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SENATE BILL NO. 661**AMENDMENT IN THE NATURE OF A SUBSTITUTE**(Proposed by the Senate Committee on Finance and Appropriations
on February 10, 2026)

(Patron Prior to Substitute—Senator Rouse)

A *BILL to amend and reenact §§ 2.2-3711, as it is currently effective and as it shall become effective, 18.2-325, 18.2-334, 19.2-389, as it is currently effective and as it shall become effective, 37.2-314.2, 58.1-4002, 58.1-4003, 58.1-4006, 58.1-4007, 58.1-4015.1, 58.1-4048, and 58.1-4103 of the Code of Virginia and to amend the Code of Virginia by adding in Chapter 3 of Title 11 a section numbered 11-16.3, by adding a section numbered 18.2-334.7, by adding in Title 58.1 a chapter numbered 42, containing articles numbered 1 through 5, consisting of sections numbered 58.1-4200 through 58.1-4225, and by adding in Title 59.1 a chapter numbered 60, consisting of a section numbered 59.1-614, relating to regulation of gaming commerce and development in the Commonwealth; penalties.*

Be it enacted by the General Assembly of Virginia:

1. That §§ 2.2-3711, as it is currently effective and as it shall become effective, 18.2-325, 18.2-334, 19.2-389, as it is currently effective and as it shall become effective, 37.2-314.2, 58.1-4002, 58.1-4003, 58.1-4006, 58.1-4007, 58.1-4015.1, 58.1-4048, and 58.1-4103 of the Code of Virginia are amended and reenacted and that the Code of Virginia is amended by adding in Chapter 3 of Title 11 a section numbered 11-16.3, by adding a section numbered 18.2-334.7, by adding in Title 58.1 a chapter numbered 42, containing articles numbered 1 through 5, consisting of sections numbered 58.1-4200 through 58.1-4225, and by adding in Title 59.1 a chapter numbered 60, consisting of a section numbered 59.1-614, as follows:

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

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

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

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

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

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

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

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

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

8. Consultation with legal counsel employed or retained by a public body regarding specific legal matters

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60 requiring the provision of legal advice by such counsel. Nothing in this subdivision shall be construed to
61 permit the closure of a meeting merely because an attorney representing the public body is in attendance or is
62 consulted on a matter.

63 9. Discussion or consideration by governing boards of public institutions of higher education of matters
64 relating to gifts, bequests and fund-raising activities, and of grants and contracts for services or work to be
65 performed by such institution. However, the terms and conditions of any such gifts, bequests, grants, and
66 contracts made by a foreign government, a foreign legal entity, or a foreign person and accepted by a public
67 institution of higher education in the Commonwealth shall be subject to public disclosure upon written
68 request to the appropriate board of visitors. For the purpose of this subdivision, (i) "foreign government"
69 means any government other than the United States government or the government of a state or a political
70 subdivision thereof, (ii) "foreign legal entity" means any legal entity (a) created under the laws of the United
71 States or of any state thereof if a majority of the ownership of the stock of such legal entity is owned by
72 foreign governments or foreign persons or if a majority of the membership of any such entity is composed of
73 foreign persons or foreign legal entities or (b) created under the laws of a foreign government, and (iii)
74 "foreign person" means any individual who is not a citizen or national of the United States or a trust territory
75 or protectorate thereof.

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

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

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

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

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

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

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

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

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

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

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

122 analyses prepared for the board of visitors of the University of Virginia, prepared by the retirement system, or
 123 a local finance board or board of trustees, or the Commonwealth Savers Plan or provided to the retirement
 124 system, a local finance board or board of trustees, or the Commonwealth Savers Plan under a promise of
 125 confidentiality, of the future value of such ownership interest or the future financial performance of the
 126 entity, and (ii) would have an adverse effect on the value of the investment to be acquired, held, or disposed
 127 of by the retirement system, a local finance board or board of trustees, the board of visitors of the University
 128 of Virginia, or the Commonwealth Savers Plan. Nothing in this subdivision shall be construed to prevent the
 129 disclosure of information relating to the identity of any investment held, the amount invested or the present
 130 value of such investment.

131 21. Those portions of meetings in which individual child death cases are discussed by the State Child
 132 Fatality Review Team established pursuant to § 32.1-283.1, those portions of meetings in which individual
 133 child death cases are discussed by a regional or local child fatality review team established pursuant to
 134 § 32.1-283.2, those portions of meetings in which individual death cases are discussed by family violence
 135 fatality review teams established pursuant to § 32.1-283.3, those portions of meetings in which individual
 136 adult death cases are discussed by the state Adult Fatality Review Team established pursuant to § 32.1-283.5,
 137 those portions of meetings in which individual adult death cases are discussed by a local or regional adult
 138 fatality review team established pursuant to § 32.1-283.6, those portions of meetings in which individual
 139 death cases are discussed by overdose fatality review teams established pursuant to § 32.1-283.7, those
 140 portions of meetings in which individual maternal death cases are discussed by the Maternal Mortality
 141 Review Team pursuant to § 32.1-283.8, and those portions of meetings in which individual death cases of
 142 persons with developmental disabilities are discussed by the Developmental Disabilities Mortality Review
 143 Committee established pursuant to § 37.2-314.1.

144 22. Those portions of meetings of the board of visitors of the University of Virginia or Old Dominion
 145 University, as the case may be, and those portions of meetings of any persons to whom management
 146 responsibilities for the University of Virginia Medical Center or the Eastern Virginia Health Sciences Center
 147 at Old Dominion University, as the case may be, have been delegated, in which there is discussed proprietary,
 148 business-related information pertaining to the operations of the University of Virginia Medical Center or the
 149 Eastern Virginia Health Sciences Center at Old Dominion University, as the case may be, including business
 150 development or marketing strategies and activities with existing or future joint venturers, partners, or other
 151 parties with whom the University of Virginia Medical Center or the Eastern Virginia Health Sciences Center
 152 at Old Dominion University, as the case may be, has formed, or forms, any arrangement for the delivery of
 153 health care, if disclosure of such information would adversely affect the competitive position of the
 154 University of Virginia Medical Center or the Eastern Virginia Health Sciences Center at Old Dominion
 155 University, as the case may be.

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

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

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

172 26. Discussion or consideration, by the former Wireless Carrier E-911 Cost Recovery Subcommittee
 173 created pursuant to former § 56-484.15, of trade secrets submitted by CMRS providers, as defined in
 174 § 56-484.12, related to the provision of wireless E-911 service.

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

181 28. Discussion or consideration of information subject to the exclusion in subdivision 11 of § 2.2-3705.6
 182 by a responsible public entity or an affected locality or public entity, as those terms are defined in
 183 § 33.2-1800, or any independent review panel appointed to review information and advise the responsible

184 public entity concerning such records.

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

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

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

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

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

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

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

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

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

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

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

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

221 41. Those portions of meetings of the Virginia Military Advisory Council or any commission created by
222 executive order for the purpose of studying and making recommendations regarding preventing closure or
223 realignment of federal military and national security installations and facilities located in Virginia and
224 relocation of such facilities to Virginia, or a local or regional military affairs organization appointed by a
225 local governing body, during which there is discussion of information subject to the exclusion in subdivision
226 8 of § 2.2-3705.2.

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

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

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

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

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

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

249 48. Discussion or development of grant proposals by a regional council established pursuant to Article 26
 250 (§ 2.2-2484 et seq.) of Chapter 24 to be submitted for consideration to the Virginia Growth and Opportunity
 251 Board.

252 49. Discussion or consideration of (i) individual sexual assault cases by a sexual assault response team
 253 established pursuant to § 15.2-1627.4, (ii) individual child abuse or neglect cases or sex offenses involving a
 254 child by a child sexual abuse response team established pursuant to § 15.2-1627.5, (iii) individual cases
 255 involving abuse, neglect, or exploitation of adults as defined in § 63.2-1603 pursuant to §§ 15.2-1627.5 and
 256 63.2-1605, or (iv) individual human trafficking cases by any human trafficking response team established
 257 pursuant to § 15.2-1627.6.

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

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

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

269 53. Deliberations of the Virginia Lottery Board conducted pursuant to § 58.1-4105 regarding the denial or
 270 revocation of a license of a casino gaming operator, or the refusal to issue, suspension of, or revocation of
 271 any license or permit related to casino gaming, and discussion, consideration, or review of matters related to
 272 investigations excluded from mandatory disclosure under subdivision 1 of § 2.2-3705.3.

273 54. Deliberations of the Virginia Lottery Board in an appeal conducted pursuant to § 58.1-4007 regarding
 274 the denial of, revocation of, suspension of, or refusal to renew any license or permit related to sports betting
 275 and any discussion, consideration, or review of matters related to investigations excluded from mandatory
 276 disclosure under subdivision 1 of § 2.2-3705.3.

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

279 56. *Deliberations of the Virginia Lottery Board in an appeal conducted pursuant to § 58.1-4007*
 280 *regarding the denial of, revocation of, suspension of, or refusal to renew any license related to electronic*
 281 *skill gaming devices and any discussion, consideration, or review of matters related to investigations*
 282 *excluded from mandatory disclosure under subdivision 1 of § 2.2-3705.3.*

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

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

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

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

300 **§ 2.2-3711. (Effective July 1, 2026) Closed meetings authorized for certain limited purposes.**

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

302 1. Discussion, consideration, or interviews of prospective candidates for employment; assignment,
 303 appointment, promotion, performance, demotion, salaries, disciplining, or resignation of specific public
 304 officers, appointees, or employees of any public body; and evaluation of performance of departments or
 305 schools of public institutions of higher education where such evaluation will necessarily involve discussion of
 306 the performance of specific individuals. Any teacher shall be permitted to be present during a closed meeting
 307 in which there is a discussion or consideration of a disciplinary matter that involves the teacher and some

308 student and the student involved in the matter is present, provided that the teacher makes a written request to
309 be present to the presiding officer of the appropriate board. Nothing in this subdivision, however, shall be
310 construed to authorize a closed meeting by a local governing body or an elected school board to discuss
311 compensation matters that affect the membership of such body or board collectively.

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

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

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

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

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

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

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

340 9. Discussion or consideration by governing boards of public institutions of higher education of matters
341 relating to gifts, bequests and fund-raising activities, and of grants and contracts for services or work to be
342 performed by such institution. However, the terms and conditions of any such gifts, bequests, grants, and
343 contracts made by a foreign government, a foreign legal entity, or a foreign person and accepted by a public
344 institution of higher education in the Commonwealth shall be subject to public disclosure upon written
345 request to the appropriate board of visitors. For the purpose of this subdivision, (i) "foreign government"
346 means any government other than the United States government or the government of a state or a political
347 subdivision thereof, (ii) "foreign legal entity" means any legal entity (a) created under the laws of the United
348 States or of any state thereof if a majority of the ownership of the stock of such legal entity is owned by
349 foreign governments or foreign persons or if a majority of the membership of any such entity is composed of
350 foreign persons or foreign legal entities or (b) created under the laws of a foreign government, and (iii)
351 "foreign person" means any individual who is not a citizen or national of the United States or a trust territory
352 or protectorate thereof.

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

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359 prepared by a public body and subject to the exclusion in subdivision 4 of § 2.2-3705.1.

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

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

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370 activity and estimating general and nongeneral fund revenues.

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377 subdivision 11 of § 2.2-3705.7.

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

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

391 20. Discussion by the Board of the Virginia Retirement System, acting pursuant to § 51.1-124.30, or of
392 any local retirement system, acting pursuant to § 51.1-803, or by a local finance board or board of trustees of
393 a trust established by one or more local public bodies to invest funds for postemployment benefits other than
394 pensions, acting pursuant to Article 8 (§ 15.2-1544 et seq.) of Chapter 15 of Title 15.2, or by the board of
395 visitors of the University of Virginia, acting pursuant to § 23.1-2210, or by the Board of the Commonwealth
396 Savers Plan, acting pursuant to § 23.1-706, regarding the acquisition, holding or disposition of a security or
397 other ownership interest in an entity, where such security or ownership interest is not traded on a
398 governmentally regulated securities exchange, to the extent that such discussion (i) concerns confidential
399 analyses prepared for the board of visitors of the University of Virginia, prepared by the retirement system, or
400 a local finance board or board of trustees, or the Commonwealth Savers Plan or provided to the retirement
401 system, a local finance board or board of trustees, or the Commonwealth Savers Plan under a promise of
402 confidentiality, of the future value of such ownership interest or the future financial performance of the
403 entity, and (ii) would have an adverse effect on the value of the investment to be acquired, held, or disposed
404 of by the retirement system, a local finance board or board of trustees, the board of visitors of the University
405 of Virginia, or the Commonwealth Savers Plan. Nothing in this subdivision shall be construed to prevent the
406 disclosure of information relating to the identity of any investment held, the amount invested or the present
407 value of such investment.

408 21. Those portions of meetings in which individual child death cases are discussed by the State Child
409 Fatality Review Team established pursuant to § 32.1-283.1, those portions of meetings in which individual
410 child death cases are discussed by a regional or local child fatality review team established pursuant to
411 § 32.1-283.2, those portions of meetings in which individual death cases are discussed by family violence
412 fatality review teams established pursuant to § 32.1-283.3, those portions of meetings in which individual
413 adult death cases are discussed by the state Adult Fatality Review Team established pursuant to § 32.1-283.5,
414 those portions of meetings in which individual adult death cases are discussed by a local or regional adult
415 fatality review team established pursuant to § 32.1-283.6, those portions of meetings in which individual
416 death cases are discussed by overdose fatality review teams established pursuant to § 32.1-283.7, those
417 portions of meetings in which individual maternal death cases are discussed by the Maternal Mortality
418 Review Team pursuant to § 32.1-283.8, and those portions of meetings in which individual death cases of
419 persons with developmental disabilities are discussed by the Developmental Disabilities Mortality Review
420 Committee established pursuant to § 37.2-314.1.

421 22. Those portions of meetings of the board of visitors of the University of Virginia or Old Dominion
422 University, as the case may be, and those portions of meetings of any persons to whom management
423 responsibilities for the University of Virginia Medical Center or the Eastern Virginia Health Sciences Center
424 at Old Dominion University, as the case may be, have been delegated, in which there is discussed proprietary,
425 business-related information pertaining to the operations of the University of Virginia Medical Center or the
426 Eastern Virginia Health Sciences Center at Old Dominion University, as the case may be, including business
427 development or marketing strategies and activities with existing or future joint venturers, partners, or other
428 parties with whom the University of Virginia Medical Center or the Eastern Virginia Health Sciences Center
429 at Old Dominion University, as the case may be, has formed, or forms, any arrangement for the delivery of
430 health care, if disclosure of such information would adversely affect the competitive position of the
431 University of Virginia Medical Center or the Eastern Virginia Health Sciences Center at Old Dominion

432 University, as the case may be.

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

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

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

449 26. Discussion or consideration, by the former Wireless Carrier E-911 Cost Recovery Subcommittee
450 created pursuant to former § 56-484.15, of trade secrets submitted by CMRS providers, as defined in
451 § 56-484.12, related to the provision of wireless E-911 service.

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

458 28. Discussion or consideration of information subject to the exclusion in subdivision 11 of § 2.2-3705.6
459 by a responsible public entity or an affected locality or public entity, as those terms are defined in
460 § 33.2-1800, or any independent review panel appointed to review information and advise the responsible
461 public entity concerning such records.

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

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

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

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

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

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

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

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

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

490 38. Discussion or consideration by the Board of Trustees of the Virginia Retirement System acting
491 pursuant to § 51.1-124.30, by the Investment Advisory Committee appointed pursuant to § 51.1-124.26, by
492 any local retirement system, acting pursuant to § 51.1-803, by the Board of the Commonwealth Savers Plan
493 acting pursuant to § 23.1-706, or by the Commonwealth Savers Plan's Investment Advisory Committee

- 494 appointed pursuant to § 23.1-702 of information subject to the exclusion in subdivision 24 of § 2.2-3705.7.
 495 39. Discussion or consideration of information subject to the exclusion in subdivision 3 of § 2.2-3705.6
 496 related to economic development.
 497 40. Discussion or consideration by the Board of Education of information relating to the denial,
 498 suspension, or revocation of teacher licenses subject to the exclusion in subdivision 11 of § 2.2-3705.3.
 499 41. Those portions of meetings of the Virginia Military Advisory Council or any commission created by
 500 executive order for the purpose of studying and making recommendations regarding preventing closure or
 501 realignment of federal military and national security installations and facilities located in Virginia and
 502 relocation of such facilities to Virginia, or a local or regional military affairs organization appointed by a
 503 local governing body, during which there is discussion of information subject to the exclusion in subdivision
 504 8 of § 2.2-3705.2.
 505 42. Discussion or consideration by the Board of Trustees of the Veterans Services Foundation of
 506 information subject to the exclusion in subdivision 28 of § 2.2-3705.7 related to personally identifiable
 507 information of donors.
 508 43. Discussion or consideration by the Virginia Tobacco Region Revitalization Commission of
 509 information subject to the exclusion in subdivision 23 of § 2.2-3705.6 related to certain information contained
 510 in grant applications.
 511 44. Discussion or consideration by the board of directors of the Commercial Space Flight Authority of
 512 information subject to the exclusion in subdivision 24 of § 2.2-3705.6 related to rate structures or charges for
 513 the use of projects of, the sale of products of, or services rendered by the Authority and certain proprietary
 514 information of a private entity provided to the Authority.
 515 45. Discussion or consideration of personal and proprietary information related to the resource
 516 management plan program and subject to the exclusion in (i) subdivision 25 of § 2.2-3705.6 or (ii) subsection
 517 E of § 10.1-104.7. This exclusion shall not apply to the discussion or consideration of records that contain
 518 information that has been certified for release by the person who is the subject of the information or
 519 transformed into a statistical or aggregate form that does not allow identification of the person who supplied,
 520 or is the subject of, the information.
 521 46. Discussion or consideration by the Board of Directors of the Virginia Alcoholic Beverage Control
 522 Authority of information subject to the exclusion in subdivision 1 of § 2.2-3705.3 related to investigations of
 523 applicants for licenses and permits and of licensees and permittees.
 524 47. Discussion or consideration of grant, loan, or investment application records subject to the exclusion
 525 in subdivision 28 of § 2.2-3705.6 for a grant, loan, or investment pursuant to Article 11 (§ 2.2-2351 et seq.)
 526 of Chapter 22.
 527 48. Discussion or development of grant proposals by a regional council established pursuant to Article 26
 528 (§ 2.2-2484 et seq.) of Chapter 24 to be submitted for consideration to the Virginia Growth and Opportunity
 529 Board.
 530 49. Discussion or consideration of (i) individual sexual assault cases by a sexual assault response team
 531 established pursuant to § 15.2-1627.4, (ii) individual child abuse or neglect cases or sex offenses involving a
 532 child by a child sexual abuse response team established pursuant to § 15.2-1627.5, (iii) individual cases
 533 involving abuse, neglect, or exploitation of adults as defined in § 63.2-1603 pursuant to §§ 15.2-1627.5 and
 534 63.2-1605, or (iv) individual human trafficking cases by any human trafficking response team established
 535 pursuant to § 15.2-1627.6.
 536 50. Discussion or consideration by the Board of the Virginia Economic Development Partnership
 537 Authority, the Joint Legislative Audit and Review Commission, or any subcommittees thereof, of the portions
 538 of the strategic plan, marketing plan, or operational plan exempt from disclosure pursuant to subdivision 33
 539 of § 2.2-3705.7.
 540 51. Those portions of meetings of the subcommittee of the Board of the Virginia Economic Development
 541 Partnership Authority established pursuant to subsection F of § 2.2-2237.3 to review and discuss information
 542 received from the Virginia Employment Commission pursuant to subdivision C 2 of § 60.2-114 and the
 543 Department of Workforce Development and Advancement pursuant to subsection B of § 2.2-2040.
 544 52. Discussion or consideration by the Commonwealth of Virginia Innovation Partnership Authority (the
 545 Authority), an advisory committee of the Authority, or any other entity designated by the Authority, of
 546 information subject to the exclusion in subdivision 35 of § 2.2-3705.7.
 547 53. Deliberations of the Virginia Lottery Board conducted pursuant to § 58.1-4105 regarding the denial or
 548 revocation of a license of a casino gaming operator, or the refusal to issue, suspension of, or revocation of
 549 any license or permit related to casino gaming, and discussion, consideration, or review of matters related to
 550 investigations excluded from mandatory disclosure under subdivision 1 of § 2.2-3705.3.
 551 54. Deliberations of the Virginia Lottery Board in an appeal conducted pursuant to § 58.1-4007 regarding
 552 the denial of, revocation of, suspension of, or refusal to renew any license or permit related to sports betting
 553 and any discussion, consideration, or review of matters related to investigations excluded from mandatory
 554 disclosure under subdivision 1 of § 2.2-3705.3.
 555 55. Meetings or portions of meetings of the Board of Criminal Justice Services or the Department of

556 Criminal Justice Services concerning the decertification of an identifiable law-enforcement or jail officer.

557 *56. Deliberations of the Virginia Lottery Board in an appeal conducted pursuant to § 58.1-4007*
 558 *regarding the denial of, revocation of, suspension of, or refusal to renew any license related to electronic*
 559 *skill gaming devices and any discussion, consideration, or review of matters related to investigations*
 560 *excluded from mandatory disclosure under subdivision 1 of § 2.2-3705.3.*

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

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

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

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

578 **§ 11-16.3. Exemption; play of authorized electronic skill gaming devices.**

579 *This chapter shall not apply to the play of electronic skill gaming devices or related activity that is lawful*
 580 *under Chapter 42 (§ 58.1-4200 et seq.) of Title 58.1 or to any contract, conduct, or transaction arising from*
 581 *conduct lawful thereunder.*

582 **§ 18.2-325. Definitions.**

583 ~~1.~~ As used in this article, unless the context requires a different meaning:

584 "Gambling device" includes:

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

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

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

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

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

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

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

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

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

618 interest.

619 3. "Gambling device" includes:

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

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

632 e. Skill games:

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

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

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

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

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

652 **§ 18.2-334. Exception to article; private residences.**

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

656 **§ 18.2-334.7. Exemptions to article; electronic skill gaming devices.**

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

659 **§ 19.2-389. (Effective until July 1, 2026) Dissemination of criminal history record information.**

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

662 1. Authorized officers or employees of criminal justice agencies, as defined by § 9.1-101, for purposes of
663 the administration of criminal justice and the screening of an employment application or review of
664 employment by a criminal justice agency with respect to its own employees or applicants, and dissemination
665 to the Virginia Parole Board, pursuant to this subdivision, of such information on all state-responsible
666 inmates for the purpose of making parole determinations pursuant to subdivisions 1, 2, 3, 4, and 6 of
667 § 53.1-136 shall include collective dissemination by electronic means every 30 days. For purposes of this
668 subdivision, criminal history record information includes information sent to the Central Criminal Records
669 Exchange pursuant to §§ 37.2-819 and 64.2-2014 when disseminated to any full-time or part-time employee
670 of the State Police, a police department or sheriff's office that is a part of or administered by the
671 Commonwealth or any political subdivision thereof, and who is responsible for the prevention and detection
672 of crime and the enforcement of the penal, traffic or highway laws of the Commonwealth for the purposes of
673 the administration of criminal justice;

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

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

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

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

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

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

697 7a. Commissions created pursuant to the Transportation District Act of 1964 (§ 33.2-1900 et seq.) of Title
698 33.2 and their contractors, for the conduct of investigations of individuals who have been offered a position
699 of employment whenever, in the interest of public welfare or safety and as authorized in the Transportation
700 District Act of 1964, it is necessary to determine if the past criminal conduct of a person with a conviction
701 record would be compatible with the nature of the employment under consideration;

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

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

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

715 11. A person requesting a copy of his own criminal history record information as defined in § 9.1-101 at
716 his cost, except that criminal history record information shall be supplied at no charge to a person who has
717 applied to be a volunteer with (i) a Virginia affiliate of Big Brothers/Big Sisters of America; (ii) a volunteer
718 fire company; (iii) the Volunteer Emergency Families for Children; (iv) any affiliate of Prevent Child Abuse,
719 Virginia; (v) any Virginia affiliate of Compeer; or (vi) any board member or any individual who has been
720 offered membership on the board of a Crime Stoppers, Crime Solvers or Crime Line program as defined in
721 § 15.2-1713.1;

722 12. Administrators and board presidents of and applicants for licensure or registration as a child welfare
723 agency as defined in § 63.2-100 for dissemination to the Commissioner of Social Services' representative
724 pursuant to § 63.2-1702 for the conduct of investigations with respect to employees of and volunteers at such
725 facilities, caretakers, and foster and adoptive parent applicants of private child-placing agencies, pursuant to
726 §§ 63.2-1719, 63.2-1720, and 63.2-1721, subject to the restriction that the data shall not be further
727 disseminated by the facility or agency to any party other than the data subject, the Commissioner of Social
728 Services' representative or a federal or state authority or court as may be required to comply with an express
729 requirement of law for such further dissemination; however, nothing in this subdivision shall be construed to
730 prohibit the Commissioner of Social Services' representative from issuing written certifications regarding the
731 results of a background check that was conducted before July 1, 2021, in accordance with subsection J of
732 § 22.1-289.035 or § 22.1-289.039;

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

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

740 15. The Virginia Lottery for the conduct of investigations as set forth in the Virginia Lottery Law
741 (§ 58.1-4000 et seq.) and, casino gaming as set forth in Chapter 41 (§ 58.1-4100 et seq.) of Title 58.1, and

742 *electronic skill gaming devices as set forth in Chapter 42 (§ 58.1-4200 et seq.) of Title 58.1, and the*
 743 *Department of Agriculture and Consumer Services for the conduct of investigations as set forth in Article*
 744 *1.1:1 (§ 18.2-340.15 et seq.) of Chapter 8 of Title 18.2;*

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

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

752 18. The Virginia Alcoholic Beverage Control Authority for the conduct of investigations as set forth in
 753 § 4.1-103.1;

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

757 20. The Commissioner of Behavioral Health and Developmental Services (the Commissioner) or his
 758 designees for individuals who are committed to the custody of or being evaluated by the Commissioner
 759 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,
 760 19.2-182.8, and 19.2-182.9 where such information may be beneficial for the purpose of placement,
 761 evaluation, treatment, or discharge planning;

762 21. Any alcohol safety action program certified by the Commission on the Virginia Alcohol Safety Action
 763 Program for (i) interventions with first offenders under § 18.2-251 or (ii) services to offenders under
 764 § 18.2-51.4, 18.2-266, or 18.2-266.1;

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

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

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

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

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

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

789 28. Executive directors of behavioral health authorities as defined in § 37.2-600 for the purpose of
 790 determining an individual's fitness for employment, approval as a sponsored residential service provider,
 791 permission to enter into a shared living arrangement with a person receiving medical assistance services
 792 pursuant to a waiver, or permission for any person under contract with the behavioral health authority to
 793 serve in a direct care position on behalf of the behavioral health authority pursuant to §§ 37.2-506,
 794 37.2-506.1, and 37.2-607;

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

798 30. Authorized officers or directors of agencies licensed pursuant to Article 2 (§ 37.2-403 et seq.) of
 799 Chapter 4 of Title 37.2 by the Department of Behavioral Health and Developmental Services for the purpose
 800 of determining if any applicant who accepts employment in any direct care position or requests approval as a
 801 sponsored residential service provider, permission to enter into a shared living arrangement with a person
 802 receiving medical assistance services pursuant to a waiver, or permission for any person under contract with
 803 the provider to serve in a direct care position has been convicted of a crime that affects his fitness to have

804 responsibility for the safety and well-being of individuals with mental illness, intellectual disability, or
805 substance abuse pursuant to §§ 37.2-416, 37.2-416.1, 37.2-506, 37.2-506.1, and 37.2-607;

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

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

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

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

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

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

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

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

835 39. The State Corporation Commission for the purpose of investigating individuals who are current or
836 proposed members, senior officers, directors, and principals of an applicant or person licensed under Chapter
837 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.
838 Notwithstanding any other provision of law, if an application is denied based in whole or in part on
839 information obtained from the Central Criminal Records Exchange pursuant to Chapter 16, 19, or 26 of Title
840 6.2, the Commissioner of Financial Institutions or his designee may disclose such information to the applicant
841 or its designee;

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

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

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

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

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

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

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

859 47. Administrators and board presidents of and applicants for licensure or registration as a child day
860 program or family day system, as such terms are defined in § 22.1-289.02, for dissemination to the
861 Superintendent of Public Instruction's representative pursuant to § 22.1-289.013 for the conduct of
862 investigations with respect to employees of and volunteers at such facilities pursuant to §§ 22.1-289.034
863 through 22.1-289.037, subject to the restriction that the data shall not be further disseminated by the facility
864 or agency to any party other than the data subject, the Superintendent of Public Instruction's representative, or
865 a federal or state authority or court as may be required to comply with an express requirement of law for such

866 further dissemination; however, nothing in this subdivision shall be construed to prohibit the Superintendent
 867 of Public Instruction's representative from issuing written certifications regarding the results of prior
 868 background checks in accordance with subsection J of § 22.1-289.035 or § 22.1-289.039;

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

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

874 50. Other entities as otherwise provided by law.

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

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

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

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

892 D. Criminal justice agencies shall establish procedures to query the Central Criminal Records Exchange
 893 prior to dissemination of any criminal history record information on offenses required to be reported to the
 894 Central Criminal Records Exchange to ensure that the most up-to-date disposition data is being used.
 895 Inquiries of the Exchange shall be made prior to any dissemination except in those cases where time is of the
 896 essence and the normal response time of the Exchange would exceed the necessary time period. A criminal
 897 justice agency to whom a request has been made for the dissemination of criminal history record information
 898 that is required to be reported to the Central Criminal Records Exchange may direct the inquirer to the
 899 Central Criminal Records Exchange for such dissemination. Dissemination of information regarding offenses
 900 not required to be reported to the Exchange shall be made by the criminal justice agency maintaining the
 901 record as required by § 15.2-1722.

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

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

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

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

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

925 **§ 19.2-389. (Effective July 1, 2026) Dissemination of criminal history record information.**

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

928 1. Authorized officers or employees of criminal justice agencies, as defined by § 9.1-101, for purposes of
929 the administration of criminal justice and the screening of an employment application or review of
930 employment by a criminal justice agency with respect to its own employees or applicants, and dissemination
931 to the Virginia Parole Board, pursuant to this subdivision, of such information on all state-responsible
932 inmates for the purpose of making parole determinations pursuant to subdivisions 1, 2, 3, 4, and 6 of
933 § 53.1-136 shall include collective dissemination by electronic means every 30 days. For purposes of this
934 subdivision, criminal history record information includes information sent to the Central Criminal Records
935 Exchange pursuant to §§ 37.2-819 and 64.2-2014 when disseminated to any full-time or part-time employee
936 of the State Police, a police department or sheriff's office that is a part of or administered by the
937 Commonwealth or any political subdivision thereof, and who is responsible for the prevention and detection
938 of crime and the enforcement of the penal, traffic or highway laws of the Commonwealth for the purposes of
939 the administration of criminal justice;

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

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

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

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

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

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

963 7a. Commissions created pursuant to the Transportation District Act of 1964 (§ 33.2-1900 et seq.) of Title
964 33.2 and their contractors, for the conduct of investigations of individuals who have been offered a position
965 of employment whenever, in the interest of public welfare or safety and as authorized in the Transportation
966 District Act of 1964, it is necessary to determine if the past criminal conduct of a person with a conviction
967 record would be compatible with the nature of the employment under consideration;

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

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

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

981 11. A person requesting a copy of his own criminal history record information as defined in § 9.1-101 at
982 his cost, except that criminal history record information shall be supplied at no charge to a person who has
983 applied to be a volunteer with (i) a Virginia affiliate of Big Brothers/Big Sisters of America; (ii) a volunteer
984 fire company; (iii) the Volunteer Emergency Families for Children; (iv) any affiliate of Prevent Child Abuse,
985 Virginia; (v) any Virginia affiliate of Compeer; or (vi) any board member or any individual who has been
986 offered membership on the board of a Crime Stoppers, Crime Solvers or Crime Line program as defined in
987 § 15.2-1713.1;

988 12. Administrators and board presidents of and applicants for licensure or registration as a child welfare
989 agency as defined in § 63.2-100 for dissemination to the Commissioner of Social Services' representative

990 pursuant to § 63.2-1702 for the conduct of investigations with respect to employees of and volunteers at such
 991 facilities, caretakers, and foster and adoptive parent applicants of private child-placing agencies, pursuant to
 992 §§ 63.2-1719, 63.2-1720, and 63.2-1721, subject to the restriction that the data shall not be further
 993 disseminated by the facility or agency to any party other than the data subject, the Commissioner of Social
 994 Services' representative or a federal or state authority or court as may be required to comply with an express
 995 requirement of law for such further dissemination; however, nothing in this subdivision shall be construed to
 996 prohibit the Commissioner of Social Services' representative from issuing written certifications regarding the
 997 results of a background check that was conducted before July 1, 2021, in accordance with subsection J of
 998 § 22.1-289.035 or § 22.1-289.039;

999 13. Administrators and board presidents of and applicants for licensure as a prescribed pediatric extended
 1000 care center for dissemination to the State Health Commissioner's representative pursuant to
 1001 §§ 32.1-162.15:1.5 and 32.1-162.15:1.10 for the conduct of investigations with respect to employees of and
 1002 volunteers at such centers, pursuant to § 32.1-162.15:1.17, subject to the restriction that the data shall not be
 1003 further disseminated by the center to any party other than the data subject, the State Health Commissioner's
 1004 representative, or a federal or state authority or court as may be required to comply with an express
 1005 requirement of law;

1006 14. The Department of Social Services for the purpose of screening individuals as a condition of licensure,
 1007 employment, volunteering, or providing services on a regular basis in a licensed child welfare agency
 1008 pursuant to §§ 63.2-1721 and 63.2-1726 or foster or adoptive home approved by a child-placing agency
 1009 pursuant to § 63.2-901.1;

1010 15. The school boards of the Commonwealth for the purpose of screening individuals who are offered or
 1011 who accept public school employment and those current school board employees for whom a report of arrest
 1012 has been made pursuant to § 19.2-83.1;

1013 16. The Virginia Lottery for the conduct of investigations as set forth in the Virginia Lottery Law
 1014 (§ 58.1-4000 et seq.) and, casino gaming as set forth in Chapter 41 (§ 58.1-4100 et seq.) of Title 58.1, and
 1015 *electronic skill gaming devices as set forth in Chapter 42 (§ 58.1-4200 et seq.) of Title 58.1*, and the
 1016 Department of Agriculture and Consumer Services for the conduct of investigations as set forth in Article
 1017 1.1:1 (§ 18.2-340.15 et seq.) of Chapter 8 of Title 18.2;

1018 17. Licensed prescribed pediatric extended care centers for the conduct of investigations of applicants for
 1019 compensated employment and volunteers in licensed prescribed pediatric extended care centers pursuant to
 1020 § 32.1-162.15:1.17;

1021 18. Licensed nursing homes, hospitals and home care organizations for the conduct of investigations of
 1022 applicants for compensated employment in licensed nursing homes pursuant to § 32.1-126.01, hospital
 1023 pharmacies pursuant to § 32.1-126.02, and home care organizations pursuant to § 32.1-162.9:1, subject to the
 1024 limitations set out in subsection E;

1025 19. Licensed assisted living facilities and licensed adult day centers for the conduct of investigations of
 1026 applicants for compensated employment in licensed assisted living facilities and licensed adult day centers
 1027 pursuant to § 63.2-1720, subject to the limitations set out in subsection F;

1028 20. The Virginia Alcoholic Beverage Control Authority for the conduct of investigations as set forth in
 1029 § 4.1-103.1;

1030 21. The State Board of Elections and authorized officers and employees thereof and general registrars
 1031 appointed pursuant to § 24.2-110 in the course of conducting necessary investigations with respect to voter
 1032 registration, limited to any record of felony convictions;

1033 22. The Commissioner of Behavioral Health and Developmental Services (the Commissioner) or his
 1034 designees for individuals who are committed to the custody of or being evaluated by the Commissioner
 1035 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,
 1036 19.2-182.8, and 19.2-182.9 where such information may be beneficial for the purpose of placement,
 1037 evaluation, treatment, or discharge planning;

1038 23. Any alcohol safety action program certified by the Commission on the Virginia Alcohol Safety Action
 1039 Program for (i) interventions with first offenders under § 18.2-251 or (ii) services to offenders under
 1040 § 18.2-51.4, 18.2-266, or 18.2-266.1;

1041 24. Residential facilities for juveniles regulated or operated by the Department of Social Services, the
 1042 Department of Education, or the Department of Behavioral Health and Developmental Services for the
 1043 purpose of determining applicants' fitness for employment or for providing volunteer or contractual services;

1044 25. The Department of Behavioral Health and Developmental Services and facilities operated by the
 1045 Department for the purpose of determining an individual's fitness for employment pursuant to departmental
 1046 instructions;

1047 26. Pursuant to § 22.1-296.3, the governing boards or administrators of private elementary or secondary
 1048 schools which are accredited pursuant to § 22.1-19 or a private organization coordinating such records
 1049 information on behalf of such governing boards or administrators pursuant to a written agreement with the
 1050 Department of State Police;

1051 27. Public institutions of higher education and nonprofit private institutions of higher education for the

1052 purpose of screening individuals who are offered or accept employment;

1053 28. Members of a threat assessment team established by a local school board pursuant to § 22.1-79.4, by a
1054 public institution of higher education pursuant to § 23.1-805, or by a private nonprofit institution of higher
1055 education, for the purpose of assessing or intervening with an individual whose behavior may present a threat
1056 to safety; however, no member of a threat assessment team shall redisclose any criminal history record
1057 information obtained pursuant to this section or otherwise use any record of an individual beyond the purpose
1058 that such disclosure was made to the threat assessment team;

1059 29. Executive directors of community services boards or the personnel director serving the community
1060 services board for the purpose of determining an individual's fitness for employment, approval as a sponsored
1061 residential service provider, permission to enter into a shared living arrangement with a person receiving
1062 medical assistance services pursuant to a waiver, or permission for any person under contract with the
1063 community services board to serve in a direct care position on behalf of the community services board
1064 pursuant to §§ 37.2-506, 37.2-506.1, and 37.2-607;

1065 30. Executive directors of behavioral health authorities as defined in § 37.2-600 for the purpose of
1066 determining an individual's fitness for employment, approval as a sponsored residential service provider,
1067 permission to enter into a shared living arrangement with a person receiving medical assistance services
1068 pursuant to a waiver, or permission for any person under contract with the behavioral health authority to
1069 serve in a direct care position on behalf of the behavioral health authority pursuant to §§ 37.2-506,
1070 37.2-506.1, and 37.2-607;

1071 31. The Commissioner of Social Services for the purpose of locating persons who owe child support or
1072 who are alleged in a pending paternity proceeding to be a putative father, provided that only the name,
1073 address, demographics and social security number of the data subject shall be released;

1074 32. Authorized officers or directors of agencies licensed pursuant to Article 2 (§ 37.2-403 et seq.) of
1075 Chapter 4 of Title 37.2 by the Department of Behavioral Health and Developmental Services for the purpose
1076 of determining if any applicant who accepts employment in any direct care position or requests approval as a
1077 sponsored residential service provider, permission to enter into a shared living arrangement with a person
1078 receiving medical assistance services pursuant to a waiver, or permission for any person under contract with
1079 the provider to serve in a direct care position has been convicted of a crime that affects his fitness to have
1080 responsibility for the safety and well-being of individuals with mental illness, intellectual disability, or
1081 substance abuse pursuant to §§ 37.2-416, 37.2-416.1, 37.2-506, 37.2-506.1, and 37.2-607;

1082 33. The Commissioner of the Department of Motor Vehicles, for the purpose of evaluating applicants for
1083 and holders of a motor carrier certificate or license subject to the provisions of Chapters 20 (§ 46.2-2000 et
1084 seq.) and 21 (§ 46.2-2100 et seq.) of Title 46.2;

1085 34. The Chairman of the Senate Committee for Courts of Justice or the Chairman of the House Committee
1086 for Courts of Justice for the purpose of determining if any person being considered for election to any
1087 judgeship has been convicted of a crime;

1088 35. Heads of state agencies in which positions have been identified as sensitive for the purpose of
1089 determining an individual's fitness for employment in positions designated as sensitive under Department of
1090 Human Resource Management policies developed pursuant to § 2.2-1201.1;

1091 36. The Office of the Attorney General, for all criminal justice activities otherwise permitted under
1092 subdivision 1 and for purposes of performing duties required by the Civil Commitment of Sexually Violent
1093 Predators Act (§ 37.2-900 et seq.);

1094 37. Shipyards, to the extent permitted by federal law or regulation, engaged in the design, construction,
1095 overhaul, or repair of nuclear vessels for the United States Navy, including their subsidiary companies, for
1096 the conduct of investigations of applications for employment or for access to facilities, by contractors, leased
1097 laborers, and other visitors;

1098 38. Any employer of individuals whose employment requires that they enter the homes of others, for the
1099 purpose of screening individuals who apply for, are offered, or have accepted such employment;

1100 39. Public agencies when and as required by federal or state law to investigate (i) applicants as providers
1101 of adult foster care and home-based services or (ii) any individual with whom the agency is considering
1102 placing an adult on an emergency, temporary, or permanent basis pursuant to § 63.2-1601.1, subject to the
1103 restriction that the data shall not be further disseminated by the agency to any party other than a federal or
1104 state authority or court as may be required to comply with an express requirement of law for such further
1105 dissemination, subject to limitations set out in subsection G;

1106 40. The Department of Medical Assistance Services, or its designee, for the purpose of screening
1107 individuals who, through contracts, subcontracts, or direct employment, volunteer, apply for, are offered, or
1108 have accepted a position related to the provision of transportation services to enrollees in the Medicaid
1109 Program or the Family Access to Medical Insurance Security (FAMIS) Program, or any other program
1110 administered by the Department of Medical Assistance Services;

1111 41. The State Corporation Commission for the purpose of investigating individuals who are current or
1112 proposed members, senior officers, directors, and principals of an applicant or person licensed under Chapter
1113 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.

1114 Notwithstanding any other provision of law, if an application is denied based in whole or in part on
 1115 information obtained from the Central Criminal Records Exchange pursuant to Chapter 16, 19, or 26 of Title
 1116 6.2, the Commissioner of Financial Institutions or his designee may disclose such information to the applicant
 1117 or its designee;

1118 42. The Department of Professional and Occupational Regulation for the purpose of investigating
 1119 individuals for initial licensure pursuant to § 54.1-2106.1;

1120 43. The Department for Aging and Rehabilitative Services and the Department for the Blind and Vision
 1121 Impaired for the purpose of evaluating an individual's fitness for various types of employment and for the
 1122 purpose of delivering comprehensive vocational rehabilitation services pursuant to Article 11 (§ 51.5-170 et
 1123 seq.) of Chapter 14 of Title 51.5 that will assist the individual in obtaining employment;

1124 44. Bail bondsmen, in accordance with the provisions of § 19.2-120;

1125 45. The State Treasurer for the purpose of determining whether a person receiving compensation for
 1126 wrongful incarceration meets the conditions for continued compensation under § 8.01-195.12;

1127 46. The Department of Education or its agents or designees for the purpose of screening individuals
 1128 seeking to enter into a contract with the Department of Education or its agents or designees for the provision
 1129 of child care services for which child care subsidy payments may be provided;

1130 47. The Department of Juvenile Justice to investigate any parent, guardian, or other adult members of a
 1131 juvenile's household when completing a predispositional or postdispositional report required by § 16.1-273 or
 1132 a Board of Juvenile Justice regulation promulgated pursuant to § 16.1-233;

1133 48. The State Corporation Commission, for the purpose of screening applicants for insurance licensure
 1134 under Chapter 18 (§ 38.2-1800 et seq.) of Title 38.2;

1135 49. Administrators and board presidents of and applicants for licensure or registration as a child day
 1136 program or family day system, as such terms are defined in § 22.1-289.02, for dissemination to the
 1137 Superintendent of Public Instruction's representative pursuant to § 22.1-289.013 for the conduct of
 1138 investigations with respect to employees of and volunteers at such facilities pursuant to §§ 22.1-289.034
 1139 through 22.1-289.037, subject to the restriction that the data shall not be further disseminated by the facility
 1140 or agency to any party other than the data subject, the Superintendent of Public Instruction's representative, or
 1141 a federal or state authority or court as may be required to comply with an express requirement of law for such
 1142 further dissemination; however, nothing in this subdivision shall be construed to prohibit the Superintendent
 1143 of Public Instruction's representative from issuing written certifications regarding the results of prior
 1144 background checks in accordance with subsection J of § 22.1-289.035 or § 22.1-289.039;

1145 50. The National Center for Missing and Exploited Children for the purpose of screening individuals who
 1146 are offered or accept employment or will be providing volunteer or contractual services with the National
 1147 Center for Missing and Exploited Children;

1148 51. The Executive Director or investigators of the Board of Accountancy for the purpose of the
 1149 enforcement of laws relating to the Board of Accountancy in accordance with § 54.1-4407; and

1150 52. Other entities as otherwise provided by law.

1151 Upon an ex parte motion of a defendant in a felony case and upon the showing that the records requested
 1152 may be relevant to such case, the court shall enter an order requiring the Central Criminal Records Exchange
 1153 to furnish the defendant, as soon as practicable, copies of any records of persons designated in the order on
 1154 whom a report has been made under the provisions of this chapter.

1155 Notwithstanding any other provision of this chapter to the contrary, upon a written request sworn to
 1156 before an officer authorized to take acknowledgments, the Central Criminal Records Exchange, or the
 1157 criminal justice agency in cases of offenses not required to be reported to the Exchange, shall furnish a copy
 1158 of conviction data covering the person named in the request to the person making the request; however, such
 1159 person on whom the data is being obtained shall consent in writing, under oath, to the making of such
 1160 request. A person receiving a copy of his own conviction data may utilize or further disseminate that data as
 1161 he deems appropriate. In the event no conviction data is maintained on the data subject, the person making
 1162 the request shall be furnished at his cost a certification to that effect.

1163 B. Use of criminal history record information disseminated to noncriminal justice agencies under this
 1164 section shall be limited to the purposes for which it was given and may not be disseminated further, except as
 1165 otherwise provided in subdivision A 49.

1166 C. No criminal justice agency or person shall confirm the existence or nonexistence of criminal history
 1167 record information for employment or licensing inquiries except as provided by law.

1168 D. Criminal justice agencies shall establish procedures to query the Central Criminal Records Exchange
 1169 prior to dissemination of any criminal history record information on offenses required to be reported to the
 1170 Central Criminal Records Exchange to ensure that the most up-to-date disposition data is being used.
 1171 Inquiries of the Exchange shall be made prior to any dissemination except in those cases where time is of the
 1172 essence and the normal response time of the Exchange would exceed the necessary time period. A criminal
 1173 justice agency to whom a request has been made for the dissemination of criminal history record information
 1174 that is required to be reported to the Central Criminal Records Exchange may direct the inquirer to the
 1175 Central Criminal Records Exchange for such dissemination. Dissemination of information regarding offenses

1176 not required to be reported to the Exchange shall be made by the criminal justice agency maintaining the
1177 record as required by § 15.2-1722.

1178 E. Criminal history information provided to licensed nursing homes, hospitals and to home care
1179 organizations pursuant to subdivision A 18 shall be limited to the convictions on file with the Exchange for
1180 any offense specified in §§ 32.1-126.01, 32.1-126.02, and 32.1-162.9:1.

1181 F. Criminal history information provided to licensed assisted living facilities and licensed adult day
1182 centers pursuant to subdivision A 19 shall be limited to the convictions on file with the Exchange for any
1183 offense specified in § 63.2-1720.

1184 G. Criminal history information provided to public agencies pursuant to subdivision A 39 shall be limited
1185 to the convictions on file with the Exchange for any offense set forth in clause (i) of the definition of barrier
1186 crime in § 19.2-392.02.

1187 H. Upon receipt of a written request from an employer or prospective employer, the Central Criminal
1188 Records Exchange, or the criminal justice agency in cases of offenses not required to be reported to the
1189 Exchange, shall furnish at the employer's cost a copy of conviction data covering the person named in the
1190 request to the employer or prospective employer making the request, provided that the person on whom the
1191 data is being obtained has consented in writing to the making of such request and has presented a photo-
1192 identification to the employer or prospective employer. In the event no conviction data is maintained on the
1193 person named in the request, the requesting employer or prospective employer shall be furnished at his cost a
1194 certification to that effect. The criminal history record search shall be conducted on forms provided by the
1195 Exchange.

1196 I. The attorney for the Commonwealth shall provide a physical or electronic copy of a person's criminal
1197 history record information, including criminal history record information maintained in the National Crime
1198 Information Center (NCIC) and the Interstate Identification Index System (III System) that is in his
1199 possession, pursuant to the rules of court for obtaining discovery or for review by the court. No criminal
1200 history record information provided under this subsection shall be disseminated further.

1201 **§ 37.2-314.2. Problem Gambling Treatment and Support Fund.**

1202 A. As used in this section:

1203 "Compulsive gambling" means persistent and recurrent problem gambling behavior leading to clinically
1204 significant impairment or distress, as indicated by an individual exhibiting four or more of the criteria as
1205 defined by the Diagnostic Statistical Manual of Mental Disorders in a 12-month period and where the
1206 behavior is not better explained by a manic episode.

1207 "Problem gambling" means a gambling behavior that causes disruptions in any major area of life,
1208 including the psychological, social, or vocational areas of life, but does not fulfill the criteria for diagnosis as
1209 a gambling disorder.

1210 B. There is hereby created in the state treasury a special nonreverting fund to be known as the Problem
1211 Gambling Treatment and Support Fund, referred to in this section as "the Fund." The Fund shall be
1212 established on the books of the Comptroller. All revenue accruing to the Fund pursuant to subsection A of
1213 § 58.1-4038, *moneys required to be deposited into the Fund pursuant to subsection B of § 59.1-614*, and
1214 moneys required to be deposited into the Fund pursuant to Chapter 41 (§ 58.1-4100 et seq.) of Title 58.1 shall
1215 be paid into the state treasury and credited to the Fund. Interest earned on moneys in the Fund shall remain in
1216 the Fund and be credited to it. Any moneys remaining in the Fund, including interest thereon, at the end of
1217 each fiscal year shall not revert to the general fund but shall remain in the Fund. Moneys in the Fund shall be
1218 used solely for the purposes of (i) providing counseling and other support services for compulsive and
1219 problem gamblers, (ii) developing and implementing compulsive and problem gambling treatment and
1220 prevention programs, and (iii) providing grants to support organizations that provide assistance to compulsive
1221 and problem gamblers. Expenditures and disbursements from the Fund shall be made by the State Treasurer
1222 on warrants issued by the Comptroller upon written request signed by the Commissioner.

1223 **§ 58.1-4002. Definitions.**

1224 As used in this chapter, unless the context requires a different meaning:

1225 "Board" means the Virginia Lottery Board established by this chapter.

1226 "Casino gaming" or "game" means baccarat, blackjack, twenty-one, poker, craps, dice, slot machines,
1227 roulette wheels, Klondike tables, punchboards, faro layouts, numbers tickets, push cards, jar tickets, or pull
1228 tabs and any other activity that is authorized by the Board as a wagering game or device under Chapter 41
1229 (§ 58.1-4100 et seq.). "Casino gaming" or "game" includes on-premises mobile casino gaming.

1230 "Department" means the independent agency responsible for the administration of the Virginia Lottery
1231 pursuant to this article ~~and~~, *the regulation of sports betting pursuant to Article 2 (§ 58.1-4030 et seq.), casino*
1232 *gaming pursuant to Chapter 41 (§ 58.1-4100 et seq.), and electronic skill gaming devices pursuant to*
1233 *Chapter 42 (§ 58.1-4200 et seq.).*

1234 "Director" means the Director of the Virginia Lottery.

1235 "Lottery" or "state lottery" means the lottery or lotteries established and operated pursuant to this ~~chapter~~
1236 *article.*

1237 "On-premises mobile casino gaming" means casino gaming offered by a casino gaming operator at a

1238 casino gaming establishment using a computer network of both federal and nonfederal interoperable packet-
1239 switched data networks through which the casino gaming operator may offer casino gaming to individuals
1240 who have established an on-premises mobile casino gaming account with the casino gaming operator and
1241 who are physically present on the premises of the casino gaming establishment, as authorized by regulations
1242 promulgated by the Board.

1243 "Sports betting" means placing wagers on sporting events as such activity is regulated by the Board.

1244 "Ticket courier service" means a service operated for the purpose of purchasing Virginia Lottery tickets
1245 on behalf of individuals located within or outside of the Commonwealth and delivering or transmitting such
1246 tickets, or electronic images thereof, to such individuals as a business-for-profit delivery service.

1247 "Voluntary exclusion program" means a program established by the Board pursuant to § 58.1-4015.1 that
1248 allows individuals to voluntarily exclude themselves from engaging in the activities described in subdivision
1249 B 1 of § 58.1-4015.1 by placing their name on a voluntary exclusion list and following the procedures set
1250 forth by the Board.

1251 **§ 58.1-4003. Virginia Lottery established.**

1252 Notwithstanding the provisions of Article 1 (§ 18.2-325 et seq.) of Chapter 8 of Title 18.2 or any other
1253 provision of law, there is hereby established as an independent agency of the Commonwealth, exclusive of
1254 the legislative, executive, or judicial branches of government, the Virginia Lottery, which shall include a
1255 Director and ~~a~~ the Virginia Lottery Board for the ~~purpose~~ purposes of operating a state lottery and regulating
1256 sports betting pursuant to Article 2 (§ 58.1-4030 et seq.), casino gaming pursuant to Chapter 41 (§ 58.1-4100
1257 et seq.), and electronic skill gaming devices pursuant to Chapter 42 (§ 58.1-4200 et seq.).

1258 **§ 58.1-4006. Powers of the Director.**

1259 A. The Director shall supervise and administer:

1260 1. The operation of the lottery in accordance with the provisions of this chapter and with the rules and
1261 regulations promulgated ~~hereunder~~ pursuant to this chapter; and

1262 2. The regulation of sports betting in accordance with Article 2 (§ 58.1-4030 et seq.) and with the rules
1263 and regulations promulgated pursuant to this chapter;

1264 3. The regulation of casino gaming in accordance with Chapter 41 (§ 58.1-4100 et seq.) and with the rules
1265 and regulations promulgated pursuant to that chapter; and

1266 4. The regulation of electronic skill gaming devices in accordance with Chapter 42 (§ 58.1-4200 et seq.)
1267 and with the rules and regulations promulgated pursuant to that chapter.

1268 B. The Director shall also:

1269 1. Employ such deputy directors, professional, technical, and clerical assistants, and other employees as
1270 may be required to carry out the functions and duties of the Department.

1271 2. Act as secretary and executive officer of the Board.

1272 3. Require bond or other surety satisfactory to the Director from licensed agents as provided in subsection
1273 E of § 58.1-4009 and Department employees with access to Department funds or lottery funds, in such
1274 amount as provided in the rules and regulations of the Board. The Director may also require bond from other
1275 employees as he deems necessary.

1276 4. Confer regularly, but not less than four times each year, with the Board on the operation and
1277 administration of the lottery, and the regulation of sports betting, casino gaming, and electronic skill gaming
1278 devices; make available for inspection by the Board, upon request, all books, records, files, and other
1279 information and documents of the Department; and advise the Board and recommend such matters as he
1280 deems necessary and advisable to improve the operation and administration of the lottery and the regulation
1281 of sports betting, casino gaming, and electronic skill gaming devices.

1282 5. Suspend, revoke, or refuse to renew any license issued pursuant to this chapter or the rules and
1283 regulations adopted ~~hereunder~~ pursuant to this chapter.

1284 6. Suspend, revoke, or refuse to renew any license or permit issued pursuant to Chapter 41 (§ 58.1-4100 et
1285 seq.).

1286 7. Eject or exclude from a casino gaming establishment any person, whether or not he possesses a license
1287 or permit, whose conduct or reputation is such that his presence may, in the opinion of the Director, reflect
1288 negatively on the honesty and integrity of casino gaming or interfere with the orderly gaming operations.

1289 8. Immediately upon the receipt of a credible complaint of an alleged criminal violation of Chapter 41
1290 (§ 58.1-4100 et seq.), report the complaint to the Attorney General and the State Police for appropriate action.

1291 9. Inspect and investigate, and have free access to, the offices, facilities, or other places of business of any
1292 licensee or permit holder and may compel the production of any of the books, documents, records, or
1293 memoranda of any licensee or permit holder for the purpose of ensuring compliance with Chapter 41
1294 (§ 58.1-4100 et seq.) and Department regulations.

1295 10. Compel any person holding a license or permit pursuant to Chapter 41 (§ 58.1-4100 et seq.) to file
1296 with the Department such information as shall appear to the Director to be necessary for the performance of
1297 the Department's functions, including financial statements and information relative to principals and all others
1298 with any pecuniary interest in such person.

1299 11. Impose a fine or penalty not to exceed \$1 million upon any person determined, in proceedings

1300 commenced pursuant to § 58.1-4105, to have violated any of the provisions of Chapter 41 (§ 58.1-4100 et
1301 seq.) or regulations promulgated by the Board.

1302 12. Enter into arrangements with any foreign or domestic governmental agency for the purposes of
1303 exchanging information or performing any other act to better ensure the proper conduct of casino gaming
1304 operations or the efficient conduct of the Director's duties.

1305 13. Enter into contracts for the operation of the lottery, or any part thereof, for the promotion of the lottery
1306 and into interstate lottery contracts with other states. A contract awarded or entered into by the Director shall
1307 not be assigned by the holder thereof except by specific approval of the Director.

1308 14. Certify monthly to the State Comptroller and the Board a full and complete statement of lottery
1309 revenues, prize disbursements, and other expenses for the preceding month.

1310 15. Report monthly to the Governor, the Secretary of Finance, and the Chairmen of the Senate Committee
1311 on Finance and Appropriations, House Committee on Finance, and House Committee on Appropriations the
1312 total lottery revenues, prize disbursements, and other expenses for the preceding month and make an annual
1313 report, which shall include a full and complete statement of lottery revenues, prize disbursements, and other
1314 expenses, as well as a separate financial statement of the expenses incurred in the regulation of casino gaming
1315 operations as defined in § 58.1-4100, to the Governor and the General Assembly. Such annual report shall
1316 also include such recommendations for changes in this chapter and Chapter 41 (§ 58.1-4100 et seq.) as the
1317 Director and Board deem necessary or desirable.

1318 16. Report immediately to the Governor and the General Assembly any matters that require immediate
1319 changes in the laws of the Commonwealth in order to prevent abuses and evasions of this chapter ~~and~~,
1320 Chapter 41 (§ 58.1-4100 et seq.), *and Chapter 42 (§ 58.1-4200 et seq.)*, or the rules and regulations adopted
1321 ~~hereunder pursuant to this chapter~~, or to rectify undesirable conditions in connection with the administration
1322 or operation of the lottery.

1323 17. Notify prize winners and appropriate state and federal agencies of the payment of prizes in excess of
1324 \$600 in the manner required by the lottery rules and regulations.

1325 18. Provide for the withholding of the applicable amount of state and federal income tax of persons
1326 claiming a prize for a winning ticket in excess of \$5,001.

1327 19. Participate in the Problem Gambling Treatment and Support Advisory Committee established
1328 pursuant to § 37.2-304 by the Department of Behavioral Health and Developmental Services to enable
1329 collaboration among prevention and treatment providers and operators of legal gaming in the Commonwealth
1330 on efforts to reduce the negative effects of problem gambling.

1331 C. The Director and the director of security or investigators appointed by the Director shall be vested with
1332 the powers of sheriff and sworn to enforce the statutes and regulations pertaining to the Department and to
1333 investigate violations of the statutes and regulations that the Director is required to enforce.

1334 D. The Director may authorize temporary bonus or incentive programs for payments to licensed sales
1335 agents that he determines will be cost effective and support increased sales of lottery products.

1336 **§ 58.1-4007. Powers of the Board.**

1337 A. The Board shall have the power to adopt regulations governing the establishment and operation of a
1338 lottery pursuant to this article ~~and~~, sports betting pursuant to Article 2 (§ 58.1-4030 et seq.), *casino gaming*
1339 *pursuant to Chapter 41 (§ 58.1-4100 et seq.)*, *and electronic skill gaming devices pursuant to Chapter 42*
1340 *(§ 58.1-4200 et seq.)*. The regulations governing the establishment and operation of the lottery ~~and~~, sports
1341 betting, *casino gaming*, *and electronic skill gaming devices* shall be promulgated by the Board after
1342 consultation with the Director. Such regulations shall be in accordance with the Administrative Process Act
1343 (§ 2.2-4000 et seq.). The regulations shall provide for all matters necessary or desirable for the efficient,
1344 honest, and economical operation and administration of the lottery ~~and~~, sports betting, *casino gaming*, *and*
1345 *electronic skill gaming devices* and for the convenience of the purchasers of tickets or shares, the holders of
1346 winning tickets or shares, ~~and~~ sports bettors, *casino gaming patrons*, *and the players of electronic skill*
1347 *gaming devices*. The regulations, which may be amended, repealed, or supplemented as necessary, shall
1348 include the following:

1349 1. The type or types of lottery or game to be conducted in accordance with § 58.1-4001.

1350 2. The price or prices of tickets or shares in the lottery.

1351 3. The numbers and sizes of the prizes on the winning tickets or shares, including informing the public of
1352 the approximate odds of winning and the proportion of lottery revenues (i) disbursed as prizes and (ii)
1353 returned to the Commonwealth as net revenues.

1354 4. The manner of selecting the winning tickets or shares.

1355 5. The manner of payment of prizes to the holders of winning tickets or shares.

1356 6. The frequency of the drawings or selections of winning tickets or shares without limitation.

1357 7. Without limitation as to number, the type or types of locations at which tickets or shares may be sold.

1358 8. The method to be used in selling tickets or shares, including the sale of tickets or shares over the
1359 Internet.

1360 9. The advertisement of the lottery in accordance with the provisions of subsection E of § 58.1-4022.

1361 10. The licensing of agents to sell tickets or shares who will best serve the public convenience and

1362 promote the sale of tickets or shares. No person under the age of 18 shall be licensed as an agent. A licensed
 1363 agent may employ a person who is 16 years of age or older to sell or otherwise vend tickets at the agent's
 1364 place of business so long as the employee is supervised in the selling or vending of tickets by the manager or
 1365 supervisor in charge at the location where the tickets are being sold. Employment of such person shall be in
 1366 compliance with Chapter 5 (§ 40.1-78 et seq.) of Title 40.1.

1367 11. The manner and amount of compensation, if any, to be paid licensed sales agents necessary to provide
 1368 for the adequate availability of tickets or shares to prospective buyers and for the convenience of the public.
 1369 Notwithstanding the provisions of this subdivision, the Board shall not be required to approve temporary
 1370 bonus or incentive programs for payments to licensed sales agents.

1371 12. Apportionment of the total revenues accruing from the sale of tickets or shares and from all other
 1372 sources and establishment of the amount of the special reserve fund as provided in § 58.1-4022.

1373 13. Such other matters necessary or desirable for the efficient and economical operation and
 1374 administration of the lottery.

1375 14. The operation of sports betting pursuant to Article 2 (§ 58.1-4030 et seq.). In adopting such
 1376 regulations, the Board shall establish a consumer protection program and publish a consumer protection bill
 1377 of rights. Such program and bill of rights shall include measures to protect sports bettors, as defined in
 1378 § 58.1-4030, with respect to identity, funds and accounts, consumer complaints, self-exclusion, and any other
 1379 consumer protection measure the Board determines to be reasonable.

1380 15. The administration of a voluntary exclusion program as provided in § 58.1-4015.1.

1381 The Department shall not be subject to the provisions of ~~Chapter 43~~ *the Virginia Public Procurement Act*
 1382 (§ 2.2-4300 et seq.) of ~~Title 2.2~~; however, the Board shall promulgate regulations, after consultation with the
 1383 Director, relative to departmental procurement which include standards of ethics for procurement consistent
 1384 with the provisions of Article 6 (§ 2.2-4367 et seq.) of ~~Chapter 43~~ *of Title 2.2 the Virginia Public*
 1385 *Procurement Act* and which ensure that departmental procurement will be based on competitive principles.

1386 The Board shall have the power to advise and recommend; but shall have no power to veto or modify
 1387 administrative decisions of the Director. However, the Board shall have the power to accept, modify, or reject
 1388 any revenue projections before such projections are forwarded to the Governor.

1389 B. The Board shall carry on a continuous study and investigation of the lottery ~~and~~, sports betting, *casino*
 1390 *gaming, and electronic skill gaming devices* throughout the Commonwealth to:

1391 1. Ascertain any defects of this chapter or the regulations issued ~~hereunder~~ *which pursuant to this chapter*
 1392 *that cause abuses in the administration and operation of the lottery and, sports betting and, casino gaming, or*
 1393 *electronic skill gaming devices or any evasions of such provisions.*

1394 2. Formulate, with the Director, recommendations for changes in this chapter and the regulations
 1395 promulgated ~~hereunder~~ *pursuant to this chapter* to prevent such abuses and evasions.

1396 3. Guard against the use of this chapter and the regulations promulgated ~~hereunder~~ *pursuant to this*
 1397 *chapter* as a subterfuge for organized crime and illegal gambling.

1398 4. Ensure that this law and the regulations of the Board are in such form and are so administered as to
 1399 serve the true purpose of this chapter.

1400 C. The Board shall make a continuous study and investigation of (i) the operation and the administration
 1401 of similar laws that may be in effect in other states or countries; (ii) any literature on the subject that may be
 1402 published or available; (iii) any federal laws that may affect the operation of the lottery ~~and~~, sports betting,
 1403 *casino gaming, and electronic skill gaming devices*; and (iv) the reaction of Virginia citizens to the potential
 1404 features of the lottery ~~and~~, sports betting, *casino gaming, and electronic skill gaming devices* with a view to
 1405 recommending or effecting changes that will serve the purpose of this chapter.

1406 D. The Board shall hear and decide an appeal of any ~~denial~~:

1407 1. *Denial* by the Director of the licensing or revocation of a license of a lottery agent pursuant to
 1408 subdivision A 10 of this section and subdivision B 5 of § 58.1-4006. ~~The Board shall hear and decide an~~
 1409 ~~appeal of any penalty;~~

1410 2. *Penalty, denial of a permit or renewal, or suspension or revocation of a permit imposed by the Director*
 1411 *pursuant to Article 2 (§ 58.1-4030 et seq.);*

1412 3. *Penalty, denial of a permit or license or renewal, or suspension or revocation of a permit or license*
 1413 *imposed by the Director pursuant to Chapter 41 (§ 58.1-4100 et seq.); and*

1414 4. *Penalty, denial by the Director of a license or renewal, or suspension or revocation of a license*
 1415 *imposed by the Director pursuant to Chapter 42 (§ 58.1-4200 et seq.).*

1416 E. The Board shall have the authority to initiate procedures for the planning, acquisition, and construction
 1417 of capital projects as set forth in Article 4 (§ 2.2-1129 et seq.) of Chapter 11 and Article 3 (§ 2.2-1819 et seq.)
 1418 of Chapter 18 of Title 2.2.

1419 F. The Board may adjust the percentage of uncollectible gaming receivables allowed to be subtracted from
 1420 adjusted gross revenue, as defined in § 58.1-4030, if it determines that a different percentage is reasonable
 1421 and customary in the sports betting industry.

1422 **§ 58.1-4015.1. Voluntary exclusion program.**

1423 A. The Board shall adopt regulations to establish and implement a voluntary exclusion program.

1424 B. The regulations shall include the following provisions:

1425 1. Except as provided by regulation of the Board, a person who participates in the voluntary exclusion
 1426 program agrees to refrain from (i) playing any account-based lottery game authorized under the provisions of
 1427 this article; (ii) participating in sports betting, as defined in § 58.1-4030; (iii) engaging in any form of casino
 1428 gaming that may be allowed under the laws of the Commonwealth; (iv) *playing any electronic skill gaming*
 1429 *device authorized pursuant to Chapter 42 (§ 58.1-4200 et seq.)*; (v) participating in charitable gaming, as
 1430 defined in § 18.2-340.16; ~~(vi)~~ (vi) participating in fantasy contests, as defined in § 59.1-556; or ~~(vii)~~ (vii)
 1431 wagering on horse racing, as defined in § 59.1-365. Any state agency, at the request of the Department, shall
 1432 assist in administering the voluntary exclusion program pursuant to the provisions of this section.

1433 2. A person who participates in the voluntary exclusion program may choose an exclusion period of two
 1434 years, five years, or lifetime.

1435 3. Except as provided by regulation of the Board, a person who participates in the voluntary exclusion
 1436 program may not petition the Board for removal from the program for the duration of his exclusion period.

1437 4. The name of a person participating in the program shall be included on a list of excluded persons. The
 1438 list of persons entering the voluntary exclusion program and the personal information of the participants shall
 1439 be confidential, with dissemination by the Department limited to sales agents and permit holders, as defined
 1440 in § 58.1-4030, and any other parties the Department deems necessary for purposes of enforcement. The list
 1441 and the personal information of participants in the voluntary exclusion program shall not be subject to
 1442 disclosure under the Virginia Freedom of Information Act (§ 2.2-3700 et seq.). In addition, the Board may
 1443 disseminate the list to other parties upon request by the participant and agreement by the Board.

1444 5. Sales agents and permit holders shall make all reasonable attempts as determined by the Board to cease
 1445 all direct marketing efforts to a person participating in the program. The voluntary exclusion program shall
 1446 not preclude sales agents and permit holders from seeking the payment of a debt incurred by a person before
 1447 entering the program. In addition, a permit holder may share the names of individuals who self-exclude
 1448 across its corporate enterprise, including sharing such information with any of its affiliates.

1449 **§ 58.1-4048. Gaming Regulatory Fund.**

1450 There is hereby created in the state treasury a special nonreverting fund to be known as the Gaming
 1451 Regulatory Fund, referred to in this section as "the Fund." The Fund shall be established on the books of the
 1452 Comptroller. All funds appropriated for such purpose and any gifts, donations, grants, bequests, and other
 1453 funds received on its behalf shall be paid into the state treasury and credited to the Fund. Interest earned on
 1454 moneys in the Fund shall remain in the Fund and be credited to it. Any moneys remaining in the Fund,
 1455 including interest thereon, at the end of each fiscal year shall not revert to the general fund but shall remain in
 1456 the Fund. Moneys in the Fund shall be used solely to offset the Department's costs associated with (i) the
 1457 conduct of investigations required by § 58.1-4032, 58.1-4043, 58.1-4104, 58.1-4109, 58.1-4116, 58.1-4120,
 1458 or 58.1-4121 or any other provision of this article ~~or~~, Chapter 41 (§ 58.1-4100 et seq.), *or Chapter 42*
 1459 *(§ 58.1-4200 et seq.)* and (ii) the enforcement of regulations promulgated by the ~~Virginia Lottery~~ Board
 1460 pursuant to subdivisions A 14 and 15 of § 58.1-4007, subdivision 2 of § 58.1-4102, and § §§ 58.1-4103,
 1461 *58.1-4202, and 58.1-4204*. Expenditures and disbursements from the Fund shall be made by the State
 1462 Treasurer on warrants issued by the Comptroller upon written request signed by the Director.

1463 **§ 58.1-4103. Voluntary exclusion program.**

1464 A. The Board shall adopt regulations to establish and implement a voluntary exclusion program.

1465 B. The regulations shall include the following provisions:

1466 1. Except as provided by regulation of the Board, a person who participates in the voluntary exclusion
 1467 program agrees to refrain from (i) playing any account-based lottery game authorized under the provisions of
 1468 this chapter or Chapter 40 (§ 58.1-4000 et seq.); (ii) participating in sports betting as such activity is regulated
 1469 by the Board; (iii) engaging in any form of casino gaming authorized under the provisions of this chapter; (iv)
 1470 *playing any electronic skill gaming device authorized pursuant to Chapter 42 (§ 58.1-4200 et seq.)*; (v)
 1471 participating in charitable gaming, as defined in § 18.2-340.16; ~~(vi)~~ (vi) participating in fantasy contests, as
 1472 defined in § 59.1-556; or ~~(vii)~~ (vii) wagering on horse racing, as defined in § 59.1-365. Any state agency, at
 1473 the request of the Department, shall assist in administering the voluntary exclusion program pursuant to the
 1474 provisions of this section.

1475 2. A person who participates in the voluntary exclusion program may choose an exclusion period of two
 1476 years, five years, or lifetime.

1477 3. Except as provided by regulation of the Board, a person who participates in the voluntary exclusion
 1478 program may not petition the Board for removal from the program for the duration of his exclusion period.

1479 4. The name of a person participating in the program shall be included on a list of excluded persons. The
 1480 list of persons entering the voluntary exclusion program and the personal information of the participants shall
 1481 be confidential, with dissemination by the Department limited to lottery sales agents licensed under Chapter
 1482 40 (§ 58.1-4000 et seq.), owners and operators of casino gaming establishments, and any other parties the
 1483 Department deems necessary for purposes of enforcement. The list and the personal information of
 1484 participants in the voluntary exclusion program shall not be subject to disclosure under the Virginia Freedom
 1485 of Information Act (§ 2.2-3700 et seq.). In addition, the Board may disseminate the list to other parties upon

1486 request by the participant and agreement by the Board.
1487 5. Lottery sales agents and owners and operators of casino gaming establishments shall make all
1488 reasonable attempts as determined by the Board to cease all direct marketing efforts to a person participating
1489 in the program. The voluntary exclusion program shall not preclude lottery sales agents and owners and
1490 operators of casino gaming establishments from seeking the payment of a debt incurred by a person before
1491 entering the program. In addition, the owner or operator of a casino gaming establishment may share the
1492 names of individuals who self-exclude across its corporate enterprise, including sharing such information
1493 with any of its affiliates.

1494 **CHAPTER 42.**
1495 **VIRGINIA GAMING COMMERCE AND DEVELOPMENT.**

1496 **Article 1.**
1497 **General Provisions.**

1498 **§ 58.1-4200. Definitions.**

1499 *As used in this chapter, unless the context requires a different meaning:*

1500 *"Board" means the Virginia Lottery Board established in the Virginia Lottery Law (§ 58.1-4000 et seq.).*

1501 *"Category" means the type of license granted by the Department, to include a manufacturer, distributor,*
1502 *operator, or host location license.*

1503 *"Commercial motor vehicle" means the same as that term is defined in § 46.2-341.4.*

1504 *"Department" means the independent agency responsible for the administration of the Virginia Lottery*
1505 *pursuant to Article 1 (§ 58.1-4000 et seq.) of Chapter 40 and the regulation of sports betting pursuant to*
1506 *Article 2 (§ 58.1-4030 et seq.) of Chapter 40, casino gaming pursuant to Chapter 41 (§ 58.1-4100 et seq.),*
1507 *and electronic skill gaming devices pursuant to this chapter.*

1508 *"Director" means the Director of the Virginia Lottery.*

1509 *"Distributor" means any person registered with the Board that sells, leases, offers, or provides and*
1510 *distributes electronic skill gaming devices to an operator for use or play in the Commonwealth, and buys or*
1511 *leases electronic skill gaming devices from a manufacturer licensee. No distributor shall contract directly*
1512 *with a host location.*

1513 *"Electronic skill gaming device" means a physical terminal, machine, or other device, including*
1514 *electronic or computerized devices, that requires the insertion of a coin, currency, ticket, token, or similar*
1515 *object to operate, activate, or play a game, the outcome of which shall be determined predominantly by the*
1516 *skill of the player, and that may deliver or entitle the person playing or operating the device to receive cash*
1517 *in excess of the cost of operating, activating, or playing the game. "Electronic skill gaming device" does not*
1518 *include any amusement device, as defined in § 18.2-334.6, any mobile telephone device, charitable games*
1519 *authorized pursuant to Article 1.1:1 (§ 18.2-340.15 et seq.) of Chapter 8 of Title 18.2, sports betting*
1520 *authorized under Article 2 (§ 58.1-4030 et seq.) of Chapter 40, casino gaming authorized under Chapter 41*
1521 *(§ 58.1-4100 et seq.), or historical horse racing authorized pursuant to Chapter 29 (§ 59.1-364 et seq.) of*
1522 *Title 59.1.*

1523 *"Gaming tax" means the tax imposed on gross profits.*

1524 *"Gross profits" means all revenue generated from the play of electronic skill gaming devices minus prizes*
1525 *or cash winnings paid out to successful players.*

1526 *"Host location" means a business establishment at which electronic skill gaming devices are placed,*
1527 *operated, and offered to the public for play by an operator licensee. "Host location" includes truck stops, as*
1528 *defined in this chapter.*

1529 *"Independent testing laboratory" means a laboratory selected by the Director with a national reputation*
1530 *for honesty, independence, and timeliness that is demonstrably competent and qualified to scientifically test*
1531 *and evaluate electronic skill gaming devices for compliance with this chapter and to otherwise perform the*
1532 *functions assigned to it by this chapter. No manufacturer, operator, distributor, or host location licensee*
1533 *shall have any ownership interest in any independent testing laboratory approved by the Director.*

1534 *"Individual" means a natural person.*

1535 *"Inducement" means anything of value offered, given, transferred, or paid, directly or indirectly, by a*
1536 *manufacturer, distributor, procurement agent, operator, or any employee, agent, contractor, or other person*
1537 *acting on behalf of any manufacturer, distributor, operator, or procurement agent to any host location*
1538 *licensee or any applicant for a host location license pursuant to this chapter, or to any employee, investor,*
1539 *owner, or officer of a host location licensee or applicant for a host location license as an enticement to*
1540 *solicit, enter into, grant, execute, renew, extend, or maintain a use agreement by and between a host location*
1541 *licensee and a distributor licensee, including any cash, incentive, marketing or advertising cost, gift, food,*
1542 *beverage, loan, financing arrangement, prepayment of gross revenue, or any other contribution payment that*
1543 *offsets a host location licensee's capital or operational costs, or as otherwise determined by the Board.*

1544 *"Inducement" does not include costs paid by a distributor or operator licensee related to:*

- 1545 1. *Costs for structural changes or modular materials or equipment used to meet minimum standards for*
- 1546 *the gaming area as required by the Board or to maintain the security of the gaming area, the electronic skill*
- 1547 *gaming devices, and ticket redemption terminals.*

1548 2. Surveillance equipment, alarm systems, and similar equipment or systems intended to monitor and
1549 secure the electronic skill gaming devices, the ticket redemption terminals, and the gaming area and the
1550 perimeter of the host location licensee's establishment, and any means of ingress and egress thereto.

1551 3. Any wiring or rewiring of the gaming area necessary to operate electronic skill gaming devices, ticket
1552 redemption terminals, or ancillary equipment.

1553 4. Any software updates to the electronic skill gaming devices or ticket redemption terminals or ongoing
1554 maintenance of electronic skill gaming devices, ticket redemption terminals, network connections, site
1555 controllers, chairs, tables, supports, or other ancillary equipment necessary to operate the electronic skill
1556 gaming devices and the ticket redemption terminals in the gaming area.

1557 5. Any requirement established by the Board regarding minimum standards for the operation of electronic
1558 skill gaming devices or ticket redemption terminals that the Board determines may be paid for, in whole or in
1559 part, by the distributor or operator licensee.

1560 "Licensee" or "license holder" means any person holding a manufacturer, distributor, operator, or host
1561 location license pursuant to Article 2 (§ 58.1-4205 et seq.).

1562 "Locality" means a county, city, or town, as those terms are defined in § 15.2-102.

1563 "Lottery" means the lottery or lotteries established and operated pursuant to Chapter 40 (§ 58.1-4000 et
1564 seq.).

1565 "Manufacturer" means any person that manufactures and sells or leases electronic skill gaming devices
1566 or software and hardware for electronic skill gaming devices to distributors.

1567 "Operator" means a person registered with the Board to place or service electronic skill gaming devices
1568 at the premises of a host location by (i) purchasing or leasing electronic skill gaming devices from a licensed
1569 distributor; (ii) providing the placement, repair, maintenance, replacement, or removal of electronic skill
1570 gaming devices to host locations; (iii) maintaining and servicing such devices; and (iv) facilitating data
1571 collection and data and financial reporting as required by this chapter and as determined by the Board.

1572 "Person" means any individual, group of individuals, firm, company, corporation, partnership, business,
1573 trust, association, or other legal entity.

1574 "Player" means an individual who plays an electronic skill gaming device.

1575 "Predominantly by the skill of the player" means the game outcome is determined primarily by the skill of
1576 the player.

1577 "Procurement agent" means a person licensed by the Board that acts as an agent, either as an employee
1578 or as an independent contractor of a manufacturer or manufacturers, distributor or distributors, operator or
1579 operators, and shares in the gross profits, is paid a commission, or is otherwise compensated for the purpose
1580 of soliciting or procuring a use agreement among two or more licensees in different categories.

1581 "Profits after taxes" means the gross profit minus the tax imposed upon all gross profits generated from
1582 the play of electronic skill gaming devices pursuant to §§ 58.1-4217 and 59.1-603.

1583 "Regulation" means any statement of general application having the force of law, affecting the rights or
1584 conduct of any person, adopted by the Board in accordance with the authority conferred on it by applicable
1585 laws.

1586 "Single play" means the period beginning when a player activates and pays for the interactive gameplay
1587 function of an electronic skill gaming device and ending at the time when the gameplay function or series of
1588 free subgames thereunder will not continue without payment by the player of additional consideration.

1589 "Successful player" means an individual who wins a payout on one or more plays of an electronic skill
1590 gaming device.

1591 "Ticket redemption terminal" means a terminal where a voucher dispensed by an electronic skill gaming
1592 device may be redeemed for cash or a cash equivalent.

1593 "Truck stop" means an establishment that (i) is equipped with diesel fuel islands used for fueling
1594 commercial motor vehicles and has sold, on average, at least 50,000 gallons of diesel or biodiesel fuel each
1595 month for the previous 12 months, or is projected to sell an average of at least 50,000 gallons of diesel or
1596 biodiesel fuel each month for the next 12 months; (ii) has a convenience store; (iii) is situated on not less
1597 than three acres of land that the establishment owns or leases; and (iv) has parking spaces dedicated to
1598 commercial motor vehicles.

1599 "Use agreement" means a written agreement conforming to the regulations established by the Board and
1600 those minimum requirements set forth in this chapter among two or more licensees in different categories.

1601 "Voluntary exclusion program" means a program established by the Board pursuant to § 58.1-4204 that
1602 allows individuals to voluntarily exclude themselves from engaging in the activities described in subdivision
1603 B 1 of § 58.1-4204 by placing their names on a voluntary exclusion list and following the procedures set forth
1604 by the Board.

1605 **§ 58.1-4201. Powers and duties of the Director related to electronic skill gaming devices; reporting.**

1606 A. The Director shall have the following powers and duties related to the regulation of electronic skill
1607 gaming devices:

1608 1. Issue licenses under Article 2 (§ 58.1-4205 et seq.) and supervise all activities licensed under the
1609 provisions of this chapter, including the manufacture, distribution, operation, hosting, and playing of

1610 *electronic skill gaming devices;*
1611 *2. Suspend, revoke, or refuse to renew any license issued pursuant to Article 2 (§ 58.1-4205 et seq.) or the*
1612 *rules and regulations adopted pursuant to this chapter;*
1613 *3. Inspect, investigate, and have free access to the offices, facilities, or other places of business of any*
1614 *licensee and compel the production of any books, documents, records, or memoranda of any licensee for the*
1615 *purpose of satisfying himself that this chapter and Board regulations are strictly complied with;*
1616 *4. Order such audits and inspections as deemed necessary;*
1617 *5. Certify monthly to the State Comptroller and the Board a full and complete statement of electronic skill*
1618 *gaming device revenues for the previous month;*
1619 *6. Assess and collect civil penalties for violations of this chapter and Board regulations;*
1620 *7. Report monthly to the Governor, the Secretary of Finance, and the Chairmen of the Senate Committee*
1621 *on Finance and Appropriations, House Committee on Finance, and House Committee on Appropriations the*
1622 *total electronic skill gaming device revenues and expenses for the previous month and make an annual*
1623 *report, which shall include a full and complete statement of electronic skill gaming device revenues and*
1624 *expenses and a list of all licensees licensed pursuant to this chapter, to the Governor and the General*
1625 *Assembly, including recommendations for changes in this chapter as the Director and Board deem prudent;*
1626 *8. Require training for host location licensees and the employees of any host location licensee as*
1627 *necessary on any topic the Director deems appropriate, including technical operations, security, problem*
1628 *gambling identification measures, and age verification procedures;*
1629 *9. Establish monthly reporting requirements for each electronic skill gaming device on the amounts*
1630 *wagered and amounts awarded on the last 500 plays and the last 100 plays for each electronic skill gaming*
1631 *device; and*
1632 *10. Do all acts necessary and advisable to carry out the purposes and provisions of this chapter.*
1633 *B. Upon request by the assessing official of a locality, the Director shall provide to such assessing official*
1634 *of such locality a statement of the amount of the gaming tax collected in such locality pursuant to Article 4*
1635 *(§ 58.1-4217 et seq.) from each electronic skill gaming device, from each host location, and from all*
1636 *electronic skill gaming devices and host locations in the aggregate.*
1637 **§ 58.1-4202. Powers and duties of the Board related to electronic skill gaming devices.**
1638 *In addition to the regulations adopted pursuant to § 58.1-4007, the Board shall promulgate regulations*
1639 *related to electronic skill gaming devices that:*
1640 *1. Develop such forms, licenses, identification cards, and applications as are necessary or convenient for*
1641 *the administration of this chapter;*
1642 *2. Establish requirements for all licensees under this chapter for the form, content, and retention of all*
1643 *records and accounts;*
1644 *3. Establish procedures for the collection of all fees levied pursuant to this chapter and set due dates for*
1645 *the payment of such fees;*
1646 *4. Establish a process for the approval or disapproval of electronic skill gaming devices and games*
1647 *offered on such devices;*
1648 *5. Establish cash handling procedures for operator and host location licensees that require such licensees*
1649 *to keep separate accounts for gaming and nongaming transactions;*
1650 *6. Establish standard terms between licensees in different categories;*
1651 *7. Establish rules and regulations that ensure transparency with respect to operational, transactional,*
1652 *and financial information provided to licensees that allow such licensees to be able to verify appropriate*
1653 *distributions of profits after taxes pursuant to the user agreement among any such licensees;*
1654 *8. Establish rules and regulations to ensure public safety and protocols to deter criminal activity within*
1655 *and around the host location's premises;*
1656 *9. Promulgate regulations that establish limitations on excessive ATM fees for players in host locations;*
1657 *10. Establish rules and regulations for the licensing of procurement agents;*
1658 *11. Require inspections of all licensees at a frequency determined by the Board;*
1659 *12. Require appropriate and reasonable security equipment to monitor the electronic skill gaming devices*
1660 *and related equipment;*
1661 *13. Establish a program of periodic testing and inspection for all electronic skill gaming devices;*
1662 *14. Prohibit licensees and their affiliates from advertising or marketing their products and services*
1663 *related to electronic skill gaming devices to players or potential players. However, (i) licensees shall be*
1664 *allowed to describe their products and services on a website operated and maintained by the licensee and (ii)*
1665 *host location licensees shall be allowed to advertise on one sign located at the host location, provided that*
1666 *such sign is no larger than three feet in height by three feet in width;*
1667 *15. Require host location licensees to post at least one sign in a conspicuous location at the entrance or*
1668 *by electronic skill gaming devices on the premises of its establishment. Such sign shall include (i) language*
1669 *that makes it clear that only individuals 21 years of age or older may play an electronic skill gaming device;*
1670 *(ii) a toll-free telephone number for problem gambling assistance that has been approved by the Virginia*
1671 *Council on Problem Gambling or another organization that provides assistance to problem gamblers; and*

1672 (iii) the toll-free telephone number and website for the illegal gaming tip line established by the Office of the
 1673 Gaming Enforcement Coordinator in the Department of State Police for members of the public to report
 1674 concerns about, or suspected instances of, illegal gaming activities. The Board shall also distribute written
 1675 guidance to host location licensees that shall be used to educate host location employees on how to recognize
 1676 intoxicated individuals; and

1677 16. Provide guidelines and recommendations necessary and advisable to carry out the purposes and
 1678 provisions of this chapter.

1679 **§ 58.1-4203. Adoption of referendum allowed.**

1680 A. For the purposes of this section, "locality" means any county or city. "Locality" does not include any
 1681 town.

1682 B. The governing body of a locality may hold a referendum on the question of whether electronic skill
 1683 gaming devices shall be prohibited in the locality.

1684 C. A referendum may be called for either by resolution of the governing body of a locality or upon a
 1685 petition of qualified voters equal in number to at least 2.5 percent of the number registered in the jurisdiction
 1686 on January 1 preceding its filing or by at least 5,000 qualified voters in the jurisdiction, whichever is less.
 1687 Upon the filing of a petition or passage of a resolution by the local governing body, the court shall order the
 1688 election officials of the county or city on the date fixed in the order to conduct a referendum on the question.
 1689 The clerk of the circuit court shall publish notice of the referendum in a newspaper of general circulation in
 1690 the county or city once a week for three consecutive weeks prior to the referendum.

1691 The regular election officers of such locality shall open the polls at the various voting places in such
 1692 locality on the date specified in such order and conduct such election in the manner provided by law. The
 1693 election shall be by ballot, which shall be prepared by the electoral board of the locality and on which shall
 1694 be printed the following question:

1695 "Shall electronic skill gaming devices, also known as "skill games" be prohibited at lottery retailers and
 1696 ABC licensed retailers, which may include restaurants, convenience stores, gas stations, truck stops, and
 1697 other locations in _____ (name of locality) as may be authorized by the Virginia Lottery?

1698 [] Yes

1699 [] No"

1700 In the blank shall be inserted the name of the locality in which such election is held. Any voter desiring to
 1701 vote "Yes" shall mark in the square provided for such purpose immediately preceding the word "Yes," leaving
 1702 the square immediately preceding the word "No" unmarked. Any voter desiring to vote "No" shall mark in the
 1703 square provided such purpose immediately preceding the word "No," leaving the square immediately
 1704 preceding the word "Yes" unmarked.

1705 The ballots shall be counted, the returns made and canvassed as in other elections, and the results
 1706 certified by the electoral board to the court ordering such election. Thereupon, such court shall enter an
 1707 order proclaiming the results of such election and a duly certified copy of such order shall be transmitted to
 1708 the Department and to the governing body of such locality.

1709 D. No license requirement, license fee, permit fee, sticker fee, or tax shall be imposed by any locality upon
 1710 an electronic skill gaming device manufacturer, distributor, operator, or host location relating to the
 1711 ownership, placement, use, or operation of electronic skill gaming devices or associated equipment.

1712 **§ 58.1-4204. Voluntary exclusion program.**

1713 A. The Board shall adopt regulations to establish and implement a voluntary exclusion program.

1714 B. The regulations shall include the following provisions:

1715 1. Except as provided by regulation of the Board, a person who participates in the voluntary exclusion
 1716 program agrees to refrain from (i) playing any account-based lottery game authorized under the provisions
 1717 of Chapter 40 (§ 58.1-4000 et seq.) or 41 (§ 58.1-4100 et seq.); (ii) participating in sports betting, as defined
 1718 in § 58.1-4030; (iii) engaging in any form of casino gaming authorized under the provisions of Chapter 41
 1719 (§ 58.1-4100 et seq.); (iv) playing any electronic skill gaming device authorized under the provisions of this
 1720 chapter; (v) participating in charitable gaming, as defined in § 18.2-340.16; (vi) participating in fantasy
 1721 contests, as defined in § 59.1-556; or (vii) wagering on horse racing, as defined in § 59.1-365. Any state
 1722 agency, at the request of the Department, shall assist in administering the voluntary exclusion program
 1723 pursuant to the provisions of this section.

1724 2. A person who participates in the voluntary exclusion program may choose an exclusion period of two
 1725 years, five years, or lifetime.

1726 3. Except as provided by regulation of the Board, a person who participates in the voluntary exclusion
 1727 program may not petition the Board for removal from the program for the duration of his exclusion period.

1728 4. The name of a person participating in the program shall be included on a list of excluded persons. The
 1729 list of persons entering the voluntary exclusion program and the personal information of the participants
 1730 shall be confidential, except that dissemination of such information by the Department to the entity that
 1731 manages its central accounting system established pursuant to § 58.1-4216 and any other parties the
 1732 Department deems necessary for purposes of enforcement shall be allowed. The list and the personal
 1733 information of participants in the voluntary exclusion program shall not be subject to disclosure under the

1734 Virginia Freedom of Information Act (§ 2.2-3700 et seq.). In addition, the Board may disseminate the list to
1735 other parties upon request by the participant and agreement by the Board.

1736 Article 2.

1737 Licenses and Requirements of Licensees.

1738 § 58.1-4205. Licenses that may be granted by the Director; fees.

1739 A. The Director may grant the following four license categories of industry licenses:

1740 1. Manufacturer license, which shall authorize the licensee to manufacture and sell or lease to a
1741 distributor or operator licensee electronic skill gaming devices, software and hardware for electronic skill
1742 gaming devices, and all tools and components necessary for the operation, repair, and maintenance of any
1743 such electronic skill gaming device.

1744 2. Distributor license, which shall authorize the licensee to (i) buy or lease electronic skill gaming devices
1745 from a manufacturer licensee and (ii) sell or lease such devices to operator licensees.

1746 3. Operator license, which shall authorize the licensee to (i) place or service electronic skill gaming
1747 devices at host locations, (ii) buy or lease electronic skill gaming devices from a manufacturer or distributor
1748 licensee, (iii) provide electronic skill gaming devices to host location licensees, (iv) maintain and service
1749 such devices, and (v) facilitate the data requirements and data reporting as required by this chapter.

1750 4. Host location license, which shall authorize the licensee to allow the placement and offering for play of
1751 electronic skill gaming devices at such licensee's establishment.

1752 B. An applicant for a manufacturer, distributor, operator, or host location license shall submit an
1753 application to the Director on forms provided by the Director. All distributor, operator, and host location
1754 applicants shall be required to submit a copy of a valid use agreement as a condition of licensure.
1755 The Board shall have the discretion to determine which license category applies to an applicant and the
1756 corresponding fees that apply to the applicant when such applicant meets the criteria for multiple licenses.
1757 Each host location premises shall be separately licensed.

1758 C. A nonrefundable fee of \$250,000 shall be paid by an applicant for a manufacturer license to the
1759 Department upon issuance of such license, and annually thereafter as a condition of licensure renewal or
1760 continued licensure.

1761 A nonrefundable fee of \$250,000 shall be paid by an applicant for a distributor license to the Department
1762 upon issuance of such license.

1763 A nonrefundable fee of \$25,000 shall be paid by an applicant for an operator license to the Department
1764 upon issuance of such license, and annually thereafter as a condition of licensure renewal or continued
1765 licensure.

1766 A nonrefundable fee of \$1,000 shall be paid by an applicant for a host location license that does not meet
1767 the definition of a "truck stop" as defined in § 58.1-4200 to the Department upon issuance of such license,
1768 and annually thereafter as a condition of licensure renewal or continued licensure.

1769 A nonrefundable fee of \$2,500 shall be paid by an applicant for a host location license that meets the
1770 definition of a "truck stop" as defined in § 58.1-4200 to the Department upon issuance of such license, and
1771 annually thereafter as a condition of licensure renewal or continued licensure.

1772 All fees collected by the Department pursuant to this subsection shall be deposited into the Gaming
1773 Regulatory Fund established pursuant to § 58.1-4048.

1774 § 58.1-4206. General licensing requirements; penalty.

1775 A. The Department, in conjunction with an approved outside vendor or accredited law-enforcement
1776 agency, shall conduct a background investigation, including a criminal history records check and
1777 fingerprinting, of the following individuals: (i) every individual applying for a license pursuant to this article;
1778 (ii) every individual who is an officer, director, board member, owner of at least a 10 percent interest in any
1779 licensee, or principal of a licensee or applicant for a license and any employee of the licensee, as determined
1780 by the Board, who is directly involved with a licensee; (iii) all security personnel of any licensee; and (iv) any
1781 individual conducting cash handling, maintenance, or service on any electronic skill gaming device. Each
1782 such individual shall submit his fingerprints and personal descriptive information to the Central Criminal
1783 Records Exchange to be forwarded to the Federal Bureau of Investigation for a national criminal records
1784 search and to the Department of State Police for a Virginia criminal history records check. The results of the
1785 background check and national and state criminal records check shall be returned to the Department. This
1786 subsection shall not apply to employees of host location licensees.

1787 B. The Director shall refuse to grant a license or shall suspend, revoke, or refuse to renew a license
1788 issued pursuant to this chapter to any person who has been (i) convicted of a crime involving moral
1789 turpitude, (ii) convicted of bookmaking or other forms of illegal gambling, (iii) found guilty of any fraud or
1790 misrepresentation in any connection, or (iv) convicted of a felony.

1791 C. The Director shall refuse to grant a license or shall suspend, revoke, or refuse to renew a license
1792 issued pursuant to this article to a partnership or corporation if he determines that any general or limited
1793 partner, or officer or director of such partnership or corporation, has been (i) convicted of a crime involving
1794 moral turpitude, (ii) convicted of bookmaking or other forms of illegal gambling, (iii) found guilty of any
1795 fraud or misrepresentation in any connection, or (iv) convicted of a felony.

1796 *D. The Director may also refuse to grant a license pursuant to this article if:*
1797 *1. The Director reasonably believes that the applicant's prior activities, criminal record, reputation, or*
1798 *associations are likely to either (i) pose a threat to the public interest, (ii) impede the regulation of electronic*
1799 *skill gaming devices, or (iii) promote unfair or illegal activities in the conduct of electronic skill gaming*
1800 *devices;*
1801 *2. The applicant or any general or limited partner or any officer or director of such applicant knowingly*
1802 *makes a false statement of material fact or deliberately fails to disclose information requested by the*
1803 *Director;*
1804 *3. The applicant or any general or limited partner or any officer or director of such applicant knowingly*
1805 *fails to comply with the provisions of this chapter or any requirements of the Director;*
1806 *4. The applicant's license to manufacture, distribute, operate, or offer to the public for play an electronic*
1807 *skill gaming device issued by any other jurisdiction has been suspended or revoked; or*
1808 *5. The applicant's application is incomplete.*
1809 *E. Any person who knowingly and willfully falsifies, conceals, or misrepresents a material fact or*
1810 *knowingly or willfully makes a false, fictitious, or fraudulent statement or representation in any application*
1811 *pursuant to this article is guilty of a Class 1 misdemeanor. The Director shall revoke the license of a licensee*
1812 *if, subsequent to the issuance of the license, the Director determines that the licensee knowingly or recklessly*
1813 *made a false statement of material fact to the Director in applying for the license.*
1814 **§ 58.1-4207. Distributor and operator licensees.**
1815 *A. No distributor licensee shall place an electronic skill gaming device on a host location licensee's*
1816 *premises unless such device (i) is approved by the Director, (ii) has been manufactured by a manufacturer*
1817 *licensee, and (iii) is purchased from a manufacturer licensee or distributor licensee.*
1818 *B. No operator licensee shall place or maintain an electronic skill gaming device at any establishment*
1819 *where it is offered to the public for play for a charge, directly or indirectly, unless such establishment is a*
1820 *host location licensee and has an agreement with standard terms.*
1821 **§ 58.1-4208. Host location licensees; civil penalty.**
1822 *A. Only the following locations are eligible to receive a host location license:*
1823 *1. Host locations that do not meet the definition of a "truck stop" and that (i) hold a retail license issued*
1824 *by the Virginia Alcoholic Beverage Control Authority or (ii) are licensed as an agent to sell lottery tickets or*
1825 *shares pursuant to Article 1 (§ 58.1-4000 et seq.) of Chapter 40; and*
1826 *2. Host locations that meet the definition of "truck stop" and that (i) hold a retail license issued by the*
1827 *Virginia Alcoholic Beverage Control Authority or (ii) are licensed as an agent to sell lottery tickets or shares*
1828 *pursuant to Article 1 (§ 58.1-4000 et seq.) of Chapter 40.*
1829 *B. No more than four electronic skill gaming devices may be located in an establishment listed in*
1830 *subdivision A 1. No more than seven electronic skill gaming devices may be located in an establishment listed*
1831 *in subdivision A 2.*
1832 *C. No host location licensee shall allow an electronic skill gaming device to be placed upon the premises*
1833 *of such licensee's establishment unless such device is owned or leased, placed, and maintained by an*
1834 *operator licensee. The primary business of a host location licensee shall not be the offering for play of*
1835 *electronic skill gaming devices.*
1836 *D. No host location licensee shall use the term "casino" in its entity name, in any advertisement in*
1837 *association with its product or service, or in any manner prohibited by Board regulation. Any host location*
1838 *licensee that violates the provisions of this subsection shall be subject to a civil penalty established by the*
1839 *Board. The Director shall enforce the provisions of this subsection. All penalties collected pursuant to this*
1840 *subsection shall accrue to the Literary Fund.*
1841 *E. In an effort to promote responsible gaming by players, host location licensees shall:*
1842 *1. Affix to a clearly visible and conspicuous location on each electronic skill gaming device a label that*
1843 *bears a toll-free number for problem gambling assistance that has been approved by the Virginia Council on*
1844 *Problem Gambling or other organizations that provide assistance to problem gamblers;*
1845 *2. Provide informational leaflets or other similar materials within two feet of each electronic skill gaming*
1846 *device on the dangers associated with problem gambling; and*
1847 *3. Comply with, and require its employees to comply with, any applicable Board regulations, including*
1848 *regulations regarding player self-exclusion programs, player identification, and player age verification.*
1849 *Nothing contained in this subsection shall be construed to create any cause of action against the Board or*
1850 *Department for the failure of a host location licensee to comply with the requirements of this section.*
1851 *F. All host location licensees shall comply with the provisions of this chapter and regulations adopted by*
1852 *the Board.*
1853 **§ 58.1-4209. License posting; expiration.**
1854 *A. Each license granted by the Director shall designate the physical location where the business of the*
1855 *licensee will be carried out.*
1856 *B. Each license shall be posted in a location conspicuous to the public at the place where the licensee*
1857 *carries out the business for which the license is granted.*

1858 C. The privileges conferred by any initial license application approved by the Director shall continue
 1859 until the last day of the twelfth month after the effective date of such license. Upon completion of the first year
 1860 of licensure, licenses shall be renewed until the next June 30 based upon the payment of a prorated renewal
 1861 fee. Annually thereafter, licenses shall be renewed on July 1 and include payment of the renewal fee. A
 1862 license may be sooner terminated for any cause for which the Director would be entitled to refuse to grant a
 1863 license or by operation of law, voluntary surrender, or order of the Director.

1864 D. The Director may grant licenses for one year.

1865 E. Sixty days before the expiration of a license, the license holder may submit a renewal application on
 1866 forms prescribed by the Board. The Director may deny a license renewal if he finds grounds for denial as
 1867 described in § 58.1-4206.

1868 **§ 58.1-4210. Prohibition against the issuance of multiple licenses.**

1869 A. For purposes of this section, "interest" means the direct or indirect ownership of any equity ownership
 1870 interest or a partial equity ownership interest or any other type of financial interest, including being an
 1871 investor, shareholder, member, lender, or employee.

1872 B. No licensee that has been issued a manufacturer license, distributor license, or operator license shall
 1873 be issued a host location license or have any interest in a host location licensee.

1874 C. No licensee that has been issued a manufacturer license, distributor license, or host location license
 1875 shall be issued an operator license or have any interest in an operator licensee.

1876 D. No licensee that has been issued a host location license shall be issued a manufacturer license or
 1877 distributor license or have any interest in a manufacturer licensee or distributor licensee.

1878 E. A licensee that has been issued a manufacturer license may also be issued a distributor licensee or
 1879 have an interest in a distributor licensee.

1880 F. A licensee that has been issued a distributor license may also be issued a manufacturer license or have
 1881 an interest in a manufacturer licensee.

1882 G. Host location applicants with interest in multiple host locations shall submit a separate application for
 1883 each individual host location premises.

1884 **§ 58.1-4211. Prohibition against transferring licenses or interests.**

1885 No licensee shall transfer its license or assign responsibility for compliance with the conditions of its
 1886 license to any party, including a transfer of effective control of the licensee. No distributor licensee shall
 1887 transfer any electronic skill gaming device or any interest in a use agreement without approval by the Board.

1888 **§ 58.1-4212. Suspension and revocation of licenses; civil penalties; hearing and appeal.**

1889 A. If the Director determines that any provision of this chapter or any regulation or condition of the
 1890 Board has not been complied with or has been violated by a licensee, he may, with at least 15 days' notice
 1891 and a hearing, (i) assess a civil penalty against the licensee under a framework established by the Board and
 1892 (ii) suspend or revoke the license holder's license. If any license is suspended or revoked, the Director shall
 1893 state his reasons for doing so, which shall be entered of record. Any civil penalties collected pursuant to this
 1894 section shall be paid into the state treasury and credited to the Literary Fund.

1895 B. Any person aggrieved by a refusal of the Director to issue any license, the suspension or revocation of
 1896 a license, the imposition of a fine, or any other action of the Director may seek review of such action in
 1897 accordance with Board regulations and Article 3 (§ 2.2-4018 et seq.) of the Administrative Process Act in the
 1898 Circuit Court of the City of Richmond. Further appeals shall also be in accordance with Article 5 (§ 2.2-4025
 1899 et seq.) of the Administrative Process Act.

1900 C. Suspension or revocation of a license by the Director for any violation shall not preclude criminal
 1901 liability for such violation.

1902 **§ 58.1-4213. Minimum requirements for use agreements among two or more categories of licensees;
 1903 division of revenue.**

1904 A. The Board shall promulgate regulations determining the minimum requirements and terms for use
 1905 agreements among licensees, including timelines for submitting use agreements to the Department.

1906 B. A copy of the use agreement shall be maintained in the business office of both the operator and the host
 1907 location and shall be available at all times for inspection by the Director. An operator shall file a copy of any
 1908 such use agreement with the Director within 30 days after the execution of such agreement.

1909 C. No person shall receive any portion of gross profits generated from electronic skill gaming devices
 1910 located at a host location's premises except for the manufacturer, distributor, operator, and host location that
 1911 are parties to the use agreement, except as approved by the Director in compliance with applicable rules and
 1912 regulations adopted by the Board.

1913 Article 3.

1914 Authorization of Electronic Skill Gaming Devices.

1915 **§ 58.1-4214. Approval of electronic skill gaming devices by the Director; minimum requirements.**

1916 A. No electronic skill gaming device shall be offered for play by the public in the Commonwealth unless
 1917 such electronic skill gaming device has first been approved by the Director. The Director shall not approve
 1918 more than 35,000 electronic skill gaming devices in the aggregate, as measured by electronic skill gaming
 1919 devices approved for host location licensees for operation at any one time in the Commonwealth, and such

1920 *approvals shall be determined by the Board.*

1921 *B. Before selling or otherwise providing an electronic skill gaming device to a distributor, a manufacturer*
 1922 *shall provide a prototype or production sample of such electronic skill gaming device to an independent*
 1923 *testing laboratory that has been approved by the Director, which shall evaluate and certify whether such*
 1924 *electronic skill gaming device meets the definition of electronic skill gaming device under § 58.1-4200, the*
 1925 *requirements of § 58.1-4215, and any other requirements established in Board regulations.*

1926 *A prototype or production sample of each type, version, or model of electronic skill gaming device being*
 1927 *operated in the Commonwealth shall be tested by an independent testing laboratory approved by the Director*
 1928 *to ensure its integrity, level of skill required, and proper working order. This evaluation shall include a*
 1929 *review of installed software periodically within a timeframe established by the Director.*

1930 *The independent testing laboratory's software may be embedded within the game software, utilize an*
 1931 *interface port to communicate with the device, or require the removal of device media for external*
 1932 *verification.*

1933 *C. Along with the prototype or production sample of the electronic skill gaming device, the manufacturer*
 1934 *shall provide the following information concerning the electronic skill gaming device to the independent*
 1935 *testing laboratory:*

- 1936 *1. The available wagering denominations;*
- 1937 *2. The minimum wager amount;*
- 1938 *3. The maximum wager amount per play, which shall not exceed \$5;*
- 1939 *4. The method of calculating winning payouts, including skill level achieved; and*
- 1940 *5. Payout calculations set forth in sufficient detail to audit a payout through manual calculation.*

1941 *D. The report of the independent testing laboratory shall be submitted by the manufacturer to the*
 1942 *Director. The Director shall use the report in evaluating whether the electronic skill gaming device shall be*
 1943 *approved under this chapter.*

1944 *E. If at any time a manufacturer makes a substantive change to game play for any electronic skill gaming*
 1945 *device that has previously been approved by the Director, such manufacturer shall resubmit the electronic*
 1946 *skill gaming device to the Director in a manner prescribed by Board regulation.*

1947 *F. The manufacturer licensee shall pay the cost of the independent testing laboratory's review and testing,*
 1948 *and the reports of the same shall be delivered to the licensee and the Director.*

1949 **§ 58.1-4215. Minimum requirements of electronic skill gaming devices.**

1950 *In addition to meeting the definition of electronic skill gaming device established in § 58.1-4200,*
 1951 *electronic skill gaming devices shall:*

- 1952 *1. Show the rules of play for each game in a way that adequately describes or displays such information*
 1953 *so that a reasonable person could understand the game prior to playing a game;*
- 1954 *2. Accept only cash wagers or tickets generated from electronic skill gaming devices that may be*
 1955 *redeemed for play at another electronic skill gaming device located on the same premises;*
- 1956 *3. Prohibit the modification of the software or rules of play for a game once a game is initiated;*
- 1957 *4. Prohibit the remote modification or manipulation of games, except as required or approved by the*
 1958 *Director pursuant to the provisions of this chapter;*
- 1959 *5. Pay out no more than \$ 4,000 in winnings for a single play of a game;*
- 1960 *6. Have an identification badge or sufficient integrity affixed to the exterior of the device by the*
 1961 *manufacturer that is not removable without leaving evidence of tampering.*
- 1962 *7. Have a currency storage area that is secured by two locks before the currency can be removed and that*
 1963 *is only accessible by the operator licensee;*
- 1964 *8. Make payments to successful players by issuing a voucher that can be redeemed for cash at the host*
 1965 *location's ticket redemption terminal or by the host location licensee;*
- 1966 *9. Have the ability to allow for an independent integrity check by an independent testing laboratory*
 1967 *approved by the Director of all software that may affect the integrity of the game;*
- 1968 *10. Be connected to the central accounting system established and operated by the Department under the*
 1969 *provisions of § 58.1-4216;*
- 1970 *11. Have the ability to detect and display the device's complete play history and winnings for the previous*
 1971 *100 games;*
- 1972 *12. Contain a non-resettable meter, which shall be located in a locked area of the device that is accessible*
 1973 *only by a key; and*
- 1974 *13. Have the capability of storing the meter information for a minimum of 180 days after a power loss to*
 1975 *the device.*

1976 **§ 58.1-4216. Requirement for central accounting system.**

1977 *A. Each electronic skill gaming device and ticket redemption terminal being operated in the*
 1978 *Commonwealth shall be connected to a central accounting system established and operated by the*
 1979 *Department.*

1980 *The central accounting system shall collect the following information from each device: (i) cash in; (ii)*
 1981 *payouts; (iii) points, credits, or amounts played; (iv) points, credits, or amounts won; (v) gross profit; (vi) the*

1982 number of plays of the game; and (vii) the amounts paid to play the game.

1983 The central accounting system shall not provide for the monitoring or reading of personal or financial
1984 information concerning players of electronic skill gaming devices.

1985 B. Within 90 days after the end of each fiscal year, the category of licensee responsible for the remittance
1986 of the gaming tax as determined by the Board, shall submit to the Director a third-party, independent audit of
1987 the financial transactions and condition of such licensee's total operations. All audits required by this
1988 subsection shall conform to Board regulations.

1989 Article 4.

1990 Taxation.

1991 **§ 58.1-4217. Gaming tax on gross profits.**

1992 A. 1. A gaming tax equal to 25 percent shall be imposed upon all gross profits generated from the play of
1993 electronic skill gaming devices.

1994 2. The gaming tax imposed pursuant to this section shall not apply to any activity regulated under Article
1995 2 (§ 58.1-4030 et seq.) of Chapter 40 or Chapter 41 (§ 58.1-4100 et seq.).

1996 B. All gaming taxes collected pursuant to the provisions of this section shall accrue to the Virginia
1997 Gaming Commerce and Development Fund and be allocated as provided in subsection B of § 59.1-614.

1998 C. The Board shall promulgate regulations to determine which category of licensee is responsible for
1999 remitting the required tax. The gaming tax and gross profits collected pursuant to this section shall be
2000 collected by the Department at a frequency established by Board regulations and shall be accompanied by
2001 forms and returns prescribed by the Board. The Director may suspend or revoke a license for willful failure
2002 to submit any such payments or associated returns within the specified time.

2003 **§ 58.1-4218. PreK-12 Priority Fund.**

2004 There is hereby created in the state treasury a special permanent, nonreverting, interest-bearing fund to
2005 be known as the PreK-12 Priority Fund, referred to in this section as "the Fund." The Fund shall be
2006 established on the books of the Comptroller. The Fund shall consist of (i) any gross receipts tax distributed
2007 pursuant to subdivision B 3 of § 59.1-614; (ii) any other moneys appropriated to it by the General Assembly;
2008 and (iii) such other sums as may be made available to it from any other source, public or private, all of which
2009 shall be credited to the Fund. Any moneys remaining in the Fund, including interest thereon, at the end of
2010 each fiscal year shall remain in the Fund and shall not revert to the general fund. All amounts credited to the
2011 Fund shall be used solely for public education purposes in the Commonwealth in accordance with the
2012 general appropriation act. Expenditures and disbursements from the Fund shall be made by the State
2013 Treasurer on warrants issued by the Comptroller upon written request signed by the Director.

2014 Article 5.

2015 Prohibited Acts; Penalties, Etc.

2016 **§ 58.1-4219. Illegal manufacture, distribution, or hosting; penalty.**

2017 A. No person shall:

2018 1. Manufacture, sell, or lease to any person electronic skill gaming devices or major components or parts,
2019 including software and hardware, for electronic skill gaming devices without a manufacturer license issued
2020 by the Director.

2021 2. Distribute, sell, or lease to any person electronic skill gaming devices or major components or parts,
2022 including software or hardware, for electronic skill gaming devices, or purchase, own, operate, possess, or
2023 place in the Commonwealth electronic skill gaming devices, or maintain and service such devices without a
2024 distributor license issued by the Director.

2025 3. Operate an establishment where one or more electronic skill gaming devices are made available for
2026 play by the public without a host location license issued by the Director.

2027 4. Solicit, offer, or enter into any contract or agreement for the placement of an electronic skill gaming
2028 device until the distributor, operator, host location, and procurement agent, if applicable, are all issued a
2029 license by the Director pursuant to this chapter.

2030 B. A violation of this section is a Class 6 felony.

2031 **§ 58.1-4220. Underage play prohibited; penalty.**

2032 A. No person younger than 21 years of age shall be eligible to operate an electronic skill gaming device
2033 regulated pursuant to this chapter. A person shall present a valid government issued photo identification to
2034 the host location before operating an electronic skill gaming device. A distributor licensee shall adhere to the
2035 front of all electronic skill gaming devices a notice in 16-point Times New Roman bold font that states the
2036 following: "No person shall play any electronic skill gaming device unless such person is 21 years of age or
2037 older."

2038 B. No person shall redeem any evidence of winnings from any person who is not 21 years of age or older.

2039 C. A violation of this section is a Class 1 misdemeanor.

2040 **§ 58.1-4221. Prohibited acts by host location licensees; penalty.**

2041 A. No host location licensee or its employees or agents shall:

2042 1. Knowingly permit any person who is not 21 years of age or older to play any electronic skill gaming
2043 device;

- 2044 2. Give any reward for the play of an electronic skill gaming device that is not authorized by this chapter;
 2045 3. Give any reward for the play of an electronic skill gaming device that is redeemable at a location other
 2046 than the host location's ticket redemption terminal or by staff at a host location;
 2047 4. Accept any inducement from a distributor licensee; or
 2048 5. Extend credit to any person for the purpose of playing any electronic skill gaming device.

2049 B. A violation of this section is a Class 1 misdemeanor.

2050 **§ 58.1-4222. Illegal tampering with electronic skill gaming devices; penalty.**

2051 No person other than an operator licensee shall possess or use any key or device designed for the purpose
 2052 of opening, entering, or affecting the operation of an electronic skill gaming device or otherwise tamper with
 2053 an electronic skill gaming device. A violation of this section is a Class 6 felony.

2054 **§ 58.1-4223. Conspiracies and attempts to commit violations; penalty.**

2055 A. Any person who conspires, confederates, or combines with another, either within or outside of the
 2056 Commonwealth, to commit a felony prohibited by this chapter is guilty of a Class 6 felony.

2057 B. Any person who attempts to commit any act prohibited by this chapter is guilty of a criminal offense
 2058 and shall be punished as provided in § 18.2-26, 18.2-27, or 18.2-28, as appropriate.

2059 **§ 58.1-4224. Exclusion from the applicability of this chapter.**

2060 This chapter shall not apply to sports betting authorized under Article 2 (§ 58.1-4030 et seq.) of Chapter
 2061 40 or casino gaming authorized under Chapter 41 (§ 58.1-4100 et seq.).

2062 **§ 58.1-4225. Certain provisions in Article 1 (§ 58.1-4000 et seq.) of Chapter 40 to apply mutatis
 2063 mutandis.**

2064 Except as provided in this chapter, the provisions of Article 1 (§ 58.1-4000 et seq.) of Chapter 40 shall
 2065 apply mutatis mutandis to electronic skill gaming devices under this chapter. The Board shall promulgate
 2066 regulations to interpret and clarify the applicability of Article 1 to this chapter.

2067 CHAPTER 60.

2068 VIRGINIA GAMING COMMERCE AND DEVELOPMENT.

2069 **§ 59.1-614. Virginia Gaming Commerce and Development Fund; distribution of gross profits and
 2070 gaming tax revenue.**

2071 A. There is hereby created in the state treasury a special nonreverting fund to be known as the Virginia
 2072 Gaming Commerce and Development Fund, referred to in this section as the "Fund." The Fund shall be
 2073 established on the books of the Comptroller. All moneys required to be deposited into the Fund pursuant to
 2074 Article 4 of Chapter 42 of Title 58.1 (§ 58.1-4217 et seq.) shall be paid into the state treasury and credited to
 2075 the Fund and interest earned on moneys in the Fund shall remain in the Fund and be credited to it.

2076 B. Revenues from the Fund shall be apportioned by the Comptroller as follows:

2077 1. Fifteen percent to the Department of Taxation for distribution to the locality in which the host location
 2078 operates;

2079 2. Two percent to the Problem Gambling Treatment and Support Fund established pursuant to
 2080 § 37.2-314.2;

2081 3. Seventy-five percent to the PreK-12 Priority Fund established pursuant to § 58.1-4218;

2082 4. One percent to the Department of State Police to be used by the Office of the Gaming Enforcement
 2083 Coordinator established pursuant to § 52-54;

2084 5. One percent to the law-enforcement agencies that have primary law-enforcement responsibility in any
 2085 locality in which electronic skill gaming devices are located; and

2086 6. Six percent to the Department, as such term is defined in § 58.1-4200, to cover the costs incurred in
 2087 administering and implementing the provisions of this chapter.

2088 C. Allocation of funds pursuant to this section shall occur no later than 60 days after such funds are
 2089 collected and only after the Department, as such term is defined in § 58.1-4200, has verified the accuracy of
 2090 the collected balances.

2091 **2. That the initial adoption by the Virginia Lottery Board (the Board) of regulations necessary to
 2092 implement the provisions of the first enactment of this act shall be exempt from the Administrative
 2093 Process Act (§ 2.2-4000 et seq. of the Code of Virginia), except that the Board shall provide an
 2094 opportunity for public comment on the regulations prior to adoption.**

2095 **3. That the initial procurement by the Virginia Lottery of the central accounting system for electronic
 2096 skill gaming devices required by § 58.1-4216 of the Code of Virginia, as created by the first enactment
 2097 of this act, shall be exempt from the departmental procurement regulations promulgated by the
 2098 Virginia Lottery Board pursuant to § 58.1-4007 of the Code of Virginia, as amended by the first
 2099 enactment of this act.**

2100 **4. That the Virginia Lottery (the Department) is authorized to begin accepting applications for
 2101 licensure in accordance with the provisions of Chapter 42 (§ 58.1-4200 et seq.) of Title 58.1 of the Code
 2102 of Virginia, as created by the first enactment of this act, as of January 1, 2027. Any applicant that has
 2103 submitted a completed application to the Department shall be authorized to begin manufacturing,
 2104 distributing, placing, or operating electronic skill gaming devices 30 days after the effective date of this
 2105 act, even if such applicant's application for licensure with the Department is still pending. If, after**

2106 review of an application, the Department fails to grant a license to an applicant, such applicant shall
2107 immediately cease all electronic skill gaming device operations in the Commonwealth. Notwithstanding
2108 the provisions of § 58.1-4205 of the Code of Virginia, as created by the first enactment of this act, the
2109 Department may, for an amount of time to be determined by the Virginia Lottery Board, require an
2110 applicant for licensure to pay all application fees at the time the applicant submits its application to the
2111 Department. Any applicant that, during such period, submits an application and accompanying fee but
2112 is not granted a license by the Department shall be reimbursed.

2113 5. That the Virginia Lottery (the Department) and the Virginia Alcoholic Beverage Control Authority
2114 shall enter into a memorandum of understanding allowing the Department to access any licensing
2115 records necessary to verify that any applicant for a host location license has a valid retail license to sell
2116 alcoholic beverages.

2117 6. That (i) the provisions of the first enactment of this act may result in a net increase in periods of
2118 imprisonment or commitment. Pursuant to § 30-19.1:4 of the Code of Virginia, the estimated amount
2119 of the necessary appropriation cannot be determined for periods of imprisonment in state adult
2120 correctional facilities; therefore, Chapter 1 of the Acts of Assembly of 2023, Special Session I, requires
2121 the Virginia Criminal Sentencing Commission to assign a minimum fiscal impact of \$50,000. Pursuant
2122 to § 30-19.1:4 of the Code of Virginia, the estimated amount of the necessary appropriation cannot be
2123 determined for periods of commitment to the custody of the Department of Juvenile Justice; and (ii)
2124 the budget bill introduced pursuant to § 2.2-1508 of the Code of Virginia for the 2026 Regular Session
2125 of the General Assembly shall include such necessary appropriation.

2126 7. That the first, second, third, fourth, fifth, and sixth enactment clauses of this act shall become
2127 effective on July 1, 2027.