle shall accept only cash or debit cards in*
8491 *payment for the purchase of lottery tickets or shares.*

8492 **§ 29.5-805. Sale of ticket or share to person under 18 prohibited; penalty.**

8493 *No ticket or share shall be sold to or redeemed from any person under the age of 18 years. Any licensee*
8494 *who knowingly sells or offers to sell or redeem a lottery ticket or share to or from any person under the age*
8495 *of 18 years is guilty of a Class 1 misdemeanor.*

8496 **§ 29.5-806. Gift to minor prohibited; penalty.**

8497 *No ticket or share shall be given as a gift or otherwise to any person under the age of 18 years. Any*
8498 *person who knowingly gives a lottery ticket or share to any person under the age of 18 years is guilty of a*
8499 *Class 3 misdemeanor.*

8500 **§ 29.5-807. Alteration and forgery; presentation of counterfeit or altered ticket or share; penalty.**

8501 *Any person who forges, alters, or fraudulently makes any lottery ticket or share with intent to present for*
8502 *payment or to transfer to another person to be presented for payment or knowingly presents for payment or*
8503 *transfers to another person to be presented for payment such forged, altered, or fraudulently made*
8504 *counterfeit lottery ticket or share sold pursuant to this subtitle is guilty of a Class 6 felony.*

8505 **§ 29.5-808. Larceny of tickets; fraudulent notification of prizes; penalty.**

8506 *A. Any person who steals or otherwise unlawfully converts to his own or another's use a lottery ticket,*
8507 *prize, share, or portion thereof is guilty of larceny. For purposes of this subsection, the value of a lottery*
8508 *ticket, prize, share, or portion thereof shall be deemed to be the greater of its face amount or its redemption*
8509 *value.*

8510 *B. Any person who, with intent to defraud, steal, embezzle, or violate the provisions of § 18.2-186.3,*
8511 *designs, makes, prints, or otherwise produces, in whole or in part, a document or writing, whether in printed*
8512 *or electronic form, that falsely purports to be correspondence from or on behalf of the lottery is guilty of a*
8513 *Class 5 felony.*

8514 *Jurisdiction shall lie and prosecution may proceed under this subsection in any county or city (i) in which*
8515 *the document was created; (ii) from which it was sent, regardless of the form of delivery; or (iii) in which it*
8516 *was received, regardless of the form of delivery.*

8517 **§ 29.5-809. Ticket discounting; civil penalties.**

8518 *A. As used in this section, "ticket discounting" means reselling or having a person other than the prize*
8519 *winner claim a winning lottery ticket or buying or claiming a winning lottery ticket for the purpose of*
8520 *assisting the original prize winner with concealing his identity as a prize winner.*

8521 *B. No person shall engage in the practice of ticket discounting.*

8522 *C. Any person found to have engaged in the practice of ticket discounting shall be fined as determined by*
8523 *the Director (i) for prizes of less than \$1,000, not more than \$250; (ii) for prizes of \$1,000 or more but less*
8524 *than \$5,000, more than \$250 but not more than \$500; and (iii) for prizes of \$5,000 or more, no less than*
8525 *\$1,000. All fines recovered for violations of this section shall be paid into the state treasury to the credit of*
8526 *the Literary Fund, in accordance with § 19.2-353.*

8527 **§ 29.5-810. Certain persons ineligible to purchase tickets or shares or receive prizes.**

8528 *A. No ticket or share shall be purchased by, and no prize shall be paid on a ticket purchased by or*
8529 *transferred to, any Board member, officer, or employee of the lottery, or any board member, officer or*
8530 *employee of any vendor to the lottery of lottery online or instant ticket goods or services working directly on*
8531 *a contract with the Department for such goods or services, or any person residing in the same household of*
8532 *such member, officer, or employee or any person under the age of 18 years, or transferee of any such*
8533 *persons.*

8534 *B. Only natural persons may purchase lottery tickets and claim prize winnings. In all cases, the identity*
8535 *and social security number of all natural persons who receive a prize greater than \$100 from a winning*
8536 *ticket redeemed at any Department office shall be provided in order to comply with this section and §§*
8537 *29.5-805, 29.5-806, and 29.5-813 and Chapter 19 (§ 63.2-1900 et seq.) of Title 63.2.*

8538 **§ 29.5-811. Voluntary assignment of lottery prizes or pledge as collateral for a loan; requirements for**
8539 *the assignees and lenders.*

8540 *A. Lottery prizes, payable in installments over a period of time, excluding prizes payable for the winner's*
8541 *life, may be voluntarily assigned or pledged as collateral for a loan, in whole or in part, by the person*
8542 *entitled to such installments, by written contract affirming that the requirements of this section have been met*
8543 *and endorsed by written order of a court of competent jurisdiction after a hearing. The order shall specify the*
8544 *name, address, and social security number or tax identification number of the assignee or lender and shall*
8545 *specifically describe the payments be assigned or pledged as collateral by date and gross pre-tax amount.*
8546 *The Department shall be given notice of any hearing held pursuant to this section and shall have the right to*
8547 *appear and participate in such hearing. Venue for hearings held pursuant to this section shall be in the*
8548 *Circuit Court of the City of Richmond.*

8549 *The rate charged for any such assignment or loan shall not exceed 15 percent.*

8550 *The contract shall:*

8551 *1. Be signed by the assignor and the assignee or the lender and the borrower, and the assignor or*

8552 borrower shall affirm the assignment or loan has been voluntarily executed.

8553 2. Include or be accompanied by a sworn statement attesting that the assignor or borrower (i) is of sound
 8554 mind and not acting under duress; (ii) has been advised in writing by the assignee or lender to seek
 8555 independent legal counsel and independent financial counsel concerning the implications of the assignment
 8556 or loan, including the tax consequences, and has either received such advice or knowingly waived such
 8557 advice in writing; (iii) understands that he is relinquishing or limiting his rights to receive the lottery
 8558 proceeds; and (iv) has received from the Virginia Lottery, in response to a written request therefor,
 8559 confirmation of the assignee's or lender's registration with the Virginia Lottery in accordance with subsection
 8560 E.

8561 3. Include a disclosure statement setting forth (i) the amounts assigned or loaned; (ii) the dates such
 8562 amounts are payable; (iii) the purchase price paid for the assignment or loan; (iv) the rate of discount to
 8563 present value, assuming daily compounding and funding on the contract date; (v) the amount of any fees
 8564 associated with the assignment or loan and by whom such fees are payable; and (vi) the tax identification
 8565 number of the assignee.

8566 4. Expressly state that the assignor or borrower has three business days after signing the contract to
 8567 cancel the assignment or loan.

8568 5. Expressly state that the assignee or lender is eligible to purchase, share, or receive prizes of the
 8569 Virginia Lottery pursuant to §§ 29.5-805, 29.5-806, and subsection A of § 29.5-810, and that the Virginia
 8570 Lottery has complied with subsection B of § 29.5-810 in that the original prizewinner is, or if deceased, was,
 8571 a natural person if and to the extent that the prize was awarded on or after the effective date pursuant to
 8572 subsection B of § 29.5-810.

8573 6. Expressly state that no amounts assigned or loaned are subject to setoff pursuant to Article 21
 8574 (§ 58.1-520 et seq.) of Chapter 3 of Title 58.1.

8575 B. The Commonwealth, the Virginia Lottery, and any employee or representative of either shall be
 8576 indemnified and held harmless upon payment of amounts due as set forth in the court order.

8577 C. The Virginia Lottery may establish a reasonable fee to process the assignments provided for in this
 8578 section and to receive, review, and file the registration required by subsection E and confirm compliance
 8579 with the registration requirements. The fee shall be reflective of the direct and indirect costs of processing the
 8580 assignments or registrations.

8581 D. Notwithstanding the provisions of this section, the Commonwealth and the Virginia Lottery shall not
 8582 accept any assignment if either of the following has occurred:

8583 1. Federal law provides that the right to assign lottery proceeds is deemed receipt of income in the year
 8584 the lottery prize is won for all installment lottery prize winners. "Federal law" includes statutory law, rulings
 8585 of courts of competent jurisdiction, and published rulings by the Internal Revenue Service.

8586 2. State law provides that the right to assign lottery proceeds is deemed receipt of income in the year the
 8587 lottery prize is won for all installment lottery prize winners. "State law" includes statutory law, rulings of
 8588 courts of competent jurisdiction, and published rulings by the Department of Taxation.

8589 E. An assignee, prospective assignee, lender, or prospective lender shall not make any representation in
 8590 any written or oral communications with a lottery winner that implies that the assignee, prospective assignee,
 8591 lender, or prospective lender is associated with or an agent of the Virginia Lottery. Every prospective
 8592 assignee or prospective lender shall register with the Virginia Lottery prior to contracting for any assignment
 8593 or loan pursuant to this section. The registration shall include (i) the assignee's or lender's standard
 8594 information packet or materials given or sent to prospective assignees or borrowers; (ii) the assignee's or
 8595 lender's standard form of agreement; (iii) the assignee's or lender's federal tax identification number; and
 8596 (iv) where applicable, the assignee's or lender's most recent public financial statement. The Director may
 8597 deny, suspend, or revoke a registration for a violation of this subtitle or for such other reasons as the Board,
 8598 by regulation, may establish.

8599 **§ 29.5-812. Exemption of lottery prizes and sales of tickets from state and local taxation.**

8600 Except as provided in § 29.5-711 and Chapter 3 (§ 58.1-300 et seq.) of Title 58.1, no state or local taxes
 8601 of any type whatsoever shall be imposed upon any prize awarded or upon the sale of any lottery ticket sold
 8602 pursuant to the Virginia Lottery Law.

8603 **§ 29.5-813. Set-off of debts to the Commonwealth from prizes.**

8604 The Director shall establish by rule and regulation a set-off debt collection program in accordance with
 8605 the provisions of the Setoff Debt Collection Act (§ 58.1-520 et seq.), wherein certain prizes shall be subjected
 8606 to delinquent debts of agencies and institutions of the Commonwealth. The Director shall be responsible for
 8607 the administration of the program and shall ensure by rule and regulation of the Department that any agency
 8608 eligible to participate in the Setoff Debt Collection Act shall be eligible to participate in the lottery prize set-
 8609 off. The Tax Commissioner shall transmit to the Director, at such intervals as requested by the Director, a
 8610 listing of claimant agencies and delinquent debts owed thereto.

8611 **§ 29.5-814. Disclosure of identity of winners by the Department.**

8612 Except as provided in subsection B of § 29.5-810, the Department shall not disclose information about the
 8613 identity of an individual lottery winner if the value of the prize won by the winner is \$1 million or greater,

8614 unless the winner consents in writing to such disclosure.

8615 **§ 37.2-314.2. Problem Gambling Treatment and Support Fund.**

8616 A. As used in this section:

8617 "Compulsive gambling" means persistent and recurrent problem gambling behavior leading to clinically
8618 significant impairment or distress, as indicated by an individual exhibiting four or more of the criteria as
8619 defined by the Diagnostic Statistical Manual of Mental Disorders in a 12-month period and where the
8620 behavior is not better explained by a manic episode.

8621 "Problem gambling" means a gambling behavior that causes disruptions in any major area of life,
8622 including the psychological, social, or vocational areas of life, but does not fulfill the criteria for diagnosis as
8623 a gambling disorder.

8624 B. There is hereby created in the state treasury a special nonreverting fund to be known as the Problem
8625 Gambling Treatment and Support Fund, referred to in this section as "the Fund." The Fund shall be
8626 established on the books of the Comptroller. All revenue accruing to the Fund pursuant to subsection A of §
8627 58.1-4038 29.5-408 and moneys required to be deposited into the Fund pursuant to ~~Chapter 44~~ Chapter 3 (§
8628 58.1-4100 29.5-300 et seq.) of Title 58.1 29.5 shall be paid into the state treasury and credited to the Fund.
8629 Interest earned on moneys in the Fund shall remain in the Fund and be credited to it. Any moneys remaining
8630 in the Fund, including interest thereon, at the end of each fiscal year shall not revert to the general fund but
8631 shall remain in the Fund. Moneys in the Fund shall be used solely for the purposes of (i) providing counseling
8632 and other support services for compulsive and problem gamblers, (ii) developing and implementing
8633 compulsive and problem gambling treatment and prevention programs, and (iii) providing grants to support
8634 organizations that provide assistance to compulsive and problem gamblers. Expenditures and disbursements
8635 from the Fund shall be made by the State Treasurer on warrants issued by the Comptroller upon written
8636 request signed by the Commissioner.

8637 **§ 52-53. Definitions.**

8638 As used in this chapter, unless the context requires a different meaning:

8639 "Coordinator" means the position of the Gaming Enforcement Coordinator established pursuant to
8640 § 52-54.

8641 "Department" means the Department of State Police.

8642 "Gaming laws" means the laws regulating gambling under Article 1 (§ 18.2-325 et seq.) of Chapter 8 of
8643 Title 18.2, charitable gaming under ~~Article 4.1-1~~ Chapter 2 (§ 18.2-340.15 29.5-200 et seq.) of ~~Chapter 8 of~~
8644 Title 18.2 29.5, lottery games under Article 1 (§ 58.1-4000 et seq.) of Chapter 40 of Title 58.1, casino gaming
8645 under Chapter 3 (§ 29.5-300 et seq.) of Title 29.5, sports betting under Article 2 Chapter 4 (§ 58.1-4030
8646 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
8647 Title 58.1, fantasy contests under Chapter 54.5 (§ 59.1-556 29.5-500 et seq.) of Title 59.1 29.5, horse racing,
8648 historical horse racing, and simulcast horse racing with pari-mutuel wagering under Chapter 29.6 (§
8649 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,
8650 any regulations promulgated pursuant to such laws, and any other federal, state, or local laws the Gaming
8651 Enforcement Coordinator deems relevant.

8652 "Superintendent" means the Superintendent of State Police.

8653 **§ 52-54. Office of the Gaming Enforcement Coordinator established; purpose; duties.**

8654 A. The Superintendent shall designate a Department employee to serve as the Gaming Enforcement
8655 Coordinator. The purpose of the office of the Coordinator shall be to synchronize the enforcement of gaming
8656 laws by state and local law enforcement, and to serve as a liaison between such agencies and federal law
8657 enforcement.

8658 B. The Coordinator shall have the following duties:

8659 1. Coordinating enforcement of the Commonwealth's gaming laws by the Department, the ~~Department of~~
8660 ~~Agriculture and Consumer Services~~ Virginia Gaming Commission, and all other state agencies; attorneys for
8661 the Commonwealth; and local law enforcement;

8662 2. Acting as a liaison between the federal government and the agencies identified in subdivision 1 for
8663 purposes of any federal investigation into gaming activities;

8664 3. Establishing, advertising, and administering a tip line, which may be accessed by phone and by
8665 Internet, for members of the public to report concerns about, or suspected instances of, gaming activities; and
8666 4. Performing any other duties as are necessary to promote and enable the equitable enforcement of
8667 gaming laws in the Commonwealth.

8668 **§ 58.1-3. Secrecy of information; penalties.**

8669 A. Except in accordance with a proper judicial order or as otherwise provided by law, the Tax
8670 Commissioner or agent, clerk, commissioner of the revenue, treasurer, or any other state or local tax or
8671 revenue officer or employee, or any person to whom tax information is divulged pursuant to this section or
8672 § 58.1-512, 58.1-2712.2, or 58.1-3826, or any former officer or employee of any of the aforementioned
8673 offices shall not divulge any information acquired by him in the performance of his duties with respect to the
8674 transactions, property, including personal property, income or business of any person, firm or corporation.
8675 Such prohibition specifically includes any copy of a federal return or federal return information required by

8676 Virginia law to be attached to or included in the Virginia return. This prohibition shall apply to any reports,
 8677 returns, financial documents or other information filed with the Attorney General pursuant to the provisions
 8678 of Article 3 (§ 3.2-4204 et seq.) of Chapter 42 of Title 3.2. Any person violating the provisions of this section
 8679 is guilty of a Class 1 misdemeanor. The provisions of this subsection shall not be applicable, however, to:

8680 1. Matters required by law to be entered on any public assessment roll or book;

8681 2. Acts performed or words spoken, published, or shared with another agency or subdivision of the
 8682 Commonwealth in the line of duty under state law;

8683 3. Inquiries and investigations to obtain information as to the process of real estate assessments by a duly
 8684 constituted committee of the General Assembly, or when such inquiry or investigation is relevant to its study,
 8685 provided that any such information obtained shall be privileged;

8686 4. The sales price, date of construction, physical dimensions or characteristics of real property, or any
 8687 information required for building permits;

8688 5. Copies of or information contained in an estate's probate tax return, filed with the clerk of court
 8689 pursuant to § 58.1-1714, when requested by a beneficiary of the estate or an heir at law of the decedent or by
 8690 the commissioner of accounts making a settlement of accounts filed in such estate;

8691 6. Information regarding nonprofit entities exempt from sales and use tax under § 58.1-609.11, when
 8692 requested by the General Assembly or any duly constituted committee of the General Assembly;

8693 7. Reports or information filed with the Attorney General by a Stamping Agent pursuant to the provisions
 8694 of Article 3 (§ 3.2-4204 et seq.), when such reports or information are provided by the Attorney General to a
 8695 tobacco products manufacturer who is required to establish a qualified escrow fund pursuant to § 3.2-4201
 8696 and are limited to the brand families of that manufacturer as listed in the Tobacco Directory established
 8697 pursuant to § 3.2-4206 and are limited to the current or previous two calendar years or in any year in which
 8698 the Attorney General receives Stamping Agent information that potentially alters the required escrow deposit
 8699 of the manufacturer. The information shall only be provided in the following manner: the manufacturer may
 8700 make a written request, on a quarterly or yearly basis or when the manufacturer is notified by the Attorney
 8701 General of a potential change in the amount of a required escrow deposit, to the Attorney General for a list of
 8702 the Stamping Agents who reported stamping or selling its products and the amount reported. The Attorney
 8703 General shall provide the list within 15 days of receipt of the request. If the manufacturer wishes to obtain
 8704 actual copies of the reports the Stamping Agents filed with the Attorney General, it must first request them
 8705 from the Stamping Agents pursuant to subsection C of § 3.2-4209. If the manufacturer does not receive the
 8706 reports pursuant to subsection C of § 3.2-4209, the manufacturer may make a written request to the Attorney
 8707 General, including a copy of the prior written request to the Stamping Agent and any response received, for
 8708 copies of any reports not received. The Attorney General shall provide copies of the reports within 45 days of
 8709 receipt of the request.

8710 B. 1. Nothing contained in this section shall be construed to prohibit the publication of statistics so
 8711 classified as to prevent the identification of particular reports or returns and the items thereof or the
 8712 publication of delinquent lists showing the names of taxpayers who are currently delinquent, together with
 8713 any relevant information which in the opinion of the Department may assist in the collection of such
 8714 delinquent taxes. Notwithstanding any other provision of this section or other law, the Department, upon
 8715 request by the General Assembly or any duly constituted committee of the General Assembly, shall disclose
 8716 the total aggregate amount of an income tax deduction or credit taken by all taxpayers, regardless of (i) how
 8717 few taxpayers took the deduction or credit or (ii) any other circumstances. This section shall not be construed
 8718 to prohibit a local tax official from disclosing whether a person, firm or corporation is licensed to do business
 8719 in that locality and divulging, upon written request, the name and address of any person, firm or corporation
 8720 transacting business under a fictitious name. Additionally, notwithstanding any other provision of law, the
 8721 commissioner of revenue is authorized to provide, upon written request stating the reason for such request,
 8722 the Tax Commissioner with information obtained from local tax returns and other information pertaining to
 8723 the income, sales and property of any person, firm or corporation licensed to do business in that locality.

8724 2. This section shall not prohibit the Department from disclosing whether a person, firm, or corporation is
 8725 registered as a retail sales and use tax dealer pursuant to Chapter 6 (§ 58.1-600 et seq.) or whether a
 8726 certificate of registration number relating to such tax is valid. Additionally, notwithstanding any other
 8727 provision of law, the Department is hereby authorized to make available the names and certificate of
 8728 registration numbers of dealers who are currently registered for retail sales and use tax.

8729 3. This section shall not prohibit the Department from disclosing information to nongovernmental entities
 8730 with which the Department has entered into a contract to provide services that assist it in the administration
 8731 of refund processing or other services related to its administration of taxes.

8732 4. This section shall not prohibit the Department from disclosing information to taxpayers regarding
 8733 whether the taxpayer's employer or another person or entity required to withhold on behalf of such taxpayer
 8734 submitted withholding records to the Department for a specific taxable year as required pursuant to
 8735 subdivision C 1 of § 58.1-478.

8736 5. This section shall not prohibit the commissioner of the revenue, treasurer, director of finance, or other
 8737 similar local official who collects or administers taxes for a county, city, or town from disclosing information

8738 to nongovernmental entities with which the locality has entered into a contract to provide services that assist
8739 it in the administration of refund processing or other non-audit services related to its administration of taxes.
8740 The commissioner of the revenue, treasurer, director of finance, or other similar local official who collects or
8741 administers taxes for a county, city, or town shall not disclose information to such entity unless he has
8742 obtained a written acknowledgement by such entity that the confidentiality and nondisclosure obligations of
8743 and penalties set forth in subsection A apply to such entity and that such entity agrees to abide by such
8744 obligations.

8745 C. Notwithstanding the provisions of subsection A or B or any other provision of this title, the Tax
8746 Commissioner is authorized to (i) divulge tax information to any commissioner of the revenue, director of
8747 finance, or other similar collector of county, city, or town taxes who, for the performance of his official
8748 duties, requests the same in writing setting forth the reasons for such request; (ii) provide to the
8749 Commissioner of the Department of Social Services, upon entering into a written agreement, the amount of
8750 income, filing status, number and type of dependents, whether a federal earned income tax credit as
8751 authorized in § 32 of the Internal Revenue Code and an income tax credit for low-income taxpayers as
8752 authorized in § 58.1-339.8 have been claimed, and Forms W-2 and 1099 to facilitate the administration of
8753 public assistance or social services benefits as defined in § 63.2-100 or child support services pursuant to
8754 Chapter 19 (§ 63.2-1900 et seq.) of Title 63.2, or as may be necessary to facilitate the administration of
8755 outreach and enrollment related to the federal earned income tax credit authorized in § 32 of the Internal
8756 Revenue Code and the income tax credit for low-income taxpayers authorized in § 58.1-339.8; (iii) provide to
8757 the chief executive officer of the designated student loan guarantor for the Commonwealth of Virginia, upon
8758 written request, the names and home addresses of those persons identified by the designated guarantor as
8759 having delinquent loans guaranteed by the designated guarantor; (iv) provide current address information
8760 upon request to state agencies and institutions for their confidential use in facilitating the collection of
8761 accounts receivable, and to the clerk of a circuit or district court for their confidential use in facilitating the
8762 collection of fines, penalties, and costs imposed in a proceeding in that court; (v) provide to the
8763 Commissioner of the Virginia Employment Commission, after entering into a written agreement, such tax
8764 information as may be necessary to facilitate the collection of unemployment taxes and overpaid benefits; (vi)
8765 provide to the Virginia Alcoholic Beverage Control Authority, upon entering into a written agreement, such
8766 tax information as may be necessary to facilitate the collection of state and local taxes and the administration
8767 of the alcoholic beverage control laws; (vii) provide to the Director of the Virginia Lottery such tax
8768 information as may be necessary to identify those lottery ticket retailers who owe delinquent taxes; (viii)
8769 provide to the Department of the Treasury for its confidential use such tax information as may be necessary
8770 to facilitate the location of owners and holders of unclaimed property, as defined in § 55.1-2500; (ix) provide
8771 to the State Corporation Commission, upon entering into a written agreement, such tax information as may be
8772 necessary to facilitate the collection of taxes and fees administered by the Commission; (x) provide to the
8773 Executive Director of the Potomac and Rappahannock Transportation Commission for his confidential use
8774 such tax information as may be necessary to facilitate the collection of the motor vehicle fuel sales tax; (xi)
8775 provide to the Commissioner of the ~~Department of Agriculture and Consumer Services~~ Virginia Gaming
8776 Commission such tax information as may be necessary to identify those applicants for registration as a
8777 supplier of charitable gaming supplies who have not filed required returns or who owe delinquent taxes; (xii)
8778 provide to the Department of Housing and Community Development for its confidential use such tax
8779 information as may be necessary to facilitate the administration of the remaining effective provisions of the
8780 Enterprise Zone Act (§ 59.1-270 et seq.), and the Enterprise Zone Grant Program (§ 59.1-538 et seq.); (xiii)
8781 provide current name and address information to private collectors entering into a written agreement with the
8782 Tax Commissioner, for their confidential use when acting on behalf of the Commonwealth or any of its
8783 political subdivisions; however, the Tax Commissioner is not authorized to provide such information to a
8784 private collector who has used or disseminated in an unauthorized or prohibited manner any such information
8785 previously provided to such collector; (xiv) provide current name and address information as to the identity
8786 of the wholesale or retail dealer that affixed a tax stamp to a package of cigarettes to any person who
8787 manufactures or sells at retail or wholesale cigarettes and who may bring an action for injunction or other
8788 equitable relief for violation of Chapter 10.1, Enforcement of Illegal Sale or Distribution of Cigarettes Act;
8789 (xv) provide to the Commissioner of Labor and Industry, upon entering into a written agreement, such tax
8790 information as may be necessary to facilitate the collection of unpaid wages under § 40.1-29; (xvi) provide to
8791 the Director of the Department of Human Resource Management, upon entering into a written agreement,
8792 such tax information as may be necessary to identify persons receiving workers' compensation indemnity
8793 benefits who have failed to report earnings as required by § 65.2-712; (xvii) provide to any commissioner of
8794 the revenue, director of finance, or any other officer of any county, city, or town performing any or all of the
8795 duties of a commissioner of the revenue and to any dealer registered for the collection of the Communications
8796 Sales and Use Tax, a list of the names, business addresses, and dates of registration of all dealers registered
8797 for such tax; (xviii) provide to the Executive Director of the Northern Virginia Transportation Commission
8798 for his confidential use such tax information as may be necessary to facilitate the collection of the motor
8799 vehicle fuel sales tax; (xix) provide to the Commissioner of Agriculture and Consumer Services the name and

8800 address of the taxpayer businesses licensed by the Commonwealth that identify themselves as subject to
 8801 regulation by the Board of Agriculture and Consumer Services pursuant to § 3.2-5130; (xx) provide to the
 8802 developer or the economic development authority of a tourism project authorized by § 58.1-3851.1, upon
 8803 entering into a written agreement, tax information facilitating the repayment of gap financing; (xxi) provide
 8804 to the Virginia Retirement System and the Department of Human Resource Management, after entering into a
 8805 written agreement, such tax information as may be necessary to facilitate the enforcement of subdivision C 4
 8806 of § 9.1-401; (xxii) provide to the Department of Medical Assistance Services and the Department of Social
 8807 Services, upon entering into a written agreement, the name, address, social security number, email address,
 8808 dependent information provided pursuant to subdivision B 2 of § 58.1-341.1, number and type of personal
 8809 exemptions, tax-filing status, adjusted gross income, and any additional information voluntarily provided by
 8810 the taxpayer for disclosure pursuant to subdivisions B 1 and 2 of § 58.1-341.1, of an individual, or spouse in
 8811 the case of a married taxpayer filing jointly, who has voluntarily consented to such disclosure for purposes of
 8812 identifying persons who would like to newly enroll in medical assistance; (xxiii) provide to the
 8813 Commissioner of the Department of Motor Vehicles information sufficient to verify that an applicant for a
 8814 driver privilege card or permit under § 46.2-328.3 or an applicant for an identification privilege card under
 8815 § 46.2-345.3 reported income and deductions from Virginia sources, as defined in § 58.1-302, or was claimed
 8816 as a dependent, on an individual income tax return filed with the Commonwealth within the preceding 12
 8817 months; and (xxiv) provide to the Virginia Health Benefit Exchange, upon entering into a written agreement,
 8818 for taxable years starting on January 1, 2023, or as soon thereafter as practicable, as determined by the
 8819 Department of Taxation and the Virginia Health Benefit Exchange, the name, address, social security
 8820 number, email address, dependent information provided pursuant to subdivision B 2 of § 58.1-341.1, number
 8821 and type of personal exemptions, tax-filing status, adjusted gross income, and any additional information
 8822 voluntarily provided by the taxpayer for disclosure pursuant to subdivision B 3 of § 58.1-341.1, of an
 8823 individual, or spouse in the case of a married taxpayer filing jointly, who has voluntarily consented to such
 8824 disclosure for purposes of identifying persons who do not meet the income eligibility requirements for
 8825 medical assistance and would like to newly enroll in a qualified health plan. The Tax Commissioner is further
 8826 authorized to enter into written agreements with duly constituted tax officials of other states and of the United
 8827 States for the inspection of tax returns, the making of audits, and the exchange of information relating to any
 8828 tax administered by the Department of Taxation. Any person to whom tax information is divulged pursuant to
 8829 this section shall be subject to the prohibitions and penalties prescribed herein as though he were a tax
 8830 official.

8831 D. Notwithstanding the provisions of subsection A or B or any other provision of this title, the
 8832 commissioner of revenue or other assessing official is authorized to (i) provide, upon written request stating
 8833 the reason for such request, the chief executive officer of any county or city with information furnished to the
 8834 commissioner of revenue by the Tax Commissioner relating to the name and address of any dealer located
 8835 within the county or city who paid sales and use tax, for the purpose of verifying the local sales and use tax
 8836 revenues payable to the county or city; (ii) provide to the Department of Professional and Occupational
 8837 Regulation for its confidential use the name, address, and amount of gross receipts of any person, firm or
 8838 entity subject to a criminal investigation of an unlawful practice of a profession or occupation administered
 8839 by the Department of Professional and Occupational Regulation, only after the Department of Professional
 8840 and Occupational Regulation exhausts all other means of obtaining such information; and (iii) provide to any
 8841 representative of a condominium unit owners' association, property owners' association or real estate
 8842 cooperative association, or to the owner of property governed by any such association, the names and
 8843 addresses of parties having a security interest in real property governed by any such association; however,
 8844 such information shall be released only upon written request stating the reason for such request, which reason
 8845 shall be limited to proposing or opposing changes to the governing documents of the association, and any
 8846 information received by any person under this subsection shall be used only for the reason stated in the
 8847 written request. The treasurer or other local assessing official may require any person requesting information
 8848 pursuant to clause (iii) of this subsection to pay the reasonable cost of providing such information. Any
 8849 person to whom tax information is divulged pursuant to this subsection shall be subject to the prohibitions
 8850 and penalties prescribed herein as though he were a tax official.

8851 Notwithstanding the provisions of subsection A or B or any other provisions of this title, the treasurer or
 8852 other collector of taxes for a county, city or town is authorized to provide information relating to any motor
 8853 vehicle, trailer or semitrailer obtained by such treasurer or collector in the course of performing his duties to
 8854 the commissioner of the revenue or other assessing official for such jurisdiction for use by such
 8855 commissioner or other official in performing assessments.

8856 This section shall not be construed to prohibit a local tax official from imprinting or displaying on a motor
 8857 vehicle local license decal the year, make, and model and any other legal identification information about the
 8858 particular motor vehicle for which that local license decal is assigned.

8859 E. Notwithstanding any other provisions of law, state agencies and any other administrative or regulatory
 8860 unit of state government shall divulge to the Tax Commissioner or his authorized agent, upon written request,
 8861 the name, address, and social security number of a taxpayer, necessary for the performance of the

8862 Commissioner's official duties regarding the administration and enforcement of laws within the jurisdiction of
8863 the Department of Taxation. The receipt of information by the Tax Commissioner or his agent that may be
8864 deemed taxpayer information shall not relieve the Commissioner of the obligations under this section.

8865 F. Additionally, it is unlawful for any person to disseminate, publish, or cause to be published any
8866 confidential tax document that he knows or has reason to know is a confidential tax document. A confidential
8867 tax document is any correspondence, document, or tax return that is prohibited from being divulged by
8868 subsection A, B, C, or D and includes any document containing information on the transactions, property,
8869 income, or business of any person, firm, or corporation that is required to be filed with any state official by
8870 § 58.1-512. This prohibition shall not apply if such confidential tax document has been divulged or
8871 disseminated pursuant to a provision of law authorizing disclosure. Any person violating the provisions of
8872 this subsection is guilty of a Class 1 misdemeanor.

8873 G. Information provided by an accommodations intermediary pursuant to subsection F of § 58.1-3826 to
8874 the commissioner of the revenue, treasurer, or any other local tax or revenue officer or employee of a county,
8875 city, or town, or any other person to whom such tax information is divulged, shall be confidential pursuant to
8876 subsection A and shall not be divulged to any other department or official of the locality or any other political
8877 subdivision of the Commonwealth. Such information shall be used by such officials only for the purpose of
8878 levying and collecting retail sales and use tax, transient occupancy tax, and any other taxes imposed on the
8879 sale of accommodations.

8880 § 58.1-439. Major business facility job tax credit.

8881 A. For taxable years beginning on and after January 1, 1995, but before July 1, 2025, a taxpayer shall be
8882 allowed a credit against the taxes imposed by Articles 2 (§ 58.1-320 et seq.), 6 (§ 58.1-360 et seq.), and 10
8883 (§ 58.1-400 et seq.) of Chapter 3; Chapter 12 (§ 58.1-1200 et seq.); Article 1 (§ 58.1-2500 et seq.) of Chapter
8884 25; or Article 2 (§ 58.1-2620 et seq.) of Chapter 26 as set forth in this section.

8885 B. For purposes of this section, the amount of any credit attributable to a partnership, electing small
8886 business corporation (S corporation), or limited liability company shall be allocated to the individual partners,
8887 shareholders, or members, respectively, in proportion to their ownership or interest in such business entities.

8888 C. A "major business facility" is a company that satisfies the following criteria:

8889 1. Subject to the provisions of subsections K or L, the establishment or expansion of the company shall
8890 result in the creation of at least 50 jobs for qualified full-time employees; the first such 50 jobs shall be
8891 referred to as the "threshold amount"; and

8892 2. The company is engaged in any business in the Commonwealth, except a retail trade business if such
8893 trade is the principal activity of an individual facility in the Commonwealth. Examples of types of major
8894 business facilities that are eligible for the credit provided under this section include, but are not limited to, a
8895 headquarters, or portion of such a facility, where company employees are physically employed, and where the
8896 majority of the company's financial, personnel, legal or planning functions are handled either on a regional or
8897 national basis. A company primarily engaged in the Commonwealth in the business of manufacturing or
8898 mining; agriculture, forestry or fishing; transportation or communications; or a public utility subject to the
8899 corporation income tax shall be deemed to have established or expanded a major business facility in the
8900 Commonwealth if it meets the requirements of subdivision 1 during a single taxable year and such facilities
8901 are not retail establishments. A major business facility shall also include facilities that perform central
8902 management or administrative activities, whether operated as a separate trade or business, or as a separate
8903 support operation of another business. Central management or administrative activities include, but are not
8904 limited to, general management; accounting; computing; tabulating; purchasing; transportation or shipping;
8905 engineering and systems planning; advertising; technical sales and support operations; central administrative
8906 offices and warehouses; research, development and testing laboratories; computer-programming, data-
8907 processing and other computer-related services facilities; and legal, financial, insurance, and real estate
8908 services. The terms used in this subdivision to refer to various types of businesses shall have the same
8909 meanings as those terms are commonly defined in the Standard Industrial Classification Manual.

8910 D. For purposes of this section, the "credit year" is the first taxable year following the taxable year in
8911 which the major business facility commenced or expanded operations.

8912 E. The Department of Taxation shall make all determinations as to the classification of a major business
8913 facility in accordance with the provisions of this section.

8914 F. A "qualified full-time employee" means an employee filling a new, permanent full-time position in a
8915 major business facility in the Commonwealth. A "new, permanent full-time position" is a job of an indefinite
8916 duration, created by the company as a result of the establishment or expansion of a major business facility in
8917 the Commonwealth, requiring a minimum of 35 hours of an employee's time a week for the entire normal
8918 year of the company's operations, which "normal year" shall consist of at least 48 weeks, or a position of
8919 indefinite duration which requires a minimum of 35 hours of an employee's time a week for the portion of the
8920 taxable year in which the employee was initially hired for, or transferred to, the major business facility in the
8921 Commonwealth. Seasonal or temporary positions, or a job created when a job function is shifted from an
8922 existing location in the Commonwealth to the new major business facility and positions in building and
8923 grounds maintenance, security, and other such positions which are ancillary to the principal activities

8924 performed by the employees at a major business facility shall not qualify as new, permanent full-time
8925 positions.

8926 G. For any major business facility, the amount of credit earned pursuant to this section shall be equal to
8927 \$1,000 per qualified full-time employee, over the threshold amount, employed during the credit year. The
8928 credit shall be allowed ratably, with one-third of the credit amount allowed annually for three years beginning
8929 with the credit year. However, for taxable years beginning on or after January 1, 2009, one-half of the credit
8930 amount shall be allowed each year for two years. The portion of the \$1,000 credit earned with respect to any
8931 qualified full-time employee who is employed in the Commonwealth for less than 12 full months during the
8932 credit year will be determined by multiplying the credit amount by a fraction, the numerator of which is the
8933 number of full months that the qualified full-time employee worked for the major business facility in the
8934 Commonwealth during the credit year, and the denominator of which is 12. A separate credit year and a
8935 three-year allowance period shall exist for each distinct major business facility of a single taxpayer, except
8936 for credits allowed for taxable years beginning on or after January 1, 2009, when a two-year allowance period
8937 shall exist for each distinct major business facility of a single taxpayer.

8938 H. The amount of credit allowed pursuant to this section shall not exceed the tax imposed for such taxable
8939 year. Any credit not usable for the taxable year the credit was allowed may be, to the extent usable, carried
8940 over for the next 10 succeeding taxable years. No credit shall be carried back to a preceding taxable year. In
8941 the event that a taxpayer who is subject to the tax limitation imposed pursuant to this subsection is allowed
8942 another credit pursuant to any other section of the Code of Virginia, or has a credit carryover from a
8943 preceding taxable year, such taxpayer shall be considered to have first utilized any credit allowed which does
8944 not have a carryover provision, and then any credit which is carried forward from a preceding taxable year,
8945 prior to the utilization of any credit allowed pursuant to this section.

8946 I. No credit shall be earned pursuant to this section for any employee (i) for whom a credit under this
8947 section was previously earned by a related party as defined by Internal Revenue Code § 267(b) or a trade or
8948 business under common control as defined by Internal Revenue Code § 52(b); (ii) who was previously
8949 employed in the same job function in Virginia by a related party as defined by Internal Revenue Code §
8950 267(b) or a trade or business under common control as defined by Internal Revenue Code § 52(b); (iii) whose
8951 job function was previously performed at a different location in Virginia by an employee of the taxpayer, a
8952 related party as defined by Internal Revenue Code § 267(b), or a trade or business under common control as
8953 defined by Internal Revenue Code § 52(b); or (iv) whose job function previously qualified for a credit under
8954 this section at a different major business facility on behalf of the taxpayer, a related party as defined by
8955 Internal Revenue Code § 267(b), or a trade or business under common control as defined by Internal Revenue
8956 Code § 52(b).

8957 J. Subject to the provisions of subsections K or L, recapture of this credit, under the following
8958 circumstances, shall be accomplished by increasing the tax in any of the five years succeeding the taxable
8959 year in which a credit has been earned pursuant to this section if the number of qualified full-time employees
8960 decreases below the average number of qualified full-time employees employed during the credit year. Such
8961 tax increase amount shall be determined by (i) recomputing the credit which would have been earned for the
8962 original credit year using the decreased number of qualified full-time employees and (ii) subtracting such
8963 recomputed credit from the amount of credit previously earned. In the event that the average number of
8964 qualifying full-time employees employed at a major business facility falls below the threshold amount in any
8965 of the five taxable years succeeding the credit year, all credits earned with respect to such major business
8966 facility shall be recaptured. No credit amount will be recaptured more than once pursuant to this subsection.
8967 Any recapture pursuant to this section shall reduce credits earned but not yet allowed, and credits allowed but
8968 carried forward, before the taxpayer's tax liability may be increased.

8969 K. In the event that a major business facility is located in an economically distressed area or in an
8970 enterprise zone as defined in Chapter 49 (§ 59.1-538 et seq.) of Title 59.1 during a credit year, the threshold
8971 amount required to qualify for a credit pursuant to this section and to avoid full recapture shall be reduced
8972 from 50 to 25 for purposes of subdivision C 1 and subsection J. An area shall qualify as economically
8973 distressed if it is a city or county with an unemployment rate for the preceding year of at least 0.5 percent
8974 higher than the average statewide unemployment rate for such year. The Virginia Economic Development
8975 Partnership shall identify and publish a list of all economically distressed areas at least annually.

8976 L. For taxable years beginning on or after January 1, 2004, but before January 1, 2006, in the event that a
8977 major business facility is located in a severely economically distressed area, the threshold amount required to
8978 qualify for a credit pursuant to this section and to avoid full recapture shall be reduced from 100 to 25 for
8979 purposes of subdivision C 1 and subsection J. However, the total amount of credit allowable under this
8980 subsection shall not exceed \$100,000 in aggregate. An area shall qualify as severely economically distressed
8981 if it is a city or county with an unemployment rate for the preceding year of at least twice the average
8982 statewide unemployment rate for such year. The Virginia Economic Development Partnership shall identify
8983 and publish a list of all severely economically distressed areas at least annually.

8984 M. The Tax Commissioner shall promulgate regulations, in accordance with the Administrative Process
8985 Act (§ 2.2-4000 et seq.), relating to (i) the computation, carryover, and recapture of the credit provided under

8986 this section; (ii) defining criteria for (a) a major business facility, (b) qualifying full-time employees at such
8987 facility, and (c) economically distressed areas; and (iii) the computation, carryover, recapture, and redemption
8988 of the credit by affiliated companies pursuant to subsection S.

8989 N. The provisions of this section shall apply only in instances where an announcement of intent to
8990 establish or expand a major business facility is made on or after January 1, 1994. An announcement of intent
8991 to establish or expand a major business facility includes, but is not limited to, a press conference or extensive
8992 press coverage, providing information with respect to the impact of the project on the economy of the area
8993 where the major business facility is to be established or expanded and the Commonwealth as a whole.

8994 O. The credit allowed pursuant to this section shall be granted to the person who pays taxes for the
8995 qualified full-time employees pursuant to Chapter 5 (§ 60.2-500 et seq.) of Title 60.2.

8996 P. No person shall claim a credit allowed pursuant to this section and the credit allowed pursuant to
8997 § 58.1-439.2. Any qualified business firm receiving an enterprise zone job creation grant under § 59.1-547
8998 shall not be eligible to receive a major business facility job tax credit pursuant to this section for any job used
8999 to qualify for the enterprise zone job creation grant.

9000 Q. No person operating a business in the Commonwealth pursuant to Chapter 29.6 (§ 59.1-364 29.5-600
9001 et seq.) of Title 59.1 29.5 shall claim a credit pursuant to this section.

9002 R. Notwithstanding subsection O, a taxpayer may, for the purpose of determining the number of qualified
9003 full-time employees at a major business facility, include the employees of a contractor or a subcontractor if
9004 such employees are permanently assigned to the taxpayer's major business facility. If the taxpayer includes
9005 the employees of a contractor or subcontractor in its total of qualified full-time employees, it shall enter into a
9006 contractual agreement with the contractor or subcontractor prohibiting the contractor or subcontractor from
9007 also claiming these employees in order to receive a credit given under this section. The taxpayer shall provide
9008 evidence satisfactory to the Department of Taxation that it has entered into such a contract.

9009 S. For purposes of satisfying the criteria of subdivision C 1, two or more affiliated companies may elect to
9010 aggregate the number of jobs created for qualified full-time employees as the result of the establishment or
9011 expansion by the individual companies in order to qualify for the credit allowed pursuant to this section. For
9012 purposes of this subsection, "affiliated companies" means two or more companies related to each other such
9013 that (i) one company owns at least 80 percent of the voting power of the other or others or (ii) at least 80
9014 percent of the voting power of two or more companies is owned by the same interests.

9015 T. The General Assembly of Virginia finds that modern business infrastructure allows businesses to locate
9016 their administrative or manufacturing facilities with minimal regard to the location of markets or the
9017 transportation of raw materials and finished goods, and that the economic vitality of the Commonwealth
9018 would be enhanced if such facilities were established in Virginia. Accordingly, the provisions of this section
9019 targeting the credit to major business facilities and limiting the credit to those companies which establish a
9020 major business facility in Virginia are integral to the purpose of the credit earned pursuant to this section and
9021 shall not be deemed severable.

9022 U. For taxable years beginning on and after January 1, 2019, and notwithstanding the provisions of
9023 § 58.1-3 or any other provision of law, the Department of Taxation, in consultation with the Virginia
9024 Economic Development Partnership, shall publish the following information by November 1 of each year for
9025 the 12-month period ending on the preceding December 31:

9026 1. The location of sites used for major business facilities for which a credit was claimed;

9027 2. The North American Industry Classification System codes used for the major business facilities for
9028 which a credit was claimed;

9029 3. The number of qualified full time employees for whom a credit was claimed; and

9030 4. The total cost to the Commonwealth's general fund of the credits claimed.

9031 Such information shall be published by the Department, regardless of how few taxpayers claimed the tax
9032 credit, in a manner that prevents the identification of particular taxpayers, reports, returns, or items.

9033 § 58.1-460. Definitions.

9034 For the purposes of this article:

9035 "Employee" includes an individual, whether a resident or a nonresident of the Commonwealth, who
9036 performs or performed any service in the Commonwealth for wages, or a resident of the Commonwealth who
9037 performs or performed any service in the service outside the Commonwealth for wages. The word
9038 "employee" also includes an officer, employee, or elected official of the United States, the Commonwealth,
9039 or any other state or any territory, or any political subdivision thereof, or the District of Columbia, or any
9040 agency or instrumentality of any one or more of the foregoing or an officer of a corporation. The term shall
9041 not include the beneficial owner of an individual retirement account (IRA) or simplified employee pension
9042 plan (SEPP).

9043 "Employer" means the Commonwealth, or any political subdivision thereof, the United States, or any
9044 agency or instrumentality of any one or more of the foregoing, or the person, whether a resident or a
9045 nonresident of the Commonwealth, for whom an individual performs or performed any service as an
9046 employee or from whom a person receives a prize in excess of \$5,001 pursuant to the Virginia Lottery Law
9047 (§ 58.1-4000 29.5-700 et seq.), except that:

9048 1. If the person, governmental unit, or agency thereof, for whom the individual performs or performed the
9049 service does not have control of the payment of the wages for such services, the term "employer" (except as
9050 used in the definition of "wages" herein) means the person having control of the payment of such wages, and
9051 2. In the case of a person paying wages on behalf of a nonresident person not engaged in trade or business
9052 within the Commonwealth or on behalf of any governmental unit or agency thereof not located within the
9053 Commonwealth, the term, "employer" (except as used in the definition of "wages" herein) means such
9054 person. The term shall not include a financial institution, corporation, partnership or other person or entity
9055 with respect to benefits paid as custodian, trustee, or depository for an individual retirement account (IRA) or
9056 simplified employee pension plan (SEPP).

9057 "Miscellaneous payroll period" means a payroll period other than a daily, weekly, biweekly, semimonthly,
9058 monthly, quarterly, semiannual, or annual payroll period.

9059 "Payroll period" means a period for which a payment of wages is ordinarily made to the employee by his
9060 employer.

9061 "Wages" means wages as defined under § 3401 (a) of the Internal Revenue Code, as well as any other
9062 amounts from which federal income tax is withheld under the provisions of §§ 3402 and 3405 of the Internal
9063 Revenue Code and also includes all prizes in excess of \$5,001 paid by the Virginia Lottery; however, such
9064 term shall not include amounts paid pursuant to individual retirement plans and simplified employee pension
9065 plans as defined in §§ 7701 (a)(37) and 408 (c) of the Internal Revenue Code and shall not include
9066 remuneration paid for acting in or service as a member of the crew of a (i) motion picture feature film, (ii)
9067 television series or commercial, or (iii) promotional film filmed totally or partially in the Commonwealth by
9068 an individual or corporation which conducts business in the Commonwealth for less than 90 days of the tax
9069 year and when such film, series or commercial is processed, edited, and marketed outside the
9070 Commonwealth. Every such individual or corporation shall, immediately subsequent to the filming of such
9071 portion of the film, series or commercial filmed in the Commonwealth, file with the Commissioner on forms
9072 furnished the Department, a list of the names and social security account numbers of each actor or crew
9073 member who is a resident of the Commonwealth and is compensated by such individual or corporation.

9074 **§ 58.1-3510. Definition of merchants' capital.**

9075 A. Merchants' capital is defined as follows: Inventory of stock on hand; daily rental vehicles as defined in
9076 § 58.1-1735; and all other taxable personal property of any kind whatsoever, except money on hand and on
9077 deposit and except tangible personal property not offered for sale as merchandise, which tangible personal
9078 property shall be reported and assessed as such.

9079 B. For purposes of this section, a repair and service operation (i) carried on as an integral part of and in
9080 conjunction with a business that is primarily mercantile and (ii) the principal sales of such business are
9081 subject to the tax imposed by Article 9 (§ 58.1-1734 et seq.) of Chapter 17 or to the tax imposed by Chapter
9082 24 (§ 58.1-2400 et seq.) of this title shall be deemed a mercantile business, and all capital, as defined herein,
9083 including all repair parts, materials and supplies associated with such repair and service operation shall be
9084 deemed merchants' capital.

9085 C. For purposes of valuing lottery tickets as part of a dealer's inventory, cost shall include only the
9086 compensation payable to a licensed sales agent as provided by rules or regulations adopted by the Board
9087 consistent with the provisions of subdivision A 11 of subsection A of § 58.1-4007 29.5-707. The value of
9088 lottery tickets shall not be based on the cost of the tickets to the merchant.

9089 **§ 58.1-3732.1. Limitation on gross receipts; pari-mutuel wagering.**

9090 Gross receipts for license tax purposes under Chapter 37 (§ 58.1-3700 et seq.) shall not include the license
9091 and admission taxes established under §§ 59.1-392 and 59.1-393 29.5-633, 29.5-634, 29.5-635, 29.5-636, and
9092 29.5-638, respectively, nor shall it include pari-mutuel wagering pools as established under Article 1-1
9093 Chapter 2 (§ 18.2-340.15 29.5-200 et seq.) of Chapter 8 of Title 18.2 29.5 or § 59.1-392 Article 5 (§ 29.5-633
9094 et seq.) of Chapter 6 of Title 29.5.

9095 **§ 59.1-542.1. Local incentives; motor sports facilities.**

9096 A. A locality that is home to a motor sports facility, as defined in § 58.1-4030 29.5-400, in the
9097 Commonwealth may propose local incentives that address the economic conditions within such locality and
9098 will help stimulate real property improvements and new job creation. Such local incentives may include: (i)
9099 reduction of permit fees; (ii) reduction of user fees; (iii) reduction of business, professional, and occupational
9100 license taxes; or (iv) partial exemption from taxation of substantially rehabilitated real estate pursuant to
9101 § 58.1-3221. The extent and duration of such incentives shall conform to the requirements of the
9102 Constitutions of Virginia and the United States. Local incentives may also include regulatory flexibility,
9103 including (a) special zoning districts, (b) permit process reform, (c) exemptions from local ordinances, or (d)
9104 other public incentives that are binding on the locality.

9105 B. A locality may establish eligibility criteria for local incentives that differ from the criteria required to
9106 qualify for the incentives provided by this chapter.

9107 2. That §§ 2.2-2455 and 2.2-2456, Article 1.1:1 (§§ 18.2-340.15 through 18.2-340.37) of Chapter 8 of
9108 Title 18.2, Chapter 40 (§§ 58.1-4000 through 58.1-4048) of Title 58.1, Chapter 41 (§§ 58.1-4100 through
9109 58.1-4141) of Title 58.1, Chapter 29 (§§ 59.1-364 through 59.1-405) of Title 59.1, and Chapter 51

9110 (§§ 59.1-556 through 59.1-570) of Title 59.1 of the Code of Virginia are repealed.

9111 3. That there shall be established a Virginia Gaming Oversight Commission (the Oversight
9112 Commission), which shall consist of 10 members of the General Assembly. Members shall be appointed
9113 as follows: six members of the House of Delegates who are members of the House Committee on
9114 Appropriations, the House Committee for Courts of Justice, or the House Committee on General Laws
9115 to be appointed by the Speaker of the House of Delegates in accordance with the principles of
9116 proportional representation contained in the Rules of the House of Delegates and four members of the
9117 Senate who are members of the Senate Committee on Finance and Appropriations, the Senate
9118 Committee for Courts of Justice, or the Senate Committee on General Laws and Technology to be
9119 appointed by the Senate Committee on Rules. The Oversight Commission shall elect a chairman and
9120 vice-chairman from among its membership; however, the chairman and vice-chairman shall not both
9121 be members of the House of Delegates, nor shall both the chairman and vice-chairman be members of
9122 the Senate. No recommendation of the Oversight Commission shall be adopted if a majority of the
9123 House members or a majority of the Senate members appointed to the Oversight Commission (i) vote
9124 against the recommendation and (ii) vote for the recommendation to fail notwithstanding the majority
9125 vote of the Oversight Commission. The Oversight Commission shall exercise the function of overseeing
9126 the implementation of the provisions of this act and shall convene regularly in the exercise of that
9127 function. The Oversight Commission shall expire (a) on July 1, 2027, or (b) upon the appointment of all
9128 members to the Virginia Gaming Commission Board, established pursuant to § 29.5-103 of the Code of
9129 Virginia, as created by this act, and the appointment of a Commissioner to the Virginia Gaming
9130 Commission pursuant to § 29.5-102 of the Code of Virginia, as created by this act, whichever occurs
9131 first. The provisions of this enactment shall become effective in due course.

9132 4. That the Virginia Gaming Oversight Commission created pursuant to the third enactment of this act
9133 shall report quarterly on its progress to the chairmen of the House Committees on Appropriations and
9134 General Laws and the Senate Committees on Finance and Appropriations and General Laws and
9135 Technology.

9136 5. That there shall be established a Legislative Transition Executive Committee (the Executive
9137 Committee), which shall consist of four members of the Virginia Gaming Oversight Commission, to be
9138 appointed as follows: two members from the House of Delegates and two members from the Senate to
9139 be appointed by the chairman of the Virginia Gaming Oversight Commission. The Executive
9140 Committee shall function as a work group of the Virginia Gaming Oversight Commission and shall
9141 meet more frequently than the full membership of the Virginia Gaming Oversight Commission for the
9142 purpose of making decisions based on the recommendations of the Virginia Gaming Oversight
9143 Commission and providing direction to the Virginia Lottery in its role as the project management
9144 organization overseeing the implementation of the provisions of this act.

9145 6. That the Virginia Lottery shall act as the project management organization to oversee and execute
9146 the work of the Virginia Gaming Oversight Commission and the Legislative Transition Executive
9147 Committee as such bodies exercise their duties and responsibilities pursuant to the third and fifth
9148 enactments of this act.

9149 7. That the initial terms of office of those persons appointed to serve as nonlegislative citizen members
9150 on the Virginia Gaming Commission Board pursuant to § 29.5-103 of the Code of Virginia, as created
9151 by this act, shall be staggered as follows: two persons shall be appointed for a term of five years; two
9152 persons shall be appointed for a term of four years; three persons shall be appointed for a term of
9153 three years; one person shall be appointed for a term of two years; and one person shall be appointed
9154 for a term of one year. Thereafter, nonlegislative citizen members of the Virginia Gaming Commission
9155 Board shall serve for terms of five years. The provisions of this enactment shall become effective in due
9156 course.

9157 8. That this act shall not be construed to affect existing appointments to the Charitable Gaming Board
9158 for the terms that have not expired. However, all new appointments to the Charitable Gaming
9159 Advisory Board, established pursuant to § 29.5-201 of the Code of Virginia, as created by this act,
9160 made on or after July 1, 2026, shall be made in accordance with the provisions of this act.

9161 9. That this act shall not be construed to affect existing appointments to the Virginia Lottery Board for
9162 the terms that have not expired, with the exception of the member who is a law-enforcement officer
9163 and the member who is a certified public accountant authorized to practice in the Commonwealth,
9164 both appointed pursuant to Chapters 1197 and 1248 of the Acts of Assembly of 2020. However, all new
9165 appointments to the Virginia Lottery Board pursuant to § 29.5-704 of the Code of Virginia, as created
9166 by this act, made on or after the appointment of the nonlegislative citizen members of the Virginia
9167 Gaming Commission Board established pursuant to § 29.5-103 of the Code of Virginia, as created by
9168 this act, shall be made in accordance with the provisions of this act.

9169 10. That the Chief Operating Officer of the Virginia Gaming Commission (the Commission) shall also
9170 serve as the Chief Transition Officer of the Commission to lead and coordinate the efforts between
9171 relevant state agencies and the Commission with respect to transitioning the oversight and regulation

9172 of charitable gaming, casino gaming, sports betting, fantasy sports, and horse racing from such
 9173 relevant agencies to the Commission. The duties of the Chief Operations Officer that are related to
 9174 such transition shall expire upon the successful completion of the transition process.

9175 11. That the regulations of the (i) Department of Agriculture and Consumer Services promulgated
 9176 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)
 9177 Virginia Lottery Board promulgated pursuant to Article 2 (§ 58.1-4030 et seq.) of Chapter 40 and
 9178 Chapter 41 (§ 58.1-4100 et seq.) of Title 58.1 of the Code of Virginia; and (iii) Virginia Racing
 9179 Commission pursuant to Chapter 29 (§ 59.1-364 et seq.) of Title 59.1 of the Code of Virginia, as
 9180 repealed by this act, shall remain in full force and effect until the Virginia Gaming Commission Board
 9181 promulgates regulations pursuant to this act. Regulations with respect to clause (i) shall be
 9182 administered by the Department of Agriculture and Consumer Services and regulations with respect to
 9183 clauses (ii) and (iii) shall be administered by the Virginia Lottery until the Virginia Gaming
 9184 Commission Board promulgates regulations pursuant to this act. The provisions of this enactment shall
 9185 become effective in due course.

9186 12. That during the interim period between July 1, 2026, and the formal establishment of the Virginia
 9187 Gaming Commission (the Commission), established pursuant to § 29.5-101 of the Code of Virginia, as
 9188 created by this act, the Virginia Lottery shall be responsible for conducting all necessary business
 9189 functions assigned to the Commission pursuant to this act. Formal establishment shall include
 9190 appointment of the Commissioner of the Commission pursuant to § 29.5-102 of the Code of Virginia, as
 9191 created by this act, and achievement of staffing levels adequate to allow the Commission to
 9192 independently accomplish such business functions as determined by the Commissioner and the
 9193 Virginia Gaming Commission Board, established pursuant to § 29.5-103 of the Code of Virginia, as
 9194 created by this act.

9195 13. That in the event that ex officio membership on any board, commission, council, committee, or
 9196 other body is affected by the provisions of this act, the Governor shall designate an appropriate
 9197 successor officer, employee, or member of a board or agency established pursuant to the provisions of
 9198 this act as a replacement.

9199 14. That the Governor may transfer an appropriation or any portion thereof within a state agency
 9200 established, abolished, or otherwise affected by the provisions of this act, or from one such agency to
 9201 another, to support the changes in organization or responsibility resulting from or required by the
 9202 provisions of this act.

9203 15. That any accrued sick leave or annual leave of any employee of the Department of Agriculture and
 9204 Consumer Services, the Virginia Lottery, or the Virginia Racing Commission who transfers to the
 9205 Virginia Gaming Commission in accordance with the provisions of this act shall transfer with the
 9206 employee.

9207 16. That the Virginia Gaming Commission Board (the Board) shall promulgate regulations to
 9208 implement the provisions of this act by January 1, 2027; however the Board shall present such
 9209 regulations to the Virginia Gaming Oversight Commission for review prior to adoption. With the
 9210 exception of § 2.2-4031 of the Code of Virginia, neither the provisions of the Administrative Process
 9211 Act (§ 2.2-4000 et seq. of the Code of Virginia) nor the public participation guidelines adopted
 9212 pursuant thereto shall apply to the initial adoption of any regulations pursuant to this act. Prior to
 9213 adopting any regulations pursuant to this act, the Board shall publish a notice of opportunity to
 9214 comment in the Virginia Register of Regulations and post the action on the Virginia Regulatory Town
 9215 Hall. Such notice of opportunity to comment shall contain (i) a summary of the proposed regulations;
 9216 (ii) the text of the proposed regulations; and (iii) the name, address, email address, and telephone
 9217 number of the agency contact person responsible for receiving public comments. Such notice shall be
 9218 made at least 60 days in advance of the last date prescribed in such notice for the submittal of public
 9219 comment. The legislative review provisions of subsections A and B of § 2.2-4014 of the Code of Virginia
 9220 shall apply to the promulgation or final adoption process for regulations adopted pursuant to this act.
 9221 The Board shall consider and keep on file all public comments received for any regulations adopted
 9222 pursuant to this act. The provisions of this enactment shall become effective in due course.

9223 17. That employees of the Virginia Gaming Commission (the Commission) shall be considered
 9224 employees of the Commonwealth. Employees of the Commission shall be eligible for membership in the
 9225 Virginia Retirement System or other retirement plan as authorized by Article 4 (§ 51.1-125 et seq.) of
 9226 Chapter 1 of Title 51.1 of the Code of Virginia and participation in all health and related insurance and
 9227 other benefits, including premium conversion and flexible benefits, available to state employees as
 9228 provided by law. Employees of the Commission shall be employed on such terms and conditions as
 9229 established by the Virginia Gaming Commission Board (the Board). The Board shall develop and
 9230 adopt policies and procedures that afford its employees grievance rights, ensure that employment
 9231 decisions are based upon the merit and fitness of applicants, and prohibit discrimination because of
 9232 race, color, religion, ethnic or national origin, sex, pregnancy, childbirth or related medical conditions,
 9233 age, marital status, sexual orientation, gender identity, disability, or military status. Notwithstanding

9234 any other provision of law, the Board shall develop, implement, and administer a paid leave program,
9235 which may include annual, personal, and sick leave or any combination thereof. All other leave benefits
9236 shall be administered in accordance with Chapter 11 (§ 51.1-1100 et seq.) of Title 51.1 of the Code of
9237 Virginia, except as otherwise provided in this enactment.

9238 18. That notwithstanding any other provision of law, the Virginia Gaming Commission (the
9239 Commission) shall give preference in hiring to employees of the Department of Agriculture and
9240 Consumer Services, the Virginia Lottery, and the Virginia Racing Commission (relevant state
9241 agencies). The Commission shall issue a written notice to all persons whose employment at such
9242 relevant state agencies will be transferred to the Commission. The date upon which such written notice
9243 is issued shall be referred to herein as the "Option Date." In order to facilitate an orderly and efficient
9244 transition and ensure the continuation of operations during the transition from the relevant state
9245 agencies to the Commission, the Commission shall have discretion, subject to the time limitations
9246 contained herein, to determine the date upon which any employee's employment with the relevant state
9247 agencies will end or be transferred to the Commission. This date shall be stated in the written notice
9248 and shall be referred to herein as the "Transition Date." No Transition Date shall occur prior to July
9249 1, 2026, without the mutual agreement of the employee and the Commission. No Transition Date shall
9250 be set beyond July 1, 2027. Each person whose employment will be transferred to the Commission may,
9251 by written request made within 120 days of the Option Date, elect not to become employed by the
9252 Commission. Any employee of the relevant state agencies who (i) is not offered the opportunity to
9253 transfer to employment by the Commission or (ii) is not offered a position with the Commission for
9254 which the employee is qualified or is offered a position that requires relocation or a reduction in salary
9255 shall be eligible for the severance benefits conferred by the provisions of the Workforce Transition Act
9256 (§ 2.2-3200 et seq. of the Code of Virginia). Any employee who accepts employment with the
9257 Commission shall not be considered to be involuntarily separated from state employment and shall not
9258 be eligible for the severance benefits conferred by the provisions of the Workforce Transition Act. Any
9259 eligibility for such severance benefits shall be contingent on the continued employment through an
9260 employee's Transition Date.

9261 Notwithstanding any other provision of law to the contrary, any person whose employment is
9262 transferred to the Commission as a result of this act and who is a member of any plan for providing
9263 health insurance coverage pursuant to Chapter 28 (§ 2.2-2800 et seq.) of Title 2.2 of the Code of
9264 Virginia shall continue to be a member of such health insurance plan under the same terms and
9265 conditions as if no transfer had occurred.

9266 Notwithstanding any other provision of law to the contrary, any person whose employment is
9267 transferred to the Commission as a result of this act and who is a member of the Virginia Retirement
9268 System or other retirement plan as authorized by Article 4 (§ 51.1-125 et seq.) of Chapter 1 of Title
9269 51.1 of the Code of Virginia shall continue to be a member of the Virginia Retirement System or other
9270 such authorized retirement plan under the same terms and conditions as if no transfer had occurred.

9271 Notwithstanding any other provision of law, any person whose employment is transferred to the
9272 Commission as a result of this act and who was subjected to a criminal history background check as a
9273 condition of employment with any of the relevant state agencies shall not be subject to any provisions
9274 of this act regarding a criminal history background check, unless the Commission deems otherwise.

9275 19. That the Virginia Gaming Commission (the Commission) shall conduct a review of all technology
9276 systems inherited from the Department of Agriculture and Consumer Services, the Virginia Lottery,
9277 and the Virginia Racing Commission for the purpose of increasing efficiency in core functions through
9278 the reduction of manual processes and standardizing similar processes, such as licensing, auditing, and
9279 case management, across the different types of gaming that are overseen and regulated by the
9280 Commission.

9281 20. That the provisions of this act may result in a net increase in periods of imprisonment or
9282 commitment. Pursuant to § 30-19.1:4 of the Code of Virginia, the estimated amount of the necessary
9283 appropriation is \$0 for periods of imprisonment in state adult correctional facilities and cannot be
9284 determined for periods of commitment to the custody of the Department of Juvenile Justice.