

1 SENATE BILL NO. 609
2 AMENDMENT IN THE NATURE OF A SUBSTITUTE
3 (Proposed by the House Committee on General Laws
4 on _____)
5 (Patrons Prior to Substitute—Senators Lucas and Aird [SB 195])

6 *A BILL to amend and reenact §§ 2.2-203.3, 2.2-401.01, 2.2-511, 2.2-614.3, 2.2-3705.3, as it is currently*
7 *effective and as it shall become effective, 2.2-3705.6, 2.2-3705.7, 2.2-3711, as it is currently effective and*
8 *as it shall become effective, 2.2-3802, 2.2-4002, 2.2-4346, 3.2-102, 3.2-6201, 4.1-100, 4.1-206.3, as it is*
9 *currently effective and as it shall become effective, 4.1-226, 6.2-603.1, 8.01-216.3, 8.01-534, 11-16.1,*
10 *11-16.2, 15.2-912.2, 15.2-2825, 18.2-513, 19.2-66, 19.2-215.1, 19.2-389, as it is currently effective and as*
11 *it shall become effective, 19.2-390, 22.1-140.1, 37.2-304, 37.2-314.2, 52-53, 52-54, 58.1-3, 58.1-439,*
12 *58.1-460, 58.1-3510, 58.1-3732.1, and 59.1-542.1 of the Code of Virginia; to amend the Code of Virginia*
13 *by adding a title numbered 29.5, containing a subtitle numbered I, consisting of chapters numbered 1*
14 *through 6, containing sections numbered 29.5-100 through 29.5-650, a subtitle numbered II, consisting of*
15 *chapters numbered 7 and 8, containing sections numbered 29.5-700 through 29.5-814, and a subtitle*
16 *numbered III, consisting of a chapter numbered 9, containing sections numbered 29.5-900 through*
17 *29.5-913; and to repeal §§ 2.2-2455 and 2.2-2456, Article 1 (§§ 18.2-325 through 18.2-340) of Chapter 8*
18 *of Title 18.2, Article 1.1:1 (§§ 18.2-340.15 through 18.2-340.37) of Chapter 8 of Title 18.2, Chapter 40*
19 *(§§ 58.1-4000 through 58.1-4048) of Title 58.1, Chapter 41 (§§ 58.1-4100 through 58.1-4141) of Title*
20 *58.1, Chapter 29 (§§ 59.1-364 through 59.1-405) of Title 59.1, Chapter 29.1 (§ 59.1-405.1) of Title 59.1,*
21 *and Chapter 51 (§§ 59.1-556 through 59.1-570) of Title 59.1 of the Code of Virginia, relating to Virginia*
22 *Gaming Commission established; penalties.*

23 **Be it enacted by the General Assembly of Virginia:**

24 **1. That §§ 2.2-203.3, 2.2-401.01, 2.2-511, 2.2-614.3, 2.2-3705.3, as it is currently effective and as it shall**
25 **become effective, 2.2-3705.6, 2.2-3705.7, 2.2-3711, as it is currently effective and as it shall become**
26 **effective, 2.2-3802, 2.2-4002, 2.2-4346, 3.2-102, 3.2-6201, 4.1-100, 4.1-206.3, as it is currently effective**
27 **and as it shall become effective, 4.1-226, 6.2-603.1, 8.01-216.3, 8.01-534, 11-16.1, 11-16.2, 15.2-912.2,**
28 **15.2-2825, 18.2-513, 19.2-66, 19.2-215.1, 19.2-389, as it is currently effective and as it shall become**
29 **effective, 19.2-390, 22.1-140.1, 37.2-304, 37.2-314.2, 52-53, 52-54, 58.1-3, 58.1-439, 58.1-460, 58.1-3510,**
30 **58.1-3732.1, and 59.1-542.1 of the Code of Virginia; to amend the Code of Virginia by adding a title**
31 **numbered 29.5, containing a subtitle numbered I, consisting of chapters numbered 1 through 6,**
32 **containing sections numbered 29.5-100 through 29.5-650, a subtitle numbered II, consisting of chapters**

33 numbered 7 and 8, containing sections numbered 29.5-700 through 29.5-814, and a subtitle numbered
34 III, consisting of a chapter numbered 9, containing sections numbered 29.5-900 through 29.5-913, as
35 follows:

36 **§ 2.2-203.3. Position established; agencies for which responsible; additional duties.**

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

42 **§ 2.2-401.01. Liaison to Virginia Indian tribes; Ombudsman for Tribal Consultation; Virginia**
43 **Indigenous People's Trust Fund.**

44 A. The Secretary of the Commonwealth shall:

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

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

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

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

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

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

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

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

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

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

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

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

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

92 e. Make recommendations to the Secretary for full tribal recognition based on the findings of the

93 workgroup and the board; and

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

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

107 **§ 2.2-511. Criminal cases.**

108 A. Unless specifically requested by the Governor to do so, the Attorney General shall have no authority to
109 institute or conduct criminal prosecutions in the circuit courts of the Commonwealth except in cases
110 involving (i) violations of the Alcoholic Beverage Control Act (§ 4.1-100 et seq.); (ii) violation of laws
111 relating to elections and the electoral process as provided in § 24.2-104; (iii) violation of laws relating to
112 motor vehicles and their operation; (iv) the handling of funds by a state bureau, institution, commission, or
113 department; (v) the theft of state property; (vi) violation of the criminal laws involving child pornography
114 and sexually explicit visual material involving children; (vii) the practice of law without being duly
115 authorized or licensed or the illegal practice of law; (viii) violations of § 3.2-4212 or 58.1-1008.2; (ix) with
116 the concurrence of the local attorney for the Commonwealth, violations of the Virginia Computer Crimes Act
117 (§ 18.2-152.1 et seq.); (x) with the concurrence of the local attorney for the Commonwealth, violations of the
118 Air Pollution Control Law (§ 10.1-1300 et seq.), the Virginia Waste Management Act (§ 10.1-1400 et seq.),
119 and the State Water Control Law (§ 62.1-44.2 et seq.); (xi) with the concurrence of the local attorney for the
120 Commonwealth, violations of Chapters 2 (§ 18.2-18 et seq.), 3 (§ 18.2-22 et seq.), and 10 (§ 18.2-434 et seq.)
121 of Title 18.2, if such crimes relate to violations of law listed in clause (x) of this subsection; (xii) with the
122 concurrence of the local attorney for the Commonwealth, criminal violations by Medicaid providers or their
123 employees in the course of doing business, or violations of Chapter 13 (§ 18.2-512 et seq.) of Title 18.2, in

124 which cases the Attorney General may leave the prosecution to the local attorney for the Commonwealth, or
125 he may institute proceedings by information, presentment, or indictment, as appropriate, and conduct the
126 same; (xiii) with the concurrence of the local attorney for the Commonwealth, violations of Article 9
127 (§ 18.2-246.1 et seq.) of Chapter 6 of Title 18.2; (xiv) with the concurrence of the local attorney for the
128 Commonwealth, assisting in the prosecution of violations of §§ 18.2-186.3 and 18.2-186.4; (xv) with the
129 concurrence of the local attorney for the Commonwealth, assisting in the prosecution of violations of
130 § 18.2-46.2, 18.2-46.3, or 18.2-46.5 when such violations are committed on the grounds of a state
131 correctional facility; ~~and~~; (xvi) with the concurrence of the local attorney for the Commonwealth, assisting in
132 the prosecution of violations of Article 10 (§ 18.2-246.6 et seq.) of Chapter 6 of Title 18.2; *and (xvii) with the*
133 *concurrence of the local attorney for the Commonwealth, assisting in the prosecution of violations of Title*
134 *29.5.*

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

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

155 the Attorney General, or any of his employees or agents, any other officer, employee, or agent of the
156 Commonwealth or any of its political subdivisions, or any officer of the court.

157 **§ 2.2-614.3. Charitable organization; certain government action prohibited.**

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

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

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

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

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

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

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

174 As used in this section:

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

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

179 Nothing in this section shall prohibit a government agency from obtaining information from a charitable
180 organization pursuant to a subpoena, civil investigative demand, or other compulsory process. Nothing in this
181 section shall alter or limit the filing requirements applicable to charitable organizations under Chapter 8
182 (~~§ 18.2-325 et seq.~~ of Title 18.2 2 (*§ 29.5-200 et seq.*) of Title 29.5 or Chapter 5 (*§ 57-48 et seq.*) of Title 57.

183 **§ 2.2-3705.3. (Effective until July 1, 2026) Exclusions to application of chapter; records relating to**
184 **administrative investigations.**

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

189 1. Information relating to investigations of applicants for licenses and permits, and of all licensees and
190 permittees, made by or submitted to the Virginia Alcoholic Beverage Control Authority, the Virginia
191 Cannabis Control Authority, *the Virginia Gaming Commission*, the Virginia Lottery pursuant to Chapter 40
192 (~~§ 58.1-4000 et seq.~~) and Chapter 41 (~~§ 58.1-4100 et seq.~~) of Title 58.1, the Virginia Racing Commission, the
193 ~~Department of Agriculture and Consumer Services relating to investigations and applications pursuant to~~
194 ~~Article 1.1:1 (§ 18.2-340.15 et seq.) of Chapter 8 of Title 18.2;~~ or the Private Security Services Unit of the
195 Department of Criminal Justice Services.

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

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

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

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

215 6. Information relating to studies and investigations by the Virginia Lottery of (i) lottery agents, (ii) lottery

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

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

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

246 9. Records of active investigations being conducted by the Department of Criminal Justice Services

247 pursuant to Article 4 (§ 9.1-138 et seq.), Article 4.1 (§ 9.1-150.1 et seq.), Article 11 (§ 9.1-185 et seq.), and
248 Article 12 (§ 9.1-186 et seq.) of Chapter 1 of Title 9.1.

249 10. Information furnished to or prepared by the Board of Education pursuant to subsection D of
250 § 22.1-253.13:3 in connection with the review or investigation of any alleged breach in security, unauthorized
251 alteration, or improper administration of tests by local school board employees responsible for the
252 distribution or administration of the tests. However, this section shall not prohibit the disclosure of such
253 information to (i) a local school board or division superintendent for the purpose of permitting such board or
254 superintendent to consider or to take personnel action with regard to an employee or (ii) any requester, after
255 the conclusion of a review or investigation, in a form that (a) does not reveal the identity of any person
256 making a complaint or supplying information to the Board on a confidential basis and (b) does not
257 compromise the security of any test mandated by the Board.

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

274 12. Information provided in confidence and related to an investigation by the Attorney General under
275 Article 1 (§ 3.2-4200 et seq.) or Article 3 (§ 3.2-4204 et seq.) of Chapter 42 of Title 3.2, Article 10
276 (§ 18.2-246.6 et seq.) of Chapter 6 or Chapter 13 (§ 18.2-512 et seq.) of Title 18.2, or Article 1 (§ 58.1-1000)

277 of Chapter 10 of Title 58.1. However, information related to an investigation that has been inactive for more
278 than six months shall, upon request, be disclosed provided such disclosure is not otherwise prohibited by law
279 and does not reveal the identity of charging parties, complainants, persons supplying information, witnesses,
280 or other individuals involved in the investigation.

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

283 **§ 2.2-3705.3. (Effective July 1, 2026) Exclusions to application of chapter; records relating to**
284 **administrative investigations.**

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

289 1. Information relating to investigations of applicants for licenses and permits, and of all licensees and
290 permittees, made by or submitted to the Virginia Alcoholic Beverage Control Authority, the Virginia
291 Cannabis Control Authority, *the Virginia Gaming Commission*, the Virginia Lottery ~~pursuant to Chapter 40~~
292 ~~(§ 58.1-4000 et seq.) and Chapter 41 (§ 58.1-4100 et seq.) of Title 58.1~~, the Virginia Racing Commission, ~~the~~
293 ~~Department of Agriculture and Consumer Services relating to investigations and applications pursuant to~~
294 ~~Article 1.1-1 (§ 18.2-340.15 et seq.) of Chapter 8 of Title 18.2~~, or the Private Security Services Unit of the
295 Department of Criminal Justice Services.

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

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

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

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

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

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

339 adopt guidelines to govern the disclosure required by this subdivision.

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

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

349 10. Information furnished to or prepared by the Board of Education pursuant to subsection F of
350 § 22.1-253.13:3 in connection with the review or investigation of any alleged breach in security, unauthorized
351 alteration, or improper administration of tests by local school board employees responsible for the
352 distribution or administration of the tests. However, this section shall not prohibit the disclosure of such
353 information to (i) a local school board or division superintendent for the purpose of permitting such board or
354 superintendent to consider or to take personnel action with regard to an employee or (ii) any requester, after
355 the conclusion of a review or investigation, in a form that (a) does not reveal the identity of any person
356 making a complaint or supplying information to the Board on a confidential basis and (b) does not
357 compromise the security of any test mandated by the Board.

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

369 involved, the identity of the person who was the subject of the complaint, the nature of the complaint, and the
370 actions taken to resolve the complaint. If an investigation fails to support a complaint or does not lead to
371 corrective action, the identity of the person who was the subject of the complaint may be released only with
372 the consent of the subject person. No personally identifiable information regarding a current or former
373 student shall be released except as permitted by state or federal law.

374 12. Information provided in confidence and related to an investigation by the Attorney General under
375 Article 1 (§ 3.2-4200 et seq.) or Article 3 (§ 3.2-4204 et seq.) of Chapter 42 of Title 3.2, Article 10
376 (§ 18.2-246.6 et seq.) of Chapter 6 or Chapter 13 (§ 18.2-512 et seq.) of Title 18.2, or Article 1 (§ 58.1-1000)
377 of Chapter 10 of Title 58.1. However, information related to an investigation that has been inactive for more
378 than six months shall, upon request, be disclosed provided such disclosure is not otherwise prohibited by law
379 and does not reveal the identity of charging parties, complainants, persons supplying information, witnesses,
380 or other individuals involved in the investigation.

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

383 **§ 2.2-3705.6. Exclusions to application of chapter; proprietary records and trade secrets.**

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

388 1. Proprietary information gathered by or for the Virginia Port Authority as provided in § 62.1-132.4 or
389 62.1-134.1.

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

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

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

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

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

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

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

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

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

425 11. a. Memoranda, staff evaluations, or other information prepared by the responsible public entity, its
426 staff, outside advisors, or consultants exclusively for the evaluation and negotiation of proposals filed under
427 the Public-Private Transportation Act of 1995 (§ 33.2-1800 et seq.) or the Public-Private Education Facilities
428 and Infrastructure Act of 2002 (§ 56-575.1 et seq.) where (i) if such information was made public prior to or
429 after the execution of an interim or a comprehensive agreement, § 33.2-1820 or 56-575.17 notwithstanding,

430 the financial interest or bargaining position of the public entity would be adversely affected and (ii) the basis
431 for the determination required in clause (i) is documented in writing by the responsible public entity; and

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

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

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

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

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

455 Except as specifically provided in subdivision 11 a, nothing in this subdivision shall be construed to
456 authorize the withholding of (a) procurement records as required by § 33.2-1820 or 56-575.17; (b)
457 information concerning the terms and conditions of any interim or comprehensive agreement, service
458 contract, lease, partnership, or any agreement of any kind entered into by the responsible public entity and the
459 private entity; (c) information concerning the terms and conditions of any financing arrangement that

460 involves the use of any public funds; or (d) information concerning the performance of any private entity
461 developing or operating a qualifying transportation facility or a qualifying project.

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

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

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

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

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

488 14. Information of a proprietary or confidential nature furnished by a supplier or manufacturer of
489 charitable gaming supplies to the ~~Department of Agriculture and Consumer Services~~ *Virginia Gaming*

490 *Commission* (i) pursuant to subsection E of § ~~18.2-340.34~~ 29.5-225 and (ii) pursuant to regulations
491 promulgated by the ~~Commissioner of Agriculture and Consumer Services~~ *Virginia Gaming Commission*
492 *Board* related to approval of electronic and mechanical equipment.

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

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

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

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

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

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

518 20. Trade secrets or financial information of a business, including balance sheets and financial statements,
519 that are not generally available to the public through regulatory disclosure or otherwise, provided to the
520 Department of Small Business and Supplier Diversity as part of an application for certification as a small,

521 women-owned, or minority-owned business in accordance with Chapter 16.1 (§ 2.2-1603 et seq.). In order for
522 such trade secrets or financial information to be excluded from the provisions of this chapter, the business
523 shall (i) invoke such exclusion upon submission of the data or other materials for which protection from
524 disclosure is sought, (ii) identify the data or other materials for which protection is sought, and (iii) state the
525 reasons why protection is necessary.

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

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

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

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

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

538 c. Stating the reasons why protection is necessary.

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

543 23. Information relating to a grant application, or accompanying a grant application, submitted to the
544 Tobacco Region Revitalization Commission that would (i) reveal (a) trade secrets, (b) financial information
545 of a grant applicant that is not a public body, including balance sheets and financial statements, that are not
546 generally available to the public through regulatory disclosure or otherwise, or (c) research-related
547 information produced or collected by the applicant in the conduct of or as a result of study or research on
548 medical, rehabilitative, scientific, technical, technological, or scholarly issues, when such information has not
549 been publicly released, published, copyrighted, or patented, and (ii) be harmful to the competitive position of
550 the applicant; and memoranda, staff evaluations, or other information prepared by the Commission or its staff

551 exclusively for the evaluation of grant applications. The exclusion provided by this subdivision shall apply to
552 grants that are consistent with the powers of and in furtherance of the performance of the duties of the
553 Commission pursuant to § 3.2-3103.

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

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

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

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

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

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

- 575 (1) Invoking such exclusion upon submission of the data or other materials for which protection from
576 disclosure is sought;
- 577 (2) Identifying with specificity the data or other materials for which protection is sought; and
- 578 (3) Stating the reasons why protection is necessary.

579 The Authority shall determine whether the requested exclusion from disclosure is necessary to protect the

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

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

589 26. Trade secrets provided to the Department of Environmental Quality pursuant to the provisions of
590 § 10.1-1458. In order for such trade secrets to be excluded from the provisions of this chapter, the submitting
591 party shall (i) invoke this exclusion upon submission of the data or materials for which protection from
592 disclosure is sought, (ii) identify the data or materials for which protection is sought, and (iii) state the
593 reasons why protection is necessary.

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

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

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

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

603 c. Stating the reasons why protection is necessary.

604 28. Information relating to a grant, loan, or investment application, or accompanying a grant, loan, or
605 investment application, submitted to the Commonwealth of Virginia Innovation Partnership Authority (the
606 Authority) established pursuant to Article 11 (§ 2.2-2351 et seq.) of Chapter 22, an advisory committee of the
607 Authority, or any other entity designated by the Authority to review such applications, to the extent that such
608 records would (i) reveal (a) trade secrets; (b) financial information of a party to a grant, loan, or investment
609 application that is not a public body, including balance sheets and financial statements, that are not generally

610 available to the public through regulatory disclosure or otherwise; or (c) research-related information
611 produced or collected by a party to the application in the conduct of or as a result of study or research on
612 medical, rehabilitative, scientific, technical, technological, or scholarly issues, when such information has not
613 been publicly released, published, copyrighted, or patented, and (ii) be harmful to the competitive position of
614 a party to a grant, loan, or investment application; and memoranda, staff evaluations, or other information
615 prepared by the Authority or its staff, or a reviewing entity designated by the Authority, exclusively for the
616 evaluation of grant, loan, or investment applications, including any scoring or prioritization documents
617 prepared for and forwarded to the Authority.

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

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

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

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

630 c. Stating the reasons why protection is necessary.

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

637 31. Trade secrets, including, ~~but not limited to,~~ financial information, including balance sheets and
638 financial statements that are not generally available to the public through regulatory disclosure or otherwise,
639 and revenue and cost projections supplied by a private or nongovernmental entity to the Virginia Department

640 of Transportation for the purpose of an audit, special investigation, or any study requested by the Virginia
641 Department of Transportation in accordance with law.

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

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

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

647 c. Stating the reasons why protection is necessary.

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

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

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

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

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

668 c. Stating the reasons why protection is necessary.

669 The Department shall determine whether the requested exclusion from disclosure is necessary to protect

670 the trade secrets or confidential proprietary information of the applicant. The Department shall make a
671 written determination of the nature and scope of the protection to be afforded by it under this subdivision.

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

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

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

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

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

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

692 c. Stating the reasons why protection is necessary.

693 36. Information of a proprietary or confidential nature, including trade secrets, employee compensation
694 information, balance sheets and financial statements that are not available to the public through regulatory
695 disclosure or otherwise, and revenue and cost projections supplied by a private or nongovernmental entity to
696 the Department of Workforce Development and Advancement (the Department) for the purpose of
697 sponsoring, implementing, and operating (i) an apprenticeship program approved by the Department or (ii) a
698 similar lawful workforce development or public-private partnership approved by the Department that assists

699 the Department in fulfilling its mission and objectives and whose workforce development initiative could not
700 advance without such exemption, as determined by the Commissioner of the Department and the Secretary of
701 Labor. However, nothing in this subdivision shall be construed to allow the withholding of the name and
702 contact information of a private or nongovernmental entity sponsoring, implementing, or operating the
703 apprenticeship program, the location of the program, the occupations offered by the program, or the terms
704 and conditions of a contract or agreement entered into by such private or nongovernmental entity.

705 **§ 2.2-3705.7. Exclusions to application of chapter; records of specific public bodies and certain**
706 **other limited exclusions.**

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

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

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

724 As used in this subdivision:

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

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

730 prepared by or for a public official identified in this subdivision for his personal or deliberative use.

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

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

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

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

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

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

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

760 denied.

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

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

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

777 12. Information held by the Virginia Retirement System, acting pursuant to § 51.1-124.30, or a local
778 retirement system, acting pursuant to § 51.1-803, or by a local finance board or board of trustees of a trust
779 established by one or more local public bodies to invest funds for post-retirement benefits other than
780 pensions, acting pursuant to Article 8 (§ 15.2-1544 et seq.) of Chapter 15 of Title 15.2, or by the board of
781 visitors of the University of Virginia, acting pursuant to § 23.1-2210, or by the board of visitors of The
782 College of William and Mary in Virginia, acting pursuant to § 23.1-2803, or by the Commonwealth Savers
783 Plan, acting pursuant to § 23.1-704, relating to the acquisition, holding, or disposition of a security or other
784 ownership interest in an entity, where such security or ownership interest is not traded on a governmentally
785 regulated securities exchange, if disclosure of such information would (i) reveal confidential analyses
786 prepared for the board of visitors of the University of Virginia, prepared for the board of visitors of The
787 College of William and Mary in Virginia, prepared by the retirement system, a local finance board or board
788 of trustees, or the Commonwealth Savers Plan, or provided to the retirement system, a local finance board or
789 board of trustees, or the Commonwealth Savers Plan under a promise of confidentiality of the future value of

790 such ownership interest or the future financial performance of the entity and (ii) have an adverse effect on the
791 value of the investment to be acquired, held, or disposed of by the retirement system, a local finance board or
792 board of trustees, the board of visitors of the University of Virginia, the board of visitors of The College of
793 William and Mary in Virginia, or the Commonwealth Savers Plan. Nothing in this subdivision shall be
794 construed to prevent the disclosure of information relating to the identity of any investment held, the amount
795 invested, or the present value of such investment.

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

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

815 15. Information held by the Department of Environmental Quality, the State Water Control Board, the
816 State Air Pollution Control Board, or the Virginia Waste Management Board relating to (i) active federal
817 environmental enforcement actions that are considered confidential under federal law and (ii) enforcement
818 strategies, including proposed sanctions for enforcement actions. Upon request, such information shall be

819 disclosed after a proposed sanction resulting from the investigation has been proposed to the director of the
820 agency. This subdivision shall not be construed to prevent the disclosure of information related to inspection
821 reports, notices of violation, and documents detailing the nature of any environmental contamination that may
822 have occurred or similar documents.

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

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

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

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

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

844 21. Information held by state or local park and recreation departments and local and regional park
845 authorities or by the Department of Workforce Development and Advancement concerning identifiable
846 individuals younger than 18 years of age. However, nothing in this subdivision shall operate to prevent the
847 disclosure of information defined as directory information under regulations implementing the federal Family

848 Educational Rights and Privacy Act, 20 U.S.C. § 1232g, unless the public body has undertaken the parental
849 notification and opt-out requirements provided by such regulations. Access shall not be denied to the parent,
850 including a noncustodial parent, or guardian of such person, unless the parent's parental rights have been
851 terminated or a court of competent jurisdiction has restricted or denied such access. For such information of
852 persons who are emancipated, the right of access may be asserted by the subject thereof. Any parent or
853 emancipated person who is the subject of the information may waive, in writing, the protections afforded by
854 this subdivision. If the protections are so waived, the public body shall open such information for inspection
855 and copying.

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

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

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

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

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

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

876 (1) Invoking such exclusion prior to or upon submission of the data or other materials for which

877 protection from disclosure is sought;

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

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

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

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

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

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

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

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

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

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

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

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

923 33. Information contained in the strategic plan, marketing plan, or operational plan prepared by the
924 Virginia Economic Development Partnership Authority pursuant to § 2.2-2237.1 regarding target companies,
925 specific allocation of resources and staff for marketing activities, and specific marketing activities that would
926 reveal to the Commonwealth's competitors for economic development projects the strategies intended to be
927 deployed by the Commonwealth, thereby adversely affecting the financial interest of the Commonwealth.
928 The executive summaries of the strategic plan, marketing plan, and operational plan shall not be redacted or
929 withheld pursuant to this subdivision.

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

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

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

939 36. Personal information provided to or obtained by the Virginia ~~Lottery~~ *Gaming Commission* in
940 connection with the voluntary exclusion program administered pursuant to § ~~58-1-4015.1~~ 29.5-118.

941 37. Personal information provided to or obtained by the Virginia ~~Lottery~~ *Gaming Commission* concerning
942 the identity of any person reporting prohibited conduct pursuant to § ~~58-1-4043~~ 29.5-104.

943 **§ 2.2-3711. (Effective until July 1, 2026) Closed meetings authorized for certain limited purposes.**

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

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

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

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

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

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

968 expanding its facilities in the community.

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

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

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

983 9. Discussion or consideration by governing boards of public institutions of higher education of matters
984 relating to gifts, bequests, and ~~fund-raising~~ *fundraising* activities, and of grants and contracts for services or
985 work to be performed by such institution. However, the terms and conditions of any such gifts, bequests,
986 grants, and contracts made by a foreign government, a foreign legal entity, or a foreign person and accepted
987 by a public institution of higher education in the Commonwealth shall be subject to public disclosure upon
988 written request to the appropriate board of visitors. For the purpose of this subdivision, (i) "foreign
989 government" means any government other than the United States government or the government of a state or
990 a political subdivision thereof, (ii) "foreign legal entity" means any legal entity (a) created under the laws of
991 the United States or of any state thereof if a majority of the ownership of the stock of such legal entity is
992 owned by foreign governments or foreign persons or if a majority of the membership of any such entity is
993 composed of foreign persons or foreign legal entities or (b) created under the laws of a foreign government,
994 and (iii) "foreign person" means any individual who is not a citizen or national of the United States or a trust
995 territory or protectorate thereof.

996 10. Discussion or consideration by the boards of trustees of the Virginia Museum of Fine Arts, the
997 Virginia Museum of Natural History, the Jamestown-Yorktown Foundation, the Fort Monroe Authority, and

998 The Science Museum of Virginia of matters relating to specific gifts, bequests, and grants from private
999 sources.

1000 11. Discussion or consideration of honorary degrees or special awards.

1001 12. Discussion or consideration of tests, examinations, or other information used, administered, or
1002 prepared by a public body and subject to the exclusion in subdivision 4 of § 2.2-3705.1.

1003 13. Discussion, consideration, or review by the appropriate House or Senate committees of possible
1004 disciplinary action against a member arising out of the possible inadequacy of the disclosure statement filed
1005 by the member, provided that the member may request in writing that the committee meeting not be
1006 conducted in a closed meeting.

1007 14. Discussion of strategy with respect to the negotiation of a hazardous waste siting agreement or to
1008 consider the terms, conditions, and provisions of a hazardous waste siting agreement if the governing body in
1009 open meeting finds that an open meeting will have an adverse effect upon the negotiating position of the
1010 governing body or the establishment of the terms, conditions, and provisions of the siting agreement, or both.
1011 All discussions with the applicant or its representatives may be conducted in a closed meeting.

1012 15. Discussion by the Governor and any economic advisory board reviewing forecasts of economic
1013 activity and estimating general and nongeneral fund revenues.

1014 16. Discussion or consideration of medical and mental health records subject to the exclusion in
1015 subdivision 1 of § 2.2-3705.5.

1016 17. Deliberations of the Virginia Lottery Board in a licensing appeal action conducted pursuant to
1017 subsection D of § ~~58.1-4007~~ 29.5-707 regarding the denial or revocation of a license of a lottery sales agent;
1018 and discussion, consideration, or review of Virginia Lottery matters related to proprietary lottery game
1019 information and studies or investigations excluded from disclosure under subdivision 6 of § 2.2-3705.3 and
1020 subdivision 11 of § 2.2-3705.7.

1021 18. Those portions of meetings in which the State Board of Local and Regional Jails discusses or discloses
1022 the identity of, or information tending to identify, any prisoner who (i) provides information about crimes or
1023 criminal activities, (ii) renders assistance in preventing the escape of another prisoner or in the apprehension
1024 of an escaped prisoner, or (iii) voluntarily or at the instance of a prison official renders other extraordinary
1025 services, the disclosure of which is likely to jeopardize the prisoner's life or safety.

1026 19. Discussion of plans to protect public safety as it relates to terrorist activity or specific cybersecurity
1027 threats or vulnerabilities and briefings by staff members, legal counsel, or law-enforcement or emergency

1028 service officials concerning actions taken to respond to such matters or a related threat to public safety;
1029 discussion of information subject to the exclusion in subdivision 2 or 14 of § 2.2-3705.2, where discussion in
1030 an open meeting would jeopardize the safety of any person or the security of any facility, building, structure,
1031 information technology system, or software program; or discussion of reports or plans related to the security
1032 of any governmental facility, building, or structure, or the safety of persons using such facility, building, or
1033 structure.

1034 20. Discussion by the Board of the Virginia Retirement System, acting pursuant to § 51.1-124.30, or of
1035 any local retirement system, acting pursuant to § 51.1-803, or by a local finance board or board of trustees of
1036 a trust established by one or more local public bodies to invest funds for postemployment benefits other than
1037 pensions, acting pursuant to Article 8 (§ 15.2-1544 et seq.) of Chapter 15 of Title 15.2, or by the board of
1038 visitors of the University of Virginia, acting pursuant to § 23.1-2210, or by the Board of the Commonwealth
1039 Savers Plan, acting pursuant to § 23.1-706, regarding the acquisition, holding, or disposition of a security or
1040 other ownership interest in an entity, where such security or ownership interest is not traded on a
1041 governmentally regulated securities exchange, to the extent that such discussion (i) concerns confidential
1042 analyses prepared for the board of visitors of the University of Virginia, prepared by the retirement system, or
1043 a local finance board or board of trustees, or the Commonwealth Savers Plan or provided to the retirement
1044 system, a local finance board or board of trustees, or the Commonwealth Savers Plan under a promise of
1045 confidentiality, of the future value of such ownership interest or the future financial performance of the
1046 entity, and (ii) would have an adverse effect on the value of the investment to be acquired, held, or disposed
1047 of by the retirement system, a local finance board or board of trustees, the board of visitors of the University
1048 of Virginia, or the Commonwealth Savers Plan. Nothing in this subdivision shall be construed to prevent the
1049 disclosure of information relating to the identity of any investment held, the amount invested, or the present
1050 value of such investment.

1051 21. Those portions of meetings in which individual child death cases are discussed by the State Child
1052 Fatality Review Team established pursuant to § 32.1-283.1, those portions of meetings in which individual
1053 child death cases are discussed by a regional or local child fatality review team established pursuant to
1054 § 32.1-283.2, those portions of meetings in which individual death cases are discussed by family violence
1055 fatality review teams established pursuant to § 32.1-283.3, those portions of meetings in which individual
1056 adult death cases are discussed by the state Adult Fatality Review Team established pursuant to § 32.1-283.5,
1057 those portions of meetings in which individual adult death cases are discussed by a local or regional adult
1058 fatality review team established pursuant to § 32.1-283.6, those portions of meetings in which individual

1059 death cases are discussed by overdose fatality review teams established pursuant to § 32.1-283.7, those
1060 portions of meetings in which individual maternal death cases are discussed by the Maternal Mortality
1061 Review Team pursuant to § 32.1-283.8, and those portions of meetings in which individual death cases of
1062 persons with developmental disabilities are discussed by the Developmental Disabilities Mortality Review
1063 Committee established pursuant to § 37.2-314.1.

1064 22. Those portions of meetings of the board of visitors of the University of Virginia or Old Dominion
1065 University, as the case may be, and those portions of meetings of any persons to whom management
1066 responsibilities for the University of Virginia Medical Center or the Eastern Virginia Health Sciences Center
1067 at Old Dominion University, as the case may be, have been delegated, in which there is discussed proprietary,
1068 business-related information pertaining to the operations of the University of Virginia Medical Center or the
1069 Eastern Virginia Health Sciences Center at Old Dominion University, as the case may be, including business
1070 development or marketing strategies and activities with existing or future joint venturers, partners, or other
1071 parties with whom the University of Virginia Medical Center or the Eastern Virginia Health Sciences Center
1072 at Old Dominion University, as the case may be, has formed, or forms, any arrangement for the delivery of
1073 health care, if disclosure of such information would adversely affect the competitive position of the
1074 University of Virginia Medical Center or the Eastern Virginia Health Sciences Center at Old Dominion
1075 University, as the case may be.

1076 23. Discussion or consideration by the Virginia Commonwealth University Health System Authority or
1077 the board of visitors of Virginia Commonwealth University of any of the following: the acquisition or
1078 disposition by the Authority of real property, equipment, or technology software or hardware and related
1079 goods or services, where disclosure would adversely affect the bargaining position or negotiating strategy of
1080 the Authority; matters relating to gifts or bequests to, and ~~fund-raising~~ fundraising activities of, the Authority;
1081 grants and contracts for services or work to be performed by the Authority; marketing or operational
1082 strategies plans of the Authority where disclosure of such strategies or plans would adversely affect the
1083 competitive position of the Authority; and members of the Authority's medical and teaching staffs and
1084 qualifications for appointments thereto.

1085 24. Those portions of the meetings of the Health Practitioners' Monitoring Program Committee within the
1086 Department of Health Professions to the extent such discussions identify any practitioner who may be, or who
1087 actually is, impaired pursuant to Chapter 25.1 (§ 54.1-2515 et seq.) of Title 54.1.

1088 25. Meetings or portions of meetings of the Board of the Commonwealth Savers Plan wherein personal

1089 information, as defined in § 2.2-3801, which has been provided to the Board or its employees by or on behalf
1090 of individuals who have requested information about, applied for, or entered into prepaid tuition contracts or
1091 savings trust account agreements pursuant to Chapter 7 (§ 23.1-700 et seq.) of Title 23.1 is discussed.

1092 26. Discussion or consideration, by the former Wireless Carrier E-911 Cost Recovery Subcommittee
1093 created pursuant to former § 56-484.15, of trade secrets submitted by CMRS providers, as defined in
1094 § 56-484.12, related to the provision of wireless E-911 service.

1095 27. Those portions of disciplinary proceedings by any regulatory board within the Department of
1096 Professional and Occupational Regulation, Department of Health Professions, or the Board of Accountancy
1097 conducted pursuant to § 2.2-4019 or 2.2-4020 during which the board deliberates to reach a decision or
1098 meetings of health regulatory boards or conference committees of such boards to consider settlement
1099 proposals in pending disciplinary actions or modifications to previously issued board orders as requested by
1100 either of the parties.

1101 28. Discussion or consideration of information subject to the exclusion in subdivision 11 of § 2.2-3705.6
1102 by a responsible public entity or an affected locality or public entity, as those terms are defined in
1103 § 33.2-1800, or any independent review panel appointed to review information and advise the responsible
1104 public entity concerning such records.

1105 29. Discussion of the award of a public contract involving the expenditure of public funds, including
1106 interviews of bidders or offerors, and discussion of the terms or scope of such contract, where discussion in
1107 an open session would adversely affect the bargaining position or negotiating strategy of the public body.

1108 30. Discussion or consideration of grant or loan application information subject to the exclusion in
1109 subdivision 17 of § 2.2-3705.6 by the Commonwealth Health Research Board.

1110 31. Discussion or consideration by the Commitment Review Committee of information subject to the
1111 exclusion in subdivision 5 of § 2.2-3705.2 relating to individuals subject to commitment as sexually violent
1112 predators under Chapter 9 (§ 37.2-900 et seq.) of Title 37.2.

1113 32. Discussion or consideration of confidential proprietary information and trade secrets developed and
1114 held by a local public body providing certain telecommunication services or cable television services and
1115 subject to the exclusion in subdivision 18 of § 2.2-3705.6. However, the exemption provided by this
1116 subdivision shall not apply to any authority created pursuant to the BVU Authority Act (§ 15.2-7200 et seq.).

1117 33. Discussion or consideration by a local authority created in accordance with the Virginia Wireless
1118 Service Authorities Act (§ 15.2-5431.1 et seq.) of confidential proprietary information and trade secrets
1119 subject to the exclusion in subdivision 19 of § 2.2-3705.6.

1120 34. Discussion or consideration by the State Board of Elections or local electoral boards of voting security
1121 matters made confidential pursuant to § 24.2-410.2 or 24.2-625.1.

1122 35. Discussion or consideration by the Forensic Science Board or the Scientific Advisory Committee
1123 created pursuant to Article 2 (§ 9.1-1109 et seq.) of Chapter 11 of Title 9.1 of criminal investigative files.

1124 36. Discussion or consideration by the Brown v. Board of Education Scholarship Committee of
1125 information or confidential matters subject to the exclusion in subdivision A 3 of § 2.2-3705.4, and meetings
1126 of the Committee to deliberate concerning the annual maximum scholarship award, review and consider
1127 scholarship applications and requests for scholarship award renewal, and cancel, rescind, or recover
1128 scholarship awards.

1129 37. Discussion or consideration by the Virginia Port Authority of information subject to the exclusion in
1130 subdivision 1 of § 2.2-3705.6 related to certain proprietary information gathered by or for the Virginia Port
1131 Authority.

1132 38. Discussion or consideration by the Board of Trustees of the Virginia Retirement System acting
1133 pursuant to § 51.1-124.30, by the Investment Advisory Committee appointed pursuant to § 51.1-124.26, by
1134 any local retirement system, acting pursuant to § 51.1-803, by the Board of the Commonwealth Savers Plan
1135 acting pursuant to § 23.1-706, or by the Commonwealth Savers Plan's Investment Advisory Committee
1136 appointed pursuant to § 23.1-702 of information subject to the exclusion in subdivision 24 of § 2.2-3705.7.

1137 39. Discussion or consideration of information subject to the exclusion in subdivision 3 of § 2.2-3705.6
1138 related to economic development.

1139 40. Discussion or consideration by the Board of Education of information relating to the denial,
1140 suspension, or revocation of teacher licenses subject to the exclusion in subdivision 11 of § 2.2-3705.3.

1141 41. Those portions of meetings of the Virginia Military Advisory Council or any commission created by
1142 executive order for the purpose of studying and making recommendations regarding preventing closure or
1143 realignment of federal military and national security installations and facilities located in Virginia and
1144 relocation of such facilities to Virginia, or a local or regional military affairs organization appointed by a
1145 local governing body, during which there is discussion of information subject to the exclusion in subdivision
1146 8 of § 2.2-3705.2.

1147 42. Discussion or consideration by the Board of Trustees of the Veterans Services Foundation of
1148 information subject to the exclusion in subdivision 28 of § 2.2-3705.7 related to personally identifiable
1149 information of donors.

1150 43. Discussion or consideration by the Virginia Tobacco Region Revitalization Commission of

1151 information subject to the exclusion in subdivision 23 of § 2.2-3705.6 related to certain information contained
1152 in grant applications.

1153 44. Discussion or consideration by the board of directors of the Commercial Space Flight Authority of
1154 information subject to the exclusion in subdivision 24 of § 2.2-3705.6 related to rate structures or charges for
1155 the use of projects of, the sale of products of, or services rendered by the Authority and certain proprietary
1156 information of a private entity provided to the Authority.

1157 45. Discussion or consideration of personal and proprietary information related to the resource
1158 management plan program and subject to the exclusion in (i) subdivision 25 of § 2.2-3705.6 or (ii) subsection
1159 E of § 10.1-104.7. This exclusion shall not apply to the discussion or consideration of records that contain
1160 information that has been certified for release by the person who is the subject of the information or
1161 transformed into a statistical or aggregate form that does not allow identification of the person who supplied,
1162 or is the subject of, the information.

1163 46. Discussion or consideration by the Board of Directors of the Virginia Alcoholic Beverage Control
1164 Authority of information subject to the exclusion in subdivision 1 of § 2.2-3705.3 related to investigations of
1165 applicants for licenses and permits and of licensees and permittees.

1166 47. Discussion or consideration of grant, loan, or investment application records subject to the exclusion
1167 in subdivision 28 of § 2.2-3705.6 for a grant, loan, or investment pursuant to Article 11 (§ 2.2-2351 et seq.)
1168 of Chapter 22.

1169 48. Discussion or development of grant proposals by a regional council established pursuant to Article 26
1170 (§ 2.2-2484 et seq.) of Chapter 24 to be submitted for consideration to the Virginia Growth and Opportunity
1171 Board.

1172 49. Discussion or consideration of (i) individual sexual assault cases by a sexual assault response team
1173 established pursuant to § 15.2-1627.4, (ii) individual child abuse or neglect cases or sex offenses involving a
1174 child by a child sexual abuse response team established pursuant to § 15.2-1627.5, (iii) individual cases
1175 involving abuse, neglect, or exploitation of adults as defined in § 63.2-1603 pursuant to §§ 15.2-1627.5 and
1176 63.2-1605, or (iv) individual human trafficking cases by any human trafficking response team established
1177 pursuant to § 15.2-1627.6.

1178 50. Discussion or consideration by the Board of the Virginia Economic Development Partnership
1179 Authority, the Joint Legislative Audit and Review Commission, or any subcommittees thereof, of the portions
1180 of the strategic plan, marketing plan, or operational plan exempt from disclosure pursuant to subdivision 33
1181 of § 2.2-3705.7.

1182 51. Those portions of meetings of the subcommittee of the Board of the Virginia Economic Development
1183 Partnership Authority established pursuant to subsection F of § 2.2-2237.3 to review and discuss information
1184 received from the Virginia Employment Commission pursuant to subdivision C 2 of § 60.2-114 and the
1185 Department of Workforce Development and Advancement pursuant to subsection B of § 2.2-2040.

1186 52. Discussion or consideration by the Commonwealth of Virginia Innovation Partnership Authority (the
1187 Authority), an advisory committee of the Authority, or any other entity designated by the Authority, of
1188 information subject to the exclusion in subdivision 35 of § 2.2-3705.7.

1189 53. Deliberations of the Virginia ~~Lottery~~ *Gaming Commission* Board conducted pursuant to § ~~58.1-4105~~
1190 ~~29.5-305~~ regarding the denial or revocation of a license of a casino gaming operator, or the refusal to issue,
1191 suspension of, or revocation of any license or permit related to casino gaming, and discussion, consideration,
1192 or review of matters related to investigations excluded from mandatory disclosure under subdivision 1 of
1193 § 2.2-3705.3.

1194 54. Deliberations of the Virginia ~~Lottery~~ *Gaming Commission* Board in an appeal conducted pursuant to §
1195 ~~58.1-4007~~ ~~29.5-104~~ regarding the denial of, revocation of, suspension of, or refusal to renew any license or
1196 permit related to sports betting and any discussion, consideration, or review of matters related to
1197 investigations excluded from mandatory disclosure under subdivision 1 of § 2.2-3705.3.

1198 55. Meetings or portions of meetings of the Board of Criminal Justice Services or the Department of
1199 Criminal Justice Services concerning the decertification of an identifiable law-enforcement or jail officer.

1200 B. No resolution, ordinance, rule, contract, regulation, or motion adopted, passed, or agreed to in a closed
1201 meeting shall become effective unless the public body, following the meeting, reconvenes in open meeting
1202 and takes a vote of the membership on such resolution, ordinance, rule, contract, regulation, or motion that
1203 shall have its substance reasonably identified in the open meeting.

1204 C. Public officers improperly selected due to the failure of the public body to comply with the other
1205 provisions of this section shall be de facto officers and, as such, their official actions are valid until they
1206 obtain notice of the legal defect in their election.

1207 D. Nothing in this section shall be construed to prevent the holding of conferences between two or more
1208 public bodies, or their representatives, but these conferences shall be subject to the same procedures for
1209 holding closed meetings as are applicable to any other public body.

1210 E. This section shall not be construed to (i) require the disclosure of any contract between the Department
1211 of Health Professions and an impaired practitioner entered into pursuant to Chapter 25.1 (§ 54.1-2515 et seq.)
1212 of Title 54.1 or (ii) require the board of directors of any authority created pursuant to the Industrial

1213 Development and Revenue Bond Act (§ 15.2-4900 et seq.), or any public body empowered to issue industrial
1214 revenue bonds by general or special law, to identify a business or industry to which subdivision A 5 applies.
1215 However, such business or industry shall be identified as a matter of public record at least 30 days prior to the
1216 actual date of the board's authorization of the sale or issuance of such bonds.

1217 **§ 2.2-3711. (Effective July 1, 2026) Closed meetings authorized for certain limited purposes.**

1218 A. Public bodies may hold closed meetings only for the following purposes:

1219 1. Discussion, consideration, or interviews of prospective candidates for employment; assignment,
1220 appointment, promotion, performance, demotion, salaries, disciplining, or resignation of specific public
1221 officers, appointees, or employees of any public body; and evaluation of performance of departments or
1222 schools of public institutions of higher education where such evaluation will necessarily involve discussion of
1223 the performance of specific individuals. Any teacher shall be permitted to be present during a closed meeting
1224 in which there is a discussion or consideration of a disciplinary matter that involves the teacher and some
1225 student and the student involved in the matter is present, provided that the teacher makes a written request to
1226 be present to the presiding officer of the appropriate board. Nothing in this subdivision, however, shall be
1227 construed to authorize a closed meeting by a local governing body or an elected school board to discuss
1228 compensation matters that affect the membership of such body or board collectively.

1229 2. Discussion or consideration of admission or disciplinary matters or any other matters that would
1230 involve the disclosure of information contained in a scholastic record concerning any student of any public
1231 institution of higher education in the Commonwealth or any state school system. However, any such student,
1232 legal counsel, and, if the student is a minor, the student's parents or legal guardians shall be permitted to be
1233 present during the taking of testimony or presentation of evidence at a closed meeting, if such student,
1234 parents, or guardians so request in writing and such request is submitted to the presiding officer of the
1235 appropriate board.

1236 3. Discussion or consideration of the acquisition of real property for a public purpose, or of the disposition
1237 of publicly held real property, where discussion in an open meeting would adversely affect the bargaining
1238 position or negotiating strategy of the public body.

1239 4. The protection of the privacy of individuals in personal matters not related to public business.

1240 5. Discussion concerning a prospective business or industry or the expansion of an existing business or
1241 industry where no previous announcement has been made of the business' or industry's interest in locating or
1242 expanding its facilities in the community.

1243 6. Discussion or consideration of the investment of public funds where competition or bargaining is
1244 involved, where, if made public initially, the financial interest of the governmental unit would be adversely
1245 affected.

1246 7. Consultation with legal counsel and briefings by staff members or consultants pertaining to actual or
1247 probable litigation, where such consultation or briefing in open meeting would adversely affect the
1248 negotiating or litigating posture of the public body. For the purposes of this subdivision, "probable litigation"
1249 means litigation that has been specifically threatened or on which the public body or its legal counsel has a
1250 reasonable basis to believe will be commenced by or against a known party. Nothing in this subdivision shall
1251 be construed to permit the closure of a meeting merely because an attorney representing the public body is in
1252 attendance or is consulted on a matter.

1253 8. Consultation with legal counsel employed or retained by a public body regarding specific legal matters
1254 requiring the provision of legal advice by such counsel. Nothing in this subdivision shall be construed to
1255 permit the closure of a meeting merely because an attorney representing the public body is in attendance or is
1256 consulted on a matter.

1257 9. Discussion or consideration by governing boards of public institutions of higher education of matters
1258 relating to gifts, bequests, and ~~fund-raising~~ *fundraising* activities, and of grants and contracts for services or
1259 work to be performed by such institution. However, the terms and conditions of any such gifts, bequests,
1260 grants, and contracts made by a foreign government, a foreign legal entity, or a foreign person and accepted
1261 by a public institution of higher education in the Commonwealth shall be subject to public disclosure upon
1262 written request to the appropriate board of visitors. For the purpose of this subdivision, (i) "foreign
1263 government" means any government other than the United States government or the government of a state or
1264 a political subdivision thereof, (ii) "foreign legal entity" means any legal entity (a) created under the laws of
1265 the United States or of any state thereof if a majority of the ownership of the stock of such legal entity is
1266 owned by foreign governments or foreign persons or if a majority of the membership of any such entity is
1267 composed of foreign persons or foreign legal entities or (b) created under the laws of a foreign government,
1268 and (iii) "foreign person" means any individual who is not a citizen or national of the United States or a trust
1269 territory or protectorate thereof.

1270 10. Discussion or consideration by the boards of trustees of the Virginia Museum of Fine Arts, the
1271 Virginia Museum of Natural History, the Jamestown-Yorktown Foundation, the Fort Monroe Authority, and
1272 The Science Museum of Virginia of matters relating to specific gifts, bequests, and grants from private

1273 sources.

1274 11. Discussion or consideration of honorary degrees or special awards.

1275 12. Discussion or consideration of tests, examinations, or other information used, administered, or
1276 prepared by a public body and subject to the exclusion in subdivision 4 of § 2.2-3705.1.

1277 13. Discussion, consideration, or review by the appropriate House or Senate committees of possible
1278 disciplinary action against a member arising out of the possible inadequacy of the disclosure statement filed
1279 by the member, provided that the member may request in writing that the committee meeting not be
1280 conducted in a closed meeting.

1281 14. Discussion of strategy with respect to the negotiation of a hazardous waste siting agreement or to
1282 consider the terms, conditions, and provisions of a hazardous waste siting agreement if the governing body in
1283 open meeting finds that an open meeting will have an adverse effect upon the negotiating position of the
1284 governing body or the establishment of the terms, conditions, and provisions of the siting agreement, or both.
1285 All discussions with the applicant or its representatives may be conducted in a closed meeting.

1286 15. Discussion by the Governor and any economic advisory board reviewing forecasts of economic
1287 activity and estimating general and nongeneral fund revenues.

1288 16. Discussion or consideration of medical and mental health records subject to the exclusion in
1289 subdivision 1 of § 2.2-3705.5.

1290 17. Deliberations of the Virginia Lottery Board in a licensing appeal action conducted pursuant to
1291 subsection D of § ~~58.1-4007~~ 29.5-707 regarding the denial or revocation of a license of a lottery sales agent;
1292 and discussion, consideration, or review of Virginia Lottery matters related to proprietary lottery game
1293 information and studies or investigations excluded from disclosure under subdivision 6 of § 2.2-3705.3 and
1294 subdivision 11 of § 2.2-3705.7.

1295 18. Those portions of meetings in which the State Board of Local and Regional Jails discusses or discloses
1296 the identity of, or information tending to identify, any prisoner who (i) provides information about crimes or
1297 criminal activities, (ii) renders assistance in preventing the escape of another prisoner or in the apprehension
1298 of an escaped prisoner, or (iii) voluntarily or at the instance of a prison official renders other extraordinary
1299 services, the disclosure of which is likely to jeopardize the prisoner's life or safety.

1300 19. Discussion of plans to protect public safety as it relates to terrorist activity or specific cybersecurity
1301 threats or vulnerabilities and briefings by staff members, legal counsel, or law-enforcement or emergency
1302 service officials concerning actions taken to respond to such matters or a related threat to public safety;

1303 discussion of information subject to the exclusion in subdivision 2 or 14 of § 2.2-3705.2, where discussion in
1304 an open meeting would jeopardize the safety of any person or the security of any facility, building, structure,
1305 information technology system, or software program; or discussion of reports or plans related to the security
1306 of any governmental facility, building, or structure, or the safety of persons using such facility, building, or
1307 structure.

1308 20. Discussion by the Board of the Virginia Retirement System, acting pursuant to § 51.1-124.30, or of
1309 any local retirement system, acting pursuant to § 51.1-803, or by a local finance board or board of trustees of
1310 a trust established by one or more local public bodies to invest funds for postemployment benefits other than
1311 pensions, acting pursuant to Article 8 (§ 15.2-1544 et seq.) of Chapter 15 of Title 15.2, or by the board of
1312 visitors of the University of Virginia, acting pursuant to § 23.1-2210, or by the Board of the Commonwealth
1313 Savers Plan, acting pursuant to § 23.1-706, regarding the acquisition, holding, or disposition of a security or
1314 other ownership interest in an entity, where such security or ownership interest is not traded on a
1315 governmentally regulated securities exchange, to the extent that such discussion (i) concerns confidential
1316 analyses prepared for the board of visitors of the University of Virginia, prepared by the retirement system, or
1317 a local finance board or board of trustees, or the Commonwealth Savers Plan or provided to the retirement
1318 system, a local finance board or board of trustees, or the Commonwealth Savers Plan under a promise of
1319 confidentiality, of the future value of such ownership interest or the future financial performance of the
1320 entity, and (ii) would have an adverse effect on the value of the investment to be acquired, held, or disposed
1321 of by the retirement system, a local finance board or board of trustees, the board of visitors of the University
1322 of Virginia, or the Commonwealth Savers Plan. Nothing in this subdivision shall be construed to prevent the
1323 disclosure of information relating to the identity of any investment held, the amount invested, or the present
1324 value of such investment.

1325 21. Those portions of meetings in which individual child death cases are discussed by the State Child
1326 Fatality Review Team established pursuant to § 32.1-283.1, those portions of meetings in which individual
1327 child death cases are discussed by a regional or local child fatality review team established pursuant to
1328 § 32.1-283.2, those portions of meetings in which individual death cases are discussed by family violence
1329 fatality review teams established pursuant to § 32.1-283.3, those portions of meetings in which individual
1330 adult death cases are discussed by the state Adult Fatality Review Team established pursuant to § 32.1-283.5,
1331 those portions of meetings in which individual adult death cases are discussed by a local or regional adult
1332 fatality review team established pursuant to § 32.1-283.6, those portions of meetings in which individual
1333 death cases are discussed by overdose fatality review teams established pursuant to § 32.1-283.7, those

1334 portions of meetings in which individual maternal death cases are discussed by the Maternal Mortality
1335 Review Team pursuant to § 32.1-283.8, and those portions of meetings in which individual death cases of
1336 persons with developmental disabilities are discussed by the Developmental Disabilities Mortality Review
1337 Committee established pursuant to § 37.2-314.1.

1338 22. Those portions of meetings of the board of visitors of the University of Virginia or Old Dominion
1339 University, as the case may be, and those portions of meetings of any persons to whom management
1340 responsibilities for the University of Virginia Medical Center or the Eastern Virginia Health Sciences Center
1341 at Old Dominion University, as the case may be, have been delegated, in which there is discussed proprietary,
1342 business-related information pertaining to the operations of the University of Virginia Medical Center or the
1343 Eastern Virginia Health Sciences Center at Old Dominion University, as the case may be, including business
1344 development or marketing strategies and activities with existing or future joint venturers, partners, or other
1345 parties with whom the University of Virginia Medical Center or the Eastern Virginia Health Sciences Center
1346 at Old Dominion University, as the case may be, has formed, or forms, any arrangement for the delivery of
1347 health care, if disclosure of such information would adversely affect the competitive position of the
1348 University of Virginia Medical Center or the Eastern Virginia Health Sciences Center at Old Dominion
1349 University, as the case may be.

1350 23. Discussion or consideration by the Virginia Commonwealth University Health System Authority or
1351 the board of visitors of Virginia Commonwealth University of any of the following: the acquisition or
1352 disposition by the Authority of real property, equipment, or technology software or hardware and related
1353 goods or services, where disclosure would adversely affect the bargaining position or negotiating strategy of
1354 the Authority; matters relating to gifts or bequests to, and ~~fund-raising~~ fundraising activities of, the Authority;
1355 grants and contracts for services or work to be performed by the Authority; marketing or operational
1356 strategies plans of the Authority where disclosure of such strategies or plans would adversely affect the
1357 competitive position of the Authority; and members of the Authority's medical and teaching staffs and
1358 qualifications for appointments thereto.

1359 24. Those portions of the meetings of the Health Practitioners' Monitoring Program Committee within the
1360 Department of Health Professions to the extent such discussions identify any practitioner who may be, or who
1361 actually is, impaired pursuant to Chapter 25.1 (§ 54.1-2515 et seq.) of Title 54.1.

1362 25. Meetings or portions of meetings of the Board of the Commonwealth Savers Plan wherein personal
1363 information, as defined in § 2.2-3801, which has been provided to the Board or its employees by or on behalf

1364 of individuals who have requested information about, applied for, or entered into prepaid tuition contracts or
1365 savings trust account agreements pursuant to Chapter 7 (§ 23.1-700 et seq.) of Title 23.1 is discussed.

1366 26. Discussion or consideration, by the former Wireless Carrier E-911 Cost Recovery Subcommittee
1367 created pursuant to former § 56-484.15, of trade secrets submitted by CMRS providers, as defined in
1368 § 56-484.12, related to the provision of wireless E-911 service.

1369 27. Those portions of disciplinary proceedings by any regulatory board within the Department of
1370 Professional and Occupational Regulation, Department of Health Professions, or the Board of Accountancy
1371 conducted pursuant to § 2.2-4019 or 2.2-4020 during which the board deliberates to reach a decision or
1372 meetings of health regulatory boards or conference committees of such boards to consider settlement
1373 proposals in pending disciplinary actions or modifications to previously issued board orders as requested by
1374 either of the parties.

1375 28. Discussion or consideration of information subject to the exclusion in subdivision 11 of § 2.2-3705.6
1376 by a responsible public entity or an affected locality or public entity, as those terms are defined in
1377 § 33.2-1800, or any independent review panel appointed to review information and advise the responsible
1378 public entity concerning such records.

1379 29. Discussion of the award of a public contract involving the expenditure of public funds, including
1380 interviews of bidders or offerors, and discussion of the terms or scope of such contract, where discussion in
1381 an open session would adversely affect the bargaining position or negotiating strategy of the public body.

1382 30. Discussion or consideration of grant or loan application information subject to the exclusion in
1383 subdivision 17 of § 2.2-3705.6 by the Commonwealth Health Research Board.

1384 31. Discussion or consideration by the Commitment Review Committee of information subject to the
1385 exclusion in subdivision 5 of § 2.2-3705.2 relating to individuals subject to commitment as sexually violent
1386 predators under Chapter 9 (§ 37.2-900 et seq.) of Title 37.2.

1387 32. Discussion or consideration of confidential proprietary information and trade secrets developed and
1388 held by a local public body providing certain telecommunication services or cable television services and
1389 subject to the exclusion in subdivision 18 of § 2.2-3705.6. However, the exemption provided by this
1390 subdivision shall not apply to any authority created pursuant to the BVU Authority Act (§ 15.2-7200 et seq.).

1391 33. Discussion or consideration by a local authority created in accordance with the Virginia Wireless
1392 Service Authorities Act (§ 15.2-5431.1 et seq.) of confidential proprietary information and trade secrets
1393 subject to the exclusion in subdivision 19 of § 2.2-3705.6.

1394 34. Discussion or consideration by the State Board of Elections or local electoral boards of voting security

1395 matters made confidential pursuant to § 24.2-410.2 or 24.2-625.1 and review by the State Board of Elections
1396 of complaints related to the personal use of campaign funds pursuant to § 24.2-948.7.

1397 35. Discussion or consideration by the Forensic Science Board or the Scientific Advisory Committee
1398 created pursuant to Article 2 (§ 9.1-1109 et seq.) of Chapter 11 of Title 9.1 of criminal investigative files.

1399 36. Discussion or consideration by the Brown v. Board of Education Scholarship Committee of
1400 information or confidential matters subject to the exclusion in subdivision A 3 of § 2.2-3705.4, and meetings
1401 of the Committee to deliberate concerning the annual maximum scholarship award, review and consider
1402 scholarship applications and requests for scholarship award renewal, and cancel, rescind, or recover
1403 scholarship awards.

1404 37. Discussion or consideration by the Virginia Port Authority of information subject to the exclusion in
1405 subdivision 1 of § 2.2-3705.6 related to certain proprietary information gathered by or for the Virginia Port
1406 Authority.

1407 38. Discussion or consideration by the Board of Trustees of the Virginia Retirement System acting
1408 pursuant to § 51.1-124.30, by the Investment Advisory Committee appointed pursuant to § 51.1-124.26, by
1409 any local retirement system, acting pursuant to § 51.1-803, by the Board of the Commonwealth Savers Plan
1410 acting pursuant to § 23.1-706, or by the Commonwealth Savers Plan's Investment Advisory Committee
1411 appointed pursuant to § 23.1-702 of information subject to the exclusion in subdivision 24 of § 2.2-3705.7.

1412 39. Discussion or consideration of information subject to the exclusion in subdivision 3 of § 2.2-3705.6
1413 related to economic development.

1414 40. Discussion or consideration by the Board of Education of information relating to the denial,
1415 suspension, or revocation of teacher licenses subject to the exclusion in subdivision 11 of § 2.2-3705.3.

1416 41. Those portions of meetings of the Virginia Military Advisory Council or any commission created by
1417 executive order for the purpose of studying and making recommendations regarding preventing closure or
1418 realignment of federal military and national security installations and facilities located in Virginia and
1419 relocation of such facilities to Virginia, or a local or regional military affairs organization appointed by a
1420 local governing body, during which there is discussion of information subject to the exclusion in subdivision
1421 8 of § 2.2-3705.2.

1422 42. Discussion or consideration by the Board of Trustees of the Veterans Services Foundation of
1423 information subject to the exclusion in subdivision 28 of § 2.2-3705.7 related to personally identifiable
1424 information of donors.

1425 43. Discussion or consideration by the Virginia Tobacco Region Revitalization Commission of

1426 information subject to the exclusion in subdivision 23 of § 2.2-3705.6 related to certain information contained
1427 in grant applications.

1428 44. Discussion or consideration by the board of directors of the Commercial Space Flight Authority of
1429 information subject to the exclusion in subdivision 24 of § 2.2-3705.6 related to rate structures or charges for
1430 the use of projects of, the sale of products of, or services rendered by the Authority and certain proprietary
1431 information of a private entity provided to the Authority.

1432 45. Discussion or consideration of personal and proprietary information related to the resource
1433 management plan program and subject to the exclusion in (i) subdivision 25 of § 2.2-3705.6 or (ii) subsection
1434 E of § 10.1-104.7. This exclusion shall not apply to the discussion or consideration of records that contain
1435 information that has been certified for release by the person who is the subject of the information or
1436 transformed into a statistical or aggregate form that does not allow identification of the person who supplied,
1437 or is the subject of, the information.

1438 46. Discussion or consideration by the Board of Directors of the Virginia Alcoholic Beverage Control
1439 Authority of information subject to the exclusion in subdivision 1 of § 2.2-3705.3 related to investigations of
1440 applicants for licenses and permits and of licensees and permittees.

1441 47. Discussion or consideration of grant, loan, or investment application records subject to the exclusion
1442 in subdivision 28 of § 2.2-3705.6 for a grant, loan, or investment pursuant to Article 11 (§ 2.2-2351 et seq.)
1443 of Chapter 22.

1444 48. Discussion or development of grant proposals by a regional council established pursuant to Article 26
1445 (§ 2.2-2484 et seq.) of Chapter 24 to be submitted for consideration to the Virginia Growth and Opportunity
1446 Board.

1447 49. Discussion or consideration of (i) individual sexual assault cases by a sexual assault response team
1448 established pursuant to § 15.2-1627.4, (ii) individual child abuse or neglect cases or sex offenses involving a
1449 child by a child sexual abuse response team established pursuant to § 15.2-1627.5, (iii) individual cases
1450 involving abuse, neglect, or exploitation of adults as defined in § 63.2-1603 pursuant to §§ 15.2-1627.5 and
1451 63.2-1605, or (iv) individual human trafficking cases by any human trafficking response team established
1452 pursuant to § 15.2-1627.6.

1453 50. Discussion or consideration by the Board of the Virginia Economic Development Partnership
1454 Authority, the Joint Legislative Audit and Review Commission, or any subcommittees thereof, of the portions
1455 of the strategic plan, marketing plan, or operational plan exempt from disclosure pursuant to subdivision 33
1456 of § 2.2-3705.7.

1457 51. Those portions of meetings of the subcommittee of the Board of the Virginia Economic Development
1458 Partnership Authority established pursuant to subsection F of § 2.2-2237.3 to review and discuss information
1459 received from the Virginia Employment Commission pursuant to subdivision C 2 of § 60.2-114 and the
1460 Department of Workforce Development and Advancement pursuant to subsection B of § 2.2-2040.

1461 52. Discussion or consideration by the Commonwealth of Virginia Innovation Partnership Authority (the
1462 Authority), an advisory committee of the Authority, or any other entity designated by the Authority, of
1463 information subject to the exclusion in subdivision 35 of § 2.2-3705.7.

1464 53. Deliberations of the Virginia ~~Lottery~~ *Gaming Commission* Board conducted pursuant to § ~~58.1-4105~~
1465 ~~29.5-305~~ regarding the denial or revocation of a license of a casino gaming operator, or the refusal to issue,
1466 suspension of, or revocation of any license or permit related to casino gaming, and discussion, consideration,
1467 or review of matters related to investigations excluded from mandatory disclosure under subdivision 1 of
1468 § 2.2-3705.3.

1469 54. Deliberations of the Virginia ~~Lottery~~ *Gaming Commission* Board in an appeal conducted pursuant to §
1470 ~~58.1-4007~~ ~~29.5-104~~ regarding the denial of, revocation of, suspension of, or refusal to renew any license or
1471 permit related to sports betting and any discussion, consideration, or review of matters related to
1472 investigations excluded from mandatory disclosure under subdivision 1 of § 2.2-3705.3.

1473 55. Meetings or portions of meetings of the Board of Criminal Justice Services or the Department of
1474 Criminal Justice Services concerning the decertification of an identifiable law-enforcement or jail officer.

1475 B. No resolution, ordinance, rule, contract, regulation, or motion adopted, passed, or agreed to in a closed
1476 meeting shall become effective unless the public body, following the meeting, reconvenes in open meeting
1477 and takes a vote of the membership on such resolution, ordinance, rule, contract, regulation, or motion that
1478 shall have its substance reasonably identified in the open meeting.

1479 C. Public officers improperly selected due to the failure of the public body to comply with the other
1480 provisions of this section shall be de facto officers and, as such, their official actions are valid until they
1481 obtain notice of the legal defect in their election.

1482 D. Nothing in this section shall be construed to prevent the holding of conferences between two or more
1483 public bodies, or their representatives, but these conferences shall be subject to the same procedures for
1484 holding closed meetings as are applicable to any other public body.

1485 E. This section shall not be construed to (i) require the disclosure of any contract between the Department
1486 of Health Professions and an impaired practitioner entered into pursuant to Chapter 25.1 (§ 54.1-2515 et seq.)
1487 of Title 54.1 or (ii) require the board of directors of any authority created pursuant to the Industrial

1488 Development and Revenue Bond Act (§ 15.2-4900 et seq.), or any public body empowered to issue industrial
1489 revenue bonds by general or special law, to identify a business or industry to which subdivision A 5 applies.
1490 However, such business or industry shall be identified as a matter of public record at least 30 days prior to the
1491 actual date of the board's authorization of the sale or issuance of such bonds.

1492 **§ 2.2-3802. Systems to which chapter inapplicable.**

1493 The provisions of this chapter shall not apply to personal information systems:

1494 1. Maintained by any court of the Commonwealth;

1495 2. Which may exist in publications of general circulation;

1496 3. Contained in the Criminal Justice Information System as defined in §§ 9.1-126 through 9.1-137 or in
1497 the Sex Offender and Crimes Against Minors Registry maintained by the Department of State Police pursuant
1498 to Chapter 9 (§ 9.1-900 et seq.) of Title 9.1, except to the extent that information is required to be posted on
1499 the ~~Internet~~ *internet* pursuant to § 9.1-913;

1500 4. Contained in the Virginia Juvenile Justice Information System as defined in §§ 16.1-222 through
1501 16.1-225;

1502 5. Maintained by agencies concerning persons required by law to be licensed in the Commonwealth to
1503 engage in the practice of any profession, in which case the names and addresses of persons applying for or
1504 possessing the license may be disseminated upon written request to a person engaged in the profession or
1505 business of offering professional educational materials or courses for the sole purpose of providing the
1506 licensees or applicants for licenses with informational materials relating solely to available professional
1507 educational materials or courses, provided the disseminating agency is reasonably assured that the use of the
1508 information will be so limited;

1509 6. Maintained by the Parole Board, the Crime Commission, the Judicial Inquiry and Review Commission,
1510 *the Virginia Gaming Commission*, the Virginia Racing Commission, the Virginia Criminal Sentencing
1511 Commission, and the Virginia Alcoholic Beverage Control Authority;

1512 7. Maintained by any of the following and that deal with investigations and intelligence gathering related
1513 to criminal activity:

1514 a. The Department of State Police;

1515 b. The police department of the Chesapeake Bay Bridge and Tunnel Commission;

1516 c. Police departments of cities, counties, and towns;

1517 d. Sheriff's departments of counties and cities;

- 1518 e. Campus police departments of public institutions of higher education as established by Article 3
1519 (§ 23.1-809 et seq.) of Chapter 8 of Title 23.1; and
- 1520 f. The Division of Capitol Police.
- 1521 8. Maintained by local departments of social services regarding alleged cases of child abuse or neglect
1522 while such cases are also subject to an ongoing criminal prosecution;
- 1523 9. Maintained by the Virginia Port Authority as provided in § 62.1-132.4 or 62.1-134.1;
- 1524 10. Maintained by the Virginia Tourism Authority in connection with or as a result of the promotion of
1525 travel or tourism in the Commonwealth, in which case names and addresses of persons requesting
1526 information on those subjects may be disseminated upon written request to a person engaged in the business
1527 of providing travel services or distributing travel information, provided the Virginia Tourism Authority is
1528 reasonably assured that the use of the information will be so limited;
- 1529 11. Maintained by the Division of Consolidated Laboratory Services of the Department of General
1530 Services and the Department of Forensic Science, which deal with scientific investigations relating to
1531 criminal activity or suspected criminal activity, except to the extent that § 9.1-1104 may apply;
- 1532 12. Maintained by the Department of Corrections or the Office of the State Inspector General that deal
1533 with investigations and intelligence gathering by persons acting under the provisions of Chapter 3.2
1534 (§ 2.2-307 et seq.);
- 1535 13. Maintained by (i) the Office of the State Inspector General or internal audit departments of state
1536 agencies or institutions that deal with communications and investigations relating to the Fraud, Waste and
1537 Abuse Hotline or (ii) an auditor appointed by the local governing body of any county, city, or town or a
1538 school board that deals with local investigations required by § 15.2-2511.2;
- 1539 14. Maintained by the Department of Social Services or any local department of social services relating to
1540 public assistance fraud investigations;
- 1541 15. Maintained by the Department of Social Services related to child welfare or public assistance
1542 programs when requests for personal information are made to the Department of Social Services. Requests
1543 for information from these systems shall be made to the appropriate local department of social services that is
1544 the custodian of that record. Notwithstanding the language in this section, an individual shall not be
1545 prohibited from obtaining information from the central registry in accordance with the provisions of
1546 § 63.2-1515; and
- 1547 16. Maintained by the Department for Aging and Rehabilitative Services related to adult services, adult

1548 protective services, or auxiliary grants when requests for personal information are made to the Department for
1549 Aging and Rehabilitative Services. Requests for information from these systems shall be made to the
1550 appropriate local department of social services that is the custodian of that record.

1551 **§ 2.2-4002. Exemptions from chapter generally.**

1552 A. Although required to comply with § 2.2-4103 of the Virginia Register Act (§ 2.2-4100 et seq.), the
1553 following agencies shall be exempted from the provisions of this chapter, except to the extent that they are
1554 specifically made subject to §§ 2.2-4024, 2.2-4030, and 2.2-4031:

1555 1. The General Assembly.

1556 2. Courts, any agency of the Supreme Court, and any agency that by the Constitution is expressly granted
1557 any of the powers of a court of record.

1558 3. The Department of Wildlife Resources in promulgating regulations regarding the management of
1559 wildlife and for all case decisions rendered pursuant to any provisions of Chapters 2 (§ 29.1-200 et seq.), 3
1560 (§ 29.1-300 et seq.), 4 (§ 29.1-400 et seq.), 5 (§ 29.1-500 et seq.), and 7 (§ 29.1-700 et seq.) of Title 29.1.

1561 4. The Virginia Housing Development Authority.

1562 5. Municipal corporations, counties, and all local, regional, or multijurisdictional authorities created under
1563 this Code, including those with federal authorities.

1564 6. Educational institutions operated by the Commonwealth, provided that, with respect to § 2.2-4031, such
1565 educational institutions shall be exempt from the publication requirements only with respect to regulations
1566 that pertain to (i) their academic affairs, (ii) the selection, tenure, promotion, and disciplining of faculty and
1567 employees, (iii) the selection of students, and (iv) rules of conduct and disciplining of students.

1568 7. The Milk Commission in promulgating regulations regarding (i) producers' licenses and bases, (ii)
1569 classification and allocation of milk, computation of sales, and shrinkage, and (iii) class prices for producers'
1570 milk, time and method of payment, butterfat testing, and differential.

1571 8. The Virginia Resources Authority.

1572 9. Agencies expressly exempted by any other provision of this Code.

1573 10. The Department of General Services in promulgating standards for the inspection of buildings for
1574 asbestos pursuant to § 2.2-1164.

1575 11. The State Council of Higher Education for Virginia, in developing, issuing, and revising guidelines
1576 pursuant to § 23.1-207.

1577 12. The Commissioner of Agriculture and Consumer Services in adopting regulations pursuant to

1578 subsection B of § 3.2-6002 and in adopting regulations pursuant to § 3.2-6023.

1579 13. The Commissioner of Agriculture and Consumer Services and the Board of Agriculture and Consumer
1580 Services in promulgating regulations pursuant to subsections B and D of § 3.2-3601, subsection B of
1581 § 3.2-3701, § 3.2-4002, subsections B and D of § 3.2-4801, §§ 3.2-5121 and 3.2-5206, and subsection A of
1582 § 3.2-5406.

1583 14. The Board of Optometry when specifying therapeutic pharmaceutical agents, treatment guidelines,
1584 and diseases and abnormal conditions of the human eye and its adnexa for TPA-certification of optometrists
1585 pursuant to Article 5 (§ 54.1-3222 et seq.) of Chapter 32 of Title 54.1.

1586 15. The Commissioner of the Department of Veterans Services in adopting regulations pursuant to
1587 § 2.2-2001.3.

1588 16. The State Board of Education, in developing, issuing, and revising guidelines pursuant to
1589 § 22.1-203.2.

1590 17. The Virginia Racing Commission, (i) when acting by and through its ~~duly appointed~~ stewards,
1591 *employed pursuant to § 29.5-605*, or in matters related to any specific race meeting or (ii) in promulgating
1592 technical rules regulating actual live horse racing at race meetings licensed by the *Virginia Racing*
1593 Commission.

1594 18. The Virginia Small Business Financing Authority.

1595 19. The Virginia Economic Development Partnership Authority.

1596 20. The Board of Agriculture and Consumer Services in adopting, amending, or repealing regulations
1597 pursuant to subsection A (ii) of § 59.1-156.

1598 21. The Insurance Continuing Education Board pursuant to § 38.2-1867.

1599 22. The Board of Health in promulgating the list of diseases that shall be reported to the Department of
1600 Health pursuant to § 32.1-35 and in adopting, amending, or repealing regulations pursuant to subsection C of
1601 § 35.1-14 that incorporate the Food and Drug Administration's Food Code pertaining to restaurants or food
1602 service.

1603 23. The Board of Pharmacy when specifying special subject requirements for continuing education for
1604 pharmacists pursuant to § 54.1-3314.1.

1605 24. The Virginia Department of Veterans Services when promulgating rules and regulations pursuant to
1606 § 58.1-3219.7 or 58.1-3219.11.

1607 25. The Virginia Department of Criminal Justice Services when developing, issuing, or revising any
1608 training standards established by the Criminal Justice Services Board under § 9.1-102, provided such actions

1609 are authorized by the Governor in the interest of public safety.

1610 B. Agency action relating to the following subjects shall be exempted from the provisions of this chapter:

1611 1. Money or damage claims against the Commonwealth or agencies thereof.

1612 2. The award or denial of state contracts, as well as decisions regarding compliance therewith.

1613 3. The location, design, specifications, or construction of public buildings or other facilities.

1614 4. Grants of state or federal funds or property.

1615 5. The chartering of corporations.

1616 6. Customary military, militia, naval, or police functions.

1617 7. The selection, tenure, dismissal, direction, or control of any officer or employee of an agency of the
1618 Commonwealth.

1619 8. The conduct of elections or eligibility to vote.

1620 9. Inmates of prisons or other such facilities or parolees therefrom.

1621 10. The custody of persons in, or sought to be placed in, mental health facilities or penal or other state
1622 institutions as well as the treatment, supervision, or discharge of such persons.

1623 11. Traffic signs, markers, or control devices.

1624 12. Instructions for application or renewal of a license, certificate, or registration required by law.

1625 13. Content of, or rules for the conduct of, any examination required by law.

1626 14. The administration of pools authorized by Chapter 47 (§ 2.2-4700 et seq.).

1627 15. Any rules for the conduct of specific lottery games, so long as such rules are not inconsistent with
1628 duly adopted regulations of the Virginia Lottery Board, and provided that such regulations are published and
1629 posted.

1630 16. Orders condemning or closing any shellfish, finfish, or crustacea growing area and the shellfish,
1631 finfish, or crustacea located thereon pursuant to Article 2 (§ 28.2-803 et seq.) of Chapter 8 of Title 28.2.

1632 17. Any operating procedures for review of child deaths developed by the State Child Fatality Review
1633 Team pursuant to § 32.1-283.1, any operating procedures for review of adult deaths developed by the Adult
1634 Fatality Review Team pursuant to § 32.1-283.5, any operating procedures for review of adult deaths
1635 developed by the Maternal Mortality Review Team pursuant to § 32.1-283.8, and any operating procedures
1636 for review of the deaths of persons with a developmental disability developed by the Developmental
1637 Disabilities Mortality Review Committee pursuant to § 37.2-314.1.

1638 18. The regulations for the implementation of the Health Practitioners' Monitoring Program and the

1639 activities of the Health Practitioners' Monitoring Program Committee pursuant to Chapter 25.1 (§ 54.1-2515
1640 et seq.) of Title 54.1.

1641 19. The process of reviewing and ranking grant applications submitted to the Commonwealth
1642 Neurotrauma Initiative Advisory Board pursuant to Article 12 (§ 51.5-178 et seq.) of Chapter 14 of Title
1643 51.5.

1644 20. Loans from the Small Business Environmental Compliance Assistance Fund pursuant to Article 4
1645 (§ 10.1-1197.1 et seq.) of Chapter 11.1 of Title 10.1.

1646 21. The Virginia Breeders Fund created pursuant to § ~~59.1-372~~ 29.5-611.

1647 22. The types of pari-mutuel wagering pools available for live or simulcast horse racing.

1648 23. The administration of medication or other substances foreign to the natural horse.

1649 24. Any rules adopted by the ~~Department of Agriculture and Consumer Services~~ *Virginia Gaming*
1650 *Commission* for the approval and conduct of game variations for the conduct of raffles, bingo, network bingo,
1651 and instant bingo games, provided that such rules are (i) consistent with ~~Article 1.1:1~~ (§ 18.2-340.15 et seq.)
1652 of Chapter 8 2 (§ 29.5-200 et seq.) of Title ~~18.2~~ 29.5 and (ii) published and posted.

1653 C. Minor changes to regulations published in the Virginia Administrative Code under the Virginia
1654 Register Act (§ 2.2-4100 et seq.), made by the Virginia Code Commission pursuant to § 30-150, shall be
1655 exempt from the provisions of this chapter.

1656 **§ 2.2-4346. Other exemptions for certain transactions.**

1657 The following public bodies may enter into contracts as provided in this section.

1658 A. Contracts for certain essential election materials and services are exempted from the requirements of
1659 Articles 1 (§ 2.2-4300 et seq.), 2 (§ 2.2-4303 et seq.), and 5 (§ 2.2-4357 et seq.) of this chapter pursuant to
1660 § 24.2-602.

1661 B. Any local school board may authorize any of its public schools or its school division to enter into
1662 contracts providing that caps and gowns, photographs, class rings, yearbooks, and graduation announcements
1663 will be available for purchase or rental by students, parents, faculty, or other persons using nonpublic money
1664 through the use of competitive negotiation as provided in this chapter; competitive sealed bidding is not
1665 necessarily required for such contracts. The Superintendent of Public Instruction may provide assistance to
1666 public school systems regarding this chapter and other related laws.

1667 C. The Virginia ~~Racing~~ *Gaming Commission*, *with the advice of, in consultation with, and with the*
1668 *consent of the Virginia Racing Commission*, may designate an entity to administer and promote the Virginia
1669 Breeders Fund created pursuant to § ~~59.1-372~~ 29.5-611 without competitive procurement.

1670 § 3.2-102. General powers and duties of the Commissioner.

1671 A. The Commissioner shall be vested with the powers and duties set out in § 2.2-601, the powers and
1672 duties herein provided, and such other powers and duties as may be prescribed by law; ~~including those~~
1673 ~~prescribed in Title 59.1~~. He shall be the executive officer of the Board, and shall see that its orders are carried
1674 out. He shall see to the proper execution of laws relating to the Department. Unless the Governor expressly
1675 reserves such power to himself, the Commissioner shall promote, protect, and develop the agricultural
1676 interests of the Commonwealth. The Commissioner shall develop, implement, and maintain programs within
1677 the Department including those that promote the development and marketing of the Commonwealth's
1678 agricultural products in domestic and international markets, including promotions, market development and
1679 research, marketing assistance, market information, and product grading and certification; promote the
1680 creation of new agribusiness including new crops, biotechnology and new uses of agricultural products, and
1681 the expansion of existing agribusiness within the Commonwealth; develop, promote, and maintain consumer
1682 protection programs that protect the safety and quality of the Commonwealth's food supply through food and
1683 dairy inspection activities, industry and consumer education, and information on food safety; work with other
1684 state agencies to preserve the Commonwealth's agricultural lands; ensure animal health and protect the
1685 Commonwealth's livestock industries through disease control and surveillance, maintaining animal health
1686 diagnostic laboratories, and encouraging the humane treatment and care of animals; protect public health and
1687 the environment through regulation and proper handling of pesticides, agricultural stewardship, and
1688 protection of endangered plant and insect species; protect crop and plant health and productivity; ensure
1689 consumer protection and fair trade practices in commerce; develop plans and emergency response protocols
1690 to protect the agriculture industry from bioterrorism, plant and animal diseases, and agricultural pests; assist
1691 as directed by the Governor in the Commonwealth's response to natural disasters; develop and implement
1692 programs and inspection activities to ensure that the Commonwealth's agricultural products move freely in
1693 trade domestically and internationally; and enter into agreements with federal, state, and local governments,
1694 land grant universities, and other organizations that include marketing, plant protection, pest control,
1695 pesticides, and meat and poultry inspection.

1696 B. In addition, the Commissioner shall:

1697 1. Establish and maintain a farm-to-school website. The purpose of the website shall be to facilitate and
1698 promote the purchase of Virginia farm products by schools, universities, and other educational institutions
1699 under the jurisdiction of the State Department of Education. The website shall present such current
1700 information as the availability of Virginia farm products, including the types and amount of products, and the

1701 names of and contact information for farmers, farm organizations, and businesses marketing such products;

1702 2. Establish and operate a nonprofit, nonstock corporation under Chapter 10 (§ 13.1-801 et seq.) of Title
1703 13.1 as a public instrumentality exercising public and essential governmental functions to promote, develop,
1704 and sustain markets for licensed Virginia wineries and farm wineries, as defined in § 4.1-100. Such
1705 corporation shall provide wholesale wine distribution services for wineries and farm wineries licensed in
1706 accordance with § 4.1-206.1. The board of directors of such corporation shall be composed of the
1707 Commissioner and four members appointed by the Board, including one owner or manager of a winery or
1708 farm winery licensee that is not served by a wholesaler when the owner or manager is appointed to the board;
1709 one owner or manager of a winery or farm winery licensee that produces no more than 10,000 cases per year;
1710 and two owners or managers of wine wholesaler licensees. In making appointments to the board of directors,
1711 the Board shall consider nominations of winery and farm winery licensees submitted by the Virginia
1712 Wineries Association and wine wholesale licensees submitted by the Virginia Wine Wholesalers Association.
1713 The Commissioner shall require such corporation to report to him at least annually on its activities, including
1714 reporting the quantity of wine distributed for each winery and farm winery during the preceding year. The
1715 provisions of the Virginia Public Procurement Act (§ 2.2-4300 et seq.) shall not apply to the establishment of
1716 such corporation nor to the exercise of any of its powers granted under this section;

1717 3. Establish and operate a nonprofit, nonstock corporation under Chapter 10 (§ 13.1-801 et seq.) of Title
1718 13.1 as a public instrumentality exercising public and essential governmental functions to promote, develop,
1719 and sustain markets for Virginia breweries and limited breweries. Such corporation shall provide wholesale
1720 beer distribution services for Virginia breweries and limited breweries licensed in accordance with
1721 § 4.1-206.1. The board of directors of such corporation shall be composed of the Commissioner and four
1722 members appointed by the Board, (i) two of whom shall be an owner or manager of a Virginia beer wholesale
1723 licensee, (ii) one of whom shall be an owner or manager of a brewery or limited brewery licensee, and (iii)
1724 one of whom shall be an owner or manager of a brewery or limited brewery licensee that is not served by a
1725 wholesaler at the time such owner or manager is appointed to the board of directors. In making appointments
1726 to the board of directors, the Board shall consider nominations submitted by the Virginia Beer Wholesalers
1727 Association regarding members listed in clause (i) and nominations submitted by the Virginia Craft Brewers
1728 Guild regarding members listed in clauses (ii) and (iii). At least annually, such corporation shall be required
1729 to report to the Commissioner on its activities, including reporting the quantity of beer distributed for each
1730 brewery or limited brewery licensee during the preceding year. The Commissioner shall report such
1731 information to the General Assembly. The provisions of the Virginia Public Procurement Act (§ 2.2-4300 et

1732 seq.) shall not apply to the establishment of such corporation nor to the exercise of any of its powers granted
1733 under this section; *and*

1734 4. ~~Promulgate regulations in accordance with the Administrative Process Act (§ 2.2-4000 et seq.) not~~
1735 ~~inconsistent with the laws of Virginia necessary to carry out the provisions of Article 1.1:1 (§ 18.2-340.15 et~~
1736 ~~seq.) of Chapter 8 of Title 18.2. Such regulations may include penalties for violations; and~~

1737 ~~5. Ensure that the Department compiles and publishes the annual report relating to foreign adversary~~
1738 ~~ownership of agricultural land required under § 55.1-509.~~

1739 **§ 3.2-6201. Horse racing excluded.**

1740 The provisions of this chapter shall not apply to horse racing, as that term is defined by ~~in § 59.1-365~~
1741 ~~29.5-601.~~

1742 **§ 4.1-100. Definitions.**

1743 As used in this subtitle unless the context requires a different meaning:

1744 "Alcohol" means the product known as ethyl or grain alcohol obtained by distillation of any fermented
1745 liquor, rectified either once or more often, whatever the origin, and shall include synthetic ethyl alcohol, but
1746 ~~shall~~ *does* not include methyl alcohol and alcohol completely denatured in accordance with formulas
1747 approved by the government of the United States.

1748 "Alcohol vaporizing device" means any device, machine, or process that mixes any alcoholic beverages
1749 with pure oxygen or other gas to produce a vaporized product for the purpose of consumption by inhalation.

1750 "Alcoholic beverages" includes alcohol, spirits, wine, and beer, and any one or more of such varieties
1751 containing one-half of one percent or more of alcohol by volume, including mixed alcoholic beverages, and
1752 every liquid or solid, powder or crystal, patented or not, containing alcohol, spirits, wine, or beer and capable
1753 of being consumed by a human being. Any liquid or solid containing more than one of the four varieties shall
1754 be considered as belonging to that variety which has the higher percentage of alcohol, however obtained,
1755 according to the order in which they are set forth in this definition; except that beer may be manufactured to
1756 include flavoring materials and other nonbeverage ingredients containing alcohol, as long as no more than 49
1757 percent of the overall alcohol content of the finished product is derived from the addition of flavors and other
1758 nonbeverage ingredients containing alcohol for products with an alcohol content of no more than six percent
1759 by volume; or, in the case of products with an alcohol content of more than six percent by volume, as long as
1760 no more than one and one-half percent of the volume of the finished product consists of alcohol derived from
1761 added flavors and other nonbeverage ingredients containing alcohol.

1762 "Arts venue" means a commercial or nonprofit establishment that is open to the public and in which
1763 works of art are sold or displayed.

1764 "Authority" means the Virginia Alcoholic Beverage Control Authority created pursuant to this subtitle.

1765 "Barrel" means any container or vessel having a capacity of more than 43 ounces.

1766 "Bed and breakfast establishment" means any establishment (i) having no more than 15 bedrooms; (ii)
1767 offering to the public, for compensation, transitory lodging or sleeping accommodations; and (iii) offering at
1768 least one meal per day, which may but need not be breakfast, to each person to whom overnight lodging is
1769 provided. For purposes of the licensing requirements of this subtitle, "bed and breakfast establishment"
1770 includes any property offered to the public for short-term rental, as that term is defined in § 15.2-983, other
1771 than a hotel as defined in this section, regardless of whether a meal is offered to each person to whom
1772 overnight lodging is provided.

1773 "Beer" means any alcoholic beverage obtained by the fermentation of an infusion or decoction of barley,
1774 malt, and hops or of any similar products in drinkable water and containing one-half of one percent or more
1775 of alcohol by volume.

1776 "Board" means the Board of Directors of the Virginia Alcoholic Beverage Control Authority.

1777 "Bottle" means any vessel intended to contain liquids and having a capacity of not more than 43 ounces.

1778 "Bus" means a motor vehicle that (i) is operated by a common carrier licensed under Chapter 20
1779 (§ 46.2-2000 et seq.) of Title 46.2 to transport passengers for compensation over the highways of the
1780 Commonwealth on regular or irregular routes of not less than 100 miles, (ii) seats no more than 24
1781 passengers, (iii) is 40 feet in length or longer, (iv) offers wireless ~~Internet~~ *internet* services, (v) is equipped
1782 with charging stations at every seat for cellular phones or other portable devices, and (vi) during the
1783 transportation of passengers, is staffed by an attendant who has satisfied all training requirements set forth in
1784 this subtitle or Board regulation.

1785 "Club" means any private nonprofit corporation or association which is the owner, lessee, or occupant of
1786 an establishment operated solely for a national, social, patriotic, political, athletic, or other like purpose, but
1787 not for pecuniary gain, the advantages of which belong to all of the members. It also means the establishment
1788 so operated. A corporation or association shall not lose its status as a club because of the conduct of
1789 charitable gaming conducted pursuant to ~~Article 1-1:1 (§ 18.2-340.15 et seq.)~~ of Chapter 8 2 (§ 29.5-200 et
1790 seq.) of Title ~~18.2~~ 29.5 in which nonmembers participate frequently or in large numbers, provided that no
1791 alcoholic beverages are served or consumed in the room where such charitable gaming is being conducted
1792 while such gaming is being conducted and that no alcoholic beverages are made available upon the premises

1793 to any person who is neither a member nor a bona fide guest of a member.

1794 Any such corporation or association which has been declared exempt from federal and state income taxes
1795 as one which is not organized and operated for pecuniary gain or profit shall be deemed a nonprofit
1796 corporation or association.

1797 "Commercial lifestyle center" means a mixed-use commercial development covering a minimum of 10
1798 acres of land and having at least 100,000 square feet of retail space featuring national specialty chain stores
1799 and a combination of dining, entertainment, office, residential, or hotel establishments located in a physically
1800 integrated outdoor setting that is pedestrian friendly and that is governed by a commercial owners' association
1801 that is responsible for the management, maintenance, and operation of the common areas thereof.

1802 "Container" means any barrel, bottle, carton, keg, vessel, or other receptacle used for holding alcoholic
1803 beverages.

1804 "Contract winemaking facility" means the premises of a licensed winery or farm winery that obtains
1805 grapes, fruits, and other agricultural products from a person holding a winery or farm winery license and
1806 crushes, processes, ferments, bottles, or provides any combination of such services pursuant to an agreement
1807 with the winery or farm winery licensee. For all purposes of this subtitle, wine produced by a contract
1808 winemaking facility for a winery or farm winery shall be considered to be wine owned and produced by the
1809 winery or farm winery that supplied the grapes, fruits, or other agricultural products used in the production of
1810 the wine. The contract winemaking facility shall have no right to sell the wine so produced, unless the terms
1811 of payment have not been fulfilled in accordance with the contract. The contract winemaking facility may
1812 charge the winery or farm winery for its services. A winery licensee may utilize contract winemaking
1813 services only for the manufacture or processing of wine of which no less than 90 percent of the grapes, fruits,
1814 and other agricultural products used to make such wine are grown in the Commonwealth.

1815 "Convenience grocery store" means an establishment that (i) has an enclosed room in a permanent
1816 structure where stock is displayed and offered for sale and (ii) maintains an inventory of edible items
1817 intended for human consumption consisting of a variety of such items of the types normally sold in grocery
1818 stores.

1819 "Culinary lodging resort" means a facility (i) having not less than 13 overnight guest rooms in a building
1820 that has at least 20,000 square feet of indoor floor space; (ii) located on a farm in the Commonwealth with at
1821 least 1,000 acres of land zoned agricultural; (iii) equipped with a full-service kitchen; and (iv) offering to the

1822 public, for compensation, at least one meal per day, lodging, and recreational and educational activities
1823 related to farming, livestock, and other rural activities.

1824 "Delicatessen" means an establishment that sells a variety of prepared foods or foods requiring little
1825 preparation, such as cheeses, salads, cooked meats, and related condiments.

1826 "Designated area" means a room or area approved by the Board for on-premises licensees.

1827 "Dining area" means a public room or area in which meals are regularly served.

1828 "Drugstore" means an establishment that sells medicines prepared by a licensed pharmacist pursuant to a
1829 prescription and other medicines and items for home and general use.

1830 "Establishment" means any place where alcoholic beverages of one or more varieties are lawfully
1831 manufactured, sold, or used.

1832 "Farm winery" means (i) an establishment or cooperative located in the Commonwealth on land zoned
1833 agricultural that has (a) a vineyard, orchard, or similar growing area that produces fruits or other agricultural
1834 products used to manufacture the wine of such farm winery, subject to the requirements set forth in § 4.1-219,
1835 and (b) facilities for fermenting and bottling wine on the premises where such farm winery manufactures
1836 wine that contains not more than 21 percent alcohol by volume or (ii) an accredited public or private
1837 institution of higher education, provided that (a) no wine manufactured by the institution shall be sold, (b) the
1838 wine manufactured by the institution shall be used solely for research and educational purposes, (c) the wine
1839 manufactured by the institution shall be stored on the premises of such farm winery that shall be separate and
1840 apart from all other facilities of the institution, and (d) such farm winery is operated in strict conformance
1841 with the requirements of this clause (ii) and Board regulations. As used in this definition, the term
1842 "cooperative" means a cooperative formed by an association of individuals for the purpose of manufacturing
1843 wine. In determining whether a cooperative licensed as a farm winery has met the requirements set forth in
1844 clause (i), the Board shall consider all land in the Commonwealth that is owned or leased by a member of the
1845 cooperative. For purposes of this definition, "land zoned agricultural" means (1) land zoned as an agricultural
1846 district or classification or (2) land otherwise permitted by a locality for farm winery use. For purposes of this
1847 definition, "land zoned agricultural" does not include land zoned "residential conservation." Except for the
1848 limitation on land zoned "residential conservation," nothing in the definition of "land zoned agricultural" shall
1849 otherwise limit or affect local zoning authority.

1850 "Gift shop" means any bona fide retail store selling, predominantly, gifts, books, souvenirs, specialty
1851 items relating to history, original and handmade arts and products, collectibles, crafts, and floral

1852 arrangements, which is open to the public on a regular basis. Such shop shall be a permanent structure where
1853 stock is displayed and offered for sale and which has facilities to properly secure any stock of wine or beer.
1854 Such shop may be located (i) on the premises or grounds of a ~~government registered~~ *government-registered*
1855 national, state, or local historic building or site or (ii) within the premises of a museum. The Board shall
1856 consider the purpose, characteristics, nature, and operation of the shop in determining whether it shall be
1857 considered a gift shop.

1858 "Gourmet brewing shop" means an establishment which sells to persons to whom wine or beer may
1859 lawfully be sold, ingredients for making wine or brewing beer, including packaging, and rents to such persons
1860 facilities for manufacturing, fermenting, and bottling such wine or beer.

1861 "Gourmet oyster house" means an establishment that (i) is located on the premises of a commercial
1862 marina, (ii) is permitted by the Department of Health to serve oysters and other fresh seafood for
1863 consumption on the premises, and (iii) offers to the public events for the purpose of featuring and educating
1864 the consuming public about local oysters and other seafood products.

1865 "Gourmet shop" means an establishment provided with adequate inventory, shelving, and storage
1866 facilities, where, in consideration of payment, substantial amounts of domestic and imported wines and beers
1867 of various types and sizes and related products such as cheeses and gourmet foods are habitually furnished to
1868 persons.

1869 "Government store" means a store established by the Authority for the sale of alcoholic beverages.

1870 "Grocery store" means an establishment that sells food and other items intended for human consumption,
1871 including a variety of ingredients commonly used in the preparation of meals.

1872 "Historic cinema house" means a nonprofit establishment exempt from taxation under § 501(c)(3) of the
1873 Internal Revenue Code that was built prior to 1970 and that exists for the primary purpose of showing motion
1874 pictures to the public.

1875 "Hotel" means any duly licensed establishment, provided with special space and accommodation, where,
1876 in consideration of payment, food and lodging are habitually furnished to persons, and which has four or
1877 more bedrooms. It shall also mean the person who operates such hotel.

1878 "Interdicted person" means a person to whom the sale of alcoholic beverages is prohibited by order
1879 pursuant to this subtitle.

1880 "Internet wine and beer retailer" means a person who owns or operates an establishment with adequate
1881 inventory, shelving, and storage facilities, where, in consideration of payment, ~~Internet~~ *internet* or telephone

1882 orders are taken and shipped directly to consumers and which establishment is not a retail store open to the
1883 public.

1884 "Intoxicated" means a condition in which a person has drunk enough alcoholic beverages to observably
1885 affect his manner, disposition, speech, muscular movement, general appearance, or behavior.

1886 "Licensed" means the holding of a valid license granted by the Authority.

1887 "Licensee" means any person to whom a license has been granted by the Authority.

1888 "Liqueur" means any of a class of highly flavored alcoholic beverages that do not exceed an alcohol
1889 content of 25 percent by volume.

1890 "Low alcohol beverage cooler" means a drink containing one-half of one percent or more of alcohol by
1891 volume, but not more than seven and one-half percent alcohol by volume, and consisting of spirits mixed
1892 with nonalcoholic beverages or flavoring or coloring materials; it may also contain water, fruit juices, fruit
1893 adjuncts, sugar, carbon dioxide, preservatives, or other similar products manufactured by fermenting fruit or
1894 fruit juices. Low alcohol beverage coolers shall be treated as wine for all purposes of this subtitle, except that
1895 low alcohol beverage coolers may be manufactured by a licensed distiller or a distiller located outside the
1896 Commonwealth.

1897 "Marina store" means an establishment that is located on the same premises as a marina, is operated by
1898 the owner of such marina, and sells food and nautical and fishing supplies.

1899 "Meals" means, for a mixed beverage license, an assortment of foods commonly ordered in bona fide,
1900 full-service restaurants as principal meals of the day. Such restaurants shall include establishments
1901 specializing in full course meals with a single substantial entree.

1902 "Member of a club" means (i) a person who maintains his membership in the club by the payment of
1903 monthly, quarterly, or annual dues in the manner established by the rules and regulations thereof or (ii) a
1904 person who is a member of a bona fide auxiliary, local chapter, or squadron composed of direct lineal
1905 descendants of a bona fide member, whether alive or deceased, of a national or international organization to
1906 which an individual lodge holding a club license is an authorized member in the same locality. It shall also
1907 mean a lifetime member whose financial contribution is not less than 10 times the annual dues of resident
1908 members of the club, the full amount of such contribution being paid in advance in a lump sum.

1909 "Mixed beverage" or "mixed alcoholic beverage" means a drink composed in whole or in part of spirits.

1910 "Mixer" means any prepackaged ingredients containing beverages or flavoring or coloring materials, and

1911 which may also contain water, fruit juices, fruit adjuncts, sugar, carbon dioxide, or preservatives which are
1912 not commonly consumed unless combined with alcoholic beverages, whether or not such ingredients contain
1913 alcohol. Such specialty beverage product shall be manufactured or distributed by a Virginia corporation.

1914 "Municipal golf course" means any golf course that is owned by any town incorporated in 1849 and which
1915 is the county seat of Smyth County.

1916 "Performing arts facility" means an indoor or outdoor amphitheater, arena, multipurpose theater, or
1917 similar facility at which live musical, dance, theatre, or similar performances, the types of which are
1918 approved by the Authority, are performed, provided that the facility has stationary stadium or similar seating
1919 for more than 500 persons.

1920 "Place or premises" means the real estate, together with any buildings or other improvements thereon,
1921 designated in the application for a license as the place at which the manufacture, bottling, distribution, use, or
1922 sale of alcoholic beverages shall be performed, except that portion of any such building or other improvement
1923 actually and exclusively used as a private residence.

1924 "Principal stockholder" means any person who individually or in concert with his spouse and immediate
1925 family members beneficially owns or controls, directly or indirectly, five percent or more of the equity
1926 ownership of any person that is a licensee of the Authority, or who in concert with his spouse and immediate
1927 family members has the power to vote or cause the vote of five percent or more of any such equity
1928 ownership. "Principal stockholder" does not include a broker-dealer registered under the Securities Exchange
1929 Act of 1934, as amended, that holds in inventory shares for sale on the financial markets for a publicly traded
1930 corporation holding, directly or indirectly, a license from the Authority.

1931 "Public place" means any place, building, or conveyance to which the public has, or is permitted to have,
1932 access, including restaurants, soda fountains, hotel dining areas, lobbies and corridors of hotels, and any park,
1933 place of public resort or amusement, highway, street, lane, or sidewalk adjoining any highway, street, or lane.

1934 "Public place" does not include (i) hotel or restaurant dining areas or ballrooms while in use for private
1935 meetings or private parties limited in attendance to members and guests of a particular group, association or
1936 organization; (ii) restaurants licensed by the Authority in office buildings or industrial or similar facilities
1937 while such restaurant is closed to the public and in use for private meetings or parties limited in attendance to
1938 employees and nonpaying guests of the owner or a lessee of all or part of such building or facility; (iii)
1939 offices, office buildings, or industrial facilities while closed to the public and in use for private meetings or
1940 parties limited in attendance to employees and nonpaying guests of the owner or a lessee of all or part of such

1941 building or facility; or (iv) private recreational or chartered boats which are not licensed by the Board and on
1942 which alcoholic beverages are not sold.

1943 "Residence" means any building or part of a building or structure where a person resides, but does not
1944 include any part of a building that is not actually and exclusively used as a private residence, nor any part of a
1945 hotel or club other than a private guest room thereof.

1946 "Resort complex" means a facility (i) with a hotel owning year-round sports and recreational facilities
1947 located contiguously on the same property; (ii) owned by a nonstock, nonprofit, taxable corporation with
1948 voluntary membership which, as its primary function, makes available golf, ski, and other recreational
1949 facilities both to its members and to the general public; or (iii) operated by a corporation that operates as a
1950 management company which, as its primary function, makes available (a) vacation accommodations, guest
1951 rooms, or dwelling units and (b) golf, ski, and other recreational facilities to members of the managed entities
1952 and the general public. The hotel or corporation shall have or manage a minimum of 140 private guest rooms
1953 or dwelling units contained on not less than 50 acres, whether or not contiguous to the licensed premises; if
1954 the guest rooms or dwelling units are located on property that is not contiguous to the licensed premises, such
1955 guest rooms and dwelling units shall be located within the same locality. The Authority may consider the
1956 purpose, characteristics, and operation of the applicant establishment in determining whether it shall be
1957 considered as a resort complex. All other pertinent qualifications established by the Board for a hotel
1958 operation shall be observed by such licensee.

1959 "Restaurant" means, for a wine and beer license or a limited mixed beverage restaurant license, any
1960 establishment provided with special space and accommodation, where, in consideration of payment, meals or
1961 other foods prepared on the premises are regularly sold.

1962 "Restaurant" means, for a mixed beverage license other than a limited mixed beverage restaurant license,
1963 an established place of business (i) where meals with substantial entrees are regularly sold and (ii) which has
1964 adequate facilities and sufficient employees for cooking, preparing, and serving such meals for consumption
1965 at tables in dining areas on the premises, and includes establishments specializing in full course meals with a
1966 single substantial entree.

1967 "Sale" and "sell" includes soliciting or receiving an order for; keeping, offering, or exposing for sale;
1968 peddling, exchanging, or bartering; or delivering otherwise than gratuitously, by any means, alcoholic
1969 beverages.

1970 "Sangria" means a drink consisting of red or white wine mixed with some combination of sweeteners,
1971 fruit, fruit juice, soda, or soda water that may also be mixed with brandy, triple sec, or other similar spirits.

1972 "Special agent" means an employee of the Virginia Alcoholic Beverage Control Authority whom the
1973 Board has designated as a law-enforcement officer pursuant to § 4.1-105.

1974 "Special event" means an event sponsored by a duly organized nonprofit corporation or association and
1975 conducted for an athletic, charitable, civic, educational, political, or religious purpose.

1976 "Spirits" means any beverage that contains alcohol obtained by distillation mixed with drinkable water
1977 and other substances, in solution, and includes, among other things, brandy, rum, whiskey, and gin, or any
1978 one or more of the last four named ingredients, but ~~shall~~ *does* not include any such liquors completely
1979 denatured in accordance with formulas approved by the United States government.

1980 "Sports facility" means a coliseum, stadium, racetrack, or similar facility at which professional sports, as
1981 defined in § ~~58.1-4030~~ 29.5-400, or similar events, the types of which are approved by the Authority, are
1982 conducted.

1983 "Wine" means any alcoholic beverage, including cider, obtained by the fermentation of the natural sugar
1984 content of fruits or other agricultural products containing (i) sugar, including honey and milk, either with or
1985 without additional sugar; (ii) one-half of one percent or more of alcohol by volume; and (iii) no product of
1986 distillation. "Wine" includes any wine to which wine spirits have been added, as provided in the Internal
1987 Revenue Code, to make products commonly known as "fortified wine" which do not exceed an alcohol
1988 content of 21 percent by volume.

1989 "Wine cooler" means a drink containing one-half of one percent or more of alcohol by volume, and not
1990 more than three and two-tenths percent of alcohol by weight or four percent by volume consisting of wine
1991 mixed with nonalcoholic beverages or flavoring or coloring materials, and which may also contain water,
1992 fruit juices, fruit adjuncts, sugar, carbon dioxide, or preservatives and shall include other similar products
1993 manufactured by fermenting fruit or fruit juices. Wine coolers and similar fermented fruit juice beverages
1994 shall be treated as wine for all purposes except for taxation under § 4.1-236.

1995 "With or without meals" means the selling and serving of alcoholic beverages by retail licensees for
1996 on-premises consumption whether or not accompanied by food so long as the total food-beverage ratio
1997 required by § 4.1-206.3, or the monthly food sale requirement established by Board regulation, is met by such
1998 retail licensee.

1999 § 4.1-206.3. (Effective until July 1, 2026) Retail licenses.

2000 A. The Board may grant the following mixed beverages licenses:

2001 1. Mixed beverage restaurant licenses, which shall authorize the licensee to sell and serve mixed
2002 beverages for on-premises consumption in dining areas and other designated areas of such restaurant or
2003 off-premises consumption. Such license may be granted only to persons (i) who operate a restaurant and (ii)
2004 whose gross receipts from the sale of food cooked, or prepared, and consumed on the premises and
2005 nonalcoholic beverages served on the premises, after issuance of such license, amount to at least 45 percent
2006 of the gross receipts from the sale of mixed beverages and food. For the purposes of this subdivision, other
2007 designated areas shall include outdoor dining areas, whether or not contiguous to the licensed premises,
2008 which outdoor dining areas may have more than one means of ingress and egress to an adjacent public
2009 thoroughfare, provided such areas are under the control of the licensee and approved by the Board. Such
2010 noncontiguous designated areas shall not be approved for any retail license issued pursuant to subdivision A
2011 5 of § 4.1-201.

2012 If the restaurant is located on the premises of a hotel or motel with no fewer than four permanent
2013 bedrooms where food and beverage service is customarily provided by the restaurant in designated areas,
2014 bedrooms, and other private rooms of such hotel or motel, such licensee may (a) sell and serve mixed
2015 beverages for on-premises consumption in such designated areas, bedrooms, and other private rooms or off-
2016 premises consumption and (b) sell spirits packaged in original closed containers purchased from the Board
2017 for on-premises consumption to registered guests and at scheduled functions of such hotel or motel only in
2018 such bedrooms or private rooms. However, with regard to a hotel classified as a resort complex, the Board
2019 may authorize the sale and on-premises consumption of alcoholic beverages in all areas within the resort
2020 complex deemed appropriate by the Board. Nothing herein shall prohibit any person from keeping and
2021 consuming his own lawfully acquired spirits in bedrooms or private rooms.

2022 If the restaurant is located on the premises of and operated by a private, nonprofit, or profit club
2023 exclusively for its members and their guests, or members of another private, nonprofit, or profit club in
2024 another city with which it has an agreement for reciprocal dining privileges, such license shall also authorize
2025 the licensees to (1) sell and serve mixed beverages for on-premises or off-premises consumption and (2) sell
2026 spirits that are packaged in original closed containers with a maximum capacity of two fluid ounces or 50
2027 milliliters and purchased from the Board for on-premises consumption. Where such club prepares no food in
2028 its restaurant but purchases its food requirements from a restaurant licensed by the Board and located on
2029 another portion of the premises of the same hotel or motel building, this fact shall not prohibit the granting of

2030 a license by the Board to such club qualifying in all other respects. The club's gross receipts from the sale of
2031 nonalcoholic beverages consumed on the premises and food resold to its members and guests and consumed
2032 on the premises shall amount to at least 45 percent of its gross receipts from the sale of mixed beverages and
2033 food. The food sales made by a restaurant to such a club shall be excluded in any consideration of the
2034 qualifications of such restaurant for a license from the Board.

2035 If the restaurant is located on the premises of and operated by a municipal golf course, the Board shall
2036 recognize the seasonal nature of the business and waive any applicable monthly food sales requirements for
2037 those months when weather conditions may reduce patronage of the golf course, provided that prepared food,
2038 including meals, is available to patrons during the same months. The gross receipts from the sale of food
2039 cooked, or prepared, and consumed on the premises and nonalcoholic beverages served on the premises, after
2040 the issuance of such license, shall amount to at least 45 percent of the gross receipts from the sale of mixed
2041 beverages and food on an annualized basis.

2042 If the restaurant is located on the premises of and operated by a culinary lodging resort, such license shall
2043 authorize the licensee to (A) sell alcoholic beverages, without regard to the amount of gross receipts from the
2044 sale of food prepared and consumed on the premises, for off-premises consumption or for on-premises
2045 consumption in areas upon the licensed premises approved by the Board and other designated areas of the
2046 resort, including outdoor areas under the control of the licensee, and (B) permit the possession and
2047 consumption of lawfully acquired alcoholic beverages by persons to whom overnight lodging is being
2048 provided in bedrooms and private guest rooms.

2049 If the restaurant is located on the premises of a mixed beverage casino licensee owned by an operator
2050 licensed under ~~Article Chapter 3~~ (~~§ 58-1-4108~~ 29.5-300 et seq.) of ~~Chapter 41~~ of Title ~~58-1~~ 29.5, such mixed
2051 beverage restaurant license shall authorize the licensee to sell alcoholic beverages for on-premises
2052 consumption on the licensed premises of the restaurant during all hours of operation of the mixed beverage
2053 casino licensee. Any alcoholic beverages purchased from such restaurant may be (I) taken onto the premises
2054 of the mixed beverage casino licensee and (II) possessed or consumed in areas designated by the Board, after
2055 consultation with the mixed beverage casino licensee. Designated areas may include any areas on the
2056 premises of the mixed beverage casino licensee, including entertainment venues, conference rooms, private
2057 rooms, hotels, pools, marinas, or green spaces. Alcoholic beverages purchased from a restaurant pursuant to
2058 this subdivision shall be contained in glassware or a paper, plastic, or similar disposable container that clearly
2059 displays the name or logo of the restaurant from which the alcoholic beverage was purchased.

2060 The granting of a license pursuant to this subdivision shall automatically authorize the licensee to obtain a
2061 license to sell and serve wine and beer for on-premises consumption and in closed containers for off-premises
2062 consumption; however, the licensee shall be required to pay the local fee required for such additional license
2063 pursuant to § 4.1-233.1.

2064 2. Mixed beverage caterer's licenses, which may be granted only to a person regularly engaged in the
2065 business of providing food and beverages to others for service at private gatherings or at special events,
2066 which shall authorize the licensee to sell and serve alcoholic beverages for on-premises consumption. The
2067 annual gross receipts from the sale of food cooked and prepared for service and nonalcoholic beverages
2068 served at gatherings and events referred to in this subdivision shall amount to at least 45 percent of the gross
2069 receipts from the sale of mixed beverages and food.

2070 3. Mixed beverage limited caterer's licenses, which may be granted only to a person regularly engaged in
2071 the business of providing food and beverages to others for service at private gatherings or at special events,
2072 not to exceed 12 gatherings or events per year, which shall authorize the licensee to sell and serve alcoholic
2073 beverages for on-premises consumption. The annual gross receipts from the sale of food cooked and prepared
2074 for service and nonalcoholic beverages served at gatherings and events referred to in this subdivision shall
2075 amount to at least 45 percent of the gross receipts from the sale of mixed beverages and food.

2076 4. Mixed beverage carrier licenses to (i) persons operating a common carrier of passengers by train, boat,
2077 bus, or airplane, which shall authorize the licensee to sell and serve mixed beverages anywhere in the
2078 Commonwealth to passengers while in transit aboard any such common carrier, and in designated rooms of
2079 establishments of air carriers at airports in the Commonwealth and (ii) financial institutions, subsidiaries of a
2080 financial institution, or persons approved by the applicable airport authority that have entered into a contract
2081 with a financial institution or subsidiary of a financial institution to operate a passenger lounge, which shall
2082 authorize the licensee to sell and serve mixed beverages in designated areas of a passenger lounge for ticketed
2083 air carrier passengers that is located within an airport in the Commonwealth. For purposes of supplying its
2084 airplanes, as well as any airplanes of a licensed express carrier flying under the same brand, an air carrier
2085 licensee may appoint an authorized representative to load alcoholic beverages onto the same airplanes and to
2086 transport and store alcoholic beverages at or in close proximity to the airport where the alcoholic beverages
2087 will be delivered onto airplanes of the air carrier and any such licensed express carrier. The air carrier
2088 licensee shall (a) designate for purposes of its license all locations where the inventory of alcoholic beverages
2089 may be stored and from which the alcoholic beverages will be delivered onto airplanes of the air carrier and

2090 any such licensed express carrier and (b) maintain records of all alcoholic beverages to be transported, stored,
2091 and delivered by its authorized representative. The granting of a license pursuant to this subdivision shall
2092 automatically authorize the licensee to obtain a license to sell and serve wine and beer for on-premises
2093 consumption or in closed containers for off-premises consumption; however, the licensee shall be required to
2094 pay the local fee required for such additional license pursuant to § 4.1-233.1.

2095 For the purposes of this subdivision:

2096 "Financial institution" means any bank, trust company, savings institution, industrial loan association,
2097 consumer finance company, or credit union.

2098 "Passenger lounge" means any restricted-access passenger waiting room or lounge leased to persons by
2099 the applicable airport authority in which food and beverage services are provided to ticketed passengers.

2100 5. Annual mixed beverage sports facility licenses to persons operating a sports facility or food concessions
2101 at a sports facility, which shall authorize the licensee to sell mixed beverages during any event and
2102 immediately subsequent thereto to patrons within all seating areas, concourses, walkways, concession areas,
2103 and additional locations designated by the Board (i) in closed containers for off-premises consumption or (ii)
2104 in paper, plastic, or similar disposable containers or in single original metal cans for on-premises
2105 consumption. Upon authorization of the licensee, any person may keep and consume his own lawfully
2106 acquired alcoholic beverages on the premises in all areas and locations covered by the license. The granting
2107 of a license pursuant to this subdivision shall automatically authorize the licensee to obtain a license to sell
2108 and serve wine and beer for on-premises consumption or in closed containers for off-premises consumption;
2109 however, the licensee shall be required to pay the local fee required for such additional license pursuant to
2110 § 4.1-233.1.

2111 6. Limited mixed beverage restaurant licenses, which shall authorize the licensee to sell and serve dessert
2112 wines as defined by Board regulation and no more than six varieties of liqueurs, which liqueurs shall be
2113 combined with coffee or other nonalcoholic beverages, for on-premises consumption in dining areas of the
2114 restaurant or off-premises consumption. Such license may be granted only to persons who operate a
2115 restaurant and in no event shall the sale of such wine or liqueur-based drinks, together with the sale of any
2116 other alcoholic beverages, exceed 10 percent of the total annual gross sales of all food and alcoholic
2117 beverages. The granting of a license pursuant to this subdivision shall automatically authorize the licensee to
2118 obtain a license to sell and serve wine and beer for on-premises consumption or in closed containers for
2119 off-premises consumption; however, the licensee shall be required to pay the local fee required for such
2120 additional license pursuant to § 4.1-233.1.

2121 7. Annual mixed beverage performing arts facility licenses, which shall (i) authorize the licensee to sell,
2122 on the dates of performances or events, alcoholic beverages in paper, plastic, or similar disposable containers
2123 or in single original metal cans for on-premises consumption in all seating areas, concourses, walkways,
2124 concession areas, similar facilities, and other areas upon the licensed premises approved by the Board and (ii)
2125 automatically authorize the licensee to obtain a license to sell and serve wine and beer for on-premises
2126 consumption or in closed containers for off-premises consumption; however, the licensee shall be required to
2127 pay the local fee required for such additional license pursuant to § 4.1-233.1. Such licenses may be granted to
2128 persons operating a performing arts facility or food concessions at a performing arts facility.

2129 8. Combined mixed beverage restaurant and caterer's licenses, which may be granted to any restaurant or
2130 hotel that meets the qualifications for both a mixed beverage restaurant pursuant to subdivision 1 and mixed
2131 beverage caterer pursuant to subdivision 2 for the same business location, and which license shall authorize
2132 the licensee to operate as both a mixed beverage restaurant and mixed beverage caterer at the same business
2133 premises designated in the license, with a common alcoholic beverage inventory for purposes of the
2134 restaurant and catering operations. Such licensee shall meet the separate food qualifications established for
2135 the mixed beverage restaurant license pursuant to subdivision 1 and mixed beverage caterer's license pursuant
2136 to subdivision 2. The granting of a license pursuant to this subdivision shall automatically authorize the
2137 licensee to obtain a license to sell and serve wine and beer for on-premises consumption or in closed
2138 containers for off-premises consumption; however, the licensee shall be required to pay the local fee required
2139 for such additional license pursuant to § 4.1-233.1.

2140 9. Bed and breakfast licenses, which shall authorize the licensee to (i) serve alcoholic beverages in dining
2141 areas, private guest rooms, and other designated areas to persons to whom overnight lodging is being
2142 provided, with or without meals, for on-premises consumption only in such rooms and areas, and without
2143 regard to the amount of gross receipts from the sale of food prepared and consumed on the premises and (ii)
2144 permit the consumption of lawfully acquired alcoholic beverages by persons to whom overnight lodging is
2145 being provided in (a) bedrooms or private guest rooms or (b) other designated areas of the bed and breakfast
2146 establishment. For purposes of this subdivision, "other designated areas" includes outdoor dining areas,
2147 whether or not contiguous to the licensed premises, which may have more than one means of ingress and
2148 egress to an adjacent public thoroughfare, provided that such outdoor dining areas are under the control of the
2149 licensee and approved by the Board. Such noncontiguous designated areas shall not be approved for any retail
2150 license issued pursuant to subdivision A 5 of § 4.1-201.

2151 10. Museum licenses, which may be issued to nonprofit museums exempt from taxation under § 501(c)(3)

2152 of the Internal Revenue Code, which shall authorize the licensee to (i) permit the consumption of lawfully
2153 acquired alcoholic beverages on the premises of the licensee by any bona fide member and guests thereof and
2154 (ii) serve alcoholic beverages on the premises of the licensee to any bona fide member and guests thereof.
2155 However, alcoholic beverages shall not be sold or charged for in any way by the licensee. The privileges of
2156 this license shall be limited to the premises of the museum, regularly occupied and utilized as such.

2157 11. Commercial lifestyle center licenses, which may be issued only to a commercial owners' association
2158 governing a commercial lifestyle center, which shall authorize any retail on-premises restaurant licensee that
2159 is a tenant of the commercial lifestyle center to sell alcoholic beverages to any bona fide customer to whom
2160 alcoholic beverages may be lawfully sold for consumption on that portion of the licensed premises of the
2161 commercial lifestyle center designated by the Board, including (i) plazas, seating areas, concourses,
2162 walkways, or such other similar areas and (ii) the premises of any tenant location of the commercial lifestyle
2163 center that is not a retail licensee of the Board, upon approval of such tenant, but excluding any parking areas.
2164 Only alcoholic beverages purchased from such retail on-premises restaurant licensees may be consumed on
2165 the licensed premises of the commercial lifestyle center, and such alcoholic beverages shall be contained in
2166 paper, plastic, or similar disposable containers with the name or logo of the restaurant licensee that sold the
2167 alcoholic beverage clearly displayed. Alcoholic beverages shall not be sold or charged for in any way by the
2168 commercial lifestyle center licensee. The licensee shall post appropriate signage clearly demarcating for the
2169 public the boundaries of the licensed premises; however, no physical barriers shall be required for this
2170 purpose. The licensee shall provide adequate security for the licensed premises to ensure compliance with the
2171 applicable provisions of this subtitle and Board regulations.

2172 12. Mixed beverage port restaurant licenses, which shall authorize the licensee to sell and serve mixed
2173 beverages for consumption in dining areas and other designated areas of such restaurant. Such license may be
2174 granted only to persons operating a business (i) that is primarily engaged in the sale of meals; (ii) that is
2175 located on property owned by the United States government or an agency thereof and used as a port of entry
2176 to or egress from the United States; and (iii) whose gross receipts from the sale of food cooked, or prepared,
2177 and consumed on the premises and nonalcoholic beverages served on the premises, after issuance of such
2178 license, amount to at least 45 percent of the gross receipts from the sale of mixed beverages and food. For the
2179 purposes of this subdivision, other designated areas shall include outdoor dining areas, whether or not
2180 contiguous to the licensed premises, which outdoor dining areas may have more than one means of ingress
2181 and egress to an adjacent public thoroughfare, provided such areas are under the control of the licensee and

2182 approved by the Board. Such noncontiguous designated areas shall not be approved for any retail license
2183 issued pursuant to subdivision A 5 of § 4.1-201. The granting of a license pursuant to this subdivision shall
2184 automatically authorize the licensee to obtain a license to sell and serve wine and beer for on-premises
2185 consumption or in closed containers for off-premises consumption; however, the licensee shall be required to
2186 pay the local fee required for such additional license pursuant to § 4.1-233.1.

2187 13. Annual mixed beverage special events licenses to (i) a duly organized nonprofit corporation or
2188 association operating either a performing arts facility or an art education and exhibition facility; (ii) a
2189 nonprofit corporation or association chartered by Congress for the preservation of sites, buildings, and objects
2190 significant in American history and culture; (iii) persons operating an agricultural event and entertainment
2191 park or similar facility that has a minimum of 50,000 square feet of indoor exhibit space and equine and other
2192 livestock show areas, which includes barns, pavilions, or other structures equipped with roofs, exterior walls,
2193 and open-door or closed-door access; or (iv) a locality for special events conducted on the premises of a
2194 museum for historic interpretation that is owned and operated by the locality. The operation in all cases shall
2195 be upon premises owned by such licensee or occupied under a bona fide lease, the original term of which was
2196 for more than one year's duration. Such license shall authorize the licensee to sell alcoholic beverages during
2197 scheduled events and performances for on-premises consumption in areas upon the licensed premises
2198 approved by the Board.

2199 14. Mixed beverage casino licenses, which shall authorize the licensee to (i) sell and serve mixed
2200 beverages for on-premises consumption in areas designated by the Board, after consultation with the mixed
2201 beverage casino licensee, without regard to the amount of gross receipts from the sale of food prepared and
2202 consumed on the premises and (ii) provide complimentary mixed beverages to patrons for on-premises
2203 consumption in private areas or restricted access areas designated by the Board, after consultation with the
2204 mixed beverage casino licensee. Designated areas may include any areas on the premises of the mixed
2205 beverage casino licensee, including entertainment venues, private rooms, conference rooms, hotels, pools,
2206 marinas, or green spaces. The granting of a license pursuant to this subdivision shall authorize the licensee to
2207 obtain a license to sell and serve wine and beer for on-premises consumption and in closed containers for
2208 off-premises consumption in accordance with the provisions of this subdivision governing mixed beverages;
2209 however, the licensee shall be required to pay the local fee required for such additional license pursuant to
2210 § 4.1-233.1. Notwithstanding any law or regulation to the contrary, a mixed beverage casino licensee may
2211 exercise the privileges of its license as set forth in this subdivision during all hours of operation of the casino

2212 gaming establishment; however, such licensee shall not sell wine or beer for off-premises consumption
2213 between the hours of 12 a.m. and 6 a.m.

2214 A mixed beverage casino licensee may (a) provide patrons gifts of alcoholic beverages in closed
2215 containers for personal consumption off the licensed premises or in areas designated by the Board, after
2216 consultation with the mixed beverage casino licensee, and (b) enable patrons who participate in a loyalty or
2217 reward credit program to redeem credits for the purchase of alcoholic beverages for on-premises
2218 consumption. A summary of the operation of such loyalty or reward credit program shall be provided to the
2219 Board upon request.

2220 A mixed beverage casino license may only be issued to a casino gaming establishment owned by an
2221 operator licensed under ~~Article Chapter 3~~ (§ ~~58.1-4108~~ 29.5-300 et seq.) of ~~Chapter 41~~ of Title ~~58.1~~ 29.5.

2222 B. The Board may grant an on-and-off-premises wine and beer license to the following:

2223 1. Hotels, restaurants, and clubs, which shall authorize the licensee to sell wine and beer (i) in closed
2224 containers for off-premises consumption or (ii) for on-premises consumption, either with or without meals, in
2225 dining areas and other designated areas of such restaurants, or in dining areas, private guest rooms, and other
2226 designated areas of such hotels or clubs, for consumption only in such rooms and areas. However, with
2227 regard to a hotel classified by the Board as (a) a resort complex, the Board may authorize the sale and
2228 consumption of alcoholic beverages in all areas within the resort complex deemed appropriate by the Board
2229 or (b) a limited service hotel, the Board may authorize the sale and consumption of alcoholic beverages in
2230 dining areas, private guest rooms, and other designated areas to persons to whom overnight lodging is being
2231 provided, for on-premises consumption in such rooms or areas, and without regard to the amount of gross
2232 receipts from the sale of food prepared and consumed on the premises, provided that at least one meal is
2233 provided each day by the hotel to such guests. With regard to facilities registered in accordance with Chapter
2234 49 (§ 38.2-4900 et seq.) of Title 38.2 as continuing care communities that are also licensed by the Board
2235 under this subdivision, any resident may, upon authorization of the licensee, keep and consume his own
2236 lawfully acquired alcoholic beverages on the premises in all areas covered by the license. For purposes of this
2237 subdivision, "other designated areas" includes outdoor dining areas, whether or not contiguous to the licensed
2238 premises, which may have more than one means of ingress and egress to an adjacent public thoroughfare,
2239 provided that such outdoor dining areas are under the control of the licensee and approved by the Board. Such
2240 noncontiguous designated areas shall not be approved for any retail license issued pursuant to subdivision A
2241 5 of § 4.1-201.

2242 2. Hospitals, which shall authorize the licensee to sell wine and beer (i) in the rooms of patients for their
2243 on-premises consumption only in such rooms, provided the consent of the patient's attending physician is first
2244 obtained or (ii) in closed containers for off-premises consumption.

2245 3. Rural grocery stores, which shall authorize the licensee to sell wine and beer for on-premises
2246 consumption or in closed containers for off-premises consumption. No license shall be granted unless (i) the
2247 grocery store is located in any town or in a rural area outside the corporate limits of any city or town and (ii)
2248 it appears affirmatively that a substantial public demand for such licensed establishment exists and that public
2249 convenience and the purposes of this subtitle will be promoted by granting the license.

2250 4. Coliseums, stadiums, and racetracks, which shall authorize the licensee to sell wine and beer during any
2251 event and immediately subsequent thereto to patrons within all seating areas, concourses, walkways,
2252 concession areas, and additional locations designated by the Board (i) in closed containers for off-premises
2253 consumption or (ii) in paper, plastic, or similar disposable containers or in single original metal cans for on-
2254 premises consumption. Upon authorization of the licensee, any person may keep and consume his own
2255 lawfully acquired alcoholic beverages on the premises in all areas and locations covered by the license. Such
2256 licenses may be granted to persons operating food concessions at coliseums, stadiums, racetracks, or similar
2257 facilities.

2258 5. Performing arts food concessionaires, which shall authorize the licensee to sell wine and beer during
2259 the performance of any event to patrons within all seating areas, concourses, walkways, or concession areas,
2260 or other areas approved by the Board (i) in closed containers for off-premises consumption or (ii) in paper,
2261 plastic, or similar disposable containers or in single original metal cans for on-premises consumption. Upon
2262 authorization of the licensee, any person may keep and consume his own lawfully acquired alcoholic
2263 beverages on the premises in all areas and locations covered by the license. Such licenses may be granted to
2264 persons operating food concessions at any performing arts facility.

2265 6. Exhibition halls, which shall authorize the licensee to sell wine and beer during the event to patrons or
2266 attendees within all seating areas, exhibition areas, concourses, walkways, concession areas, and such
2267 additional locations designated by the Board in such facilities (i) in closed containers for off-premises
2268 consumption or (ii) in paper, plastic, or similar disposable containers or in single original metal cans for on-
2269 premises consumption. Upon authorization of the licensee, any person may keep and consume his own
2270 lawfully acquired alcoholic beverages on the premises in all areas and locations covered by the license. Such

2271 licenses may be granted to persons operating food concessions at exhibition or exposition halls, convention
2272 centers, or similar facilities located in any county operating under the urban county executive form of
2273 government or any city that is completely surrounded by such county. For purposes of this subdivision,
2274 "exhibition or exposition hall" and "convention centers" mean facilities conducting private or public trade
2275 shows or exhibitions in an indoor facility having in excess of 100,000 square feet of floor space.

2276 7. Concert and dinner-theaters, which shall authorize the licensee to sell wine and beer during events to
2277 patrons or attendees within all seating areas, exhibition areas, concourses, walkways, concession areas, dining
2278 areas, and such additional locations designated by the Board in such facilities, for on-premises consumption
2279 or in closed containers for off-premises consumption. Persons licensed pursuant to this subdivision shall
2280 serve food, prepared on or off premises, whenever wine or beer is served. Such licenses may be granted to
2281 persons operating concert or dinner-theater venues on property fronting Natural Bridge School Road in
2282 Natural Bridge Station and formerly operated as Natural Bridge High School.

2283 8. Historic cinema houses, which shall authorize the licensee to sell wine and beer, either with or without
2284 meals, during any showing of a motion picture to patrons to whom alcoholic beverages may be lawfully sold,
2285 for on-premises consumption or in closed containers for off-premises consumption. The privileges of this
2286 license shall be limited to the premises of the historic cinema house regularly occupied and utilized as such.

2287 9. Nonprofit museums, which shall authorize the licensee to sell wine and beer for on-premises
2288 consumption or in closed containers for off-premises consumption in areas approved by the Board. Such
2289 licenses may be granted to persons operating a nonprofit museum exempt from taxation under § 501(c)(3) of
2290 the Internal Revenue Code, located in the Town of Front Royal, and dedicated to educating the consuming
2291 public about historic beer products. The privileges of this license shall be limited to the premises of the
2292 museum, regularly occupied and utilized as such.

2293 C. The Board may grant the following off-premises wine and beer licenses:

2294 1. Retail off-premises wine and beer licenses, which may be granted to a convenience grocery store,
2295 delicatessen, drugstore, gift shop, gourmet oyster house, gourmet shop, grocery store, or marina store as
2296 defined in § 4.1-100 and Board regulations. Such license shall authorize the licensee to sell wine and beer in
2297 closed containers for off-premises consumption and, notwithstanding the provisions of § 4.1-308, to give to
2298 any person to whom wine or beer may be lawfully sold a sample of wine or beer for on-premises
2299 consumption; however, no single sample shall exceed four ounces of beer or two ounces of wine and no more

2300 than 12 ounces of beer or five ounces of wine shall be served to any person per day. The licensee may also
2301 give samples of wine and beer in designated areas at events held by the licensee for the purpose of featuring
2302 and educating the consuming public about the alcoholic beverages being tasted. With the consent of the
2303 licensee, farm wineries, wineries, breweries, distillers, and wholesale licensees or authorized representatives
2304 of such licensees may participate in such tastings, including the pouring of samples. The licensee shall
2305 comply with any food inventory and sales volume requirements established by Board regulation.

2306 2. Gourmet brewing shop licenses, which shall authorize the licensee to sell to any person to whom wine
2307 or beer may be lawfully sold, ingredients for making wine or brewing beer, including packaging, and to rent
2308 to such persons facilities for manufacturing, fermenting, and bottling such wine or beer, for off-premises
2309 consumption in accordance with subdivision 6 of § 4.1-200.

2310 3. Confectionery licenses, which shall authorize the licensee to prepare and sell on the licensed premises
2311 for off-premises consumption confectionery that contains five percent or less alcohol by volume. Any alcohol
2312 contained in such confectionery shall not be in liquid form at the time such confectionery is sold.

2313 D. The Board may grant the following banquet, special event, and tasting licenses:

2314 1. Per-day event licenses.

2315 a. Banquet licenses to persons in charge of private banquets, and to duly organized nonprofit corporations
2316 or associations in charge of special events, which shall authorize the licensee to sell or give wine and beer in
2317 rooms or areas approved by the Board for the occasion for on-premises consumption in such rooms or areas.
2318 Licensees who are nonprofit corporations or associations conducting fundraisers (i) shall also be authorized
2319 to sell wine, as part of any fundraising activity, in closed containers for off-premises consumption to persons
2320 to whom wine may be lawfully sold; (ii) shall be limited to no more than one such fundraiser per year; and
2321 (iii) if conducting such fundraiser through an online meeting platform, may ship such wine, in accordance
2322 with Board regulations, in closed containers to persons located within the Commonwealth. Except as
2323 provided in § 4.1-215, a separate license shall be required for each day of each banquet or special event. For
2324 the purposes of this subdivision, when the location named in the original application for a license is outdoors,
2325 the application may also name an alternative location in the event of inclement weather. However, no such
2326 license shall be required of any hotel, restaurant, or club holding a retail wine and beer license.

2327 b. Mixed beverage special events licenses to a duly organized nonprofit corporation or association in
2328 charge of a special event, which shall authorize the licensee to sell and serve mixed beverages for on-
2329 premises consumption in areas approved by the Board on the premises of the place designated in the license.

2330 A separate license shall be required for each day of each special event.

2331 c. Mixed beverage club events licenses to a club holding a wine and beer club license, which shall
2332 authorize the licensee to sell and serve mixed beverages for on-premises consumption by club members and
2333 their guests in areas approved by the Board on the club premises. A separate license shall be required for each
2334 day of each club event. No more than 12 such licenses shall be granted to a club in any calendar year. The
2335 granting of a license pursuant to this subdivision shall automatically authorize the licensee to obtain a license
2336 to sell and serve wine and beer for on-premises consumption; however, the licensee shall be required to pay
2337 the local fee required for such additional license pursuant to § 4.1-233.1.

2338 d. Tasting licenses, which shall authorize the licensee to sell or give samples of alcoholic beverages of the
2339 type specified in the license in designated areas at events held by the licensee. A tasting license shall be
2340 issued for the purpose of featuring and educating the consuming public about the alcoholic beverages being
2341 tasted. A separate license shall be required for each day of each tasting event. No tasting license shall be
2342 required for conduct authorized by § 4.1-201.1.

2343 2. Annual licenses.

2344 a. Annual banquet licenses to duly organized private nonprofit fraternal, patriotic, or charitable
2345 membership organizations that are exempt from state and federal taxation and in charge of banquets
2346 conducted exclusively for members and their guests, which shall authorize the licensee to serve wine and beer
2347 in rooms or areas approved by the Board for the occasion for on-premises consumption in such rooms or
2348 areas. Such license shall authorize the licensee to conduct no more than 12 banquets per calendar year. For
2349 the purposes of this subdivision, when the location named in the original application for a license is outdoors,
2350 the application may also name an alternative location in the event of inclement weather. However, no such
2351 license shall be required of any hotel, restaurant, or club holding a retail wine and beer license.

2352 b. Banquet facility licenses to volunteer fire departments and volunteer emergency medical services
2353 agencies, which shall authorize the licensee to permit the consumption of lawfully acquired alcoholic
2354 beverages on the premises of the licensee by any person, and bona fide members and guests thereof,
2355 otherwise eligible for a banquet license. However, lawfully acquired alcoholic beverages shall not be
2356 purchased or sold by the licensee or sold or charged for in any way by the person permitted to use the
2357 premises. Such premises shall be a volunteer fire or volunteer emergency medical services agency station or
2358 both, regularly occupied as such and recognized by the governing body of the county, city, or town in which
2359 it is located. Under conditions as specified by Board regulation, such premises may be other than a volunteer

2360 fire or volunteer emergency medical services agency station, provided such other premises are occupied and
2361 under the control of the volunteer fire department or volunteer emergency medical services agency while the
2362 privileges of its license are being exercised.

2363 c. Designated outdoor refreshment area licenses to a locality, business improvement district, or nonprofit
2364 organization, which shall authorize (i) the licensee to permit the consumption of alcoholic beverages within
2365 the area designated by the Board for the designated outdoor refreshment area and (ii) any permanent retail on-
2366 premises licensee that is located within the area designated by the Board for the designated outdoor
2367 refreshment area to sell alcoholic beverages within the permanent retail location for consumption in the area
2368 designated for the designated outdoor refreshment area, including sidewalks and the premises of businesses
2369 not licensed to sell alcoholic beverages at retail, upon approval of such businesses. In determining the
2370 designated area for the designated outdoor refreshment area, the Board shall consult with the locality.
2371 Designated outdoor refreshment area licensees shall be limited to 16 events per year, and the duration of any
2372 event shall not exceed three consecutive days. However, the Board may increase the frequency and duration
2373 of events after adoption of an ordinance by a locality requesting such increase in frequency and duration.
2374 Such ordinance shall include the size and scope of the area within which such events will be held, a public
2375 safety plan, and any other considerations deemed necessary by the Board. Such limitations on the number of
2376 events that may be held shall not apply during the effective dates of any rule, regulation, or order that is
2377 issued by the Governor or State Health Commissioner to meet a public health emergency and that effectively
2378 reduces allowable restaurant seating capacity; however, designated outdoor refreshment area licensees shall
2379 be subject to all other applicable provisions of this subtitle and Board regulations and shall provide notice to
2380 the Board regarding the days and times during which the privileges of the license will be exercised. Only
2381 alcoholic beverages purchased from permanent retail on-premises licensees located within the designated area
2382 may be consumed at the event, and such alcoholic beverages shall be contained in paper, plastic, or similar
2383 disposable containers that clearly display the name or logo of the retail on-premises licensee from which the
2384 alcoholic beverage was purchased. Alcoholic beverages shall not be sold or charged for in any way by the
2385 designated outdoor refreshment area licensee. The designated outdoor refreshment area licensee shall post
2386 appropriate signage clearly demarcating for the public the boundaries of the event; however, no physical
2387 barriers shall be required for this purpose. The designated outdoor refreshment area licensee shall provide
2388 adequate security for the event to ensure compliance with the applicable provisions of this subtitle and Board

2389 regulations.

2390 d. Annual mixed beverage banquet licenses to duly organized private nonprofit fraternal, patriotic, or
2391 charitable membership organizations that are exempt from state and federal taxation and in charge of
2392 banquets conducted exclusively for members and their guests, which shall authorize the licensee to serve
2393 mixed beverages for on-premises consumption in areas approved by the Board on the premises of the place
2394 designated in the license. Such license shall authorize the licensee to conduct no more than 12 banquets per
2395 calendar year. The granting of a license pursuant to this subdivision shall automatically authorize the licensee
2396 to obtain a license to sell and serve wine and beer for on-premises consumption; however, the licensee shall
2397 be required to pay the local fee required for such additional license pursuant to § 4.1-233.1.

2398 e. Equine sporting event licenses, which may be issued to organizations holding equestrian, hunt, and
2399 steeplechase events, which shall authorize the licensee to permit the consumption of lawfully acquired
2400 alcoholic beverages on the premises of the licensee by patrons thereof during such event. However, alcoholic
2401 beverages shall not be sold or charged for in any way by the licensee. The privileges of this license shall be
2402 (i) limited to the premises of the licensee, regularly occupied and utilized for equestrian, hunt, and
2403 steeplechase events, and (ii) exercised on no more than four calendar days per year.

2404 f. Annual arts venue event licenses, to persons operating an arts venue, which shall authorize the licensee
2405 participating in a community art walk that is open to the public to serve lawfully acquired wine or beer on the
2406 premises of the licensee to adult patrons thereof during such events. However, alcoholic beverages shall not
2407 be sold or charged for in any way, directly or indirectly, by the licensee, and the licensee shall not give more
2408 than two five-ounce glasses of wine or two 12-ounce glasses of beer to any one adult patron. The privileges
2409 of this license shall be (i) limited to the premises of the arts venue regularly occupied and used as such and
2410 (ii) exercised on no more than 12 calendar days per year.

2411 E. The Board may grant a marketplace license to persons operating a business enterprise of which the
2412 primary function is not the sale of alcoholic beverages, which shall authorize the licensee to serve
2413 complimentary wine or beer to bona fide customers on the licensed premises subject to any limitations
2414 imposed by the Board; however, the licensee shall not give more than two five-ounce glasses of wine or two
2415 12-ounce glasses of beer to any customer per day, nor shall it sell or otherwise charge a fee to such customer
2416 for the wine or beer served or consumed. In order to be eligible for and retain a marketplace license, the
2417 applicant's business enterprise must (i) provide a single category of goods or services in a manner intended to

2418 create a personalized experience for the customer; (ii) employ staff with expertise in such goods or services;
2419 (iii) be ineligible for any other license granted by the Board; (iv) have an alcoholic beverage control manager
2420 on the licensed premises at all times alcohol is served; (v) ensure that all employees satisfy any training
2421 requirements imposed by the Board; and (vi) purchase all wine and beer to be served from a licensed
2422 wholesaler or the Authority and retain purchase records as prescribed by the Board. In determining whether
2423 to grant a marketplace license, the Board shall consider (a) the average amount of time customers spend at the
2424 business; (b) the business's hours of operation; (c) the amount of time that the business has been in operation;
2425 and (d) any other requirements deemed necessary by the Board to protect the public health, safety, and
2426 welfare.

2427 F. The Board may grant the following shipper, bottler, and related licenses:

2428 1. Wine and beer shipper licenses, which shall carry the privileges and limitations set forth in § 4.1-209.1.

2429 2. Internet wine and beer retailer licenses, which shall authorize persons located within or outside the
2430 Commonwealth to sell and ship wine and beer, in accordance with § 4.1-209.1 and Board regulations, in
2431 closed containers to persons in the Commonwealth to whom wine and beer may be lawfully sold for
2432 off-premises consumption. Such licensee shall not be required to comply with the monthly food sale
2433 requirement established by Board regulations.

2434 3. Bottler licenses, which shall authorize the licensee to acquire and receive deliveries and shipments of
2435 beer in closed containers and to bottle, sell, and deliver or ship it, in accordance with Board regulations to (i)
2436 wholesale beer licensees for the purpose of resale, (ii) owners of boats registered under the laws of the United
2437 States sailing for ports of call of a foreign country or another state, and (iii) persons outside the
2438 Commonwealth for resale outside the Commonwealth.

2439 4. Fulfillment warehouse licenses, which shall authorize associations as defined in § 13.1-313 with a place
2440 of business located in the Commonwealth to (i) receive deliveries and shipments of wine or beer owned by
2441 holders of wine and beer shipper's licenses; (ii) store such wine or beer on behalf of the owner; and (iii) pick,
2442 pack, and ship such wine or beer as directed by the owner, all in accordance with Board regulations. No
2443 wholesale wine or wholesale beer licensee, whether licensed in the Commonwealth or not, or any person
2444 under common control of such licensee, shall acquire or hold any financial interest, direct or indirect, in the
2445 business for which any fulfillment warehouse license is issued.

2446 5. Marketing portal licenses, which shall authorize agricultural cooperative associations organized under
2447 the provisions of the Agricultural Cooperative Association Act (§ 13.1-312 et seq.), with a place of business

2448 located in the Commonwealth, in accordance with Board regulations, to solicit and receive orders for wine or
2449 beer through the use of the ~~Internet~~ *internet* from persons in the Commonwealth to whom wine or beer may
2450 be lawfully sold, on behalf of holders of wine and beer shipper's licenses. Upon receipt of an order for wine
2451 or beer, the licensee shall forward it to a holder of a wine and beer shipper's license for fulfillment. Marketing
2452 portal licensees may also accept payment on behalf of the shipper.

2453 6. Third-party delivery licenses, which shall carry the privileges and limitations set forth in § 4.1-212.2.

2454 **§ 4.1-206.3. (Effective July 1, 2026) Retail licenses.**

2455 A. The Board may grant the following mixed beverages licenses:

2456 1. Mixed beverage restaurant licenses, which shall authorize the licensee to sell and serve mixed
2457 beverages for consumption in dining areas and other designated areas of such restaurant. Such license may be
2458 granted only to persons (i) who operate a restaurant and (ii) whose gross receipts from the sale of food
2459 cooked, or prepared, and consumed on the premises and nonalcoholic beverages served on the premises, after
2460 issuance of such license, amount to at least 45 percent of the gross receipts from the sale of mixed beverages
2461 and food. For the purposes of this subdivision, other designated areas shall include outdoor dining areas,
2462 whether or not contiguous to the licensed premises, which outdoor dining areas may have more than one
2463 means of ingress and egress to an adjacent public thoroughfare, provided such areas are under the control of
2464 the licensee and approved by the Board. Such noncontiguous designated areas shall not be approved for any
2465 retail license issued pursuant to subdivision A 5 of § 4.1-201.

2466 If the restaurant is located on the premises of a hotel or motel with no fewer than four permanent
2467 bedrooms where food and beverage service is customarily provided by the restaurant in designated areas,
2468 bedrooms, and other private rooms of such hotel or motel, such licensee may (a) sell and serve mixed
2469 beverages for consumption in such designated areas, bedrooms, and other private rooms and (b) sell spirits
2470 packaged in original closed containers purchased from the Board for on-premises consumption to registered
2471 guests and at scheduled functions of such hotel or motel only in such bedrooms or private rooms. However,
2472 with regard to a hotel classified as a resort complex, the Board may authorize the sale and on-premises
2473 consumption of alcoholic beverages in all areas within the resort complex deemed appropriate by the Board.
2474 Nothing herein shall prohibit any person from keeping and consuming his own lawfully acquired spirits in
2475 bedrooms or private rooms.

2476 If the restaurant is located on the premises of and operated by a private, nonprofit, or profit club
2477 exclusively for its members and their guests, or members of another private, nonprofit, or profit club in

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

2489 If the restaurant is located on the premises of and operated by a municipal golf course, the Board shall
2490 recognize the seasonal nature of the business and waive any applicable monthly food sales requirements for
2491 those months when weather conditions may reduce patronage of the golf course, provided that prepared food,
2492 including meals, is available to patrons during the same months. The gross receipts from the sale of food
2493 cooked, or prepared, and consumed on the premises and nonalcoholic beverages served on the premises, after
2494 the issuance of such license, shall amount to at least 45 percent of the gross receipts from the sale of mixed
2495 beverages and food on an annualized basis.

2496 If the restaurant is located on the premises of and operated by a culinary lodging resort, such license shall
2497 authorize the licensee to (A) sell alcoholic beverages for on-premises consumption, without regard to the
2498 amount of gross receipts from the sale of food prepared and consumed on the premises, in areas upon the
2499 licensed premises approved by the Board and other designated areas of the resort, including outdoor areas
2500 under the control of the licensee, and (B) permit the possession and consumption of lawfully acquired
2501 alcoholic beverages by persons to whom overnight lodging is being provided in bedrooms and private guest
2502 rooms.

2503 If the restaurant is located on the premises of a mixed beverage casino licensee owned by an operator
2504 licensed under ~~Article Chapter 3~~ (~~§ 58.1-4108~~ 29.5-300 et seq.) of ~~Chapter 41~~ of Title ~~58.1~~ 29.5, such mixed
2505 beverage restaurant license shall authorize the licensee to sell alcoholic beverages for on-premises
2506 consumption on the licensed premises of the restaurant during all hours of operation of the mixed beverage

2507 casino licensee. Any alcoholic beverages purchased from such restaurant may be (I) taken onto the premises
2508 of the mixed beverage casino licensee and (II) possessed or consumed in areas designated by the Board, after
2509 consultation with the mixed beverage casino licensee. Designated areas may include any areas on the
2510 premises of the mixed beverage casino licensee, including entertainment venues, conference rooms, private
2511 rooms, hotels, pools, marinas, or green spaces. Alcoholic beverages purchased from a restaurant pursuant to
2512 this subdivision shall be contained in glassware or a paper, plastic, or similar disposable container that clearly
2513 displays the name or logo of the restaurant from which the alcoholic beverage was purchased.

2514 The granting of a license pursuant to this subdivision shall automatically authorize the licensee to obtain a
2515 license to sell and serve wine and beer for on-premises consumption and in closed containers for off-premises
2516 consumption; however, the licensee shall be required to pay the local fee required for such additional license
2517 pursuant to § 4.1-233.1.

2518 2. Mixed beverage caterer's licenses, which may be granted only to a person regularly engaged in the
2519 business of providing food and beverages to others for service at private gatherings or at special events,
2520 which shall authorize the licensee to sell and serve alcoholic beverages for on-premises consumption. The
2521 annual gross receipts from the sale of food cooked and prepared for service and nonalcoholic beverages
2522 served at gatherings and events referred to in this subdivision shall amount to at least 45 percent of the gross
2523 receipts from the sale of mixed beverages and food.

2524 3. Mixed beverage limited caterer's licenses, which may be granted only to a person regularly engaged in
2525 the business of providing food and beverages to others for service at private gatherings or at special events,
2526 not to exceed 12 gatherings or events per year, which shall authorize the licensee to sell and serve alcoholic
2527 beverages for on-premises consumption. The annual gross receipts from the sale of food cooked and prepared
2528 for service and nonalcoholic beverages served at gatherings and events referred to in this subdivision shall
2529 amount to at least 45 percent of the gross receipts from the sale of mixed beverages and food.

2530 4. Mixed beverage carrier licenses to (i) persons operating a common carrier of passengers by train, boat,
2531 bus, or airplane, which shall authorize the licensee to sell and serve mixed beverages anywhere in the
2532 Commonwealth to passengers while in transit aboard any such common carrier, and in designated rooms of
2533 establishments of air carriers at airports in the Commonwealth and (ii) financial institutions, subsidiaries of a
2534 financial institution, or persons approved by the applicable airport authority that have entered into a contract
2535 with a financial institution or subsidiary of a financial institution to operate a passenger lounge, which shall
2536 authorize the licensee to sell and serve mixed beverages in designated areas of a passenger lounge for ticketed

2537 air carrier passengers that is located within an airport in the Commonwealth. For purposes of supplying its
2538 airplanes, as well as any airplanes of a licensed express carrier flying under the same brand, an air carrier
2539 licensee may appoint an authorized representative to load alcoholic beverages onto the same airplanes and to
2540 transport and store alcoholic beverages at or in close proximity to the airport where the alcoholic beverages
2541 will be delivered onto airplanes of the air carrier and any such licensed express carrier. The air carrier
2542 licensee shall (a) designate for purposes of its license all locations where the inventory of alcoholic beverages
2543 may be stored and from which the alcoholic beverages will be delivered onto airplanes of the air carrier and
2544 any such licensed express carrier and (b) maintain records of all alcoholic beverages to be transported, stored,
2545 and delivered by its authorized representative. The granting of a license pursuant to this subdivision shall
2546 automatically authorize the licensee to obtain a license to sell and serve wine and beer for on-premises
2547 consumption or in closed containers for off-premises consumption; however, the licensee shall be required to
2548 pay the local fee required for such additional license pursuant to § 4.1-233.1.

2549 For the purposes of this subdivision:

2550 "Financial institution" means any bank, trust company, savings institution, industrial loan association,
2551 consumer finance company, or credit union.

2552 "Passenger lounge" means any restricted-access passenger waiting room or lounge leased to persons by
2553 the applicable airport authority in which food and beverage services are provided to ticketed passengers.

2554 5. Annual mixed beverage sports facility licenses to persons operating a sports facility or food concessions
2555 at a sports facility, which shall authorize the licensee to sell mixed beverages during any event and
2556 immediately subsequent thereto to patrons within all seating areas, concourses, walkways, concession areas,
2557 and additional locations designated by the Board (i) in closed containers for off-premises consumption or (ii)
2558 in paper, plastic, or similar disposable containers or in single original metal cans for on-premises
2559 consumption. Upon authorization of the licensee, any person may keep and consume his own lawfully
2560 acquired alcoholic beverages on the premises in all areas and locations covered by the license. The granting
2561 of a license pursuant to this subdivision shall automatically authorize the licensee to obtain a license to sell
2562 and serve wine and beer for on-premises consumption or in closed containers for off-premises consumption;
2563 however, the licensee shall be required to pay the local fee required for such additional license pursuant to
2564 § 4.1-233.1.

2565 6. Limited mixed beverage restaurant licenses, which shall authorize the licensee to sell and serve dessert
2566 wines as defined by Board regulation and no more than six varieties of liqueurs, which liqueurs shall be
2567 combined with coffee or other nonalcoholic beverages, for consumption in dining areas of the restaurant.

2568 Such license may be granted only to persons who operate a restaurant and in no event shall the sale of such
2569 wine or liqueur-based drinks, together with the sale of any other alcoholic beverages, exceed 10 percent of
2570 the total annual gross sales of all food and alcoholic beverages. The granting of a license pursuant to this
2571 subdivision shall automatically authorize the licensee to obtain a license to sell and serve wine and beer for
2572 on-premises consumption or in closed containers for off-premises consumption; however, the licensee shall
2573 be required to pay the local fee required for such additional license pursuant to § 4.1-233.1.

2574 7. Annual mixed beverage performing arts facility licenses, which shall (i) authorize the licensee to sell,
2575 on the dates of performances or events, alcoholic beverages in paper, plastic, or similar disposable containers
2576 or in single original metal cans for on-premises consumption in all seating areas, concourses, walkways,
2577 concession areas, similar facilities, and other areas upon the licensed premises approved by the Board and (ii)
2578 automatically authorize the licensee to obtain a license to sell and serve wine and beer for on-premises
2579 consumption or in closed containers for off-premises consumption; however, the licensee shall be required to
2580 pay the local fee required for such additional license pursuant to § 4.1-233.1. Such licenses may be granted to
2581 persons operating a performing arts facility or food concessions at a performing arts facility.

2582 8. Combined mixed beverage restaurant and caterer's licenses, which may be granted to any restaurant or
2583 hotel that meets the qualifications for both a mixed beverage restaurant pursuant to subdivision 1 and mixed
2584 beverage caterer pursuant to subdivision 2 for the same business location, and which license shall authorize
2585 the licensee to operate as both a mixed beverage restaurant and mixed beverage caterer at the same business
2586 premises designated in the license, with a common alcoholic beverage inventory for purposes of the
2587 restaurant and catering operations. Such licensee shall meet the separate food qualifications established for
2588 the mixed beverage restaurant license pursuant to subdivision 1 and mixed beverage caterer's license pursuant
2589 to subdivision 2. The granting of a license pursuant to this subdivision shall automatically authorize the
2590 licensee to obtain a license to sell and serve wine and beer for on-premises consumption or in closed
2591 containers for off-premises consumption; however, the licensee shall be required to pay the local fee required
2592 for such additional license pursuant to § 4.1-233.1.

2593 9. Bed and breakfast licenses, which shall authorize the licensee to (i) serve alcoholic beverages in dining
2594 areas, private guest rooms, and other designated areas to persons to whom overnight lodging is being
2595 provided, with or without meals, for on-premises consumption only in such rooms and areas, and without
2596 regard to the amount of gross receipts from the sale of food prepared and consumed on the premises and (ii)
2597 permit the consumption of lawfully acquired alcoholic beverages by persons to whom overnight lodging is
2598 being provided in (a) bedrooms or private guest rooms or (b) other designated areas of the bed and breakfast

2599 establishment. For purposes of this subdivision, "other designated areas" includes outdoor dining areas,
2600 whether or not contiguous to the licensed premises, which may have more than one means of ingress and
2601 egress to an adjacent public thoroughfare, provided that such outdoor dining areas are under the control of the
2602 licensee and approved by the Board. Such noncontiguous designated areas shall not be approved for any retail
2603 license issued pursuant to subdivision A 5 of § 4.1-201.

2604 10. Museum licenses, which may be issued to nonprofit museums exempt from taxation under § 501(c)(3)
2605 of the Internal Revenue Code, which shall authorize the licensee to (i) permit the consumption of lawfully
2606 acquired alcoholic beverages on the premises of the licensee by any bona fide member and guests thereof and
2607 (ii) serve alcoholic beverages on the premises of the licensee to any bona fide member and guests thereof.
2608 However, alcoholic beverages shall not be sold or charged for in any way by the licensee. The privileges of
2609 this license shall be limited to the premises of the museum, regularly occupied and utilized as such.

2610 11. Commercial lifestyle center licenses, which may be issued only to a commercial owners' association
2611 governing a commercial lifestyle center, which shall authorize any retail on-premises restaurant licensee that
2612 is a tenant of the commercial lifestyle center to sell alcoholic beverages to any bona fide customer to whom
2613 alcoholic beverages may be lawfully sold for consumption on that portion of the licensed premises of the
2614 commercial lifestyle center designated by the Board, including (i) plazas, seating areas, concourses,
2615 walkways, or such other similar areas and (ii) the premises of any tenant location of the commercial lifestyle
2616 center that is not a retail licensee of the Board, upon approval of such tenant, but excluding any parking areas.
2617 Only alcoholic beverages purchased from such retail on-premises restaurant licensees may be consumed on
2618 the licensed premises of the commercial lifestyle center, and such alcoholic beverages shall be contained in
2619 paper, plastic, or similar disposable containers with the name or logo of the restaurant licensee that sold the
2620 alcoholic beverage clearly displayed. Alcoholic beverages shall not be sold or charged for in any way by the
2621 commercial lifestyle center licensee. The licensee shall post appropriate signage clearly demarcating for the
2622 public the boundaries of the licensed premises; however, no physical barriers shall be required for this
2623 purpose. The licensee shall provide adequate security for the licensed premises to ensure compliance with the
2624 applicable provisions of this subtitle and Board regulations.

2625 12. Mixed beverage port restaurant licenses, which shall authorize the licensee to sell and serve mixed
2626 beverages for consumption in dining areas and other designated areas of such restaurant. Such license may be
2627 granted only to persons operating a business (i) that is primarily engaged in the sale of meals; (ii) that is
2628 located on property owned by the United States government or an agency thereof and used as a port of entry

2629 to or egress from the United States; and (iii) whose gross receipts from the sale of food cooked, or prepared,
2630 and consumed on the premises and nonalcoholic beverages served on the premises, after issuance of such
2631 license, amount to at least 45 percent of the gross receipts from the sale of mixed beverages and food. For the
2632 purposes of this subdivision, other designated areas shall include outdoor dining areas, whether or not
2633 contiguous to the licensed premises, which outdoor dining areas may have more than one means of ingress
2634 and egress to an adjacent public thoroughfare, provided such areas are under the control of the licensee and
2635 approved by the Board. Such noncontiguous designated areas shall not be approved for any retail license
2636 issued pursuant to subdivision A 5 of § 4.1-201. The granting of a license pursuant to this subdivision shall
2637 automatically authorize the licensee to obtain a license to sell and serve wine and beer for on-premises
2638 consumption or in closed containers for off-premises consumption; however, the licensee shall be required to
2639 pay the local fee required for such additional license pursuant to § 4.1-233.1.

2640 13. Annual mixed beverage special events licenses to (i) a duly organized nonprofit corporation or
2641 association operating either a performing arts facility or an art education and exhibition facility; (ii) a
2642 nonprofit corporation or association chartered by Congress for the preservation of sites, buildings, and objects
2643 significant in American history and culture; (iii) persons operating an agricultural event and entertainment
2644 park or similar facility that has a minimum of 50,000 square feet of indoor exhibit space and equine and other
2645 livestock show areas, which includes barns, pavilions, or other structures equipped with roofs, exterior walls,
2646 and open-door or closed-door access; or (iv) a locality for special events conducted on the premises of a
2647 museum for historic interpretation that is owned and operated by the locality. The operation in all cases shall
2648 be upon premises owned by such licensee or occupied under a bona fide lease, the original term of which was
2649 for more than one year's duration. Such license shall authorize the licensee to sell alcoholic beverages during
2650 scheduled events and performances for on-premises consumption in areas upon the licensed premises
2651 approved by the Board.

2652 14. Mixed beverage casino licenses, which shall authorize the licensee to (i) sell and serve mixed
2653 beverages for on-premises consumption in areas designated by the Board, after consultation with the mixed
2654 beverage casino licensee, without regard to the amount of gross receipts from the sale of food prepared and
2655 consumed on the premises and (ii) provide complimentary mixed beverages to patrons for on-premises
2656 consumption in private areas or restricted access areas designated by the Board, after consultation with the
2657 mixed beverage casino licensee. Designated areas may include any areas on the premises of the mixed
2658 beverage casino licensee, including entertainment venues, private rooms, conference rooms, hotels, pools,

2659 marinas, or green spaces. The granting of a license pursuant to this subdivision shall authorize the licensee to
2660 obtain a license to sell and serve wine and beer for on-premises consumption and in closed containers for
2661 off-premises consumption in accordance with the provisions of this subdivision governing mixed beverages;
2662 however, the licensee shall be required to pay the local fee required for such additional license pursuant to
2663 § 4.1-233.1. Notwithstanding any law or regulation to the contrary, a mixed beverage casino licensee may
2664 exercise the privileges of its license as set forth in this subdivision during all hours of operation of the casino
2665 gaming establishment; however, such licensee shall not sell wine or beer for off-premises consumption
2666 between the hours of 12 a.m. and 6 a.m.

2667 A mixed beverage casino licensee may (a) provide patrons gifts of alcoholic beverages in closed
2668 containers for personal consumption off the licensed premises or in areas designated by the Board, after
2669 consultation with the mixed beverage casino licensee, and (b) enable patrons who participate in a loyalty or
2670 reward credit program to redeem credits for the purchase of alcoholic beverages for on-premises
2671 consumption. A summary of the operation of such loyalty or reward credit program shall be provided to the
2672 Board upon request.

2673 A mixed beverage casino license may only be issued to a casino gaming establishment owned by an
2674 operator licensed under ~~Article Chapter 3~~ (§ ~~58.1-4108~~ 29.5-300 et seq.) of ~~Chapter 41~~ of Title ~~58.1~~ 29.5.

2675 B. The Board may grant an on-and-off-premises wine and beer license to the following:

2676 1. Hotels, restaurants, and clubs, which shall authorize the licensee to sell wine and beer (i) in closed
2677 containers for off-premises consumption or (ii) for on-premises consumption, either with or without meals, in
2678 dining areas and other designated areas of such restaurants, or in dining areas, private guest rooms, and other
2679 designated areas of such hotels or clubs, for consumption only in such rooms and areas. However, with
2680 regard to a hotel classified by the Board as (a) a resort complex, the Board may authorize the sale and
2681 consumption of alcoholic beverages in all areas within the resort complex deemed appropriate by the Board
2682 or (b) a limited service hotel, the Board may authorize the sale and consumption of alcoholic beverages in
2683 dining areas, private guest rooms, and other designated areas to persons to whom overnight lodging is being
2684 provided, for on-premises consumption in such rooms or areas, and without regard to the amount of gross
2685 receipts from the sale of food prepared and consumed on the premises, provided that at least one meal is
2686 provided each day by the hotel to such guests. With regard to facilities registered in accordance with Chapter
2687 49 (§ 38.2-4900 et seq.) of Title 38.2 as continuing care communities that are also licensed by the Board
2688 under this subdivision, any resident may, upon authorization of the licensee, keep and consume his own
2689 lawfully acquired alcoholic beverages on the premises in all areas covered by the license. For purposes of this

2690 subdivision, "other designated areas" includes outdoor dining areas, whether or not contiguous to the licensed
2691 premises, which may have more than one means of ingress and egress to an adjacent public thoroughfare,
2692 provided that such outdoor dining areas are under the control of the licensee and approved by the Board. Such
2693 noncontiguous designated areas shall not be approved for any retail license issued pursuant to subdivision A
2694 5 of § 4.1-201.

2695 2. Hospitals, which shall authorize the licensee to sell wine and beer (i) in the rooms of patients for their
2696 on-premises consumption only in such rooms, provided the consent of the patient's attending physician is first
2697 obtained or (ii) in closed containers for off-premises consumption.

2698 3. Rural grocery stores, which shall authorize the licensee to sell wine and beer for on-premises
2699 consumption or in closed containers for off-premises consumption. No license shall be granted unless (i) the
2700 grocery store is located in any town or in a rural area outside the corporate limits of any city or town and (ii)
2701 it appears affirmatively that a substantial public demand for such licensed establishment exists and that public
2702 convenience and the purposes of this subtitle will be promoted by granting the license.

2703 4. Coliseums, stadiums, and racetracks, which shall authorize the licensee to sell wine and beer during any
2704 event and immediately subsequent thereto to patrons within all seating areas, concourses, walkways,
2705 concession areas, and additional locations designated by the Board (i) in closed containers for off-premises
2706 consumption or (ii) in paper, plastic, or similar disposable containers or in single original metal cans for on-
2707 premises consumption. Upon authorization of the licensee, any person may keep and consume his own
2708 lawfully acquired alcoholic beverages on the premises in all areas and locations covered by the license. Such
2709 licenses may be granted to persons operating food concessions at coliseums, stadiums, racetracks, or similar
2710 facilities.

2711 5. Performing arts food concessionaires, which shall authorize the licensee to sell wine and beer during
2712 the performance of any event to patrons within all seating areas, concourses, walkways, or concession areas,
2713 or other areas approved by the Board (i) in closed containers for off-premises consumption or (ii) in paper,
2714 plastic, or similar disposable containers or in single original metal cans for on-premises consumption. Upon
2715 authorization of the licensee, any person may keep and consume his own lawfully acquired alcoholic
2716 beverages on the premises in all areas and locations covered by the license. Such licenses may be granted to
2717 persons operating food concessions at any performing arts facility.

2718 6. Exhibition halls, which shall authorize the licensee to sell wine and beer during the event to patrons or

2719 attendees within all seating areas, exhibition areas, concourses, walkways, concession areas, and such
2720 additional locations designated by the Board in such facilities (i) in closed containers for off-premises
2721 consumption or (ii) in paper, plastic, or similar disposable containers or in single original metal cans for on-
2722 premises consumption. Upon authorization of the licensee, any person may keep and consume his own
2723 lawfully acquired alcoholic beverages on the premises in all areas and locations covered by the license. Such
2724 licenses may be granted to persons operating food concessions at exhibition or exposition halls, convention
2725 centers, or similar facilities located in any county operating under the urban county executive form of
2726 government or any city that is completely surrounded by such county. For purposes of this subdivision,
2727 "exhibition or exposition hall" and "convention centers" mean facilities conducting private or public trade
2728 shows or exhibitions in an indoor facility having in excess of 100,000 square feet of floor space.

2729 7. Concert and dinner-theaters, which shall authorize the licensee to sell wine and beer during events to
2730 patrons or attendees within all seating areas, exhibition areas, concourses, walkways, concession areas, dining
2731 areas, and such additional locations designated by the Board in such facilities, for on-premises consumption
2732 or in closed containers for off-premises consumption. Persons licensed pursuant to this subdivision shall
2733 serve food, prepared on or off premises, whenever wine or beer is served. Such licenses may be granted to
2734 persons operating concert or dinner-theater venues on property fronting Natural Bridge School Road in
2735 Natural Bridge Station and formerly operated as Natural Bridge High School.

2736 8. Historic cinema houses, which shall authorize the licensee to sell wine and beer, either with or without
2737 meals, during any showing of a motion picture to patrons to whom alcoholic beverages may be lawfully sold,
2738 for on-premises consumption or in closed containers for off-premises consumption. The privileges of this
2739 license shall be limited to the premises of the historic cinema house regularly occupied and utilized as such.

2740 9. Nonprofit museums, which shall authorize the licensee to sell wine and beer for on-premises
2741 consumption or in closed containers for off-premises consumption in areas approved by the Board. Such
2742 licenses may be granted to persons operating a nonprofit museum exempt from taxation under § 501(c)(3) of
2743 the Internal Revenue Code, located in the Town of Front Royal, and dedicated to educating the consuming
2744 public about historic beer products. The privileges of this license shall be limited to the premises of the
2745 museum, regularly occupied and utilized as such.

2746 C. The Board may grant the following off-premises wine and beer licenses:

2747 1. Retail off-premises wine and beer licenses, which may be granted to a convenience grocery store,

2748 delicatessen, drugstore, gift shop, gourmet oyster house, gourmet shop, grocery store, or marina store as
2749 defined in § 4.1-100 and Board regulations. Such license shall authorize the licensee to sell wine and beer in
2750 closed containers for off-premises consumption and, notwithstanding the provisions of § 4.1-308, to give to
2751 any person to whom wine or beer may be lawfully sold a sample of wine or beer for on-premises
2752 consumption; however, no single sample shall exceed four ounces of beer or two ounces of wine and no more
2753 than 12 ounces of beer or five ounces of wine shall be served to any person per day. The licensee may also
2754 give samples of wine and beer in designated areas at events held by the licensee for the purpose of featuring
2755 and educating the consuming public about the alcoholic beverages being tasted. With the consent of the
2756 licensee, farm wineries, wineries, breweries, distillers, and wholesale licensees or authorized representatives
2757 of such licensees may participate in such tastings, including the pouring of samples. The licensee shall
2758 comply with any food inventory and sales volume requirements established by Board regulation.

2759 2. Gourmet brewing shop licenses, which shall authorize the licensee to sell to any person to whom wine
2760 or beer may be lawfully sold, ingredients for making wine or brewing beer, including packaging, and to rent
2761 to such persons facilities for manufacturing, fermenting, and bottling such wine or beer, for off-premises
2762 consumption in accordance with subdivision 6 of § 4.1-200.

2763 3. Confectionery licenses, which shall authorize the licensee to prepare and sell on the licensed premises
2764 for off-premises consumption confectionery that contains five percent or less alcohol by volume. Any alcohol
2765 contained in such confectionery shall not be in liquid form at the time such confectionery is sold.

2766 D. The Board may grant the following banquet, special event, and tasting licenses:

2767 1. Per-day event licenses.

2768 a. Banquet licenses to persons in charge of private banquets, and to duly organized nonprofit corporations
2769 or associations in charge of special events, which shall authorize the licensee to sell or give wine and beer in
2770 rooms or areas approved by the Board for the occasion for on-premises consumption in such rooms or areas.
2771 Licensees who are nonprofit corporations or associations conducting fundraisers (i) shall also be authorized
2772 to sell wine, as part of any fundraising activity, in closed containers for off-premises consumption to persons
2773 to whom wine may be lawfully sold; (ii) shall be limited to no more than one such fundraiser per year; and
2774 (iii) if conducting such fundraiser through an online meeting platform, may ship such wine, in accordance
2775 with Board regulations, in closed containers to persons located within the Commonwealth. Except as
2776 provided in § 4.1-215, a separate license shall be required for each day of each banquet or special event. For
2777 the purposes of this subdivision, when the location named in the original application for a license is outdoors,
2778 the application may also name an alternative location in the event of inclement weather. However, no such

2779 license shall be required of any hotel, restaurant, or club holding a retail wine and beer license.

2780 b. Mixed beverage special events licenses to a duly organized nonprofit corporation or association in
2781 charge of a special event, which shall authorize the licensee to sell and serve mixed beverages for on-
2782 premises consumption in areas approved by the Board on the premises of the place designated in the license.
2783 A separate license shall be required for each day of each special event.

2784 c. Mixed beverage club events licenses to a club holding a wine and beer club license, which shall
2785 authorize the licensee to sell and serve mixed beverages for on-premises consumption by club members and
2786 their guests in areas approved by the Board on the club premises. A separate license shall be required for each
2787 day of each club event. No more than 12 such licenses shall be granted to a club in any calendar year. The
2788 granting of a license pursuant to this subdivision shall automatically authorize the licensee to obtain a license
2789 to sell and serve wine and beer for on-premises consumption; however, the licensee shall be required to pay
2790 the local fee required for such additional license pursuant to § 4.1-233.1.

2791 d. Tasting licenses, which shall authorize the licensee to sell or give samples of alcoholic beverages of the
2792 type specified in the license in designated areas at events held by the licensee. A tasting license shall be
2793 issued for the purpose of featuring and educating the consuming public about the alcoholic beverages being
2794 tasted. A separate license shall be required for each day of each tasting event. No tasting license shall be
2795 required for conduct authorized by § 4.1-201.1.

2796 2. Annual licenses.

2797 a. Annual banquet licenses to duly organized private nonprofit fraternal, patriotic, or charitable
2798 membership organizations that are exempt from state and federal taxation and in charge of banquets
2799 conducted exclusively for members and their guests, which shall authorize the licensee to serve wine and beer
2800 in rooms or areas approved by the Board for the occasion for on-premises consumption in such rooms or
2801 areas. Such license shall authorize the licensee to conduct no more than 12 banquets per calendar year. For
2802 the purposes of this subdivision, when the location named in the original application for a license is outdoors,
2803 the application may also name an alternative location in the event of inclement weather. However, no such
2804 license shall be required of any hotel, restaurant, or club holding a retail wine and beer license.

2805 b. Banquet facility licenses to volunteer fire departments and volunteer emergency medical services
2806 agencies, which shall authorize the licensee to permit the consumption of lawfully acquired alcoholic
2807 beverages on the premises of the licensee by any person, and bona fide members and guests thereof,
2808 otherwise eligible for a banquet license. However, lawfully acquired alcoholic beverages shall not be

2809 purchased or sold by the licensee or sold or charged for in any way by the person permitted to use the
2810 premises. Such premises shall be a volunteer fire or volunteer emergency medical services agency station or
2811 both, regularly occupied as such and recognized by the governing body of the county, city, or town in which
2812 it is located. Under conditions as specified by Board regulation, such premises may be other than a volunteer
2813 fire or volunteer emergency medical services agency station, provided such other premises are occupied and
2814 under the control of the volunteer fire department or volunteer emergency medical services agency while the
2815 privileges of its license are being exercised.

2816 c. Designated outdoor refreshment area licenses to a locality, business improvement district, or nonprofit
2817 organization, which shall authorize (i) the licensee to permit the consumption of alcoholic beverages within
2818 the area designated by the Board for the designated outdoor refreshment area and (ii) any permanent retail on-
2819 premises licensee that is located within the area designated by the Board for the designated outdoor
2820 refreshment area to sell alcoholic beverages within the permanent retail location for consumption in the area
2821 designated for the designated outdoor refreshment area, including sidewalks and the premises of businesses
2822 not licensed to sell alcoholic beverages at retail, upon approval of such businesses. In determining the
2823 designated area for the designated outdoor refreshment area, the Board shall consult with the locality.
2824 Designated outdoor refreshment area licensees shall be limited to 16 events per year, and the duration of any
2825 event shall not exceed three consecutive days. However, the Board may increase the frequency and duration
2826 of events after adoption of an ordinance by a locality requesting such increase in frequency and duration.
2827 Such ordinance shall include the size and scope of the area within which such events will be held, a public
2828 safety plan, and any other considerations deemed necessary by the Board. Such limitations on the number of
2829 events that may be held shall not apply during the effective dates of any rule, regulation, or order that is
2830 issued by the Governor or State Health Commissioner to meet a public health emergency and that effectively
2831 reduces allowable restaurant seating capacity; however, designated outdoor refreshment area licensees shall
2832 be subject to all other applicable provisions of this subtitle and Board regulations and shall provide notice to
2833 the Board regarding the days and times during which the privileges of the license will be exercised. Only
2834 alcoholic beverages purchased from permanent retail on-premises licensees located within the designated area
2835 may be consumed at the event, and such alcoholic beverages shall be contained in paper, plastic, or similar
2836 disposable containers that clearly display the name or logo of the retail on-premises licensee from which the
2837 alcoholic beverage was purchased. Alcoholic beverages shall not be sold or charged for in any way by the

2838 designated outdoor refreshment area licensee. The designated outdoor refreshment area licensee shall post
2839 appropriate signage clearly demarcating for the public the boundaries of the event; however, no physical
2840 barriers shall be required for this purpose. The designated outdoor refreshment area licensee shall provide
2841 adequate security for the event to ensure compliance with the applicable provisions of this subtitle and Board
2842 regulations.

2843 d. Annual mixed beverage banquet licenses to duly organized private nonprofit fraternal, patriotic, or
2844 charitable membership organizations that are exempt from state and federal taxation and in charge of
2845 banquets conducted exclusively for members and their guests, which shall authorize the licensee to serve
2846 mixed beverages for on-premises consumption in areas approved by the Board on the premises of the place
2847 designated in the license. Such license shall authorize the licensee to conduct no more than 12 banquets per
2848 calendar year. The granting of a license pursuant to this subdivision shall automatically authorize the licensee
2849 to obtain a license to sell and serve wine and beer for on-premises consumption; however, the licensee shall
2850 be required to pay the local fee required for such additional license pursuant to § 4.1-233.1.

2851 e. Equine sporting event licenses, which may be issued to organizations holding equestrian, hunt, and
2852 steeplechase events, which shall authorize the licensee to permit the consumption of lawfully acquired
2853 alcoholic beverages on the premises of the licensee by patrons thereof during such event. However, alcoholic
2854 beverages shall not be sold or charged for in any way by the licensee. The privileges of this license shall be
2855 (i) limited to the premises of the licensee, regularly occupied and utilized for equestrian, hunt, and
2856 steeplechase events, and (ii) exercised on no more than four calendar days per year.

2857 f. Annual arts venue event licenses, to persons operating an arts venue, which shall authorize the licensee
2858 participating in a community art walk that is open to the public to serve lawfully acquired wine or beer on the
2859 premises of the licensee to adult patrons thereof during such events. However, alcoholic beverages shall not
2860 be sold or charged for in any way, directly or indirectly, by the licensee, and the licensee shall not give more
2861 than two five-ounce glasses of wine or two 12-ounce glasses of beer to any one adult patron. The privileges
2862 of this license shall be (i) limited to the premises of the arts venue regularly occupied and used as such and
2863 (ii) exercised on no more than 12 calendar days per year.

2864 E. The Board may grant a marketplace license to persons operating a business enterprise of which the
2865 primary function is not the sale of alcoholic beverages, which shall authorize the licensee to serve
2866 complimentary wine or beer to bona fide customers on the licensed premises subject to any limitations

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

2880 F. The Board may grant the following shipper, bottler, and related licenses:

- 2881 1. Wine and beer shipper licenses, which shall carry the privileges and limitations set forth in § 4.1-209.1.
- 2882 2. Internet wine and beer retailer licenses, which shall authorize persons located within or outside the
2883 Commonwealth to sell and ship wine and beer, in accordance with § 4.1-209.1 and Board regulations, in
2884 closed containers to persons in the Commonwealth to whom wine and beer may be lawfully sold for
2885 off-premises consumption. Such licensee shall not be required to comply with the monthly food sale
2886 requirement established by Board regulations.
- 2887 3. Bottler licenses, which shall authorize the licensee to acquire and receive deliveries and shipments of
2888 beer in closed containers and to bottle, sell, and deliver or ship it, in accordance with Board regulations to (i)
2889 wholesale beer licensees for the purpose of resale, (ii) owners of boats registered under the laws of the United
2890 States sailing for ports of call of a foreign country or another state, and (iii) persons outside the
2891 Commonwealth for resale outside the Commonwealth.
- 2892 4. Fulfillment warehouse licenses, which shall authorize associations as defined in § 13.1-313 with a place
2893 of business located in the Commonwealth to (i) receive deliveries and shipments of wine or beer owned by
2894 holders of wine and beer shipper's licenses; (ii) store such wine or beer on behalf of the owner; and (iii) pick,
2895 pack, and ship such wine or beer as directed by the owner, all in accordance with Board regulations. No
2896 wholesale wine or wholesale beer licensee, whether licensed in the Commonwealth or not, or any person

2897 under common control of such licensee, shall acquire or hold any financial interest, direct or indirect, in the
2898 business for which any fulfillment warehouse license is issued.

2899 5. Marketing portal licenses, which shall authorize agricultural cooperative associations organized under
2900 the provisions of the Agricultural Cooperative Association Act (§ 13.1-312 et seq.), with a place of business
2901 located in the Commonwealth, in accordance with Board regulations, to solicit and receive orders for wine or
2902 beer through the use of the ~~Internet~~ *internet* from persons in the Commonwealth to whom wine or beer may
2903 be lawfully sold, on behalf of holders of wine and beer shipper's licenses. Upon receipt of an order for wine
2904 or beer, the licensee shall forward it to a holder of a wine and beer shipper's license for fulfillment. Marketing
2905 portal licensees may also accept payment on behalf of the shipper.

2906 **§ 4.1-226. Grounds for which Board shall suspend or revoke licenses.**

2907 The Board shall suspend or revoke any license, other than a brewery license, in which case the Board may
2908 impose penalties as provided in § 4.1-227, if it finds that:

2909 1. A licensee has violated or permitted the violation of § ~~18.2-334~~ 29.5-907, relating to the illegal
2910 possession of a gambling device, upon the premises for which the Board has granted a license for the sale of
2911 alcoholic beverages to the public.

2912 2. In the licensed establishment of a mixed beverage licensee there (i) is entertainment of an obscene
2913 nature, entertainment commonly called stripteasing, topless entertaining, or entertainment that has employees
2914 who are not clad both above and below the waist or (ii) are employees who solicit the sale of alcoholic
2915 beverages. The provisions of clause (i) shall not apply to persons operating theaters, concert halls, art centers,
2916 museums, or similar establishments that are devoted primarily to the arts or theatrical performances, when the
2917 performances that are presented are expressing matters of serious literary, artistic, scientific, or political
2918 value.

2919 3. A licensee has defrauded or attempted to defraud the Board, or any federal, state, or local government
2920 or governmental agency or authority, by making or filing any report, document, or tax return required by
2921 statute or regulation that is fraudulent or contains a willful or knowing false representation of a material fact
2922 or has willfully deceived or attempted to deceive the Board, or any federal, state, or local government or
2923 governmental agency or authority, by making or maintaining business records required by statute or
2924 regulation that are false or fraudulent.

2925 **§ 6.2-603.1. Savings promotions.**

2926 A. As used in this section, unless the context requires a different meaning:

2927 "Depository institution" means a bank, savings institution, or credit union that is subject to any provision
2928 of this title and that offers savings accounts, share accounts, certificates of deposit, or other savings products
2929 or programs.

2930 "Nonqualifying account" means a savings account, share account, certificate of deposit, or other savings
2931 product or program offered by a depository institution that is not a qualifying account.

2932 "Qualifying account" means a savings account, share account, share certificate, or other savings product
2933 or program offered by a depository institution through which depositors may obtain chances to win prizes in a
2934 savings promotion.

2935 "Savings promotion" means a contest or promotion sponsored by a depository institution in which a
2936 chance of winning designated prizes is obtained by its depositors for the purposes of encouraging depositors
2937 to build and maintain savings deposits.

2938 B. Any depository institution may sponsor a savings promotion in accordance with the provisions of this
2939 section, to the extent (i) the savings promotion is not prohibited by federal law or regulation and (ii) the
2940 savings promotion complies with the following requirements:

2941 1. Participants in the savings promotion shall not be required to provide any consideration in order to
2942 obtain entries to win. For purposes of this subdivision, participants shall not be deemed to have provided
2943 consideration due to the requirement that they deposit a specified amount of money for a specified time
2944 period in a qualifying account in order to obtain entries to win, provided that:

2945 a. The interest rate associated with any such qualifying account is not reduced when compared with other
2946 comparable nonqualifying accounts offered by any depository institution, to account for the possibility of
2947 depositors winning specified prizes; and

2948 b. The depository institution does not charge a fee for participating in the savings promotion;

2949 2. All fees charged in connection with a qualifying account shall be comparable with all fees charged in
2950 connection with other comparable nonqualifying accounts, if any, offered by the depository institution;

2951 3. The savings promotion shall be conducted such that each entry in the savings promotion has an equal
2952 chance of being drawn;

2953 4. Participants in the savings promotion shall not be required to be present at a prize drawing in order to
2954 win; and

2955 5. The savings promotion is conducted in a manner that complies with the applicable requirements of

2956 Chapter 31 (§ 59.1-415 et seq.) of Title 59.1.

2957 C. For purposes of ~~Article 1 (§ 18.2-325 et seq.) of Chapter 8 of Title 18.2~~ *Chapter 9 (§ 29.5-900 et seq.)*

2958 *of Title 29.5*, a savings promotion offered in accordance with this section shall not constitute illegal gambling

2959 or otherwise be deemed to entail the promotion of gambling or a lottery.

2960 **§ 8.01-216.3. False claims; civil penalty.**

2961 A. Any person who:

2962 1. Knowingly presents, or causes to be presented, a false or fraudulent claim for payment or approval;

2963 2. Knowingly makes, uses, or causes to be made or used, a false record or statement material to a false or

2964 fraudulent claim;

2965 3. Conspires to commit a violation of subdivision 1, 2, 4, 5, 6, 7, 8, or 9;

2966 4. Has possession, custody, or control of property or money used, or to be used, by the Commonwealth

2967 and knowingly delivers, or causes to be delivered, less than all such money or property;

2968 5. Has possession, custody, or control of an illegal gambling device, as defined in ~~§ 18.2-325~~ *29.5-900*,

2969 knowing such device is illegal, and knowingly conceals, avoids, or decreases an obligation to pay or transmit

2970 money to the Commonwealth that is derived from the operation of such device;

2971 6. Manufactures for sale, sells, or distributes an illegal gaming device knowing that such device is or is

2972 intended to be operated in the Commonwealth in violation of ~~Article 1 (§ 18.2-325 et seq.) or Article 1.1:1 (§~~

2973 ~~18.2-340.15 et seq.)~~ *of Chapter 8 2 (§ 29.5-200 et seq.) or 9 (§ 29.5-900 et seq.)* of Title ~~18.2~~ *29.5*;

2974 7. Is authorized to make or deliver a document certifying receipt of property used, or to be used, by the

2975 Commonwealth and, intending to defraud the Commonwealth, makes or delivers the receipt without

2976 completely knowing that the information on the receipt is true;

2977 8. Knowingly buys or receives, as a pledge of an obligation or debt, public property from an officer or

2978 employee of the Commonwealth who lawfully may not sell or pledge the property; or

2979 9. Knowingly makes, uses, or causes to be made or used, a false record or statement material to an

2980 obligation to pay or transmit money or property to the Commonwealth or knowingly conceals or knowingly

2981 and improperly avoids or decreases an obligation to pay or transmit money or property to the

2982 Commonwealth;

2983 shall be liable to the Commonwealth for a civil penalty of not less than \$10,957 and not more than

2984 \$21,916, except that these lower and upper limits on liability shall automatically be adjusted to equal the

2985 amounts allowed under the Federal False Claims Act, 31 U.S.C. § 3729 et seq., as amended, as such penalties

2986 in the Federal False Claims Act are adjusted for inflation by the Federal Civil Penalties Inflation Adjustment
2987 Act of 1990, as amended (28 U.S.C. § 2461 Note, P.L. 101-410), plus three times the amount of damages
2988 sustained by the Commonwealth.

2989 A person violating this section shall be liable to the Commonwealth for reasonable attorney fees and costs
2990 of a civil action brought to recover any such penalties or damages. All such fees and costs shall be paid to the
2991 Attorney General's Office by the defendant and shall not be included in any damages or civil penalties
2992 recovered in a civil action based on a violation of this section.

2993 B. If the court finds that (i) the person committing the violation of this section furnished officials of the
2994 Commonwealth responsible for investigating false claims violations with all information known to the person
2995 about the violation within 30 days after the date on which the defendant first obtained the information; (ii)
2996 such person fully cooperated with any Commonwealth investigation of such violation; (iii) at the time such
2997 person furnished the Commonwealth with the information about the violation, no criminal prosecution, civil
2998 action, or administrative action had commenced with respect to such violation; and (iv) the person did not
2999 have actual knowledge of the existence of an investigation into such violation, the court may assess not less
3000 than two times the amount of damages that the Commonwealth sustains because of the act of that person. A
3001 person violating this section shall also be liable to the Commonwealth for the costs of a civil action brought
3002 to recover any such penalty or damages.

3003 C. For purposes of this section, the terms "knowing" and "knowingly" mean that a person, with respect to
3004 information, (i) has actual knowledge of the information; (ii) acts in deliberate ignorance of the truth or
3005 falsity of the information; or (iii) acts in reckless disregard of the truth or falsity of the information and
3006 require no proof of specific intent to defraud.

3007 D. Except as provided in subdivision A 5, this section shall not apply to claims, records, or statements
3008 relating to state or local taxes.

3009 **§ 8.01-534. Grounds of action for pretrial levy or seizure or attachment.**

3010 A. It shall be *is* sufficient ground for an action for pretrial levy or seizure or an attachment that the
3011 principal defendant or one of the principal defendants:

3012 1. Is a foreign corporation, or is not a resident of ~~this~~ *the* Commonwealth, and has estate or has debts
3013 owing to such defendant within the county or city in which the attachment is, or that such defendant being a
3014 nonresident of ~~this~~ *the* Commonwealth, is entitled to the benefit of any lien, legal or equitable, on property,
3015 real or personal, within the county or city in which the attachment is. The word "estate," as herein used,

3016 includes all rights or interests of a pecuniary nature which can be protected, enforced, or proceeded against in
3017 courts of law or equity;

3018 2. Is removing or is about to remove himself out of ~~this~~ *the* Commonwealth with intent to change his
3019 domicile;

3020 3. Intends to remove, ~~or~~ is removing, or has removed the specific property sued for, ~~or~~ his own estate, or
3021 the proceeds of the sale of his property, or a material part of such estate or proceeds, out of ~~this~~ *the*
3022 Commonwealth so that there will probably not be therein effects of such debtor sufficient to satisfy the claim
3023 when judgment is obtained therefor should only the ordinary process of law be used to obtain the judgment;

3024 4. Is converting, is about to convert, or has converted his property of whatever kind, or some part thereof,
3025 into money, securities, or evidences of debt with intent to hinder, delay, or defraud his creditors;

3026 5. Has assigned or disposed of, or is about to assign or dispose of, his estate, or some part thereof, with
3027 intent to hinder, delay, or defraud his creditors;

3028 6. Has absconded or is about to abscond or has concealed or is about to conceal himself or his property to
3029 the injury of his creditors, or is a fugitive from justice;

3030 7. Has conducted, financed, managed, supervised, directed, sold, or owned a gambling device that is
3031 located in an unregulated location pursuant to ~~§ 18.2-331.1~~ 29.5-908;

3032 8. Has violated any provision of law related to charitable gaming pursuant to ~~Article 1-1:1~~ (~~§ 18.2-340.15~~
3033 ~~et seq.~~) of Chapter 8 2 (~~§ 29.5-200 et seq.~~) of Title ~~18.2~~ 29.5.

3034 The intent mentioned in subdivisions 4 and 5 may be stated either in the alternative or conjunctive.

3035 B. It ~~shall be~~ *is* sufficient ground for an action for pretrial levy or seizure or an attachment if the specific
3036 personal property sought to be levied or seized:

3037 1. Will be sold, removed, secreted, or otherwise disposed of by the defendant, in violation of an obligation
3038 to the plaintiff, so as not to be forthcoming to answer the final judgment of the court respecting the same; or

3039 2. Will be destroyed, or materially damaged or injured if permitted to remain in the possession of the
3040 principal defendant or one of the principal defendants or other person or persons claiming under them.

3041 C. In an action for rent, it also shall be a sufficient ground if there is an immediate danger that the
3042 property subject to the landlord's lien for rent will be destroyed or concealed.

3043 **§ 11-16.1. Exemption from the chapter.**

3044 This chapter shall not apply to any bet, wager, or casino gaming permitted by Chapter ~~41 3~~ (~~§ 58.1-4100~~
3045 ~~29.5-300 et seq.~~) of Title ~~58.1~~ 29.5 or to any contract, conduct, or transaction arising from conduct lawful
3046 thereunder.

3047 **§ 11-16.2. Exemption; authorized sports betting.**

3048 This chapter shall not apply to any sports betting or related activity that is lawful under ~~Article 2~~ (§
3049 ~~58.1-4030 et seq.~~) of Chapter ~~40 4~~ (§ 29.5-400 et seq.) of Title ~~58.1~~ 29.5.

3050 **§ 15.2-912.2. Proceeds exempt from local taxation.**

3051 No locality may impose a gross receipts, entertainment, admission, or any other tax based on revenues of
3052 qualified organizations derived from the conduct of charitable gaming.

3053 The definitions set forth in § ~~18.2-340.16~~ 29.5-200 shall apply to this section.

3054 **§ 15.2-2825. Smoking in restaurants prohibited; exceptions; posting of signs; penalty for violation.**

3055 A. Effective December 1, 2009, smoking shall be prohibited and no person shall smoke in any restaurant
3056 in the Commonwealth or in any restroom within such restaurant, except that smoking may be permitted in:

3057 1. Any place or operation that prepares or stores food for distribution to persons of the same business
3058 operation or of a related business operation for service to the public. Examples of such places or operations
3059 include the preparation or storage of food for catering services, pushcart operations, hotdog stands, and other
3060 mobile points of service;

3061 2. Any outdoor area of a restaurant, with or without roof covering, at such times when such outdoor area
3062 is not enclosed in whole or in part by any screened walls, roll-up doors, windows, or other seasonal or
3063 temporary enclosures;

3064 3. Any restaurants located on the premises of any manufacturer of tobacco products;

3065 4. Any portion of a restaurant that is used exclusively for private functions, provided such functions are
3066 limited to those portions of the restaurant that meet the requirements of subdivision 5;

3067 5. Any portion of a restaurant that is constructed in such a manner that the area where smoking may be
3068 permitted is (i) structurally separated from the portion of the restaurant in which smoking is prohibited and to
3069 which ingress and egress is through a door and (ii) separately vented to prevent the recirculation of air from
3070 such area to the area of the restaurant where smoking is prohibited. At least one public entrance to the
3071 restaurant shall be into an area of the restaurant where smoking is prohibited. For the purposes of the
3072 preceding sentence, nothing shall be construed to require the creation of an additional public entrance in cases
3073 where the only public entrance to a restaurant in existence as of December 1, 2009, is through an outdoor area
3074 described in subdivision 2;

3075 6. Any private club; and

3076 7. Any portion of a facility licensed to conduct casino gaming pursuant to Chapter ~~41 3~~ (§ ~~58.1-4100~~)

3077 29.5-300 et seq.) of Title ~~58.1~~ 29.5 designated pursuant to the provisions of and that meets the requirements
3078 of § 15.2-2827. Any restaurant within a facility licensed to conduct casino gaming shall comply with the
3079 provisions of this section.

3080 B. For the purposes of this section:

3081 "Proprietor" means the owner, lessee, or other person who ultimately controls the activities within the
3082 restaurant. The term "proprietor" includes corporations, associations, or partnerships as well as individuals.

3083 "Structurally separated" means a stud wall covered with drywall or other building material or other like
3084 barrier, which, when completed, extends from the floor to the ceiling, resulting in a physically separated
3085 room. Such wall or barrier may include portions that are glass or other gas-impervious building material.

3086 C. No individual who is wait staff or bus staff in a restaurant shall be required by the proprietor to work in
3087 any area of the restaurant where smoking may be permitted without the consent of such individual. Nothing
3088 in this subsection shall be interpreted to create a cause of action against such proprietor.

3089 D. The proprietor of any restaurant shall:

3090 1. Post signs stating "No Smoking" or containing the international "No Smoking" symbol, consisting of a
3091 pictorial representation of a burning cigarette enclosed in a red circle with a bar across it, clearly and
3092 conspicuously in every restaurant where smoking is prohibited in accordance with this section; and

3093 2. Remove all ashtrays and other smoking paraphernalia from any area in the restaurant where smoking is
3094 prohibited in accordance with this section.

3095 E. Any proprietor of a restaurant who fails to comply with the requirements of this section shall be subject
3096 to the civil penalty of not more than \$25.

3097 F. No person shall smoke in any area of a restaurant in which smoking is prohibited as provided in this
3098 section. Any person who continues to smoke in such area after having been asked to refrain from smoking
3099 shall be subject to a civil penalty of not more than \$25.

3100 G. It shall be an affirmative defense to a complaint brought against a proprietor for a violation of this
3101 section that the proprietor or an employee of such proprietor:

3102 1. Posted a "No Smoking" sign as required;

3103 2. Removed all ashtrays and other smoking paraphernalia from all areas where smoking is prohibited;

3104 3. Refused to seat or serve any individual who was smoking in a prohibited area; and

3105 4. If the individual continued to smoke after an initial warning, asked the individual to leave the

3106 establishment.

3107 H. Civil penalties assessed under this section shall be paid into the Virginia Health Care Fund established
3108 under § 32.1-366.

3109 I. Any local health department or its designee shall, while inspecting a restaurant as otherwise required by
3110 law, inspect for compliance with this section.

3111 **§ 18.2-513. Definitions.**

3112 As used in this chapter:

3113 "Criminal street gang" means the same as that term is defined in § 18.2-46.1.

3114 "Enterprise" includes any of the following: sole proprietorship, partnership, corporation, business trust,
3115 criminal street gang, or other group of three or more individuals associated for the purpose of criminal
3116 activity.

3117 "Proceeds" means the same as that term is defined in § 18.2-246.2.

3118 "Racketeering activity" means to commit, attempt to commit, or conspire to commit or to solicit, coerce,
3119 or intimidate another person to commit two or more of the following offenses: Article 2.1 (§ 18.2-46.1 et
3120 seq.) of Chapter 4, § 18.2-460; a felony offense of § 3.2-4212, 3.2-4219, 10.1-1455, 18.2-31, 18.2-32,
3121 18.2-32.1, 18.2-33, or 18.2-35, Article 2.2 (§ 18.2-46.4 et seq.) of Chapter 4, § 18.2-47, 18.2-48, 18.2-48.1,
3122 18.2-49, 18.2-51, 18.2-51.2, 18.2-52, 18.2-53, 18.2-55, 18.2-58, 18.2-59, 18.2-77, 18.2-79, 18.2-80, 18.2-89,
3123 18.2-90, 18.2-91, 18.2-92, 18.2-93, 18.2-95, 18.2-96, or 18.2-103.1, Article 4 (§ 18.2-111 et seq.) of Chapter
3124 5, Article 1 (§ 18.2-168 et seq.) of Chapter 6, § 18.2-178 or 18.2-186, Article 6 (§ 18.2-191 et seq.) of
3125 Chapter 6, Article 9 (§ 18.2-246.1 et seq.) of Chapter 6, § 18.2-246.13, Article 1 (§ 18.2-247 et seq.) of
3126 Chapter 7, § 18.2-279, 18.2-286.1, 18.2-289, 18.2-300, 18.2-308.2, 18.2-308.2:1, ~~18.2-328~~, 18.2-346,
3127 18.2-346.01, 18.2-348, 18.2-348.1, 18.2-349, 18.2-355, 18.2-356, 18.2-357, 18.2-357.1, 18.2-368, 18.2-369,
3128 or 18.2-374.1, Article 8 (§ 18.2-433.1 et seq.) of Chapter 9, Article 1 (§ 18.2-434 et seq.) of Chapter 10,
3129 Article 2 (§ 18.2-438 et seq.) of Chapter 10, Article 3 (§ 18.2-446 et seq.) of Chapter 10, Article 1.1
3130 (§ 18.2-498.1 et seq.) of Chapter 12, § 3.2-6571, 18.2-516, 29.5-904, 32.1-314, 58.1-1008.2, 58.1-1017, or
3131 58.1-1017.1; or any substantially similar offenses under the laws of any other state, the District of Columbia,
3132 or the United States or its territories.

3133 **§ 19.2-66. When Attorney General or Chief Deputy Attorney General may apply for order**
3134 **authorizing interception of communications.**

3135 A. The Attorney General or Chief Deputy Attorney General, if the Attorney General so designates in
3136 writing, in any case where the Attorney General is authorized by law to prosecute or pursuant to a request in

3137 his official capacity of an attorney for the Commonwealth in any city or county, may apply to a judge of
3138 competent jurisdiction for an order authorizing the interception of wire, electronic, or oral communications
3139 by the Department of State Police, when such interception may reasonably be expected to provide evidence
3140 of the commission of a felonious offense of extortion, bribery, kidnapping, murder, any felony violation of
3141 § 18.2-248 or 18.2-248.1, ~~any felony violation of Chapter 29 (§ 59.1-364 et seq.) of Title 59.1,~~ any felony
3142 violation of Article 2 (§ 18.2-38 et seq.), Article 2.1 (§ 18.2-46.1 et seq.), Article 2.2 (§ 18.2-46.4 et seq.),
3143 Article 5 (§ 18.2-58 et seq.), Article 6 (§ 18.2-59 et seq.), or any felonies that are not Class 6 felonies in
3144 Article 7 (§ 18.2-61 et seq.) of Chapter 4 of Title 18.2, *any felony violation of Chapter 6 (§ 29.5-600 et seq.)*
3145 *of Title 29.5*, or any conspiracy to commit any of the foregoing offenses. The Attorney General or Chief
3146 Deputy Attorney General may apply for authorization for the observation or monitoring of the interception by
3147 a police department of a county or city, by a sheriff's office, or by law-enforcement officers of the United
3148 States. Such application shall be made, and such order may be granted, in conformity with the provisions of
3149 § 19.2-68.

3150 B. The application for an order under subsection B of § 19.2-68 shall be made as follows:

3151 1. In the case of an application for a wire or electronic interception, a judge of competent jurisdiction shall
3152 have the authority to issue an order under subsection B of § 19.2-68 if there is probable cause to believe that
3153 an offense was committed, is being committed, or will be committed or the person or persons whose
3154 communications are to be intercepted live, work, subscribe to a wire or electronic communication system,
3155 maintain an address or a post office box, or are making the communication within the territorial jurisdiction
3156 of the court.

3157 2. In the case of an application for an oral intercept, a judge of competent jurisdiction shall have the
3158 authority to issue an order under subsection B of § 19.2-68 if there is probable cause to believe that an
3159 offense was committed, is being committed, or will be committed or the physical location of the oral
3160 communication to be intercepted is within the territorial jurisdiction of the court.

3161 C. For the purposes of an order entered pursuant to subsection B of § 19.2-68 for the interception of a wire
3162 or electronic communication, such communication shall be deemed to be intercepted in the jurisdiction where
3163 the order is entered, regardless of the physical location or the method by which the communication is
3164 captured or routed to the monitoring location.

3165 **§ 19.2-215.1. Functions of a multi-jurisdiction grand jury.**

3166 The functions of a multi-jurisdiction grand jury are:

3167 1. To investigate any condition that involves or tends to promote criminal violations of:

- 3168 a. Title 10.1 for which punishment as a felony is authorized;
- 3169 b. Section 13.1-520;
- 3170 c. Sections 18.2-47 and 18.2-48;
- 3171 d. Sections 18.2-111 and 18.2-112;
- 3172 e. Article 6 (§ 18.2-59 et seq.) of Chapter 4 of Title 18.2;
- 3173 f. Article 7.1 (§ 18.2-152.1 et seq.) of Chapter 5 of Title 18.2;
- 3174 g. Article 1 (§ 18.2-247 et seq.) and Article 1.1 (§ 18.2-265.1 et seq.) of Chapter 7 of Title 18.2;
- 3175 h. ~~Article 1 (§ 18.2-325 et seq.) and Article 1.1:1 (§ 18.2-340.15 et seq.) of Chapter 8 of Title 18.2,~~
- 3176 ~~Chapter 29~~ Chapters 2 (§ 59.1-364 29.5-200 et seq.), 6 (§ 29.5-600 et seq.), and 9 (§ 29.5-900 et seq.) of
- 3177 Title ~~59.1~~ 29.5 or any other provision prohibiting, limiting, regulating, or otherwise affecting gaming or
- 3178 gambling activity;
- 3179 i. Section 18.2-434, when violations occur before a multi-jurisdiction grand jury;
- 3180 j. Article 2 (§ 18.2-438 et seq.) and Article 3 (§ 18.2-446 et seq.) of Chapter 10 of Title 18.2;
- 3181 k. Section 18.2-460 for which punishment as a felony is authorized;
- 3182 l. Article 1.1 (§ 18.2-498.1 et seq.) of Chapter 12 of Title 18.2;
- 3183 m. Article 1 (§ 32.1-310 et seq.) of Chapter 9 of Title 32.1;
- 3184 n. Chapter 4.2 (§ 59.1-68.6 et seq.) of Title 59.1;
- 3185 o. Article 9 (§ 3.2-6570 et seq.) of Chapter 65 of Title 3.2;
- 3186 p. Article 1 (§ 18.2-30 et seq.) of Chapter 4 of Title 18.2;
- 3187 q. Article 2.1 (§ 18.2-46.1 et seq.) and Article 2.2 (§ 18.2-46.4 et seq.) of Chapter 4 of Title 18.2;
- 3188 r. Article 5 (§ 18.2-186 et seq.) and Article 6 (§ 18.2-191 et seq.) of Chapter 6 of Title 18.2;
- 3189 s. Chapter 6.1 (§ 59.1-92.1 et seq.) of Title 59.1;
- 3190 t. Section 18.2-178 where the violation involves insurance fraud;
- 3191 u. Section 18.2-346.01, 18.2-348, or 18.2-349 for which punishment as a felony is authorized or
- 3192 § 18.2-355, 18.2-356, 18.2-357, or 18.2-357.1;
- 3193 v. Article 9 (§ 18.2-246.1 et seq.) of Chapter 6 of Title 18.2;
- 3194 w. Article 2 (§ 18.2-38 et seq.) of Chapter 4 of Title 18.2;
- 3195 x. Malicious felonious assault and malicious bodily wounding under Article 4 (§ 18.2-51 et seq.) of
- 3196 Chapter 4 of Title 18.2;
- 3197 y. Article 5 (§ 18.2-58 et seq.) of Chapter 4 of Title 18.2;
- 3198 z. Felonious sexual assault under Article 7 (§ 18.2-61 et seq.) of Chapter 4 of Title 18.2;

3199 aa. Arson in violation of § 18.2-77 when the structure burned was occupied or a Class 3 felony violation
3200 of § 18.2-79;

3201 ab. Chapter 13 (§ 18.2-512 et seq.) of Title 18.2;

3202 ac. Section 18.2-246.14 and Chapter 10 (§ 58.1-1000 et seq.) of Title 58.1;

3203 ad. Subsection A or B of § 18.2-57 where the victim was selected because of his race, religious
3204 conviction, gender, disability, gender identity, sexual orientation, color, or *ethnic or* national origin;

3205 ae. Section 18.2-121 for which punishment as a felony is authorized;

3206 af. Article 5 (§ 18.2-420 et seq.) of Chapter 9 of Title 18.2;

3207 ag. §§ 18.2-178.1 and 18.2-178.2;

3208 ah. § 18.2-369; and

3209 ai. Any other provision of law when such condition is discovered in the course of an investigation that a
3210 multi-jurisdiction grand jury is otherwise authorized to undertake and to investigate any condition that
3211 involves or tends to promote any attempt, solicitation, or conspiracy to violate the laws enumerated in this
3212 section.

3213 2. To report evidence of any criminal offense enumerated in subdivision 1 and for which a court reporter
3214 has recorded all oral testimony as provided by § 19.2-215.9 to the attorney for the Commonwealth or United
3215 States attorney of any jurisdiction where such offense could be prosecuted or investigated, or to the chief
3216 law-enforcement officer of any jurisdiction where such offense could be prosecuted or investigated, or to a
3217 sworn investigator designated pursuant to § 19.2-215.6, or, when appropriate, to the Attorney General.

3218 3. To consider bills of indictment prepared by a special counsel to determine whether there is sufficient
3219 probable cause to return each such indictment as a "true bill." Only bills of indictment which allege an
3220 offense enumerated in subdivision 1 may be submitted to a multi-jurisdiction grand jury.

3221 4. The provisions of this section shall not abrogate the authority of an attorney for the Commonwealth in a
3222 particular jurisdiction to determine the course of a prosecution in that jurisdiction.

3223 **§ 19.2-389. (Effective until July 1, 2026) Dissemination of criminal history record information.**

3224 A. Criminal history record information shall be disseminated, whether directly or through an intermediary,
3225 only to:

3226 1. Authorized officers or employees of criminal justice agencies, as defined by § 9.1-101, for purposes of
3227 the administration of criminal justice and the screening of an employment application or review of
3228 employment by a criminal justice agency with respect to its own employees or applicants, and dissemination

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

3238 2. Such other individuals and agencies that require criminal history record information to implement a
3239 state or federal statute or executive order of the President of the United States or Governor that expressly
3240 refers to criminal conduct and contains requirements or exclusions expressly based upon such conduct, except
3241 that information concerning the arrest of an individual may not be disseminated to a noncriminal justice
3242 agency or individual if an interval of one year has elapsed from the date of the arrest and no disposition of the
3243 charge has been recorded and no active prosecution of the charge is pending;

3244 3. Individuals and agencies pursuant to a specific agreement with a criminal justice agency to provide
3245 services required for the administration of criminal justice pursuant to that agreement which shall specifically
3246 authorize access to data, limit the use of data to purposes for which given, and ensure the security and
3247 confidentiality of the data;

3248 4. Individuals and agencies for the express purpose of research, evaluative, or statistical activities pursuant
3249 to an agreement with a criminal justice agency that shall specifically authorize access to data, limit the use of
3250 data to research, evaluative, or statistical purposes, and ensure the confidentiality and security of the data;

3251 5. Agencies of state or federal government that are authorized by state or federal statute or executive order
3252 of the President of the United States or Governor to conduct investigations determining employment
3253 suitability or eligibility for security clearances allowing access to classified information;

3254 6. Individuals and agencies where authorized by court order or court rule;

3255 7. Agencies of any political subdivision of the Commonwealth, public transportation companies owned,
3256 operated, or controlled by any political subdivision, and any public service corporation that operates a public
3257 transit system owned by a local government for the conduct of investigations of applicants for employment,
3258 permit, or license whenever, in the interest of public welfare or safety, it is necessary to determine under a

3259 duly enacted ordinance if the past criminal conduct of a person with a conviction record would be compatible
3260 with the nature of the employment, permit, or license under consideration;

3261 7a. Commissions created pursuant to the Transportation District Act of 1964 (§ 33.2-1900 et seq.) of Title
3262 33.2 and their contractors, for the conduct of investigations of individuals who have been offered a position
3263 of employment whenever, in the interest of public welfare or safety and as authorized in the Transportation
3264 District Act of 1964, it is necessary to determine if the past criminal conduct of a person with a conviction
3265 record would be compatible with the nature of the employment under consideration;

3266 8. Public or private agencies when authorized or required by federal or state law or interstate compact to
3267 investigate (i) applicants for foster or adoptive parenthood or (ii) any individual, and the adult members of
3268 that individual's household, with whom the agency is considering placing a child or from whom the agency is
3269 considering removing a child due to abuse or neglect, on an emergency, temporary, or permanent basis
3270 pursuant to §§ 63.2-901.1 and 63.2-1505, subject to the restriction that the data shall not be further
3271 disseminated to any party other than a federal or state authority or court as may be required to comply with an
3272 express requirement of law;

3273 9. To the extent permitted by federal law or regulation, public service companies, as defined in § 56-1, for
3274 the conduct of investigations of applicants for employment when such employment involves personal contact
3275 with the public or when past criminal conduct of an applicant would be incompatible with the nature of the
3276 employment under consideration;

3277 10. The appropriate authority for purposes of granting citizenship and for purposes of international travel,
3278 including, ~~but not limited to,~~ issuing visas and passports;

3279 11. A person requesting a copy of his own criminal history record information, as defined in § 9.1-101, at
3280 his cost, except that criminal history record information shall be supplied at no charge to a person who has
3281 applied to be a volunteer with (i) a Virginia affiliate of Big Brothers/Big Sisters of America; (ii) a volunteer
3282 fire company; (iii) the Volunteer Emergency Families for Children; (iv) any affiliate of Prevent Child Abuse,
3283 Virginia; (v) any Virginia affiliate of Compeer; or (vi) any board member or any individual who has been
3284 offered membership on the board of a Crime Stoppers, ~~Crime Solvers or Crime Line~~ *crime solvers, or crime*
3285 *line* program, as defined in § 15.2-1713.1;

3286 12. Administrators and board presidents of and applicants for licensure or registration as a child welfare
3287 agency, as defined in § 63.2-100, for dissemination to the Commissioner of Social Services' representative
3288 pursuant to § 63.2-1702 for the conduct of investigations with respect to employees of and volunteers at such
3289 facilities, caretakers, and foster and adoptive parent applicants of private child-placing agencies, pursuant to

3290 §§ 63.2-1719, 63.2-1720, and 63.2-1721, subject to the restriction that the data shall not be further
3291 disseminated by the facility or agency to any party other than the data subject, the Commissioner of Social
3292 Services' representative or a federal or state authority or court as may be required to comply with an express
3293 requirement of law for such further dissemination; however, nothing in this subdivision shall be construed to
3294 prohibit the Commissioner of Social Services' representative from issuing written certifications regarding the
3295 results of a background check that was conducted before July 1, 2021, in accordance with subsection J of
3296 § 22.1-289.035 or § 22.1-289.039;

3297 13. The Department of Social Services for the purpose of screening individuals as a condition of licensure,
3298 employment, volunteering, or providing services on a regular basis in a licensed child welfare agency
3299 pursuant to §§ 63.2-1721 and 63.2-1726 or foster or adoptive home approved by a child-placing agency
3300 pursuant to § 63.2-901.1;

3301 14. The school boards of the Commonwealth for the purpose of screening individuals who are offered or
3302 who accept public school employment and those current school board employees for whom a report of arrest
3303 has been made pursuant to § 19.2-83.1;

3304 15. The Virginia Lottery for the conduct of investigations as set forth in the Virginia Lottery Law (§
3305 ~~58.1-4000~~ 29.5-700 et seq.) and ~~casino gaming as set forth in Chapter 41 (§ 58.1-4100 et seq.) of Title 58.1,~~
3306 ~~and the Department of Agriculture and Consumer Services, the Virginia Gaming Commission~~ for the conduct
3307 of investigations as set forth in ~~Article 1.1:1 (§ 18.2-340.15 et seq.) of Chapter 8 of Title 18.2 Chapters 2~~
3308 ~~(§ 29.5-200 et seq.), 3 (§ 29.5-300 et seq.), and 6 (§ 29.5-600 et seq.) of Title 29.5, and the Virginia Racing~~
3309 ~~Commission for the conduct of investigations set forth in Chapter 6 (§ 29.5-600 et seq.) of Title 29.5;~~

3310 16. Licensed nursing homes, hospitals, and home care organizations for the conduct of investigations of
3311 applicants for compensated employment in licensed nursing homes pursuant to § 32.1-126.01, hospital
3312 pharmacies pursuant to § 32.1-126.02, and home care organizations pursuant to § 32.1-162.9:1, subject to the
3313 limitations set out in subsection E;

3314 17. Licensed assisted living facilities and licensed adult day centers for the conduct of investigations of
3315 applicants for compensated employment in licensed assisted living facilities and licensed adult day centers
3316 pursuant to § 63.2-1720, subject to the limitations set out in subsection F;

3317 18. The Virginia Alcoholic Beverage Control Authority for the conduct of investigations as set forth in
3318 § 4.1-103.1;

3319 19. The State Board of Elections and authorized officers and employees thereof and general registrars
3320 appointed pursuant to § 24.2-110 in the course of conducting necessary investigations with respect to voter

3321 registration, limited to any record of felony convictions;

3322 20. The Commissioner of Behavioral Health and Developmental Services (the Commissioner) or his
3323 designees for individuals who are committed to the custody of or being evaluated by the Commissioner
3324 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,
3325 19.2-182.8, and 19.2-182.9 where such information may be beneficial for the purpose of placement,
3326 evaluation, treatment, or discharge planning;

3327 21. Any alcohol safety action program certified by the Commission on the Virginia Alcohol Safety Action
3328 Program for (i) interventions with first offenders under § 18.2-251 or (ii) services to offenders under
3329 § 18.2-51.4, 18.2-266, or 18.2-266.1;

3330 22. Residential facilities for juveniles regulated or operated by the Department of Social Services, the
3331 Department of Education, or the Department of Behavioral Health and Developmental Services for the
3332 purpose of determining applicants' fitness for employment or for providing volunteer or contractual services;

3333 23. The Department of Behavioral Health and Developmental Services and facilities operated by the
3334 Department for the purpose of determining an individual's fitness for employment pursuant to departmental
3335 instructions;

3336 24. Pursuant to § 22.1-296.3, the governing boards or administrators of private elementary or secondary
3337 schools which are accredited pursuant to § 22.1-19 or a private organization coordinating such records
3338 information on behalf of such governing boards or administrators pursuant to a written agreement with the
3339 Department of State Police;

3340 25. Public institutions of higher education and nonprofit private institutions of higher education for the
3341 purpose of screening individuals who are offered or accept employment;

3342 26. Members of a threat assessment team established by a local school board pursuant to § 22.1-79.4, by a
3343 public institution of higher education pursuant to § 23.1-805, or by a private nonprofit institution of higher
3344 education, for the purpose of assessing or intervening with an individual whose behavior may present a threat
3345 to safety; however, no member of a threat assessment team shall redisclose any criminal history record
3346 information obtained pursuant to this section or otherwise use any record of an individual beyond the purpose
3347 that such disclosure was made to the threat assessment team;

3348 27. Executive directors of community services boards or the personnel director serving the community
3349 services board for the purpose of determining an individual's fitness for employment, approval as a sponsored
3350 residential service provider, permission to enter into a shared living arrangement with a person receiving
3351 medical assistance services pursuant to a waiver, or permission for any person under contract with the

3352 community services board to serve in a direct care position on behalf of the community services board
3353 pursuant to §§ 37.2-506, 37.2-506.1, and 37.2-607;

3354 28. Executive directors of behavioral health authorities, as defined in § 37.2-600, for the purpose of
3355 determining an individual's fitness for employment, approval as a sponsored residential service provider,
3356 permission to enter into a shared living arrangement with a person receiving medical assistance services
3357 pursuant to a waiver, or permission for any person under contract with the behavioral health authority to
3358 serve in a direct care position on behalf of the behavioral health authority pursuant to §§ 37.2-506,
3359 37.2-506.1, and 37.2-607;

3360 29. The Commissioner of Social Services for the purpose of locating persons who owe child support or
3361 who are alleged in a pending paternity proceeding to be a putative father, provided that only the name,
3362 address, demographics, and social security number of the data subject shall be released;

3363 30. Authorized officers or directors of agencies licensed pursuant to Article 2 (§ 37.2-403 et seq.) of
3364 Chapter 4 of Title 37.2 by the Department of Behavioral Health and Developmental Services for the purpose
3365 of determining if any applicant who accepts employment in any direct care position or requests approval as a
3366 sponsored residential service provider, permission to enter into a shared living arrangement with a person
3367 receiving medical assistance services pursuant to a waiver, or permission for any person under contract with
3368 the provider to serve in a direct care position has been convicted of a crime that affects his fitness to have
3369 responsibility for the safety and well-being of individuals with mental illness, intellectual disability, or
3370 substance abuse pursuant to §§ 37.2-416, 37.2-416.1, 37.2-506, 37.2-506.1, and 37.2-607;

3371 31. The Commissioner of the Department of Motor Vehicles, for the purpose of evaluating applicants for,
3372 and holders of, a motor carrier certificate or license subject to the provisions of Chapters 20 (§ 46.2-2000 et
3373 seq.) and 21 (§ 46.2-2100 et seq.) of Title 46.2;

3374 32. The ~~Chairman~~ *Chair* of the Senate Committee for Courts of Justice or the ~~Chairman~~ *Chair* of the
3375 House Committee for Courts of Justice for the purpose of determining if any person being considered for
3376 election to any judgeship has been convicted of a crime;

3377 33. Heads of state agencies in which positions have been identified as sensitive for the purpose of
3378 determining an individual's fitness for employment in positions designated as sensitive under Department of
3379 Human Resource Management policies developed pursuant to § 2.2-1201.1;

3380 34. The Office of the Attorney General, for all criminal justice activities otherwise permitted under
3381 subdivision A 1 and for purposes of performing duties required by the Civil Commitment of Sexually Violent
3382 Predators Act (§ 37.2-900 et seq.);

3383 35. Shipyards, to the extent permitted by federal law or regulation, engaged in the design, construction,
3384 overhaul, or repair of nuclear vessels for the United States Navy, including their subsidiary companies, for
3385 the conduct of investigations of applications for employment or for access to facilities, by contractors, leased
3386 laborers, and other visitors;

3387 36. Any employer of individuals whose employment requires that they enter the homes of others; for the
3388 purpose of screening individuals who apply for, are offered, or have accepted such employment;

3389 37. Public agencies when and as required by federal or state law to investigate (i) applicants as providers
3390 of adult foster care and home-based services or (ii) any individual with whom the agency is considering
3391 placing an adult on an emergency, temporary, or permanent basis pursuant to § 63.2-1601.1, subject to the
3392 restriction that the data shall not be further disseminated by the agency to any party other than a federal or
3393 state authority or court as may be required to comply with an express requirement of law for such further
3394 dissemination, subject to limitations set out in subsection G;

3395 38. The Department of Medical Assistance Services, or its designee, for the purpose of screening
3396 individuals who, through contracts, subcontracts, or direct employment, volunteer, apply for, are offered, or
3397 have accepted a position related to the provision of transportation services to enrollees in the Medicaid
3398 Program or the Family Access to Medical Insurance Security (FAMIS) Program, or any other program
3399 administered by the Department of Medical Assistance Services;

3400 39. The State Corporation Commission for the purpose of investigating individuals who are current or
3401 proposed members, senior officers, directors, and principals of an applicant or person licensed under Chapter
3402 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.
3403 Notwithstanding any other provision of law, if an application is denied based in whole or in part on
3404 information obtained from the Central Criminal Records Exchange pursuant to Chapter 16, 19, or 26 of Title
3405 6.2, the Commissioner of Financial Institutions or his designee may disclose such information to the applicant
3406 or its designee;

3407 40. The Department of Professional and Occupational Regulation for the purpose of investigating
3408 individuals for initial licensure pursuant to § 54.1-2106.1;

3409 41. The Department for Aging and Rehabilitative Services and the Department for the Blind and Vision
3410 Impaired for the purpose of evaluating an individual's fitness for various types of employment and for the
3411 purpose of delivering comprehensive vocational rehabilitation services pursuant to Article 11 (§ 51.5-170 et
3412 seq.) of Chapter 14 of Title 51.5 that will assist the individual in obtaining employment;

3413 42. Bail bondsmen; in accordance with the provisions of § 19.2-120;

3414 43. The State Treasurer for the purpose of determining whether a person receiving compensation for
3415 wrongful incarceration meets the conditions for continued compensation under § 8.01-195.12;

3416 44. The Department of Education or its agents or designees for the purpose of screening individuals
3417 seeking to enter into a contract with the Department of Education or its agents or designees for the provision
3418 of child care services for which child care subsidy payments may be provided;

3419 45. The Department of Juvenile Justice to investigate any parent, guardian, or other adult members of a
3420 juvenile's household when completing a predispositional or postdispositional report required by § 16.1-273 or
3421 a Board of Juvenile Justice regulation promulgated pursuant to § 16.1-233;

3422 46. The State Corporation Commission, for the purpose of screening applicants for insurance licensure
3423 under Chapter 18 (§ 38.2-1800 et seq.) of Title 38.2;

3424 47. Administrators and board presidents of and applicants for licensure or registration as a child day
3425 program or family day system, as such terms are defined in § 22.1-289.02, for dissemination to the
3426 Superintendent of Public Instruction's representative pursuant to § 22.1-289.013 for the conduct of
3427 investigations with respect to employees of and volunteers at such facilities pursuant to §§ 22.1-289.034
3428 through 22.1-289.037, subject to the restriction that the data shall not be further disseminated by the facility
3429 or agency to any party other than the data subject, the Superintendent of Public Instruction's representative, or
3430 a federal or state authority or court as may be required to comply with an express requirement of law for such
3431 further dissemination; however, nothing in this subdivision shall be construed to prohibit the Superintendent
3432 of Public Instruction's representative from issuing written certifications regarding the results of prior
3433 background checks in accordance with subsection J of § 22.1-289.035 or § 22.1-289.039;

3434 48. The National Center for Missing and Exploited Children for the purpose of screening individuals who
3435 are offered or accept employment or will be providing volunteer or contractual services with the National
3436 Center for Missing and Exploited Children;

3437 49. The Executive Director or investigators of the Board of Accountancy for the purpose of the
3438 enforcement of laws relating to the Board of Accountancy in accordance with § 54.1-4407; and

3439 50. Other entities as otherwise provided by law.

3440 Upon an ex parte motion of a defendant in a felony case and upon the showing that the records requested
3441 may be relevant to such case, the court shall enter an order requiring the Central Criminal Records Exchange
3442 to furnish the defendant, as soon as practicable, copies of any records of persons designated in the order on
3443 whom a report has been made under the provisions of this chapter.

3444 Notwithstanding any other provision of this chapter to the contrary, upon a written request sworn to
3445 before an officer authorized to take acknowledgments, the Central Criminal Records Exchange, or the
3446 criminal justice agency in cases of offenses not required to be reported to the Exchange, shall furnish a copy
3447 of conviction data covering the person named in the request to the person making the request; however, such
3448 person on whom the data is being obtained shall consent in writing, under oath, to the making of such
3449 request. A person receiving a copy of his own conviction data may utilize or further disseminate that data as
3450 he deems appropriate. In the event no conviction data is maintained on the data subject, the person making
3451 the request shall be furnished at his cost a certification to that effect.

3452 B. Use of criminal history record information disseminated to noncriminal justice agencies under this
3453 section shall be limited to the purposes for which it was given and may not be disseminated further, except as
3454 otherwise provided in subdivision A 47.

3455 C. No criminal justice agency or person shall confirm the existence or nonexistence of criminal history
3456 record information for employment or licensing inquiries except as provided by law.

3457 D. Criminal justice agencies shall establish procedures to query the Central Criminal Records Exchange
3458 prior to dissemination of any criminal history record information on offenses required to be reported to the
3459 Central Criminal Records Exchange to ensure that the most up-to-date disposition data is being used.
3460 Inquiries of the Exchange shall be made prior to any dissemination except in those cases where time is of the
3461 essence and the normal response time of the Exchange would exceed the necessary time period. A criminal
3462 justice agency to whom a request has been made for the dissemination of criminal history record information
3463 that is required to be reported to the Central Criminal Records Exchange may direct the inquirer to the
3464 Central Criminal Records Exchange for such dissemination. Dissemination of information regarding offenses
3465 not required to be reported to the Exchange shall be made by the criminal justice agency maintaining the
3466 record as required by § 15.2-1722.

3467 E. Criminal history information provided to licensed nursing homes, hospitals, and to home care
3468 organizations pursuant to subdivision A 16 shall be limited to the convictions on file with the Exchange for
3469 any offense specified in §§ 32.1-126.01, 32.1-126.02, and 32.1-162.9:1.

3470 F. Criminal history information provided to licensed assisted living facilities and licensed adult day
3471 centers pursuant to subdivision A 17 shall be limited to the convictions on file with the Exchange for any
3472 offense specified in § 63.2-1720.

3473 G. Criminal history information provided to public agencies pursuant to subdivision A 37 shall be limited

3474 to the convictions on file with the Exchange for any offense set forth in clause (i) of the definition of barrier
3475 crime in § 19.2-392.02.

3476 H. Upon receipt of a written request from an employer or prospective employer, the Central Criminal
3477 Records Exchange, or the criminal justice agency in cases of offenses not required to be reported to the
3478 Exchange, shall furnish at the employer's cost a copy of conviction data covering the person named in the
3479 request to the employer or prospective employer making the request, provided that the person on whom the
3480 data is being obtained has consented in writing to the making of such request and has presented a photo-
3481 identification to the employer or prospective employer. In the event no conviction data is maintained on the
3482 person named in the request, the requesting employer or prospective employer shall be furnished at his cost a
3483 certification to that effect. The criminal history record search shall be conducted on forms provided by the
3484 Exchange.

3485 I. The attorney for the Commonwealth shall provide a physical or electronic copy of a person's criminal
3486 history record information, including criminal history record information maintained in the National Crime
3487 Information Center (NCIC) and the Interstate Identification Index System (III System) that is in his
3488 possession, pursuant to the rules of court for obtaining discovery or for review by the court. No criminal
3489 history record information provided under this subsection shall be disseminated further.

3490 **§ 19.2-389. (Effective July 1, 2026) Dissemination of criminal history record information.**

3491 A. Criminal history record information shall be disseminated, whether directly or through an intermediary,
3492 only to:

3493 1. Authorized officers or employees of criminal justice agencies, as defined by § 9.1-101, for purposes of
3494 the administration of criminal justice and the screening of an employment application or review of
3495 employment by a criminal justice agency with respect to its own employees or applicants, and dissemination
3496 to the Virginia Parole Board, pursuant to this subdivision, of such information on all state-responsible
3497 inmates for the purpose of making parole determinations pursuant to subdivisions 1, 2, 3, 4, and 6 of
3498 § 53.1-136 shall include collective dissemination by electronic means every 30 days. For purposes of this
3499 subdivision, criminal history record information includes information sent to the Central Criminal Records
3500 Exchange pursuant to §§ 37.2-819 and 64.2-2014 when disseminated to any full-time or part-time employee
3501 of the State Police, a police department or sheriff's office that is a part of or administered by the
3502 Commonwealth or any political subdivision thereof, and who is responsible for the prevention and detection
3503 of crime and the enforcement of the penal, traffic, or highway laws of the Commonwealth for the purposes of

3504 the administration of criminal justice;

3505 2. Such other individuals and agencies that require criminal history record information to implement a
3506 state or federal statute or executive order of the President of the United States or Governor that expressly
3507 refers to criminal conduct and contains requirements or exclusions expressly based upon such conduct, except
3508 that information concerning the arrest of an individual may not be disseminated to a noncriminal justice
3509 agency or individual if an interval of one year has elapsed from the date of the arrest and no disposition of the
3510 charge has been recorded and no active prosecution of the charge is pending;

3511 3. Individuals and agencies pursuant to a specific agreement with a criminal justice agency to provide
3512 services required for the administration of criminal justice pursuant to that agreement which shall specifically
3513 authorize access to data, limit the use of data to purposes for which given, and ensure the security and
3514 confidentiality of the data;

3515 4. Individuals and agencies for the express purpose of research, evaluative, or statistical activities pursuant
3516 to an agreement with a criminal justice agency that shall specifically authorize access to data, limit the use of
3517 data to research, evaluative, or statistical purposes, and ensure the confidentiality and security of the data;

3518 5. Agencies of state or federal government that are authorized by state or federal statute or executive order
3519 of the President of the United States or Governor to conduct investigations determining employment
3520 suitability or eligibility for security clearances allowing access to classified information;

3521 6. Individuals and agencies where authorized by court order or court rule;

3522 7. Agencies of any political subdivision of the Commonwealth, public transportation companies owned,
3523 operated, or controlled by any political subdivision, and any public service corporation that operates a public
3524 transit system owned by a local government for the conduct of investigations of applicants for employment,
3525 permit, or license whenever, in the interest of public welfare or safety, it is necessary to determine under a
3526 duly enacted ordinance if the past criminal conduct of a person with a conviction record would be compatible
3527 with the nature of the employment, permit, or license under consideration;

3528 7a. Commissions created pursuant to the Transportation District Act of 1964 (§ 33.2-1900 et seq.) of Title
3529 33.2 and their contractors, for the conduct of investigations of individuals who have been offered a position
3530 of employment whenever, in the interest of public welfare or safety and as authorized in the Transportation
3531 District Act of 1964, it is necessary to determine if the past criminal conduct of a person with a conviction
3532 record would be compatible with the nature of the employment under consideration;

3533 8. Public or private agencies when authorized or required by federal or state law or interstate compact to

3534 investigate (i) applicants for foster or adoptive parenthood or (ii) any individual, and the adult members of
3535 that individual's household, with whom the agency is considering placing a child or from whom the agency is
3536 considering removing a child due to abuse or neglect, on an emergency, temporary, or permanent basis
3537 pursuant to §§ 63.2-901.1 and 63.2-1505, subject to the restriction that the data shall not be further
3538 disseminated to any party other than a federal or state authority or court as may be required to comply with an
3539 express requirement of law;

3540 9. To the extent permitted by federal law or regulation, public service companies, as defined in § 56-1, for
3541 the conduct of investigations of applicants for employment when such employment involves personal contact
3542 with the public or when past criminal conduct of an applicant would be incompatible with the nature of the
3543 employment under consideration;

3544 10. The appropriate authority for purposes of granting citizenship and for purposes of international travel,
3545 including, ~~but not limited to,~~ issuing visas and passports;

3546 11. A person requesting a copy of his own criminal history record information, as defined in § 9.1-101, at
3547 his cost, except that criminal history record information shall be supplied at no charge to a person who has
3548 applied to be a volunteer with (i) a Virginia affiliate of Big Brothers/Big Sisters of America; (ii) a volunteer
3549 fire company; (iii) the Volunteer Emergency Families for Children; (iv) any affiliate of Prevent Child Abuse,
3550 Virginia; (v) any Virginia affiliate of Compeer; or (vi) any board member or any individual who has been
3551 offered membership on the board of a Crime Stoppers, ~~Crime Solvers or Crime Line~~ *crime solvers, or crime*
3552 *line* program as defined in § 15.2-1713.1;

3553 12. Administrators and board presidents of and applicants for licensure or registration as a child welfare
3554 agency, as defined in § 63.2-100, for dissemination to the Commissioner of Social Services' representative
3555 pursuant to § 63.2-1702 for the conduct of investigations with respect to employees of and volunteers at such
3556 facilities, caretakers, and foster and adoptive parent applicants of private child-placing agencies, pursuant to
3557 §§ 63.2-1719, 63.2-1720, and 63.2-1721, subject to the restriction that the data shall not be further
3558 disseminated by the facility or agency to any party other than the data subject, the Commissioner of Social
3559 Services' representative or a federal or state authority or court as may be required to comply with an express
3560 requirement of law for such further dissemination; however, nothing in this subdivision shall be construed to
3561 prohibit the Commissioner of Social Services' representative from issuing written certifications regarding the
3562 results of a background check that was conducted before July 1, 2021, in accordance with subsection J of
3563 § 22.1-289.035 or § 22.1-289.039;

3564 13. Administrators and board presidents of and applicants for licensure as a prescribed pediatric extended

3565 care center for dissemination to the State Health Commissioner's representative pursuant to
3566 §§ 32.1-162.15:1.5 and 32.1-162.15:1.10 for the conduct of investigations with respect to employees of and
3567 volunteers at such centers, pursuant to § 32.1-162.15:1.17, subject to the restriction that the data shall not be
3568 further disseminated by the center to any party other than the data subject, the State Health Commissioner's
3569 representative, or a federal or state authority or court as may be required to comply with an express
3570 requirement of law;

3571 14. The Department of Social Services for the purpose of screening individuals as a condition of licensure,
3572 employment, volunteering, or providing services on a regular basis in a licensed child welfare agency
3573 pursuant to §§ 63.2-1721 and 63.2-1726 or foster or adoptive home approved by a child-placing agency
3574 pursuant to § 63.2-901.1;

3575 15. The school boards of the Commonwealth for the purpose of screening individuals who are offered or
3576 who accept public school employment and those current school board employees for whom a report of arrest
3577 has been made pursuant to § 19.2-83.1;

3578 16. The Virginia Lottery for the conduct of investigations as set forth in the Virginia Lottery Law (§
3579 ~~58.1-4000~~ 29.5-700 et seq.) and ~~casino gaming as set forth in Chapter 41 (§ 58.1-4100 et seq.)~~ of Title 58.1,
3580 and the Department of Agriculture and Consumer Services, the Virginia Gaming Commission for the conduct
3581 of investigations as set forth in ~~Article 1-1:1 (§ 18.2-340.15 et seq.)~~ of Chapter 8 of Title 18.2 Chapters 2
3582 (§ 29.5-200 et seq.), 3 (§ 29.5-300 et seq.), and 6 (§ 29.5-600 et seq.), and the Virginia Racing Commission
3583 for the conduct of investigations as set forth in Chapter 6 (§29.5-600 et seq.);

3584 17. Licensed prescribed pediatric extended care centers for the conduct of investigations of applicants for
3585 compensated employment and volunteers in licensed prescribed pediatric extended care centers pursuant to
3586 § 32.1-162.15:1.17;

3587 18. Licensed nursing homes, hospitals, and home care organizations for the conduct of investigations of
3588 applicants for compensated employment in licensed nursing homes pursuant to § 32.1-126.01, hospital
3589 pharmacies pursuant to § 32.1-126.02, and home care organizations pursuant to § 32.1-162.9:1, subject to the
3590 limitations set out in subsection E;

3591 19. Licensed assisted living facilities and licensed adult day centers for the conduct of investigations of
3592 applicants for compensated employment in licensed assisted living facilities and licensed adult day centers
3593 pursuant to § 63.2-1720, subject to the limitations set out in subsection F;

3594 20. The Virginia Alcoholic Beverage Control Authority for the conduct of investigations as set forth in
3595 § 4.1-103.1;

3596 21. The State Board of Elections and authorized officers and employees thereof and general registrars
3597 appointed pursuant to § 24.2-110 in the course of conducting necessary investigations with respect to voter
3598 registration, limited to any record of felony convictions;

3599 22. The Commissioner of Behavioral Health and Developmental Services (the Commissioner) or his
3600 designees for individuals who are committed to the custody of or being evaluated by the Commissioner
3601 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,
3602 19.2-182.8, and 19.2-182.9 where such information may be beneficial for the purpose of placement,
3603 evaluation, treatment, or discharge planning;

3604 23. Any alcohol safety action program certified by the Commission on the Virginia Alcohol Safety Action
3605 Program for (i) interventions with first offenders under § 18.2-251 or (ii) services to offenders under
3606 § 18.2-51.4, 18.2-266, or 18.2-266.1;

3607 24. Residential facilities for juveniles regulated or operated by the Department of Social Services, the
3608 Department of Education, or the Department of Behavioral Health and Developmental Services for the
3609 purpose of determining applicants' fitness for employment or for providing volunteer or contractual services;

3610 25. The Department of Behavioral Health and Developmental Services and facilities operated by the
3611 Department for the purpose of determining an individual's fitness for employment pursuant to departmental
3612 instructions;

3613 26. Pursuant to § 22.1-296.3, the governing boards or administrators of private elementary or secondary
3614 schools which are accredited pursuant to § 22.1-19 or a private organization coordinating such records
3615 information on behalf of such governing boards or administrators pursuant to a written agreement with the
3616 Department of State Police;

3617 27. Public institutions of higher education and nonprofit private institutions of higher education for the
3618 purpose of screening individuals who are offered or accept employment;

3619 28. Members of a threat assessment team established by a local school board pursuant to § 22.1-79.4, by a
3620 public institution of higher education pursuant to § 23.1-805, or by a private nonprofit institution of higher
3621 education, for the purpose of assessing or intervening with an individual whose behavior may present a threat
3622 to safety; however, no member of a threat assessment team shall redisclose any criminal history record
3623 information obtained pursuant to this section or otherwise use any record of an individual beyond the purpose
3624 that such disclosure was made to the threat assessment team;

3625 29. Executive directors of community services boards or the personnel director serving the community
3626 services board for the purpose of determining an individual's fitness for employment, approval as a sponsored

3627 residential service provider, permission to enter into a shared living arrangement with a person receiving
3628 medical assistance services pursuant to a waiver, or permission for any person under contract with the
3629 community services board to serve in a direct care position on behalf of the community services board
3630 pursuant to §§ 37.2-506, 37.2-506.1, and 37.2-607;

3631 30. Executive directors of behavioral health authorities, as defined in § 37.2-600, for the purpose of
3632 determining an individual's fitness for employment, approval as a sponsored residential service provider,
3633 permission to enter into a shared living arrangement with a person receiving medical assistance services
3634 pursuant to a waiver, or permission for any person under contract with the behavioral health authority to
3635 serve in a direct care position on behalf of the behavioral health authority pursuant to §§ 37.2-506,
3636 37.2-506.1, and 37.2-607;

3637 31. The Commissioner of Social Services for the purpose of locating persons who owe child support or
3638 who are alleged in a pending paternity proceeding to be a putative father, provided that only the name,
3639 address, demographics, and social security number of the data subject shall be released;

3640 32. Authorized officers or directors of agencies licensed pursuant to Article 2 (§ 37.2-403 et seq.) of
3641 Chapter 4 of Title 37.2 by the Department of Behavioral Health and Developmental Services for the purpose
3642 of determining if any applicant who accepts employment in any direct care position or requests approval as a
3643 sponsored residential service provider, permission to enter into a shared living arrangement with a person
3644 receiving medical assistance services pursuant to a waiver, or permission for any person under contract with
3645 the provider to serve in a direct care position has been convicted of a crime that affects his fitness to have
3646 responsibility for the safety and well-being of individuals with mental illness, intellectual disability, or
3647 substance abuse pursuant to §§ 37.2-416, 37.2-416.1, 37.2-506, 37.2-506.1, and 37.2-607;

3648 33. The Commissioner of the Department of Motor Vehicles; for the purpose of evaluating applicants for,
3649 and holders of, a motor carrier certificate or license subject to the provisions of Chapters 20 (§ 46.2-2000 et
3650 seq.) and 21 (§ 46.2-2100 et seq.) of Title 46.2;

3651 34. The ~~Chairman~~ *Chair* of the Senate Committee for Courts of Justice or the ~~Chairman~~ *Chair* of the
3652 House Committee for Courts of Justice for the purpose of determining if any person being considered for
3653 election to any judgeship has been convicted of a crime;

3654 35. Heads of state agencies in which positions have been identified as sensitive for the purpose of
3655 determining an individual's fitness for employment in positions designated as sensitive under Department of
3656 Human Resource Management policies developed pursuant to § 2.2-1201.1;

3657 36. The Office of the Attorney General; for all criminal justice activities otherwise permitted under

3658 subdivision 1 and for purposes of performing duties required by the Civil Commitment of Sexually Violent
3659 Predators Act (§ 37.2-900 et seq.);

3660 37. Shipyards, to the extent permitted by federal law or regulation, engaged in the design, construction,
3661 overhaul, or repair of nuclear vessels for the United States Navy, including their subsidiary companies, for
3662 the conduct of investigations of applications for employment or for access to facilities, by contractors, leased
3663 laborers, and other visitors;

3664 38. Any employer of individuals whose employment requires that they enter the homes of others; for the
3665 purpose of screening individuals who apply for, are offered, or have accepted such employment;

3666 39. Public agencies when and as required by federal or state law to investigate (i) applicants as providers
3667 of adult foster care and home-based services or (ii) any individual with whom the agency is considering
3668 placing an adult on an emergency, temporary, or permanent basis pursuant to § 63.2-1601.1, subject to the
3669 restriction that the data shall not be further disseminated by the agency to any party other than a federal or
3670 state authority or court as may be required to comply with an express requirement of law for such further
3671 dissemination, subject to limitations set out in subsection G;

3672 40. The Department of Medical Assistance Services, or its designee, for the purpose of screening
3673 individuals who, through contracts, subcontracts, or direct employment, volunteer, apply for, are offered, or
3674 have accepted a position related to the provision of transportation services to enrollees in the Medicaid
3675 Program or the Family Access to Medical Insurance Security (FAMIS) Program, or any other program
3676 administered by the Department of Medical Assistance Services;

3677 41. The State Corporation Commission for the purpose of investigating individuals who are current or
3678 proposed members, senior officers, directors, and principals of an applicant or person licensed under Chapter
3679 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.
3680 Notwithstanding any other provision of law, if an application is denied based in whole or in part on
3681 information obtained from the Central Criminal Records Exchange pursuant to Chapter 16, 19, or 26 of Title
3682 6.2, the Commissioner of Financial Institutions or his designee may disclose such information to the applicant
3683 or its designee;

3684 42. The Department of Professional and Occupational Regulation for the purpose of investigating
3685 individuals for initial licensure pursuant to § 54.1-2106.1;

3686 43. The Department for Aging and Rehabilitative Services and the Department for the Blind and Vision
3687 Impaired for the purpose of evaluating an individual's fitness for various types of employment and for the
3688 purpose of delivering comprehensive vocational rehabilitation services pursuant to Article 11 (§ 51.5-170 et

3689 seq.) of Chapter 14 of Title 51.5 that will assist the individual in obtaining employment;

3690 44. Bail bondsmen; in accordance with the provisions of § 19.2-120;

3691 45. The State Treasurer for the purpose of determining whether a person receiving compensation for
3692 wrongful incarceration meets the conditions for continued compensation under § 8.01-195.12;

3693 46. The Department of Education or its agents or designees for the purpose of screening individuals
3694 seeking to enter into a contract with the Department of Education or its agents or designees for the provision
3695 of child care services for which child care subsidy payments may be provided;

3696 47. The Department of Juvenile Justice to investigate any parent, guardian, or other adult members of a
3697 juvenile's household when completing a predispositional or postdispositional report required by § 16.1-273 or
3698 a Board of Juvenile Justice regulation promulgated pursuant to § 16.1-233;

3699 48. The State Corporation Commission, for the purpose of screening applicants for insurance licensure
3700 under Chapter 18 (§ 38.2-1800 et seq.) of Title 38.2;

3701 49. Administrators and board presidents of and applicants for licensure or registration as a child day
3702 program or family day system, as such terms are defined in § 22.1-289.02, for dissemination to the
3703 Superintendent of Public Instruction's representative pursuant to § 22.1-289.013 for the conduct of
3704 investigations with respect to employees of and volunteers at such facilities pursuant to §§ 22.1-289.034
3705 through 22.1-289.037, subject to the restriction that the data shall not be further disseminated by the facility
3706 or agency to any party other than the data subject, the Superintendent of Public Instruction's representative, or
3707 a federal or state authority or court as may be required to comply with an express requirement of law for such
3708 further dissemination; however, nothing in this subdivision shall be construed to prohibit the Superintendent
3709 of Public Instruction's representative from issuing written certifications regarding the results of prior
3710 background checks in accordance with subsection J of § 22.1-289.035 or § 22.1-289.039;

3711 50. The National Center for Missing and Exploited Children for the purpose of screening individuals who
3712 are offered or accept employment or will be providing volunteer or contractual services with the National
3713 Center for Missing and Exploited Children;

3714 51. The Executive Director or investigators of the Board of Accountancy for the purpose of the
3715 enforcement of laws relating to the Board of Accountancy in accordance with § 54.1-4407; and

3716 52. Other entities as otherwise provided by law.

3717 Upon an ex parte motion of a defendant in a felony case and upon the showing that the records requested
3718 may be relevant to such case, the court shall enter an order requiring the Central Criminal Records Exchange

3719 to furnish the defendant, as soon as practicable, copies of any records of persons designated in the order on
3720 whom a report has been made under the provisions of this chapter.

3721 Notwithstanding any other provision of this chapter to the contrary, upon a written request sworn to
3722 before an officer authorized to take acknowledgments, the Central Criminal Records Exchange, or the
3723 criminal justice agency in cases of offenses not required to be reported to the Exchange, shall furnish a copy
3724 of conviction data covering the person named in the request to the person making the request; however, such
3725 person on whom the data is being obtained shall consent in writing, under oath, to the making of such
3726 request. A person receiving a copy of his own conviction data may utilize or further disseminate that data as
3727 he deems appropriate. In the event no conviction data is maintained on the data subject, the person making
3728 the request shall be furnished at his cost a certification to that effect.

3729 B. Use of criminal history record information disseminated to noncriminal justice agencies under this
3730 section shall be limited to the purposes for which it was given and may not be disseminated further, except as
3731 otherwise provided in subdivision A 49.

3732 C. No criminal justice agency or person shall confirm the existence or nonexistence of criminal history
3733 record information for employment or licensing inquiries except as provided by law.

3734 D. Criminal justice agencies shall establish procedures to query the Central Criminal Records Exchange
3735 prior to dissemination of any criminal history record information on offenses required to be reported to the
3736 Central Criminal Records Exchange to ensure that the most up-to-date disposition data is being used.
3737 Inquiries of the Exchange shall be made prior to any dissemination except in those cases where time is of the
3738 essence and the normal response time of the Exchange would exceed the necessary time period. A criminal
3739 justice agency to whom a request has been made for the dissemination of criminal history record information
3740 that is required to be reported to the Central Criminal Records Exchange may direct the inquirer to the
3741 Central Criminal Records Exchange for such dissemination. Dissemination of information regarding offenses
3742 not required to be reported to the Exchange shall be made by the criminal justice agency maintaining the
3743 record as required by § 15.2-1722.

3744 E. Criminal history information provided to licensed nursing homes, hospitals, and to home care
3745 organizations pursuant to subdivision A 18 shall be limited to the convictions on file with the Exchange for
3746 any offense specified in §§ 32.1-126.01, 32.1-126.02, and 32.1-162.9:1.

3747 F. Criminal history information provided to licensed assisted living facilities and licensed adult day
3748 centers pursuant to subdivision A 19 shall be limited to the convictions on file with the Exchange for any

3749 offense specified in § 63.2-1720.

3750 G. Criminal history information provided to public agencies pursuant to subdivision A 39 shall be limited
3751 to the convictions on file with the Exchange for any offense set forth in clause (i) of the definition of barrier
3752 crime in § 19.2-392.02.

3753 H. Upon receipt of a written request from an employer or prospective employer, the Central Criminal
3754 Records Exchange, or the criminal justice agency in cases of offenses not required to be reported to the
3755 Exchange, shall furnish at the employer's cost a copy of conviction data covering the person named in the
3756 request to the employer or prospective employer making the request, provided that the person on whom the
3757 data is being obtained has consented in writing to the making of such request and has presented a photo-
3758 identification to the employer or prospective employer. In the event no conviction data is maintained on the
3759 person named in the request, the requesting employer or prospective employer shall be furnished at his cost a
3760 certification to that effect. The criminal history record search shall be conducted on forms provided by the
3761 Exchange.

3762 I. The attorney for the Commonwealth shall provide a physical or electronic copy of a person's criminal
3763 history record information, including criminal history record information maintained in the National Crime
3764 Information Center (NCIC) and the Interstate Identification Index System (III System) that is in his
3765 possession, pursuant to the rules of court for obtaining discovery or for review by the court. No criminal
3766 history record information provided under this subsection shall be disseminated further.

3767 **§ 19.2-390. Reports to be made by local law-enforcement officers, conservators of the peace, clerks**
3768 **of court, Secretary of the Commonwealth, and Corrections officials to State Police; material submitted**
3769 **by other agencies.**

3770 A. 1. Every state official or agency having the power to arrest, the sheriffs of counties, the police officials
3771 of cities and towns, and any other local law-enforcement officer or conservator of the peace having the power
3772 to arrest for a felony shall make a report to the Central Criminal Records Exchange, on forms provided by it,
3773 of any arrest, including those arrests involving the taking into custody of, or service of process upon, any
3774 person on charges resulting from an indictment, presentment, or information, the arrest on *capias* or warrant
3775 for failure to appear, and the service of a warrant for another jurisdiction, for each charge when any person is
3776 arrested on any of the following charges:

3777 a. Treason;

3778 b. Any felony;

3779 c. Any offense punishable as a misdemeanor under Title 54.1;

3780 d. Any misdemeanor punishable by confinement in jail (i) under Title 18.2 or 19.2, or any similar
3781 ordinance of any county, city, or town, (ii) under § 20-61, or (iii) under § 16.1-253.2; or

3782 e. Any offense in violation of § 3.2-6570, 4.1-309.1, 5.1-13, 15.2-1612, 22.1-289.041, 29.5-808, 46.2-339,
3783 46.2-341.21, 46.2-341.24, 46.2-341.26:3, 46.2-817, 58.1-3141, ~~58.1-4018.1~~, 60.2-632, or 63.2-1509.

3784 The reports shall contain such information as is required by the Exchange and shall be accompanied by
3785 fingerprints of the individual arrested for each charge. Effective January 1, 2006, the corresponding
3786 photograph of the individual arrested shall accompany the report. Fingerprint cards prepared by a
3787 law-enforcement agency for inclusion in a national criminal justice file shall be forwarded to the Exchange
3788 for transmittal to the appropriate bureau. Nothing in this section shall preclude each local law-enforcement
3789 agency from maintaining its own separate photographic database. Fingerprints and photographs required to
3790 be taken pursuant to this subsection or subdivision A 3c of § 19.2-123 may be taken at the facility where the
3791 magistrate is located, including a regional jail, even if the accused is not committed to jail.

3792 Law-enforcement agencies and clerks of court shall only submit reports to the Central Criminal Records
3793 Exchange only for those offenses enumerated in this subsection. Only reports received for those offenses
3794 enumerated in this subsection shall be included in the Central Criminal Records Exchange.

3795 2. For persons arrested and released on summonses in accordance with subsection B of § 19.2-73 or
3796 § 19.2-74, such report shall not be required until (i) a conviction is entered and no appeal is noted or if an
3797 appeal is noted, the conviction is upheld upon appeal or the person convicted withdraws his appeal; (ii) the
3798 court defers or dismisses the proceeding pursuant to § 18.2-57.3, 18.2-251, or 19.2-303.2; or (iii) an acquittal
3799 by reason of insanity pursuant to § 19.2-182.2 is entered. Upon such conviction or acquittal, the court shall
3800 remand the individual to the custody of the office of the chief law-enforcement officer of the county or city. It
3801 shall be the duty of the chief law-enforcement officer, or his designee who may be the arresting officer, to
3802 ensure that such report is completed for each charge after a determination of guilt or acquittal by reason of
3803 insanity. The court shall require the officer to complete the report immediately following the person's
3804 conviction or acquittal, and the individual shall be discharged from custody forthwith, unless the court has
3805 imposed a jail sentence to be served by him or ordered him committed to the custody of the Commissioner of
3806 Behavioral Health and Developmental Services.

3807 3. For persons arrested on a *capias* for any allegation of a violation of the terms or conditions of a
3808 suspended sentence or probation for a felony offense pursuant to § 18.2-456, 19.2-306, or 53.1-165, a report
3809 shall be made to the Central Criminal Records Exchange pursuant to subdivision 1. Upon finding such person

3810 in violation of the terms or conditions of a suspended sentence or probation for such felony offense, the court
3811 shall order that the fingerprints and photograph of such person be taken by a law-enforcement officer for each
3812 such offense and submitted to the Central Criminal Records Exchange.

3813 4. For any person served with a show cause for any allegation of a violation of the terms or conditions of a
3814 suspended sentence or probation for a felony offense pursuant to § 18.2-456, 19.2-306, or 53.1-165, such
3815 report to the Central Criminal Records Exchange shall not be required until such person is found to be in
3816 violation of the terms or conditions of a suspended sentence or probation for such felony offense. Upon
3817 finding such person in violation of the terms or conditions of a suspended sentence or probation for such
3818 felony offense, the court shall order that the fingerprints and photograph of such person be taken by a
3819 law-enforcement officer for each such offense and submitted to the Central Criminal Records Exchange.

3820 5. If the accused is in custody when an indictment or presentment is found or made, or information is
3821 filed, and no process is awarded, the attorney for the Commonwealth shall so notify the court of such at the
3822 time of first appearance for each indictment, presentment, or information for which a report is required upon
3823 arrest pursuant to subdivision 1, and the court shall order that the fingerprints and photograph of the accused
3824 be taken for each offense by a law-enforcement officer or by the agency that has custody of the accused at the
3825 time of first appearance. The law-enforcement officer or agency taking the fingerprints and photograph shall
3826 submit a report to the Central Criminal Records Exchange for each offense.

3827 B. Within 72 hours following the receipt of (i) a warrant or capias for the arrest of any person on a charge
3828 of a felony or (ii) a Governor's warrant of arrest of a person issued pursuant to § 19.2-92, the
3829 law-enforcement agency which received the warrant shall enter the person's name and other appropriate
3830 information required by the Department of State Police into the "information systems" known as the Virginia
3831 Criminal Information Network (VCIN), established and maintained by the Department pursuant to Chapter 2
3832 (§ 52-12 et seq.) of Title 52, and the National Crime Information Center (NCIC), maintained by the Federal
3833 Bureau of Investigation. The report shall include the person's name, date of birth, social security number, and
3834 such other known information which the State Police or Federal Bureau of Investigation may require. Where
3835 feasible and practical, the magistrate or court issuing the warrant or capias may transfer information
3836 electronically into VCIN. When the information is electronically transferred to VCIN, the court or magistrate
3837 shall forthwith forward the warrant or capias to the local police department or sheriff's office. When criminal
3838 process has been ordered destroyed pursuant to § 19.2-76.1, the law-enforcement agency destroying such
3839 process shall ensure the removal of any information relating to the destroyed criminal process from the VCIN
3840 and NCIC.

3841 B1. Within 72 hours following the receipt of a written statement issued by a parole officer pursuant to
3842 § 53.1-149 authorizing the arrest of a person who has violated the provisions of his probation, the
3843 law-enforcement agency that received the written statement shall enter, or cause to be entered, the person's
3844 name and other appropriate information required by the Department of State Police into the "information
3845 systems" known as the Virginia Criminal Information Network (VCIN), established and maintained by the
3846 Department pursuant to Chapter 2 (§ 52-12 et seq.) of Title 52.

3847 C. For offenses not charged on a summons in accordance with subsection B of § 19.2-73 or § 19.2-74, the
3848 clerk of each circuit court and district court shall make an electronic report to the Central Criminal Records
3849 Exchange of (i) any dismissal, including a dismissal pursuant to § 18.2-57.3, 18.2-251, or 19.2-303.2,
3850 indefinite postponement or continuance, charge still pending due to mental incompetency or incapacity,
3851 deferral, nolle prosequi, acquittal, or conviction of, including any sentence imposed, or failure of a grand jury
3852 to return a true bill as to, any person charged with an offense listed in subsection A, including any action that
3853 may have resulted from an indictment, presentment, or information, or any finding that the person is in
3854 violation of the terms or conditions of a suspended sentence or probation for a felony offense and (ii) any
3855 adjudication of delinquency based upon an act that, if committed by an adult, would require fingerprints to be
3856 filed pursuant to subsection A. For offenses listed in subsection A and charged on a summons in accordance
3857 with subsection B of § 19.2-73 or § 19.2-74, such electronic report by the clerk of each circuit court and
3858 district court to the Central Criminal Records Exchange may be submitted but shall not be required until (a) a
3859 conviction is entered and no appeal is noted or, if an appeal is noted, the conviction is upheld upon appeal or
3860 the person convicted withdraws his appeal; (b) the court defers or dismisses the proceeding pursuant to
3861 § 18.2-57.3, 18.2-251, or 19.2-303.2; or (c) an acquittal by reason of insanity pursuant to § 19.2-182.2 is
3862 entered. The clerk of each circuit court shall make an electronic report to the Central Criminal Records
3863 Exchange of any finding that a person charged on a summons is in violation of the terms or conditions of a
3864 suspended sentence or probation for a felony offense. Upon conviction of any person, including juveniles
3865 tried and convicted in the circuit courts pursuant to § 16.1-269.1, whether sentenced as adults or juveniles, for
3866 an offense for which registration is required as defined in § 9.1-902, the clerk shall within seven days of
3867 sentencing submit a report to the Sex Offender and Crimes Against Minors Registry. The report to the
3868 Registry shall include the name of the person convicted and all aliases that he is known to have used, the date
3869 and locality of the conviction for which registration is required, his date of birth, social security number, and
3870 last known address, and specific reference to the offense for which he was convicted. No report of conviction
3871 or adjudication in a district court shall be filed unless the period allowed for an appeal has elapsed and no

3872 appeal has been perfected. In the event that the records in the office of any clerk show that any conviction or
3873 adjudication has been nullified in any manner, he shall also make a report of that fact to the Exchange and, if
3874 appropriate, to the Registry. In addition, each clerk of a circuit court, upon receipt of certification thereof
3875 from the Supreme Court, shall report to the Exchange or the Registry, or to the law-enforcement agency
3876 making the arrest in the case of offenses not required to be reported to the Exchange, on forms provided by
3877 the Exchange or Registry, as the case may be, any reversal or other amendment to a prior sentence or
3878 disposition previously reported. When criminal process is ordered destroyed pursuant to § 19.2-76.1, the
3879 clerk shall report such action to the law-enforcement agency that entered the warrant or capias into the VCIN.

3880 D. In addition to those offenses enumerated in subsection A, the Central Criminal Records Exchange may
3881 receive, classify, and file any other fingerprints, photographs, and records of confinement submitted to it by
3882 any correctional institution or the Department of Corrections. Unless otherwise prohibited by law, any such
3883 fingerprints, photographs, and records received by the Central Criminal Records Exchange from any
3884 correctional institution or the Department of Corrections may be classified and filed as criminal history
3885 record information.

3886 E. Corrections officials, sheriffs, and jail superintendents of regional jails, responsible for maintaining
3887 correctional status information, as required by the regulations of the Department of Criminal Justice Services,
3888 with respect to individuals about whom reports have been made under the provisions of this chapter shall
3889 make reports of changes in correctional status information to the Central Criminal Records Exchange. The
3890 reports to the Exchange shall include any commitment to, or release or escape from, a state or local
3891 correctional facility, including commitment to or release from a parole or probation agency.

3892 F. Any pardon, reprieve, or executive commutation of sentence by the Governor shall be reported to the
3893 Exchange by the office of the Secretary of the Commonwealth.

3894 G. Officials responsible for reporting disposition of charges, and correctional changes of status of
3895 individuals under this section, including those reports made to the Registry, shall adopt procedures
3896 reasonably designed at a minimum (i) to ensure that such reports are accurately made as soon as feasible by
3897 the most expeditious means and in no instance later than 30 days after occurrence of the disposition or
3898 correctional change of status and (ii) to report promptly any correction, deletion, or revision of the
3899 information.

3900 H. Upon receiving a correction, deletion, or revision of information, the Central Criminal Records
3901 Exchange shall notify all criminal justice agencies known to have previously received the information.

3902 I. As used in this section:

3903 "Chief law-enforcement officer" means the chief of police of cities and towns and sheriffs of counties,
3904 unless a political subdivision has otherwise designated its chief law-enforcement officer by appropriate
3905 resolution or ordinance, in which case the local designation shall be controlling.

3906 "Electronic report" means a report transmitted to, or otherwise forwarded to, the Central Criminal Records
3907 Exchange in an electronic format approved by the Exchange. The report shall contain the name of the person
3908 convicted and all aliases which he is known to have used, the date and locality of the conviction, his date of
3909 birth, social security number, last known address, and specific reference to the offense including the Virginia
3910 Code section and any subsection, the Virginia crime code for the offense, and the offense tracking number for
3911 the offense for which he was convicted.

3912 **§ 22.1-140.1. School Construction Fund and Program.**

3913 A. For the purpose of this section:

3914 "Local school division" includes joint or regional schools established pursuant to § 22.1-26.

3915 "Public school buildings and facilities" or "public school buildings" includes any building or facility used
3916 for career and technical education programs provided at any regional comprehensive school established
3917 pursuant to § 22.1-26.

3918 B. There is hereby created in the state treasury a special nonreverting fund to be known as the School
3919 Construction Fund. The Fund shall be established on the books of the Comptroller. All funds appropriated for
3920 such purpose, including funds appropriated pursuant to subdivision B 5 of § ~~58.1-4125~~ 29.5-327, and any
3921 gifts, donations, grants, bequests, and other funds received on its behalf shall be paid into the state treasury
3922 and credited to the Fund. Interest earned on moneys in the Fund shall remain in the Fund and be credited to it.
3923 Any moneys remaining in the Fund, including interest thereon, at the end of each fiscal year shall not revert
3924 to the general fund but shall remain in the Fund. Moneys in the Fund shall be used solely for the purposes of
3925 awarding grants pursuant to the School Construction Program established in subsection C. Expenditures and
3926 disbursements from the Fund shall be made by the State Treasurer on warrants issued by the Comptroller
3927 upon written request signed by the president of the Board.

3928 C. There is hereby established the School Construction Program (the Program) for the purpose of
3929 awarding grants from the Fund to local school boards to fund the construction of new public school buildings
3930 or the renovation or expansion of existing public school buildings and facilities in the local school division.
3931 The Program shall be administered by the Board in accordance with criteria and other requirements set forth

3932 in the general appropriation act.

3933 *TITLE 29.5.*

3934 *GAMING AND WAGERING.*

3935 *SUBTITLE I.*

3936 *VIRGINIA GAMING COMMISSION.*

3937 *CHAPTER 1.*

3938 *GENERAL PROVISIONS.*

3939 **§ 29.5-100. Definitions.**

3940 *As used in this subtitle, unless the context requires a different meaning:*

3941 *"Board" means the Virginia Gaming Commission Board established pursuant to § 29.5-103.*

3942 *"Commission" means the Virginia Gaming Commission established pursuant to § 29.5-101.*

3943 *"Commissioner" means the Commissioner of the Virginia Gaming Commission appointed pursuant*
3944 *§ 29.5-102.*

3945 *"Deputy Commissioner" means the Deputy Commissioner of Gaming appointed pursuant to § 29.5-105.*

3946 *"Racing Commission" means the Virginia Racing Commission established pursuant to § 29.5-602.*

3947 **§ 29.5-101. Virginia Gaming Commission.**

3948 *Notwithstanding the provisions of Subtitle III (§ 29.5-900 et seq.) or any other provision of law, there is*
3949 *hereby established as an independent agency of the Commonwealth, exclusive of the legislative, executive, or*
3950 *judicial branches of government, the Virginia Gaming Commission, which shall include the (i) Charitable*
3951 *Gaming Advisory Board established pursuant to § 29.5-201, (ii) Virginia Gaming Commission Board*
3952 *established pursuant to § 29.5-103, and (iii) the Virginia Racing Commission established pursuant to*
3953 *§ 29.5-602. A Commissioner of the Virginia Gaming Commission shall be appointed pursuant to § 29.5-102*
3954 *for the purpose of overseeing all gaming regulatory operations in the Commonwealth, except as otherwise*
3955 *provided in Chapter 6 (§ 29.5-600 et seq.) and Subtitle II (§ 29.5-700 et seq.).*

3956 **§ 29.5-102. Commissioner appointed; salary; powers and duties.**

3957 *A. The Commission shall be under the immediate supervision and direction of a Commissioner, who shall*
3958 *be a person of good reputation, particularly as to honesty and integrity, and shall be subject to a thorough*
3959 *background investigation conducted by the Department of State Police prior to appointment. The*
3960 *Commissioner shall possess demonstrated experience and expertise in one or more of the following fields:*
3961 *law, finance, public policy, or management of a significant regulatory enterprise. The Commissioner shall be*
3962 *appointed by and serve at the pleasure of the Governor, subject to confirmation by a majority of the members*

3963 *elected to each house of the General Assembly if in session when the appointment is made, and if not in*
3964 *session, then at its next succeeding session. The Commissioner shall receive a salary as provided in the*
3965 *general appropriation act.*

3966 *The Commissioner shall devote his full time to the performance of his official duties and shall not be*
3967 *engaged in any other profession or occupation.*

3968 *Before entering upon the discharge of his duties, the Commissioner shall take an oath that he will*
3969 *faithfully and honestly execute the duties of his office during his continuance therein and shall give bond in*
3970 *such amount as may be fixed by the Governor, conditioned upon the faithful discharge of his duties. The*
3971 *premium on such bond shall be paid out of the Commonwealth Gaming Operations Fund, established*
3972 *pursuant to § 29.5-119.*

3973 *B. The Commissioner shall have the following powers and duties:*

3974 *1. Supervise and administer the operation of the Virginia Gaming Commission in accordance with the*
3975 *provisions of this subtitle and with the rules and regulations promulgated pursuant to this subtitle.*

3976 *2. Employ such (i) professional, technical, and clerical assistants and (ii) other qualified personnel as*
3977 *may be required to carry out the functions and duties of the Commission, including (a) a Deputy*
3978 *Commissioner of Gaming, (b) a Director of Regulatory Affairs, (c) a Chief Operating Officer, and (d) all*
3979 *necessary regular and special counsel notwithstanding the provisions of Chapter 5 (§ 2.2-500 et seq.) of Title*
3980 *2.2, including at least one associate general counsel whose duties and responsibilities include legal oversight*
3981 *of the Virginia Racing Commission, established pursuant to § 29.5-602.*

3982 *3. Employ an Executive Secretary to oversee and carry out the functions and duties of the Virginia Racing*
3983 *Commission pursuant to the provisions of this chapter.*

3984 *4. Act as secretary and executive officer of the Board.*

3985 *5. Require bond or other surety satisfactory to him from Commission employees with access to*
3986 *Commission funds, in such amount as provided in the rules and regulations of the Board. The Commissioner*
3987 *may also require bond from other employees, as he deems necessary.*

3988 *6. Confer regularly, but not less than four times each year, with the Board on the operation and oversight*
3989 *of gaming activities regulated by the Commission; make available for inspection by the Board, upon request,*
3990 *all books, records, files, and other information and documents of the Commission; and advise the Board and*
3991 *recommend such matters as he deems necessary and advisable to improve the operation and oversight of*
3992 *gaming activities regulated by the Commission.*

3993 *7. Suspend, revoke, or refuse to renew any license, permit, or registration issued pursuant to this subtitle*

3994 *or the rules and regulations adopted pursuant to this subtitle.*

3995 *8. Enter into any arrangements with any foreign or domestic governmental agency for the purposes of*
3996 *exchanging information or performing any other act to better ensure the proper conduct of all gaming*
3997 *activities regulated by the Commission pursuant to this subtitle or the efficient conduct of his duties.*

3998 *C. The Commissioner shall establish the following divisions within the Commission:*

3999 *1. A Problem Gambling Division for the purpose of coordinating with local, state, and national*
4000 *stakeholders to manage problem gambling research, prevention, recovery, and treatment efforts. Such*
4001 *division shall provide support to programs funded by the Department of Behavioral Health and*
4002 *Developmental Services related to gambling addiction and recovery efforts and shall conduct strategic*
4003 *research in order to provide benefits through evidence-based education, prevention, and intervention*
4004 *programs to individuals adversely impacted by gambling addiction.*

4005 *2. An External Affairs and Policy Division for the purpose of communicating with relevant stakeholders in*
4006 *the Commonwealth and recommending gaming policy decisions and legislative proposals to the General*
4007 *Assembly.*

4008 *3. A Gaming Compliance and Audit Division for the purpose of ensuring the integrity and legality of*
4009 *gaming operations through internal controls and external regulations.*

4010 *4. Any other division necessary to accomplish the goals of this subtitle.*

4011 **§ 29.5-103. Virginia Gaming Commission Board; membership; appointment; terms; compensation.**

4012 *A. There is hereby created the Virginia Gaming Commission Board within the Virginia Gaming*
4013 *Commission. The Board shall have a total membership of 10 members that shall consist of nine nonlegislative*
4014 *citizen members with voting privileges and one member with nonvoting privileges. Members shall be*
4015 *appointed as follows: five nonlegislative citizen members, who shall be appointed by and serve at the*
4016 *pleasure of the Governor, subject to confirmation by a majority of the members elected to each house of the*
4017 *General Assembly if in session when the appointment is made, and if not in session, then at its next*
4018 *succeeding session; two nonlegislative citizen members appointed by the Speaker of the House of Delegates*
4019 *from a list of at least four nominees provided by the Chair of the House Committee on General Laws; and*
4020 *two nonlegislative citizen members appointed by the Senate Committee on Rules from a list of at least four*
4021 *nominees provided by the Chair of the Senate Committee on General Laws and Technology. Of the*
4022 *nonlegislative citizen members appointed by the Governor, at least one nonlegislative citizen member shall*
4023 *have experience in criminal investigations and law enforcement, at least one nonlegislative citizen member*
4024 *shall be a certified public accountant authorized to practice in the Commonwealth or have experience in*

4025 corporate finance and securities, and at least one nonlegislative citizen member shall have experience in the
4026 problem gambling or gambling addiction industry. One member of the Virginia Racing Commission,
4027 appointed by the chair of the Virginia Racing Commission, shall serve in an advisory role with nonvoting
4028 privileges. Nonlegislative citizen members of the Board shall be individuals of good reputation, particularly
4029 as to honesty and integrity, and shall be citizens of the Commonwealth. Consideration shall be given with
4030 respect to the political affiliation and the geographic residence of the nonlegislative citizen members prior to
4031 their appointment.

4032 B. Appointments to fill vacancies, other than by expiration of a term, shall be for the unexpired terms.
4033 Vacancies shall be filled in the same manner as the original appointments. All members may be reappointed.

4034 C. After the initial staggering of terms, nonlegislative citizen members shall be appointed for a term of
4035 five years. No nonlegislative citizen member shall serve more than two consecutive five-year terms. The
4036 remainder of any term to which a member is appointed to fill a vacancy shall not constitute a term in
4037 determining the member's eligibility for reappointment.

4038 D. The Board shall elect a chair and vice-chair from among its membership. A majority of the voting
4039 members shall constitute a quorum. The meetings of the Board shall be held at the call of the chair or
4040 whenever the majority of the members so request.

4041 E. Members shall receive such compensation for the performance of their duties as provided in
4042 § 2.2-2813. All members shall be reimbursed for all reasonable and necessary expenses incurred in the
4043 performance of their duties as provided in §§ 2.2-2813 and 2.2-2825. Funding for the costs of compensation
4044 and expenses of the members shall be provided by the Virginia Gaming Commission.

4045 F. Before entering upon the discharge of their duties, members shall take an oath that they will faithfully
4046 and honestly execute the duties of the office during their continuance therein and shall give bond in such
4047 amount as may be fixed by the Governor, conditioned upon the faithful discharge of their duties. The
4048 premium on such bond shall be paid out of the Commonwealth Gaming Operations Fund, established
4049 pursuant to § 29.5-119.

4050 G. No member shall:

4051 1. Have any direct or indirect financial, ownership, or management interest in any gaming activities
4052 regulated by the Commission or any agency of the Commonwealth.

4053 2. Receive or share in, directly or indirectly, the receipts or proceeds of any gaming activities regulated
4054 by the Commission or any agency of the Commonwealth.

4055 3. Have an interest in any contract for the manufacture or sale of gaming devices, the conduct of any

4056 gaming activity, or the provision of independent consulting services in connection with any gaming
4057 establishment or gaming activity regulated by the Commission or any agency of the Commonwealth.

4058 **§ 29.5-104. Powers and duties of the Board.**

4059 A. The Board shall have the power to promulgate regulations governing the establishment and operation
4060 of charitable gaming pursuant to Chapter 2 (§ 29.5-200 et seq.), casino gaming pursuant to Chapter 3
4061 (§ 29.5-300 et seq.), sports betting pursuant to Chapter 4 (§ 29.5-400 et seq.), fantasy contests pursuant to
4062 Chapter 5 (§ 29.5-500 et seq.), and historical horse racing with pari-mutuel wagering pursuant to Chapter 6
4063 (§ 29.5-600 et seq.). Such regulations shall be promulgated in accordance with the Administrative Process
4064 Act (§ 2.2-4000 et seq.). The regulations shall provide for all matters necessary or desirable for the efficient,
4065 honest, and economical operation and administration of all forms of gaming regulated by the Board.

4066 B. The Board shall also exercise the following powers and duties and such others as may be provided by
4067 law:

4068 1. Administer a voluntary exclusion program as provided in § 29.5-118.

4069 2. Establish, advertise, and administer a tip line that may be accessed by phone and by internet that
4070 allows any person to confidentially report to the Commission information regarding conduct that is
4071 prohibited pursuant to this subtitle. The Board shall investigate all reasonable allegations of prohibited
4072 conduct and maintain the confidentiality of the identity of any reporting person unless such person authorizes
4073 disclosure of his identity or until such time as the allegation of prohibited conduct is referred to law
4074 enforcement. If an allegation of prohibited conduct is referred to law enforcement, the Board shall disclose a
4075 reporting person's identity only to the applicable law-enforcement agency. The identity of a reporting person
4076 shall be excluded from the provisions of § 2.2-3705.7.

4077 3. Establish a consumer protection program and publish a consumer protection bill of rights. Such
4078 program and bill of rights shall include measures to protect sports bettors, as defined in § 29.5-400, with
4079 respect to identity, funds and accounts, consumer complaints, self-exclusion, and any other consumer
4080 protection measure the Board determines to be reasonable.

4081 4. Adjust the percentage of uncollectible gaming receivables allowed to be subtracted from adjusted gross
4082 revenue, as defined in § 29.5-400, if it determines that a different percentage is reasonable and customary in
4083 the sports betting industry.

4084 5. Hear and decide an appeal of any (i) penalty, (ii) denial of a permit or renewal, or (iii) suspension or
4085 revocation of a permit imposed by the Commissioner pursuant to Chapter 4 (§ 29.5-400 et seq.).

4086 6. Promulgate regulations for the operation of a sports betting program under the direction of the

4087 *Commissioner, who shall allow applicants to apply for permits to engage in sports betting operations in the*
4088 *Commonwealth. The Commission shall not operate a sports betting platform or a sports betting facility.*

4089 *7. Partner with law-enforcement authorities, including the Office of the Attorney General pursuant to*
4090 *§ 2.2-511 and the Office of the Gaming Enforcement Coordinator in the Department of State Police, to*
4091 *address instances of illegal gaming activities in the Commonwealth.*

4092 *C. The Board, in consultation with the External Affairs and Policy Division, shall make policy and*
4093 *legislative recommendations to the Governor and General Assembly related to (i) the regulation of existing*
4094 *legal gaming and wagering, (ii) the expansion of new gaming types, and (iii) the eradication of illegal*
4095 *gaming activity in the Commonwealth.*

4096 ***§ 29.5-105. Deputy Commissioner of Gaming; powers and duties.***

4097 *A. The Deputy Commissioner of Gaming shall have the following powers and duties:*

4098 *1. Monitor all forms of gaming conducted in the Commonwealth by collecting and analyzing data,*
4099 *coordinating with relevant state agencies, and engaging with stakeholders to promote integrity,*
4100 *accountability, and the public interest in the administration of gaming laws, for the purpose of assisting in*
4101 *the development of policies and making recommendations to the Commission, Racing Commission, and the*
4102 *General Assembly regarding potential legislation or regulations necessary to ensure a consistent,*
4103 *transparent, and cohesive regulatory framework for all gaming activities in the Commonwealth.*

4104 *2. Serve as the primary liaison between the Gaming Commission and Virginia Racing Commission (the*
4105 *entities). The Deputy Commissioner shall (i) facilitate communication and coordination between the*
4106 *Commission in its oversight of historical horse racing and the Racing Commission in its oversight of pari-*
4107 *mutuel wagering on live and simulcast horse racing; (ii) ensure the effective sharing of information,*
4108 *including regulatory updates, compliance matters, and industry development to promote consistency and*
4109 *collaboration between the entities; (iii) provide regular reports to the entities regarding activities, trends,*
4110 *and issues affecting horse racing and pari-mutuel wagering in the Commonwealth; and (iv) advise the*
4111 *entities on policies and procedures to uphold the integrity of horse racing and pari-mutuel wagering*
4112 *activities in the Commonwealth.*

4113 *3. Participate in the Problem Gambling Treatment and Support Advisory Committee established pursuant*
4114 *to § 37.2-304 by the Department of Behavioral Health and Developmental Services to enable collaboration*
4115 *among prevention and treatment providers and operators of legal gaming in the Commonwealth on efforts to*
4116 *reduce the negative effects of problem gambling.*

4117 *4. Exercise and perform such powers and duties as may be delegated to him by the Commissioner or the*

4118 *Board or as may be conferred or imposed upon him by law.*

4119 *B. Neither the Deputy Commissioner nor his spouse nor any member of his immediate family shall make*
4120 *any contributions to a candidate for office or office holder at the local or state level, or cause such a*
4121 *contribution to be made on his behalf.*

4122 **§ 29.5-106. Director of Regulatory Affairs; powers and duties.**

4123 *A. The Director of Regulatory Affairs shall have the following powers and duties:*

4124 *1. Oversee regulation of all gaming activities authorized pursuant to this subtitle, except for pari-mutuel*
4125 *wagering on live and simulcast horse racing authorized pursuant to Chapter 6 (§ 29.5-600 et seq.);*

4126 *2. Manage a gaming compliance and audit division for the Commission;*

4127 *3. Assume responsibility for all gaming licensing and permitting and related investigations;*

4128 *4. Oversee electronic gaming operations authorized pursuant to this subtitle; and*

4129 *5. Exercise and perform such powers and duties as may be delegated to him by the Commissioner or the*
4130 *Board or as may be conferred or imposed upon him by law.*

4131 *B. Neither the Director of Regulatory Affairs nor his spouse nor any member of his immediate family shall*
4132 *make any contributions to a candidate for office or office holder at the local or state level, or cause such a*
4133 *contribution to be made on his behalf.*

4134 **§ 29.5-107. Chief Operating Officer; powers and duties.**

4135 *A. The Chief Operating Officer shall have the following powers and duties:*

4136 *1. Oversee and manage human resources, information technology systems, facilities and security, finance*
4137 *and accounting, purchasing, and internal auditing departments within the Commission; and*

4138 *2. Exercise and perform such powers and duties as may be delegated to him by the Commissioner or the*
4139 *Board or as may be conferred or imposed upon him by law.*

4140 *B. Neither the Chief Operating Officer nor his spouse nor any member of his immediate family shall make*
4141 *any contributions to a candidate for office or office holder at the local or state level, or cause such a*
4142 *contribution to be made on his behalf.*

4143 **§ 29.5-108. Financial interests of Board, employees, and family members prohibited.**

4144 *A. No Board member or employee of the Commission shall (i) be a principal stockholder or (ii) otherwise*
4145 *have any financial interest, direct or indirect, in any licensee or permit holder subject to the provisions of this*
4146 *subtitle. No Board member and no spouse or immediate family member of a Board member shall make any*
4147 *contribution to a candidate for office or officeholder at the local or state level or cause such a contribution to*
4148 *be made on his behalf.*

4149 *B. No employee of the Commission and no spouse or immediate family member of a Board member shall:*

4150 *1. Have any direct or indirect financial, ownership, or management interest in any gaming activities*
4151 *regulated by the Commission or any agency of the Commonwealth.*

4152 *2. Receive or share in, directly or indirectly, the receipts or proceeds of any gaming activities regulated*
4153 *by the Commission or any agency of the Commonwealth.*

4154 *3. Have an interest in any contract for the manufacture or sale of gaming devices, the conduct of any*
4155 *gaming activity, or the provision of independent consulting services in connection with any gaming*
4156 *establishment or gaming activity regulated by the Commission or any agency of the Commonwealth.*

4157 ***§ 29.5-109. Leases and purchases of property by the Board.***

4158 *The making of leases and the purchasing of real estate by the Board under the provisions of this subtitle*
4159 *are exempt from the Virginia Public Procurement Act (§ 2.2-4300 et seq.). The Commission shall be exempt*
4160 *from the provisions of § 2.2-1149 and from any rules, regulations, and guidelines of the Division of*
4161 *Engineering and Buildings of the Department of General Services in relation to leases of real property into*
4162 *which it enters.*

4163 ***§ 29.5-110. Exemption of Commission from personnel and procurement procedures; information***
4164 ***systems; etc.***

4165 *A. The provisions of the Virginia Personnel Act (§ 2.2-2900 et seq.) and the Virginia Public Procurement*
4166 *Act (§ 2.2-4300 et seq.) shall not apply to the Commission in the exercise of any power conferred under this*
4167 *subtitle, nor shall the provisions of Chapter 20.1 (§ 2.2-2005 et seq.) of Title 2.2 or Article 2 (§ 51.1-1104 et*
4168 *seq.) of Chapter 11 of Title 51.1 apply to the Commission in the exercise of any power conferred under this*
4169 *subtitle.*

4170 *B. To effect its implementation, the Commission's procurement of goods, services, insurance, and*
4171 *construction and the disposition of surplus materials shall be exempt from:*

4172 *1. State agency requirements regarding disposition of surplus materials and distribution of proceeds from*
4173 *the sale or recycling of surplus materials under §§ 2.2-1124 and 2.2-1125;*

4174 *2. The requirement to purchase from the Department for the Blind and Vision Impaired under § 2.2-1117;*
4175 *and*

4176 *3. Any other state statutes, rules, regulations, or requirements relating to the procurement of goods,*
4177 *services, insurance, and construction, including Article 3 (§ 2.2-1109 et seq.) of Chapter 11 of Title 2.2,*
4178 *regarding the duties, responsibilities, and authority of the Division of Purchases and Supply of the*
4179 *Department of General Services, and Article 4 (§ 2.2-1129 et seq.) of Chapter 11 of Title 2.2, regarding the*

4180 review and the oversight by the Division of Engineering and Buildings of the Department of General Services
4181 of contracts for the construction of the Commission's capital projects and construction-related professional
4182 services under § 2.2-1132.

4183 C. The Commission (i) may purchase from and participate in all statewide contracts for goods and
4184 services, including information technology goods and services; (ii) shall use directly or by integration or
4185 interface the Commonwealth's electronic procurement system subject to the terms and conditions agreed
4186 upon between the Commission and the Department of General Services; and (iii) shall post on the
4187 Department of General Services' central electronic procurement website all Invitations to Bid, Requests for
4188 Proposal, sole source award notices, and emergency award notices to ensure visibility and access to the
4189 Commission's procurement opportunities on one website.

4190 **§ 29.5-111. Assistance from Department of State Police.**

4191 The Department of State Police shall assist in the conduct of investigations by the Commission.

4192 **§ 29.5-112. Criminal history records check required on certain employees; reimbursement of costs.**

4193 All persons hired by the Commission whose job duties involve access to or handling of the Commission's
4194 funds shall be subject to a criminal history records check before, and as a condition of, employment.

4195 The Board shall develop policies regarding the employment of persons who have been convicted of a
4196 felony or a crime involving moral turpitude.

4197 The Department of State Police shall be reimbursed by the Commission for the cost of investigations
4198 conducted pursuant to this section.

4199 **§ 29.5-113. Employees of the Commission.**

4200 Employees of the Commission shall be considered employees of the Commonwealth. Employees of the
4201 Commission shall be eligible for membership in the Virginia Retirement System or other retirement plan as
4202 authorized by Article 4 (§ 51.1-125 et seq.) of Chapter 1 of Title 51.1 and participation in all health and
4203 related insurance and other benefits, including premium conversion and flexible benefits, available to state
4204 employees as provided by law. Employees of the Commission shall be employed on such terms and conditions
4205 as established by the Board. The Board shall develop and adopt policies and procedures that afford its
4206 employees grievance rights, ensure that employment decisions shall be based upon the merit and fitness of
4207 applicants, and prohibit discrimination because of race, color, religion, ethnic or national origin, sex,
4208 pregnancy, childbirth or related medical conditions, age, marital status, sexual orientation, gender identity,
4209 military status, or disability. Notwithstanding any other provision of law, the Board shall develop, implement,
4210 and administer a paid leave program, which may include annual, personal, and sick leave or any

4211 combination thereof. All other leave benefits shall be administered in accordance with Chapter 11
4212 (§ 51.1-1100 et seq.) of Title 51.1, except as otherwise provided in this section.

4213 **§ 29.5-114. Liability of Board members; suits by and against Board members.**

4214 A. No Board member may be sued civilly for doing or omitting to do any act in the performance of his
4215 duties as prescribed by this subtitle, except by the Commonwealth, and then only in the Circuit Court of the
4216 City of Richmond. Such proceedings by the Commonwealth shall be instituted and conducted by the Attorney
4217 General.

4218 B. The Board may, in the name of the Commonwealth, be sued in the Circuit Court of the City of
4219 Richmond to enforce any contract made by it or to recover damages for any breach thereof. The Board may
4220 defend the proceedings and may institute proceedings in any court. No such proceedings shall be taken
4221 against, or in the names of, the members of the Board.

4222 **§ 29.5-115. Counsel for members, agents, and employees of Board.**

4223 If any member, agent, or employee of the Board is arrested, indicted, or otherwise prosecuted on any
4224 charge arising out of any act committed in the discharge of his official duties, the Board chair may employ
4225 special counsel approved by the Attorney General to defend such member, agent, or employee. The
4226 compensation for special counsel employed pursuant to this section shall, subject to the approval of the
4227 Attorney General, be paid in the same manner as other expenses incident to the administration of this subtitle
4228 are paid.

4229 **§ 29.5-116. Hearings; representation by counsel.**

4230 Any licensee, permittee, registrant, or applicant for a license, permit, or registration authorized by this
4231 subtitle shall have the right to be represented by counsel at any Board hearing for which he has received
4232 notice. The licensee, permittee, registrant, or applicant shall not be required to be represented by counsel
4233 during such hearing. Any officer or director of a corporation may examine, cross-examine, and question
4234 witnesses, present evidence on behalf of the corporation, and draw conclusions and make arguments before
4235 the Board or hearing officers without being in violation of the provisions of § 54.1-3904.

4236 **§ 29.5-117. Hearings; allowances to witnesses.**

4237 Witnesses subpoenaed to appear on behalf of the Board shall be entitled to the same allowance for
4238 expenses as witnesses for the Commonwealth in criminal cases in accordance with § 17.1-611. Such
4239 allowances shall be paid out of the fund from which other costs incurred by the Board are paid upon
4240 certification to the Comptroller.

4241 **§ 29.5-118. Voluntary exclusion program.**

4242 *The Board shall adopt regulations to establish and implement a voluntary exclusion program. The*
4243 *regulations shall include the following provisions:*

4244 *1. Except as provided by regulation of the Board, a person who participates in the voluntary exclusion*
4245 *program agrees to refrain from (i) participating in charitable gaming, as defined in § 29.5-200; (ii) engaging*
4246 *in any form of casino gaming authorized under the provisions of Chapter 3 (§ 29.5-300 et seq.); (iii)*
4247 *participating in sports betting, as defined in § 29.5-400; (iv) participating in fantasy contests, as defined in*
4248 *§ 29.5-500; (v) participating in pari-mutuel wagering on live horse racing, historical horse racing, or*
4249 *simulcast horse racing authorized pursuant to the provisions of Chapter 6 (§ 29.5-600 et seq.); or (vi)*
4250 *playing any account-based lottery game authorized under the provisions of Subtitle II (§ 29.5-700 et seq.).*
4251 *Any state agency, at the request of the Commission, shall assist in administering the voluntary exclusion*
4252 *program pursuant to the provisions of this section.*

4253 *2. A person who participates in the voluntary exclusion program may choose an exclusion period of two*
4254 *years, five years, or lifetime.*

4255 *3. Except as provided by regulation of the Board, a person who participates in the voluntary exclusion*
4256 *program may not petition the Board for removal from the voluntary exclusion program for the duration of his*
4257 *exclusion period.*

4258 *4. The name of a person participating in the voluntary exclusion program shall be included on a list of*
4259 *excluded persons. The list of persons entering the voluntary exclusion program and the personal information*
4260 *of the participants shall be confidential, with dissemination by the Board limited to any parties the Board*
4261 *deems necessary for purposes of enforcement. The list and the personal information of participants in the*
4262 *voluntary exclusion program shall not be subject to disclosure under the Virginia Freedom of Information*
4263 *Act (§ 2.2-3700 et seq.). In addition, the Board may disseminate the list to other parties upon request by the*
4264 *participant and agreement by the Board.*

4265 *5. Permit holders, as defined in § 29.5-400, and owners and operators of casino gaming establishments*
4266 *shall make all reasonable attempts, as determined by the Board, to cease all direct marketing efforts to a*
4267 *person participating in the voluntary exclusion program. The voluntary exclusion program shall not preclude*
4268 *permit holders or owners and operators of casino gaming establishments from seeking the payment of a debt*
4269 *incurred by a person before entering the voluntary exclusion program. In addition, any permit holder or*
4270 *owner or operator of a casino gaming establishment may share the names of individuals who self-exclude*
4271 *across its corporate enterprise, including sharing such information with any of its affiliates.*

4272 **§ 29.5-119. Commonwealth Gaming Operations Fund.**

4273 *There is hereby created in the state treasury a special nonreverting fund to be known as the*
4274 *Commonwealth Gaming Operations Fund, referred to in this section as "the Fund." The Fund shall be*
4275 *established on the books of the Comptroller. All funds appropriated for such purpose and any gifts,*
4276 *donations, grants, bequests, and other funds received on its behalf shall be paid into the state treasury and*
4277 *credited to the Fund. Interest earned on moneys in the Fund shall remain in the Fund and be credited to it.*
4278 *Any moneys remaining in the Fund, including interest thereon, at the end of each fiscal year shall not revert*
4279 *to the general fund but shall remain in the Fund. Moneys in the Fund shall be used solely to offset the*
4280 *Commission's costs associated with (i) the conduct of investigations required pursuant to any provision of*
4281 *Chapters 1 (§ 29.5-100 et seq.) through 5 (§ 29.5-500 et seq.) and any provision of Chapter 6 (§ 29.5-600 et*
4282 *seq.) regarding the conduct of historical horse racing with pari-mutuel wagering and (ii) the enforcement of*
4283 *regulations promulgated by the Board pursuant to § 29.5-104. Expenditures and disbursements from the*
4284 *Fund shall be made by the State Treasurer on warrants issued by the Comptroller upon written request*
4285 *signed by the Commissioner.*

4286 **§ 29.5-120. General disposition of civil penalties, fines, fees, etc.**

4287 *Except as otherwise provided, any civil penalty, fine, fee, or other moneys collected pursuant to any*
4288 *provision of this subtitle shall be payable to the State Treasurer for remittance to the Commission.*

4289 **CHAPTER 2.**

4290 **CHARITABLE GAMING.**

4291 **§ 29.5-200. Definitions.**

4292 *As used in this chapter, unless the context requires a different meaning:*

4293 *"Advisory Board" means the Charitable Gaming Advisory Board established in § 29.5-201.*

4294 *"Bingo" means a specific game of chance played with (i) individual cards having randomly numbered*
4295 *squares ranging from one to 75, (ii) Board-approved electronic devices that display facsimiles of bingo cards*
4296 *and are used for the purpose of marking and monitoring players' cards as numbers are called, or (iii) Board-*
4297 *approved cards, in which prizes are awarded on the basis of designated numbers on such cards conforming*
4298 *to a predetermined pattern of numbers selected at random.*

4299 *"Bona fide member" means an individual who participates in activities of a qualified organization other*
4300 *than such organization's charitable gaming activities.*

4301 *"Charitable gaming" or "charitable games" means those raffles, Texas Hold'em poker tournaments, and*
4302 *games of chance explicitly authorized by this chapter. Unless otherwise specified, "charitable gaming"*
4303 *includes electronic gaming authorized by this chapter.*

4304 *"Charitable gaming permit" or "permit" means a permit issued by the Commissioner to an organization*
4305 *that authorizes such organization to conduct charitable gaming, and if such organization is qualified as a*
4306 *social organization, electronic gaming.*

4307 *"Charitable gaming supplies" includes bingo cards or sheets, devices for selecting bingo numbers, instant*
4308 *bingo cards, pull-tab cards and seal cards, playing cards for Texas Hold'em poker, poker chips, and any*
4309 *other equipment or product manufactured for or intended to be used in the conduct of charitable games.*
4310 *However, for the purposes of this chapter, charitable gaming supplies does not include items incidental to the*
4311 *conduct of charitable gaming such as markers, wands, or tape.*

4312 *"Conduct" means the actions associated with the provision of a gaming operation during and immediately*
4313 *before or after the permitted activity, which may include (i) selling bingo cards or packs, electronic devices,*
4314 *instant bingo or pull-tab cards, or raffle tickets, (ii) calling bingo games, (iii) distributing prizes, and (iv) any*
4315 *other services provided by volunteer workers.*

4316 *"Electronic gaming" or "electronic games" means any instant bingo, pull tab, or seal card gaming that is*
4317 *conducted primarily by use of an electronic device. "Electronic gaming" does not include (i) the game of*
4318 *chance identified in clause (ii) of the definition of "bingo" or (ii) network bingo.*

4319 *"Electronic gaming adjusted gross receipts" means the gross receipts derived from electronic gaming less*
4320 *the total amount in prize money paid out to players.*

4321 *"Electronic gaming manufacturer" means a manufacturer of electronic devices used to conduct electronic*
4322 *gaming.*

4323 *"Fair market rental value" means the rent that a rental property will bring when offered for lease by a*
4324 *lessor who desires to lease the property but is not obligated to do so and leased by a lessee under no*
4325 *necessity of leasing.*

4326 *"Gaming expenses" means prizes, supplies, costs of publicizing gaming activities, audit and*
4327 *administration or permit fees, and a portion of the rent, utilities, accounting and legal fees, and such other*
4328 *reasonable and proper expenses as are directly incurred for the conduct of charitable gaming.*

4329 *"Gross receipts" means the total amount of money generated by an organization from charitable gaming*
4330 *before the deduction of expenses, including prizes.*

4331 *"Instant bingo," "pull tabs," or "seal cards" means specific games of chance played by the random*
4332 *selection of one or more individually prepacked cards with winners being determined by the preprinted or*
4333 *predetermined appearance of concealed letters, numbers, or symbols that must be exposed by the player to*
4334 *determine wins and losses and may include the use of a seal card that conceals one or more numbers or*

4335 symbols that have been designated in advance as prize winners. Such cards may be dispensed by mechanical
4336 equipment.

4337 "Jackpot" means a bingo game that the organization has designated on its game program as a jackpot
4338 game in which the prize amount is greater than \$100.

4339 "Landlord" means any person or his agent, firm, association, organization, partnership, corporation,
4340 employee, or immediate family member that either owns and leases or leases any premises devoted in whole
4341 or in part to the conduct of bingo games or other charitable gaming pursuant to this chapter. "Landlord" also
4342 means any person residing in the same household as a landlord.

4343 "Management" means the provision of oversight of a gaming operation, which may include the
4344 responsibilities of (i) applying for and maintaining a permit or authorization; (ii) compiling, submitting, and
4345 maintaining required records and financial reports; and (iii) ensuring that all aspects of the operation are in
4346 compliance with all applicable statutes and regulations.

4347 "Network bingo" means a specific bingo game in which pari-mutuel play is permitted.

4348 "Network bingo provider" means a person licensed by the Commissioner to operate network bingo.

4349 "Operation" means the activities associated with production of a charitable gaming or electronic gaming
4350 activity, which may include (i) the direct on-site supervision of the conduct of charitable gaming and
4351 electronic gaming; (ii) coordination of volunteers; and (iii) all responsibilities of charitable gaming and
4352 electronic gaming designated by the organization's management.

4353 "Organization" means any one of the following:

4354 1. A volunteer fire department or volunteer emergency medical services agency or auxiliary unit thereof
4355 that has been recognized in accordance with § 15.2-955 by an ordinance or resolution of the political
4356 subdivision where the volunteer fire department or volunteer emergency medical services agency is located
4357 as being a part of the safety program of such political subdivision;

4358 2. An organization that is exempt from income tax pursuant to § 501(c)(3) of the Internal Revenue Code,
4359 is operated, and has always been operated, exclusively for educational purposes and awards scholarships to
4360 accredited public institutions of higher education or other postsecondary schools licensed or certified by the
4361 Board of Education or the State Council of Higher Education for Virginia;

4362 3. An athletic association or booster club or a band booster club established solely to raise funds for
4363 school-sponsored athletic or band activities for a public school or private school accredited pursuant to
4364 § 22.1-19 or to provide scholarships to students attending such school;

4365 4. An association of war veterans or auxiliary units thereof organized in the United States;

- 4366 5. A fraternal association or corporation operating under the lodge system;
- 4367 6. An organization that is exempt from income tax pursuant to § 501(c)(3) of the Internal Revenue Code
4368 and is operated, and has always been operated, exclusively to provide services and other resources to older
4369 Virginians, as defined in § 51.5-116;
- 4370 7. An organization that is exempt from income tax pursuant to § 501(c)(3) of the Internal Revenue Code
4371 and is operated, and has always been operated, exclusively to foster youth amateur sports;
- 4372 8. An organization that is exempt from income tax pursuant to § 501(c)(3) of the Internal Revenue Code
4373 and is operated, and has always been operated, exclusively to provide health care services or conduct
4374 medical research;
- 4375 9. An accredited public institution of higher education or other postsecondary school licensed or certified
4376 by the Board of Education or the State Council of Higher Education for Virginia that is exempt from income
4377 tax pursuant to § 501(c)(3) of the Internal Revenue Code;
- 4378 10. A church or religious organization that is exempt from income tax pursuant to § 501(c)(3) of the
4379 Internal Revenue Code;
- 4380 11. An organization that is exempt from income tax pursuant to § 501(c)(3) or 501(c)(4) of the Internal
4381 Revenue Code and is operated, and has always been operated, exclusively to (i) create and foster a spirit of
4382 understanding among the people of the world; (ii) promote the principles of good government and
4383 citizenship; (iii) take an active interest in the civic, cultural, social, and moral welfare of the community; (iv)
4384 provide a forum for the open discussion of matters of public interest; (v) encourage individuals to serve the
4385 community without personal financial reward; and (vi) encourage efficiency and promote high ethical
4386 standards in commerce, industries, professions, public works, and private endeavors;
- 4387 12. An organization that is exempt from income tax pursuant to § 501(c)(3) of the Internal Revenue Code
4388 and is operated, and has always been operated, exclusively to (i) raise awareness of law-enforcement officers
4389 who died in the line of duty; (ii) raise funds for the National Law Enforcement Officers Memorial and
4390 Museum; and (iii) raise funds for the charitable causes of other organizations that are exempt from income
4391 tax pursuant to § 501(c)(3) of the Internal Revenue Code;
- 4392 13. An organization that is exempt from income tax pursuant to § 501(c)(3) of the Internal Revenue Code
4393 and is operated, and has always been operated, exclusively to (i) promote the conservation of the
4394 environment, caves, or other natural resources; (ii) promote or develop opportunities for the use of science
4395 and technology to advance the conservation of the environment, caves, or other natural resources; and (iii)
4396 raise funds for the conservation of the environment, caves, or other natural resources or provide grant

4397 *opportunities to other nonprofit organizations that are devoted to such conservation efforts;*

4398 *14. An organization that is exempt from income tax pursuant to § 501(c)(3) of the Internal Revenue Code*
4399 *that manages a museum that is operated, and has always been operated, exclusively for the purposes of*
4400 *musical heritage and the legacy of the "1927 Bristol Sessions";*

4401 *15. An organization (i) established on or before December 31, 1963, as a result of its members being*
4402 *prohibited from joining similar existing organizations because of laws such as the Public Assemblages Act of*
4403 *1926, which required the racial segregation of all public events in the Commonwealth; (ii) that is exempt*
4404 *from income tax pursuant to § 501(c)(7) of the Internal Revenue Code; and (iii) that is operated, and has*
4405 *always been operated, for community awareness and action through educational, economic, and cultural*
4406 *service activities;*

4407 *16. An organization established on or before December 31, 1977, that is exempt from income tax pursuant*
4408 *to § 501(c)(7) of the Internal Revenue Code and is incorporated, in part, to raise funds for donation to*
4409 *organizations whose missions include promoting early detection of and public education about and*
4410 *supporting research and treatment options for heart disease and various cancers;*

4411 *17. A local chamber of commerce; or*

4412 *18. Any other nonprofit organization that is exempt from income tax pursuant to § 501(c) of the Internal*
4413 *Revenue Code and that raises funds by conducting raffles, bingo, instant bingo, pull tabs, or seal cards that*
4414 *generate annual gross receipts of \$40,000 or less, provided that such gross receipts, less expenses and prizes,*
4415 *are used exclusively for charitable, educational, religious, or community purposes. Notwithstanding*
4416 *§ 29.5-213, proceeds from instant bingo, pull tabs, and seal cards shall be included when calculating an*
4417 *organization's annual gross receipts for the purposes of this subdivision.*

4418 *"Pari-mutuel play" means an integrated network operated by a licensee of the Commission composed of*
4419 *participating charitable organizations for the conduct of network bingo games in which the purchase of a*
4420 *network bingo card by a player automatically includes the player in a pool with all other players in the*
4421 *network, and where the prize to the winning player is awarded based on a percentage of the total amount of*
4422 *network bingo cards sold in a particular network.*

4423 *"Qualified organization" means any organization to which a valid permit has been issued by the*
4424 *Commissioner to conduct charitable gaming or any organization that is exempt pursuant to § 29.5-206.*

4425 *"Raffle" means a lottery in which the prize is won by (i) a random drawing of the name or prearranged*
4426 *number of one or more persons purchasing chances or (ii) a random contest in which the winning name or*
4427 *preassigned number of one or more persons purchasing chances is determined by a race involving inanimate*

4428 *objects floating on a body of water, commonly referred to as a "duck race."*

4429 *"Reasonable and proper business expenses" means business expenses actually incurred by a qualified*
4430 *organization in the conduct of charitable gaming and not otherwise allowed under this chapter or under*
4431 *Board regulations on real estate and personal property tax payments, travel expenses, payments of utilities*
4432 *and trash collection services, legal and accounting fees, costs of business furniture, fixtures and office*
4433 *equipment and costs of acquisition, maintenance, repair, or construction of an organization's real property.*
4434 *For the purpose of this definition, (i) salaries and wages of employees whose primary responsibility is to*
4435 *provide services for the principal benefit of an organization's members or (ii) expenses for social or*
4436 *recreational activities for the principal benefit of a social organization's members may qualify as a business*
4437 *expense, if so determined by the Board. However, payments made pursuant to § 51.1-1204 to the Volunteer*
4438 *Firefighters' and Rescue Squad Workers' Service Award Fund shall be deemed a reasonable and proper*
4439 *business expense.*

4440 *"Social organization" means any qualified organization that provides certification to the Commission that*
4441 *it is:*

4442 *1. An accredited public institution of higher education or other postsecondary school licensed or certified*
4443 *by the Board of Education or the State Council of Higher Education for Virginia qualified under § 501(c)(3)*
4444 *of the Internal Revenue Code;*

4445 *2. An organization established on or before November 10, 1922, that is (i) qualified under § 501(c)(4) of*
4446 *the Internal Revenue Code; (ii) the only federally chartered Marine Corps-related veterans organization in*
4447 *the country; and (iii) operated for the purpose of promoting the interest and preserving the traditions of the*
4448 *United States Marine Corps;*

4449 *3. An organization established on or before December 31, 1963, as a result of its members being*
4450 *prohibited from joining similar existing organizations because of laws such as the Public Assemblages Act of*
4451 *1926, which required the racial segregation of all public events in the Commonwealth, that is qualified under*
4452 *§ 501(c)(7) of the Internal Revenue Code;*

4453 *4. An organization established on or before December 31, 1977, that is qualified under § 501(c)(7) of the*
4454 *Internal Revenue Code and is incorporated, in part, to raise funds for donation to organizations whose*
4455 *missions include promoting early detection of and public education about and supporting research and*
4456 *treatment options for heart disease and various cancers;*

4457 *5. A fraternal beneficiary society, order, or association qualified under § 501(c)(8) of the Internal*
4458 *Revenue Code;*

4459 6. A domestic fraternal society, order, or association qualified under § 501(c)(10) of the Internal Revenue
4460 Code; or

4461 7. A post or organization of past or present members of the Armed Forces of the United States, or an
4462 auxiliary unit or society of, or a trust or foundation for, any such post or organization qualified under §
4463 501(c)(19) of the Internal Revenue Code.

4464 "Social quarters" means, in addition to any specifications prescribed by the Board, an area at a social
4465 organization's primary location that (i) such organization designates to be used predominantly by its
4466 members for social and recreational activities, (ii) is accessible exclusively to members of the social
4467 organization and their guests, and (iii) is not advertised or open to the general public. It shall not disqualify
4468 the area from being considered social quarters if guests occasionally accompany members into the area, so
4469 long as such guests do not spend their own funds to participate in charitable gaming or electronic gaming
4470 activities conducted in the area. In determining if an area is social quarters for purposes of § 29.5-215, the
4471 Board may rely on publications of the Internal Revenue Service regarding the allowable participation of
4472 guests in an organization's social and recreational activities for purposes of § 501 of the Internal Revenue
4473 Code.

4474 "Supplier" means any person who offers to sell, sells, or otherwise provides charitable gaming supplies to
4475 any qualified organization.

4476 "Texas Hold'em poker game" means a variation of poker in which (i) players receive two cards facedown
4477 that may be used individually, (ii) five cards shown face up are shared among all players in the game, (iii)
4478 players combine any number of their individual cards with the shared cards to make the highest five-card
4479 hand to win the value wagered during the game, and (iv) the ranking of hands and the rules of the game are
4480 governed by the official rules of the Poker Tournament Directors Association.

4481 "Texas Hold'em poker tournament" or "tournament" means an organized competition of players (i) who
4482 pay a fixed fee for entry into the competition and for a certain amount of poker chips for use in the
4483 competition; (ii) who may be allowed to pay an additional fee, during set preannounced times of the
4484 competition, to receive additional poker chips for use in the competition; (iii) who may be seated at one or
4485 more tables simultaneously playing Texas Hold'em poker games; (iv) who upon running out of poker chips
4486 are eliminated from the competition; and (v) a pre-set number of whom are awarded prizes of value
4487 according to how long such players remain in the competition.

4488 **§ 29.5-201. Charitable Gaming Advisory Board; powers and duties.**

4489 A. The Charitable Gaming Advisory Board is hereby established as an advisory board within the Virginia

4490 *Gaming Commission for the purpose of advising the Commission on all aspects of the conduct of charitable*
4491 *gaming in the Commonwealth.*

4492 *B. The Advisory Board shall consist of nine nonlegislative citizen members who shall be appointed by the*
4493 *Governor subject to confirmation by the General Assembly, of whom one is a member of a charitable*
4494 *organization subject to the provisions of this chapter in good standing with the Commission, one is a*
4495 *charitable gaming supplier registered and in good standing with the Commission, one is an owner, lessor, or*
4496 *lessee of premises where charitable gaming is conducted, and at least one is or has been a law-enforcement*
4497 *officer in the Commonwealth but who (i) is not a charitable gaming supplier registered with the Commission,*
4498 *(ii) is not a lessor of premises where charitable gaming is conducted, (iii) is not a member of a charitable*
4499 *organization, and (iv) does not have an interest in or is not affiliated with such supplier or charitable*
4500 *organization or owner, lessor, or lessee of premises where charitable gaming is conducted, and five do not*
4501 *have an interest in nor are affiliated with a charitable organization, charitable gaming supplier, or owner,*
4502 *lessor, or lessee of premises where charitable gaming is conducted.*

4503 *To the extent practicable, the Advisory Board shall consist of individuals from different geographic*
4504 *regions of the Commonwealth. Each member of the Advisory Board shall have been a resident of the*
4505 *Commonwealth for a period of at least three years next preceding his appointment, and his continued*
4506 *residency shall be a condition of his tenure in office. Members shall be appointed for four-year terms.*
4507 *Vacancies shall be filled by the Governor in the same manner as the original appointment for the unexpired*
4508 *portion of the term. Each Advisory Board member shall be eligible for reappointment for a second*
4509 *consecutive term at the discretion of the Governor. Persons who are first appointed to initial terms of less*
4510 *than four years shall thereafter be eligible for reappointment to two consecutive terms of four years each.*
4511 *The members of the Advisory Board shall serve at the pleasure of the Governor.*

4512 *C. The Advisory Board shall elect a chair and vice-chair from among its members.*

4513 *D. A quorum shall consist of five members. The decision of a majority of those members present and*
4514 *voting shall constitute a decision of the Advisory Board.*

4515 *E. Members shall receive such compensation for the performance of their duties as provided in*
4516 *§ 2.2-2813. All members shall be reimbursed for all reasonable and necessary expenses incurred in the*
4517 *performance of their duties as provided in §§ 2.2-2813 and 2.2-2825. Funding for the costs and expenses of*
4518 *the members shall be provided by the Commission.*

4519 *F. The Advisory Board shall adopt rules and procedures for the conduct of its business, including a*
4520 *provision that Advisory Board members shall abstain or otherwise recuse themselves from voting on any*

4521 *matter in which they or a member of their immediate family have a personal interest in a transaction as*
4522 *defined in § 2.2-3101. The Advisory Board shall meet at least four times a year, and other meetings may be*
4523 *held at any time or place determined by the Advisory Board or upon call of the chair or upon a written*
4524 *request to the chair by any two members. Except for emergency meetings, all members shall be duly notified*
4525 *of the time and place of any regular or other meeting at least 10 days in advance of such meeting.*

4526 *G. The Advisory Board shall:*

4527 *1. Advise the Virginia Gaming Commission on the conduct of charitable gaming in the Commonwealth*
4528 *and recommend changes to the provisions of this chapter and any applicable regulations;*

4529 *2. Advise on other matters related to charitable gaming that the Commission may request or the Advisory*
4530 *Board may deem necessary; and*

4531 *3. Keep a complete and accurate record of its proceedings. A copy of such record and any other public*
4532 *records not exempt from disclosure under the Virginia Freedom of Information Act (§ 2.2-3700 et seq.) shall*
4533 *be available for public inspection and copying during regular office hours at the Commission.*

4534 **§ 29.5-202. Powers and duties of the Commission, Commissioner, and the Board; report.**

4535 *The Commission, the Commissioner, and the Board shall have all powers and duties necessary to carry*
4536 *out the provisions of this chapter and to exercise the control of charitable gaming. Such powers and duties*
4537 *shall include the following:*

4538 *1. The Commission is vested with jurisdiction and supervision over all charitable gaming authorized*
4539 *under the provisions of this chapter and including all persons that conduct or provide goods, services, or*
4540 *premises used in the conduct of charitable gaming. It may employ such persons as are necessary to ensure*
4541 *that charitable gaming is conducted in conformity with the provisions of this chapter and Board regulations.*
4542 *The Commission shall designate such agents and employees as it deems necessary and appropriate who shall*
4543 *be sworn to enforce the provisions of this chapter and the criminal laws of the Commonwealth and who shall*
4544 *be law-enforcement officers as defined in § 9.1-101.*

4545 *2. The Commission, its agents, and its employees charged with the enforcement of charitable gaming laws*
4546 *shall have free access to the offices, facilities, or any other place of business of any organization, including*
4547 *any premises devoted in whole or in part to the conduct of charitable gaming. These individuals may enter*
4548 *such places or premises for the purpose of carrying out any duty imposed by this chapter, securing records*
4549 *required to be maintained by an organization, investigating complaints, or conducting audits.*

4550 *3. The Board may compel the production of any books, documents, records, or memoranda of any*
4551 *organization, electronic gaming manufacturer, or supplier involved in the conduct of charitable gaming for*

4552 *the purpose of satisfying itself that this chapter and its regulations are strictly complied with. In addition, the*
4553 *Board may require the production of an annual balance sheet and operating statement of any person granted*
4554 *a permit pursuant to the provisions of this chapter and may require the production of any contract to which*
4555 *such person is or may be a party.*

4556 4. *The Board may issue subpoenas for the attendance of witnesses before it, administer oaths, and compel*
4557 *production of records or other documents and testimony of such witnesses whenever, in the judgment of the*
4558 *Commission, it is necessary to do so for the effectual discharge of its duties.*

4559 5. *The Board may compel any person conducting charitable gaming to file with the Commission such*
4560 *documents, information, or data as shall appear to the Commission to be necessary for the performance of its*
4561 *duties.*

4562 6. *The Commissioner may enter into arrangements with any governmental agency of this or any other*
4563 *state or any locality in the Commonwealth or any agency of the federal government for the purposes of*
4564 *exchanging information or performing any other act to better ensure the proper conduct of charitable*
4565 *gaming.*

4566 7. *The Commissioner may issue a charitable gaming permit while the permittee's tax-exempt status is*
4567 *pending approval by the Internal Revenue Service.*

4568 8. *The Commission shall report annually to the Governor and the General Assembly, which report shall*
4569 *include a financial statement of the operation of the Commission and any recommendations for legislation*
4570 *applicable to charitable gaming in the Commonwealth.*

4571 9. *The Commission, its agents, and employees may conduct such audits, in addition to those required by*
4572 *§ 29.5-223, as deemed necessary and desirable.*

4573 10. *The Board may limit the number of organizations for which a person may manage, operate, or*
4574 *conduct charitable games.*

4575 11. *The Board may promulgate regulations that require any landlord that leases to a qualified*
4576 *organization any premises devoted in whole or in part to the conduct of bingo games or any other charitable*
4577 *gaming to register with the Commission.*

4578 12. *The Commission shall report immediately, upon the receipt of a complaint of an alleged criminal*
4579 *violation of this chapter, such complaint to the Commission's general or special counsel hired by the*
4580 *Commissioner pursuant to § 29.5-102, the Office of the Gaming Enforcement Coordinator at the Department*
4581 *of State Police pursuant to § 52-54, and the attorney for the Commonwealth in the jurisdiction where such*
4582 *alleged violation occurred for appropriate action.*

4583 13. Beginning July 1, 2026, and at least once every five years thereafter, the Commission shall convene a
4584 stakeholder work group to review the limitations on prize amounts and provide any recommendations to the
4585 General Assembly by November 30 of the year in which the stakeholder work group is convened.

4586 § 29.5-203. **Regulations of the Board.**

4587 A. The Board shall adopt regulations that:

4588 1. Require, as a condition of receiving a charitable gaming permit or authorization to conduct electronic
4589 gaming, that the applicant use a predetermined percentage of its receipts for those lawful religious,
4590 charitable, community, or educational purposes for which the organization is specifically chartered or
4591 organized, including (i) those expenses relating to the acquisition, construction, maintenance, or repair of
4592 any interest in real property or (ii) expenses related to the rental of real property by an organization as
4593 described by subdivision 5, 6, or 7 of the definition of "social organization" in § 29.5-200 where such real
4594 property is involved in the operation of the organization and used for lawful religious, charitable,
4595 community, or educational purposes, as follows:

4596 a. With respect to charitable gaming, other than electronic gaming, a predetermined percentage of its
4597 gross receipts.

4598 b. With respect to electronic gaming, a predetermined percentage of its electronic gaming adjusted gross
4599 receipts.

4600 2. Specify the conditions under which a complete list of the organization's members who participate in the
4601 management, operation, or conduct of charitable gaming may be required in order for the Commissioner to
4602 ascertain the percentage of Virginia residents in accordance with subdivision A 3 of § 29.5-207.

4603 Membership lists furnished to the Commission in accordance with this subdivision shall not be a matter of
4604 public record and shall be exempt from disclosure under the provisions of the Virginia Freedom of
4605 Information Act (§ 2.2-3700 et seq.).

4606 3. Prescribe fees for processing applications for charitable gaming permits and authorizing social
4607 organizations to conduct electronic gaming. Such fees may reflect the nature and extent of the charitable
4608 gaming activity proposed to be conducted.

4609 4. Establish requirements for the audit of all reports required in accordance with §§ 29.5-221 and
4610 29.5-222.

4611 5. Define electronic and mechanical equipment used in the conduct of charitable gaming. Board
4612 regulations shall include capacity for such equipment to provide full automatic daubing as numbers are
4613 called. For the purposes of this subdivision, electronic or mechanical equipment for instant bingo, pull tabs,

4614 *or seal cards shall include such equipment that displays facsimiles of instant bingo, pull tabs, or seal cards*
4615 *and is used solely for the purpose of dispensing or opening such paper or electronic cards, or both, but does*
4616 *not include (i) devices operated by dropping one or more coins or tokens into a slot and pulling a handle or*
4617 *pushing a button or touchpoint on a touchscreen to activate one to three or more reels marked into horizontal*
4618 *segments by varying symbols, where the predetermined prize amount depends on how and how many of the*
4619 *symbols line up when the rotating reels come to rest, or (ii) other similar devices that display flashing lights*
4620 *or illuminations, or bells, whistles, or other sounds, solely intended to entice players to play. Such*
4621 *regulations shall not prohibit (a) devices that display spinning, rotating, or rolling reels or animations or*
4622 *flashing lights; (b) devices that accept vouchers; (c) the purchase and play of an electronic pull tab with a*
4623 *single press or touch of a button; or (d) the use of multiple video monitors or touchscreens on an electronic*
4624 *gaming device.*

4625 *6. Prescribe the conditions under which a qualified organization may (i) provide food and nonalcoholic*
4626 *beverages to its members who participate in the management, operation, or conduct of bingo; (ii) permit*
4627 *members who participate in the management, operation, or conduct of bingo to play bingo; and (iii) subject*
4628 *to the provisions of subdivision 12 of § 29.5-224, permit nonmembers to participate in the conduct of bingo*
4629 *so long as the nonmembers are under the direct supervision of a bona fide member of the organization during*
4630 *the bingo game.*

4631 *7. Prescribe the conditions under which a qualified organization may sell raffle tickets for a raffle*
4632 *drawing that will be held outside the Commonwealth pursuant to subsection B of § 29.5-212.*

4633 *8. Prescribe the conditions under which persons who are bona fide members of a qualified organization*
4634 *or a child, older than 13 years of age, of such member may participate in the conduct or operation of bingo*
4635 *games.*

4636 *9. Prescribe the conditions under which a person younger than 18 years of age may play bingo, provided*
4637 *that such person is accompanied by his parent or legal guardian.*

4638 *10. Require all qualified organizations that are subject to Board regulations to post in a conspicuous*
4639 *place in every place where charitable gaming is conducted a sign that bears a toll-free telephone number for*
4640 *the National Problem Gambling Helpline.*

4641 *11. Require all qualified organizations that are subject to Board regulations to post in a conspicuous*
4642 *place in every place where charitable gaming is conducted a sign that bears the toll-free telephone number*
4643 *and website for the illegal gaming tip line established and administered by the Office of the Gaming*
4644 *Enforcement Coordinator in the Department of State Police pursuant to § 52-54 for members of the public to*

4645 *report concerns about, or suspected instances of, illegal gaming activities.*

4646 *12. Prescribe the conditions under which a qualified organization may sell network bingo cards in*
4647 *accordance with § 29.5-218 and establish a percentage of proceeds derived from network bingo sales to be*
4648 *allocated to (i) prize pools, (ii) the organization conducting the network bingo, and (iii) the network bingo*
4649 *provider. The regulations shall also establish procedures for the retainage and ultimate distribution of any*
4650 *unclaimed prize.*

4651 *13. Prescribe the conditions under which a qualified organization may manage, operate, or contract with*
4652 *operators of or conduct Texas Hold'em poker tournaments.*

4653 *14. Prescribe the conditions under which a qualified organization may lease the premises of a permitted*
4654 *social organization for the purpose of conducting bingo, network bingo, instant bingo, pull tabs, seal cards,*
4655 *and electronic gaming permitted under this chapter and establish requirements for proper financial reporting*
4656 *of all disbursements, gross receipts, and electronic gaming adjusted gross receipts and payment of all fees*
4657 *required under this chapter.*

4658 *B. The Board may, by regulation, approve variations to the card formats for bingo games, provided that*
4659 *such variations result in bingo games that are conducted in a manner consistent with the provisions of this*
4660 *chapter. Board-approved variations may include bingo games commonly referred to as player selection*
4661 *games and 90-number bingo.*

4662 **§ 29.5-204. Denial, suspension, or revocation of permit; hearings and appeals.**

4663 *A. The Commissioner may deny, suspend, or revoke the permit of any organization found not to be in*
4664 *strict compliance with the provisions of this chapter and Board regulations. The action of the Commissioner*
4665 *in denying, suspending, or revoking any permit shall be subject to the Administrative Process Act (§ 2.2-4000*
4666 *et seq.).*

4667 *B. Except as provided in §§ 8.01-534, 29.5-209, 29.5-221, 29.5-222, and 29.5-228, no permit to conduct*
4668 *charitable gaming or authorization to conduct electronic gaming shall be denied, suspended, or revoked, and*
4669 *no charitable games or funds from charitable gaming operations shall be seized, except upon notice stating*
4670 *the proposed basis for such action and the time and place for the hearing. At the discretion of the*
4671 *Commissioner, hearings may be conducted by hearing officers who shall be selected from the list prepared by*
4672 *the Executive Secretary of the Supreme Court. After a hearing on the issues, the Commissioner may suspend,*
4673 *revoke, or refuse to issue any such permit or authorization if he determines that the organization has not*
4674 *complied with the provisions of this chapter or Board regulations.*

4675 *C. Any person aggrieved by a refusal of the Commissioner to issue any permit, the suspension or*

4676 *revocation of a permit, or any other action of the Commission may seek review of such action in accordance*
4677 *with Article 5 (§ 2.2-4025 et seq.) of the Administrative Process Act.*

4678 **§ 29.5-205. Permitted forms of gaming; prizes not gaming contracts.**

4679 *A. This chapter permits qualified organizations to conduct (i) raffles, bingo, network bingo, instant bingo*
4680 *games, and Texas Hold'em poker tournaments and (ii) electronic gaming authorized pursuant to the*
4681 *provisions of § 29.5-215. All games not explicitly authorized by this chapter or Board regulations adopted in*
4682 *accordance with § 29.5-203 are prohibited. Nothing herein shall be construed to authorize the Board to*
4683 *approve the conduct of any other form of poker in the Commonwealth.*

4684 *B. The award of any prize money for any charitable game shall not be deemed to be part of any gaming*
4685 *contract within the purview of § 11-14.*

4686 *C. Nothing in this chapter shall prohibit an organization from using the Virginia Lottery's Pick-3 number*
4687 *or any number or other designation selected by the Virginia Lottery in connection with any lottery as the*
4688 *basis for determining the winner of a raffle.*

4689 **§ 29.5-206. Organizations exempt from certain fees and reports.**

4690 *A. No organization that reasonably expects, on the basis of prior charitable gaming annual results or any*
4691 *other quantifiable method, to realize gross receipts of \$40,000 or less in any 12-month period from raffles*
4692 *conducted in accordance with the provisions of this chapter shall be required to (i) notify the Commission of*
4693 *its intention to conduct raffles or (ii) comply with Board regulations governing raffles.*

4694 *B. Any organization that reasonably expects, on the basis of prior charitable gaming annual results or*
4695 *any other quantifiable method, to realize gross receipts of \$40,000 or less from all charitable gaming other*
4696 *than raffles on a total of no more than seven days per calendar year shall register with the Commission*
4697 *pursuant to the provisions of § 29.5-208.*

4698 *C. If any organization's actual gross receipts from raffles for the 12-month period exceed \$40,000 as*
4699 *described in subsection A or actual gross receipts from all charitable gaming other than raffles conducted on*
4700 *a total of no more than seven days per calendar year exceed \$40,000 as described in subsection B, such*
4701 *organization shall obtain a permit pursuant to the provisions of § 29.5-209 and file by a specified date the*
4702 *report required by § 29.5-221.*

4703 *D. Any (i) organization described in subdivision 18 of the definition of "organization" in § 29.5-200 or (ii)*
4704 *volunteer fire department or volunteer emergency medical services agency or auxiliary unit thereof that has*
4705 *been recognized in accordance with § 15.2-955 by an ordinance or resolution of the political subdivision*
4706 *where the volunteer fire department or volunteer emergency medical services agency is located as being part*

4707 of the safety program of such political subdivision shall be exempt from the payment of application fees
4708 required by § 29.5-209 and the payment of audit fees required by § 29.5-223. Any such organization,
4709 department, agency, or unit that conducts electronic gaming shall be subject to such application fees and
4710 audit fees for its electronic gaming activities; however, in accordance with the provisions of § 29.5-223, any
4711 audit fees may be paid by either the organization or the electronic gaming manufacturer whose electronic
4712 gaming devices are present on the premises of the organization, department, agency, or unit. Nothing in this
4713 subsection shall be construed as exempting any organizations described in subdivision 18 of the definition of
4714 "organization" in § 29.5-200, volunteer fire departments, or volunteer emergency medical services agencies
4715 from any other provisions of this chapter or other Board regulations.

4716 E. Nothing in this section shall prevent the Commission from conducting any investigation or audit it
4717 deems appropriate to ensure an organization's compliance with the provisions of this chapter and, to the
4718 extent applicable, Board regulations.

4719 § 29.5-207. **Eligibility for permit; exceptions; where valid.**

4720 A. To be eligible for a permit to conduct charitable gaming, an organization shall:

4721 1. Have been in existence and met on a regular basis in the Commonwealth for a period of at least three
4722 years immediately prior to applying for a permit.

4723 The three-year residency requirement shall not apply (i) to any lodge or chapter of a national or
4724 international fraternal order or of a national or international civic organization that is exempt under §
4725 501(c) of the Internal Revenue Code and that has a lodge or chapter holding a charitable gaming permit
4726 issued under the provisions of this chapter anywhere within the Commonwealth; (ii) to booster clubs that
4727 have been operating for less than three years and that have been established solely to raise funds for school-
4728 sponsored activities in public schools or private schools accredited pursuant to § 22.1-19; (iii) to recently
4729 established volunteer fire and rescue companies or departments, after county, city, or town approval; or (iv)
4730 to an organization that relocates its meeting place on a permanent basis from one jurisdiction to another,
4731 complies with the requirements of subdivision 2, and was the holder of a valid permit at the time of its
4732 relocation.

4733 2. Be currently operating, and have always operated, as a nonprofit organization.

4734 3. Have at least 50 percent of its membership consist of residents of the Commonwealth; however, if an
4735 organization (i) does not consist of bona fide members and (ii) is exempt under § 501(c)(3) of the Internal
4736 Revenue Code, the Commission shall exempt such organization from the requirements of this subdivision.

4737 B. Any organization whose gross receipts from all charitable gaming exceeds or can be expected to

4738 exceed \$40,000 in any calendar year shall have been granted tax-exempt status pursuant to § 501(c) of the
4739 Internal Revenue Code. At the same time tax-exempt status is sought from the Internal Revenue Service, the
4740 same documentation may be filed with the Commission in conjunction with an application for a charitable
4741 gaming permit. If such documentation is filed, the Commissioner may, after reviewing such documentation he
4742 deems necessary, issue a charitable gaming permit.

4743 C. A permit shall be valid only for the dates and times designated in the permit.

4744 **§ 29.5-208. Registration requirements; certain organizations.**

4745 A. Any organization seeking to conduct charitable gaming in accordance with subsection B of § 29.5-206
4746 shall first register with the Commission on a form prescribed by the Board. The Board shall only require the
4747 organization to provide (i) proof of the organization's nonprofit status; (ii) contact information for the chief
4748 executive officer of the organization or his designee; (iii) the location, dates, and times of any expected
4749 charitable gaming activity; (iv) a description of the general nature of the anticipated charitable gaming
4750 activity; and (v) a signed attestation that the organization (a) does not reasonably expect to realize more than
4751 \$40,000 in gross receipts on a total of no more than seven days per calendar year for the charitable gaming
4752 activities listed on the registration form; (b) understands that should the organization exceed the \$40,000
4753 threshold, it will be required to file the report in accordance with § 29.5-221; and (c) understands it shall be
4754 required to comply with the provisions of this chapter and Board regulations.

4755 B. Any organization that registers with the Commission pursuant to this section is subject to random
4756 audits of its charitable gaming activities by the Commission and is subject to the penalties specified in
4757 §§ 29.5-228 and 29.5-230 for gross violations of this chapter.

4758 C. The Commissioner may deny, suspend, or revoke the registration of any organization found not to be in
4759 compliance with the provisions of this chapter and Board regulations. The action of the Commissioner in
4760 denying, suspending, or revoking any registration shall be subject to the Administrative Process Act
4761 (§ 2.2-4000 et seq.).

4762 D. Any person aggrieved by the denial, suspension, or revocation of a registration or any other action of
4763 the Commissioner may seek review of such action in accordance with Article 5 (§ 2.2-4025 et seq.) of the
4764 Administrative Process Act.

4765 **§ 29.5-209. Permit required; application fee; form of application.**

4766 A. Except as provided for in § 29.5-206, prior to the commencement of any charitable game, an
4767 organization shall obtain a permit from the Commission.

4768 B. All complete applications for a permit shall be acted upon by the Commissioner within 45 days from

4769 *the filing thereof. Upon compliance by the applicant with the provisions of this chapter, and at the discretion*
4770 *of the Commissioner, a permit may be issued. All permits when issued shall be valid for the period specified*
4771 *in the permit unless it is sooner suspended or revoked. No permit shall be valid for longer than two years.*
4772 *The application shall be a matter of public record.*

4773 *All permits shall be subject to regulation by the Board to ensure the public safety and welfare in the*
4774 *operation of charitable games. The permit shall only be granted after a reasonable investigation has been*
4775 *conducted by the Commission. The Commission may require any prospective employee, permit holder, or*
4776 *applicant to submit to fingerprinting and to provide personal descriptive information to be forwarded along*
4777 *with employee's, licensee's, or applicant's fingerprints through the Central Criminal Records Exchange to the*
4778 *Federal Bureau of Investigation for the purposes of obtaining criminal history record information regarding*
4779 *such prospective employee, permit holder, or applicant. The Central Criminal Records Exchange, upon*
4780 *receipt of a prospective employee, licensee, or applicant record or notification that no record exists, shall*
4781 *forward the record to the Commissioner or his designee, who shall belong to a governmental entity.*
4782 *However, nothing in this subsection shall be construed to require the routine fingerprinting of volunteer*
4783 *bingo workers.*

4784 *C. In no case shall an organization receive more than one permit allowing it to conduct charitable*
4785 *gaming, except that an organization may also apply for and receive a temporary permit pursuant to*
4786 *§ 29.5-211.*

4787 *D. Application for a charitable gaming permit shall be made on forms prescribed by the Board and shall*
4788 *be accompanied by payment of the fee for processing the application.*

4789 *E. Applications for renewal of permits shall be made in accordance with Board regulations. If a complete*
4790 *renewal application is received 45 days or more prior to the expiration of the permit, the permit shall*
4791 *continue to be effective until such time as the Commissioner has taken final action. Otherwise, the permit*
4792 *shall expire at the end of its term.*

4793 *F. The failure to meet any of the requirements of § 29.5-207 shall cause the automatic denial of the*
4794 *permit, and no organization shall conduct any charitable gaming until the requirements are met and a permit*
4795 *is obtained.*

4796 **§ 29.5-210. Authorization to conduct electronic gaming required; fee.**

4797 *A. In addition to a charitable gaming permit, a social organization shall receive authorization from the*
4798 *Commissioner prior to conducting any electronic gaming pursuant to the provisions of § 29.5-215. A social*
4799 *organization may request such authorization from the Commissioner by providing certain information, as*

4800 *determined by the Board, on a form prescribed by the Board.*

4801 *B. All requests for authorization to conduct electronic gaming shall be acted upon by the Commissioner*
4802 *within 45 days from the date of the request. A social organization that meets the necessary requirements*
4803 *pursuant to this chapter may be, at the discretion of the Commissioner, authorized to conduct electronic*
4804 *gaming pursuant to the provisions of § 29.5-215. Any such authorization granted by the Commissioner shall*
4805 *be noted on the social organization's charitable gaming permit and shall be valid for the time specified in the*
4806 *permit unless it is sooner suspended or revoked. No authorization to conduct electronic gaming shall be valid*
4807 *for longer than two years. All requests received by the Commission shall be a matter of public record.*

4808 *All authorizations to conduct electronic gaming shall be subject to regulation by the Board to ensure the*
4809 *public safety and welfare in the operation of electronic games. The authorization shall only be granted after*
4810 *a reasonable investigation has been conducted by the Commission.*

4811 *C. In no case shall a social organization be authorized to conduct electronic gaming at more than one*
4812 *location.*

4813 *D. Requests for authorization to conduct electronic gaming shall be made on forms prescribed by the*
4814 *Board and shall be accompanied by payment of a fee.*

4815 *E. Requests for renewal of such authorizations shall be made in accordance with Board regulations. If a*
4816 *complete renewal request is received 45 days or more prior to the expiration of the authorization, the*
4817 *authorization shall continue to be effective until such time as the Commissioner has taken final action.*
4818 *Otherwise, the authorization shall expire at the end of its term.*

4819 **§ 29.5-211. Temporary permits authorized; limitations.**

4820 *A. Any qualified organization described in subdivision 4 or 5 of the definition of "organization" in*
4821 *§ 29.5-200 may obtain a temporary permit from the Commissioner allowing such organization to sell instant*
4822 *bingo, pull tabs, or seal cards upon premises located anywhere in the Commonwealth during a convention,*
4823 *conference, or related event lasting no more than seven consecutive days held by such organization's*
4824 *affiliated state, regional, or national organization up to once per quarter as designated in the permit.*

4825 *B. All complete applications for a permit shall be acted upon by the Commissioner within 45 days from*
4826 *the filing thereof. Upon compliance by the applicant with the provisions of this chapter, and at the discretion*
4827 *of the Commissioner, a temporary permit may be issued. All temporary permits when issued shall be valid for*
4828 *the period specified in the permit unless it is sooner suspended or revoked. No permit shall be valid for*
4829 *longer than one year. The application shall be a matter of public record.*

4830 *All temporary permits shall be subject to regulation by the Board to ensure the public safety and welfare*

4831 *in the operation of charitable games. The temporary permit shall only be granted after a reasonable*
4832 *investigation has been conducted by the Commission. The Commission may require any prospective*
4833 *employee, permit holder, or applicant to submit to fingerprinting and to provide personal descriptive*
4834 *information to be forwarded along with the employee's, permit holder's, or applicant's fingerprints through*
4835 *the Central Criminal Records Exchange to the Federal Bureau of Investigation for the purposes of obtaining*
4836 *criminal history record information regarding such prospective employee, permit holder, or applicant. The*
4837 *Central Criminal Records Exchange, upon receipt of a prospective employee, permit holder, or applicant*
4838 *record or notification that no record exists, shall forward the record to the Commissioner or his designee,*
4839 *who shall belong to a governmental entity. However, nothing in this subsection shall be construed to require*
4840 *the routine fingerprinting of volunteer bingo workers.*

4841 *C. In no case shall an organization receive more than one temporary permit allowing it to conduct*
4842 *charitable gaming; however, an organization may also receive a permit in accordance with the provisions of*
4843 *§ 29.5-209.*

4844 *D. Application for a temporary permit shall be made on forms prescribed by the Board and shall be*
4845 *accompanied by payment of the fee for processing the application.*

4846 *E. Applications for renewal of temporary permits shall be made in accordance with Board regulations. If*
4847 *a complete renewal application is received 45 days or more prior to the expiration of the temporary permit,*
4848 *the temporary permit shall continue to be effective until such time as the Commissioner has taken final*
4849 *action. Otherwise, the temporary permit shall expire at the end of its term.*

4850 *F. The failure to meet any of the requirements of § 29.5-207 shall cause the automatic denial of the*
4851 *temporary permit, and no organization shall conduct any charitable gaming in accordance with the*
4852 *provisions of subsection A until such requirements are met and a temporary permit is obtained.*

4853 **§ 29.5-212. Sale of raffle tickets; drawings.**

4854 *A. Except as provided in subsection B, a qualified organization may sell raffle tickets both in and out of*
4855 *the jurisdiction designated in its permit and shall conduct the drawing within the Commonwealth.*

4856 *B. A qualified organization may sell raffle tickets for a raffle drawing that will be held outside the*
4857 *Commonwealth, provided the raffle is conducted in accordance with (i) Board regulations and (ii) the laws*
4858 *and regulations of the jurisdiction in which the raffle drawing will be held.*

4859 *C. Before a prize drawing, each stub or other detachable section of each ticket sold or won through some*
4860 *other authorized charitable game conducted by the same organization holding the raffle shall be placed into*
4861 *a receptacle from which the winning tickets are drawn. The receptacle shall be designed so that each ticket*

4862 placed in it has an equal chance of being drawn.

4863 **§ 29.5-213. Sale of instant bingo, pull tabs, or seal cards.**

4864 A. Except as provided in subsection D, instant bingo, pull tabs, or seal cards may be sold only (i) by a
4865 qualified organization, as defined in § 29.5-200, (ii) upon premises that are owned or exclusively and entirely
4866 leased by the qualified organization or leased by the qualified organization pursuant to subsection C, and
4867 (iii) at such times that the premises in which the instant bingo, pull tabs, or seal cards are sold is open only to
4868 members and their guests via controlled access. Except as provided in subsections C and D, no organization
4869 may sell instant bingo, pull tabs, or seal cards (a) at a location outside of the county, city, or town in which
4870 the organization's principal office, as registered with the State Corporation Commission, is located or in an
4871 adjoining county, city, or town or (b) at an establishment that has been granted a license pursuant to Chapter
4872 2 (§ 4.1-200 et seq.) of Title 4.1 unless such license is held by the organization. Nothing in this chapter shall
4873 be construed to prohibit the conduct of games of chance involving the sale of pull tabs or seal cards,
4874 commonly known as last sale games, conducted in accordance with this section or, if such games are
4875 electronic games, in accordance with § 29.5-215.

4876 B. It is prohibited to use an electronic device to conduct instant bingo, pull tabs, or seal cards except as
4877 permitted under § 29.5-215.

4878 C. Notwithstanding the provisions of subsection A, a qualified organization may lease the premises of any
4879 social organization authorized pursuant to § 29.5-215 for the purpose of selling instant bingo, pull tabs, or
4880 seal cards.

4881 D. Notwithstanding the provisions of subsection A, instant bingo, pull tabs, or seal cards may be sold by a
4882 qualified organization that has received a temporary permit from the Commissioner pursuant to § 29.5-211
4883 upon premises located anywhere in the Commonwealth during a convention, conference, or related event
4884 lasting no more than seven consecutive days held by such organization's affiliated state, regional, or national
4885 organization up to once per quarter as designated in the temporary permit.

4886 **§ 29.5-214. Sale of instant bingo, pull tabs, or seal cards dispensed by mechanical equipment.**

4887 As a part of its annual fundraising event, any qualified organization may sell instant bingo, pull tabs, or
4888 seal cards, provided that (i) any such instant bingo, pull tabs, or seal cards are dispensed by mechanical
4889 equipment only; (ii) the sale of the same is limited to a single event of no more than seven days per calendar
4890 year; (iii) any such event is open to the public; and (iv) no such organization realizes actual gross receipts of
4891 more than \$40,000 from the conduct of all charitable gaming other than raffles on a total of no more than
4892 seven days per calendar year. Notwithstanding the provisions of § 29.5-217, an organization authorized

4893 *under this section shall not be required to sell such instant bingo, pull tabs, or seal cards at such times*
4894 *designated in the permit for regular bingo games or at a location at which the organization is authorized to*
4895 *conduct regular bingo games pursuant to subsections E and F of § 29.5-216. If any organization's actual*
4896 *gross receipts from the sale of instant bingo, pull tabs, or seal cards pursuant to this section exceed \$40,000,*
4897 *the Commission shall require the organization to obtain a permit pursuant to the provisions of § 29.5-209*
4898 *and file by a specified date the report required by § 29.5-221. The Commission may require organizations*
4899 *authorized under this section to make such financial reporting as it deems necessary.*

4900 *Nothing in this section shall be construed as exempting organizations authorized to sell instant bingo, pull*
4901 *tabs, or seal cards under this section from any other provisions of this chapter or other Board regulations.*

4902 **§ 29.5-215. Electronic gaming; penalty.**

4903 *A. The Commissioner may authorize a social organization to conduct electronic gaming (i) within its*
4904 *social quarters and (ii) elsewhere on the premises of its primary location. Any such authorized social*
4905 *organization may lease its premises to any qualified organization for the purpose of conducting electronic*
4906 *gaming. A qualified organization that leases the premises of a social organization pursuant to this section*
4907 *shall be subject to the rules and regulations prescribed by the Board. No other electronic gaming shall be*
4908 *allowed under this chapter. Any person who conducts or participates in electronic gaming that is not*
4909 *authorized under this section shall be subject to the penalties specified in § 29.5-230.*

4910 *B. A social organization may request authorization from the Commissioner to conduct electronic gaming*
4911 *pursuant to this section in accordance with the procedures established under §§ 29.5-204 and 29.5-209. Any*
4912 *fee charged by the Commission for the purpose of such authorization shall be in addition to any fee charged*
4913 *for a charitable gaming permit. Any charitable gaming permit that also authorizes a social organization to*
4914 *conduct electronic gaming shall identify the expiration date of such authorization and the number of*
4915 *electronic gaming devices authorized at the location.*

4916 *C. A social organization and any qualified organization that leases the premises of a social organization*
4917 *pursuant to this section are prohibited from advertising any electronic gaming activities to the general*
4918 *public.*

4919 *D. The Commission may authorize a maximum of 18 electronic gaming devices at a location. Each such*
4920 *device shall bear a mark indicating it has been authorized and approved by the Commission.*

4921 *E. An electronic gaming manufacturer that has been issued a permit by the Commissioner in accordance*
4922 *with § 29.5-225 shall report all electronic gaming adjusted gross receipts pursuant to the provisions of*
4923 *§ 29.5-222.*

4924 *F. The use of electronic gaming devices utilizing multiple video monitors or touchscreens shall be limited*
4925 *to one player at a time.*

4926 *G. No social organization or qualified organization leasing the premises of a social organization shall*
4927 *allow any individual younger than 21 years of age to participate in electronic gaming. No individual younger*
4928 *than 21 years of age shall participate in electronic gaming or otherwise use an electronic device to play or*
4929 *redeem any instant bingo, pull tabs, or seal cards.*

4930 *H. No social organization or any qualified organization leasing the premises of a social organization*
4931 *shall extend lines of credit or accept any credit or other electronic fund transfer other than debit cards in*
4932 *payment of any charges or assessments for players to participate in electronic gaming.*

4933 **§ 29.5-216. Conduct of bingo games.**

4934 *A. A qualified organization shall accept only cash or, at its option, checks or debit cards in payment of*
4935 *any charges or assessments for players to participate in bingo games. However, no such organization shall*
4936 *accept postdated checks in payment of any charges or assessments for players to participate in bingo games.*

4937 *B. No qualified organization or any person on the premises shall extend lines of credit or accept any*
4938 *credit or other electronic fund transfer other than debit cards in payment of any charges or assessments for*
4939 *players to participate in bingo games.*

4940 *C. Bingo games may be held by qualified organizations on any calendar day.*

4941 *D. Qualified organizations may hold an unlimited number of bingo sessions on any calendar day.*

4942 *E. Except as provided in subsection F, no organization may conduct bingo games (i) at a location outside*
4943 *of the county, city, or town in which its principal office, as registered with the State Corporation Commission,*
4944 *is located or in an adjoining county, city, or town or (ii) at an establishment that has been granted a license*
4945 *pursuant to Chapter 2 (§ 4.1-200 et seq.) of Title 4.1 unless such license is held by the organization.*

4946 *F. Notwithstanding the provisions of subsection E, a qualified organization may lease the premises of any*
4947 *social organization authorized pursuant to § 29.5-215 for the purpose of conducting bingo games.*

4948 **§ 29.5-217. Conduct of instant bingo, network bingo, pull tabs, and seal cards.**

4949 *A. Any organization qualified to conduct bingo games pursuant to the provisions of this chapter may also*
4950 *play instant bingo, network bingo, pull tabs, or seal cards; however, such games shall be played only at such*
4951 *times designated in the permit for regular bingo games and only at locations at which the organization is*
4952 *authorized to conduct regular bingo games pursuant to subsections E and F of § 29.5-216, except that a*
4953 *qualified organization that is issued a temporary permit pursuant to § 29.5-211 shall be authorized to play*
4954 *instant bingo, pull tabs, or seal cards in accordance with subsection D of § 29.5-213. It is prohibited to use*

4955 *an electronic device to conduct instant bingo, pull tabs, or seal cards except as permitted under § 29.5-215.*

4956 *B. Any organization conducting instant bingo, network bingo, pull tabs, or seal cards shall maintain a*
4957 *record of the date, quantity, and card value of instant bingo supplies purchased as well as the name and*
4958 *address of the supplier of such supplies. The organization shall also maintain a written invoice or receipt*
4959 *from a nonmember of the organization verifying any information required by this subsection. Such supplies*
4960 *shall be paid for only by check drawn on the gaming account of the organization. A complete inventory of all*
4961 *such gaming supplies shall be maintained by the organization on the premises where the gaming is being*
4962 *conducted.*

4963 *C. No qualified organization shall sell any instant bingo, network bingo, pull tabs, or seal cards to any*
4964 *individual younger than 18 years of age. No individual younger than 18 years of age shall play or redeem*
4965 *any instant bingo, network bingo, pull tabs, or seal cards.*

4966 *D. No qualified organization or any person on the premises shall extend lines of credit or accept any*
4967 *credit or other electronic fund transfer other than debit cards in payment of any charges or assessments for*
4968 *players to participate in instant bingo, network bingo, pull tabs, or seal cards.*

4969 **§ 29.5-218. Conduct of network bingo.**

4970 *A. Any organization qualified to conduct bingo games pursuant to the provisions of this chapter may also*
4971 *sell network bingo cards; however, network bingo shall be sold only at such times designated in the permit*
4972 *for regular bingo games and only at locations at which the organization is authorized to conduct regular*
4973 *bingo games pursuant to subsections E and F of § 29.5-216.*

4974 *B. Any organization selling network bingo cards shall maintain a record of the date and quantity of*
4975 *network bingo cards purchased from a licensed network bingo provider. The organization shall also maintain*
4976 *a written invoice or receipt from a licensed supplier verifying any information required by this subsection.*
4977 *Such supplies shall be paid for only by check drawn on the gaming account of the organization or by*
4978 *electronic fund transfer. A complete inventory of all such gaming supplies shall be maintained by the*
4979 *organization on the premises where network bingo cards are sold.*

4980 *C. No qualified organization shall sell any network bingo cards to any individual younger than 18 years*
4981 *of age. No individual younger than 18 years of age shall play or redeem any network bingo cards.*

4982 *D. A qualified organization shall accept only cash or, at its option, checks or debit cards in payment of*
4983 *any charges or assessments for players to participate in any network bingo game. However, no such*
4984 *organization shall accept postdated checks in payment of any charges or assessments for players to*
4985 *participate in network bingo games.*

4986 *E. No qualified organization or any person on the premises shall extend lines of credit or accept any*
4987 *credit or other electronic fund transfer other than debit cards in payment of any charges or assessments for*
4988 *players to participate in network bingo games.*

4989 *F. No qualified organization shall conduct network bingo more frequently than one day in any calendar*
4990 *week, which shall not be the same day of each week.*

4991 *G. No qualified organization shall sell network bingo cards on the internet or other online service or*
4992 *allow the play of network bingo on the internet or other online service. However, the location where network*
4993 *bingo games are conducted shall be equipped with a video monitor, television, or video screen, or any other*
4994 *similar means of visually displaying a broadcast or signal, that relays live, real-time video of the numbers as*
4995 *they are called by a live caller. The internet or other online service may be used to relay information about*
4996 *winning players.*

4997 *H. Qualified organizations may award network bingo prizes on a graduated scale; however, no single*
4998 *network bingo prize shall exceed \$25,000.*

4999 *I. Nothing in this section shall be construed to prohibit an organization from participating in more than*
5000 *one network bingo network.*

5001 **§ 29.5-219. Conduct of Texas Hold'em poker tournaments by qualified organizations; limitation of**
5002 **operator fee; conditions.**

5003 *A. Any organization qualified to conduct bingo games on or after July 1, 2019, may conduct Texas*
5004 *Hold'em poker tournaments; however, no such organization may conduct individual Texas Hold'em poker*
5005 *games. The Board shall promulgate regulations establishing circumstances under which organizations*
5006 *qualified to conduct bingo games prior to July 1, 2019, may conduct Texas Hold'em poker tournaments.*

5007 *B. A qualified organization may contract with an operator to administer Texas Hold'em poker*
5008 *tournaments. Limitations on operator fees shall be established by Board regulations.*

5009 *C. A qualified organization shall accept only cash or, at its option, checks in payment of any charges or*
5010 *assessments for players to participate in Texas Hold'em poker tournaments. However, no such organization*
5011 *shall accept postdated checks in payment of any charges or assessments for players to participate in Texas*
5012 *Hold'em poker tournaments.*

5013 *D. No qualified organization or any person on the premises shall extend lines of credit or accept any*
5014 *credit or debit card or other electronic fund transfer in payment of any charges or assessments for players to*
5015 *participate in Texas Hold'em poker tournaments.*

5016 *E. No qualified organization shall allow any individual younger than 18 years of age to participate in*

5017 *Texas Hold'em poker tournaments.*

5018 **§ 29.5-220. Joint operation of bingo games; written reports; joint permit required.**

5019 A. Any two or more qualified organizations may jointly organize and conduct bingo games provided both
5020 have fully complied with all other provisions of this chapter.

5021 B. Any two or more qualified organizations jointly conducting such games shall be (i) subject to the same
5022 restrictions and prohibitions contained in this chapter that would apply to a single organization conducting
5023 bingo games and (ii) required to furnish to the Commission a written report setting forth the location where
5024 such games will be held and the division of manpower, costs, and proceeds for each game to be jointly
5025 conducted.

5026 Upon a finding that the division of manpower and costs for each game bears a reasonable relationship to
5027 the division of proceeds, the Commissioner shall issue a joint permit.

5028 C. No bingo game shall be jointly conducted until the joint permit issued pursuant to subsection B is
5029 obtained by the organizations.

5030 **§ 29.5-221. Reports of gross receipts, electronic gaming adjusted gross receipts, and disbursements**
5031 **required; form of reports; failure to file.**

5032 A. 1. Each qualified organization shall keep a complete record of all:

5033 a. Inventory of charitable gaming supplies purchased.

5034 b. Receipts from its charitable gaming operation, including a breakdown of receipts attributable to each
5035 type of game offered.

5036 c. Electronic gaming adjusted gross receipts.

5037 d. Disbursements related to charitable gaming and electronic gaming operations, including a breakdown
5038 of disbursements for each purpose specified in subdivision 1 of § 29.5-224.

5039 2. Except as provided in §§ 29.5-206 and 29.5-222, each qualified organization shall file under penalty of
5040 perjury and at least annually, on a form prescribed by the Board, a report of all receipts and disbursements
5041 specified in subdivision 1, the amount of money on hand attributable to charitable gaming as of the end of the
5042 period covered by the report, and any other information related to its charitable gaming operation that the
5043 Commission may require. In addition, the Board, by regulation, may require any qualified organization,
5044 except any qualified organization that realizes annual gross receipts of \$40,000 or less, whose net receipts
5045 exceed a specified amount during any three-month period to file a report of its receipts and disbursements for
5046 such period. All reports filed pursuant to this section shall be a matter of public record.

5047 B. All reports required by this section shall be filed on or before the date prescribed by the Commissioner.

5048 *The Board, by regulation, shall establish a schedule of late fees to be assessed for any organization that fails*
5049 *to submit required reports by the due date.*

5050 *C. Except as provided in § 29.5-206, each qualified organization shall designate or compensate an*
5051 *outside individual or group who shall be responsible for filing an annual, and, if required, quarterly,*
5052 *financial report if the organization goes out of business or otherwise ceases to conduct charitable gaming*
5053 *activities. The Commission shall require such reports as it deems necessary until all proceeds of any*
5054 *charitable gaming have been used for the purposes specified in § 29.5-203 or have been disbursed in a*
5055 *manner approved by the Commission.*

5056 *D. Each qualified organization shall maintain for three years a complete written record of (i) all*
5057 *charitable gaming sessions using Board-prescribed forms or reasonable facsimiles thereof approved by the*
5058 *Commission; (ii) the name and address of each individual to whom is awarded any charitable gaming prize*
5059 *or jackpot that meets or exceeds the requirements of Internal Revenue Service Publication 3079, as well as*
5060 *the amount of the award; and (iii) an itemized record of all receipts and disbursements, including operating*
5061 *costs and use of proceeds incurred in operating bingo games.*

5062 *E. The failure to file reports within 30 days of the time such reports are due shall cause the automatic*
5063 *revocation of the permit, and no organization shall conduct any bingo game or raffle thereafter until the*
5064 *report is properly filed and a new permit is obtained. However, the Commissioner may grant an extension of*
5065 *time for filing such reports for a period not to exceed 45 days if requested by an organization, provided the*
5066 *organization requests an extension within 15 days of the time such reports are due and all projected fees are*
5067 *paid. For the term of any such extension, the organization's permit shall not be automatically revoked, such*
5068 *organization may continue to conduct charitable gaming, or electronic gaming if authorized to do so*
5069 *pursuant to the provisions of this chapter, and no new permit shall be required.*

5070 *F. For purposes of this section, the requirement to file a report shall also include the payment of any*
5071 *applicable fees required to accompany such report.*

5072 **§ 29.5-222. Reports of electronic gaming adjusted gross receipts by electronic gaming manufacturer**
5073 **required; form of reports; failure to file.**

5074 *A. Each electronic gaming manufacturer that holds a permit issued by the Commissioner pursuant to*
5075 *§ 29.5-225 shall keep a complete record of all electronic gaming adjusted gross receipts and shall file at*
5076 *least annually, on a form prescribed by the Board, a report of all such receipts and any other information*
5077 *related to the manufacture of electronic gaming devices that the Commission may require.*

5078 *B. The report required by this section shall be filed on or before the date prescribed by the Commissioner.*

5079 *The Board, by regulation, shall establish a schedule of late fees to be assessed for any electronic gaming*
5080 *manufacturer that fails to submit required reports by the due date.*

5081 *C. Each electronic gaming manufacturer shall maintain for three years a complete written record of all*
5082 *electronic gaming adjusted gross receipts.*

5083 *D. The failure to file the report required by this section within 30 days of the time such report is due shall*
5084 *cause the automatic revocation of the electronic gaming manufacturer's permit, and no such manufacturer*
5085 *shall manufacture any new electronic gaming device until the report is properly filed and a new permit is*
5086 *obtained. However, the Commissioner may grant an extension of time for filing such report for a period not*
5087 *to exceed 45 days if requested by a manufacturer, provided that the manufacturer requests an extension*
5088 *within 15 days of the time such report is due and all projected fees are paid. For the term of any such*
5089 *extension, the manufacturer's permit shall not be automatically revoked, such manufacturer may continue to*
5090 *manufacture electronic gaming devices, and no new permit shall be required.*

5091 *E. For purposes of this section, the requirement to file a report shall also include the payment of any*
5092 *applicable fees required to accompany such report.*

5093 **§ 29.5-223. Audit of reports; exemption; audit and administration fee; additional assessment of gross**
5094 **receipts and electronic gaming adjusted gross receipts.**

5095 *A. All reports filed pursuant to §§ 29.5-221 and 29.5-222 shall be subject to audit by the Commission in*
5096 *accordance with Board regulations. The Commission may engage the services of independent certified public*
5097 *accountants to perform any audits deemed necessary to fulfill the Commission's responsibilities under this*
5098 *chapter.*

5099 *B. The Board shall prescribe a reasonable audit and administration fee to be paid by (i) any organization*
5100 *conducting charitable gaming under a permit issued by the Commissioner unless the organization is exempt*
5101 *from such fee pursuant to § 29.5-206 or (ii) any electronic gaming manufacturer that holds a permit issued*
5102 *by the Commissioner pursuant to § 29.5-225. Such fee shall not exceed one-half of one percent of the gross*
5103 *receipts that an organization reports pursuant to § 29.5-221 or one-half of one percent of the electronic*
5104 *gaming adjusted gross receipts that an electronic gaming manufacturer reports pursuant to § 29.5-222. The*
5105 *audit and administration fee shall accompany each report for each calendar quarter.*

5106 *C. The audit and administration fee shall be payable to the State Treasurer. All such fees received by the*
5107 *State Treasurer shall be separately accounted for and shall only be used by the Commission for the purposes*
5108 *of auditing and regulating charitable gaming.*

5109 *D. In addition to the fee imposed under subsection B, an additional fee of (i) one-quarter of one percent of*

5110 *the gross receipts that an organization reports pursuant to § 29.5-221 shall be paid by the organization or*
5111 *(ii) one-quarter of one percent of the electronic gaming adjusted gross receipts that an electronic gaming*
5112 *manufacturer reports pursuant to § 29.5-222 shall be paid by the electronic gaming manufacturer to the State*
5113 *Treasurer. All such amounts shall be collected and deposited in the same manner as prescribed in*
5114 *subsections B and C and shall be used for the same purposes.*

5115 **§ 29.5-224. Prohibited practices.**

5116 *In addition to those other practices prohibited by this chapter, the following acts or practices are*
5117 *prohibited:*

5118 *1. No part of the gross receipts or electronic gaming adjusted gross receipts derived by a qualified*
5119 *organization may be used for any purpose other than (i) gaming expenses; (ii) reasonable and proper*
5120 *business expenses; and (iii) those lawful religious, charitable, community, or educational purposes for which*
5121 *the organization is specifically chartered or organized.*

5122 *2. Except as provided in § 29.5-226, no qualified organization shall enter into a contract with or*
5123 *otherwise employ for compensation any person for the purpose of organizing, managing, or conducting any*
5124 *charitable games. However, organizations composed of or for deaf or blind persons may use a part of their*
5125 *gross receipts for costs associated with providing clerical assistance in the management and operation but*
5126 *not the conduct of charitable gaming.*

5127 *The provisions of this subdivision shall not prohibit the joint operation of bingo games held in accordance*
5128 *with § 29.5-220.*

5129 *3. No person shall pay or receive for use of any premises wholly devoted to the conduct of any charitable*
5130 *games any consideration in excess of the current fair market rental value of such property. Fair market*
5131 *rental value consideration shall not be based upon or determined by reference to a percentage of the*
5132 *proceeds derived from the operation of any charitable games or to the number of people in attendance at*
5133 *such charitable games.*

5134 *4. No person shall participate in the management or operation of any charitable game unless such person*
5135 *is and, for a period of at least 30 days immediately preceding such participation, has been a bona fide*
5136 *member of the organization. For any organization that is not composed of members, a person who is not a*
5137 *bona fide member may volunteer in the conduct of a charitable game as long as that person is directly*
5138 *supervised by a bona fide official member of the organization.*

5139 *The provisions of this subdivision shall not apply to (i) persons employed as clerical assistants by*
5140 *qualified organizations composed of or for deaf or blind persons; (ii) employees of a corporate sponsor of a*

5141 *qualified organization, provided such employees' participation is limited to the management, operation, or*
5142 *conduct of no more than one raffle per year; (iii) the spouse or family member of any such bona fide member*
5143 *of a qualified organization, provided at least one bona fide member is present; or (iv) persons employed by a*
5144 *qualified organization authorized to sell pull tabs or seal cards in accordance with § 29.5-200, provided (a)*
5145 *such sales are conducted by no more than two on-duty employees and (b) such employees receive no*
5146 *compensation for or based on the sale of the pull tabs or seal cards.*

5147 *5. No person shall receive any remuneration for participating in the management, operation, or conduct*
5148 *of any charitable game, except that:*

5149 *a. Persons employed by organizations composed of or for deaf or blind persons may receive remuneration*
5150 *not to exceed \$30 per event for providing clerical assistance in the management and operation but not the*
5151 *conduct of charitable games only for such organizations;*

5152 *b. Persons younger than 19 years of age who sell raffle tickets for a qualified organization to raise funds*
5153 *for youth activities in which they participate may receive nonmonetary incentive awards or prizes from the*
5154 *organization;*

5155 *c. Remuneration may be paid to off-duty law-enforcement officers from the jurisdiction in which such*
5156 *bingo games are played for providing uniformed security for such bingo games even if such officer is a*
5157 *member of the sponsoring organization, provided the remuneration paid to such member is in accordance*
5158 *with off-duty law-enforcement personnel work policies approved by the local law-enforcement official and*
5159 *further provided that such member is not otherwise engaged in the management, operation, or conduct of the*
5160 *bingo games of that organization, or to private security services businesses licensed pursuant to § 9.1-139*
5161 *providing uniformed security for such bingo games, provided that employees of such businesses shall not*
5162 *otherwise be involved in the management, operation, or conduct of the bingo games of that organization;*

5163 *d. A member of a qualified organization lawfully participating in the management, operation, or conduct*
5164 *of a bingo game may be provided food and nonalcoholic beverages by such organization for on-premises*
5165 *consumption during the bingo game, provided the food and beverages are provided in accordance with*
5166 *Board regulations;*

5167 *e. Remuneration may be paid to bingo managers or callers who have a current registration certificate*
5168 *issued by the Commissioner in accordance with § 29.5-226, or who are exempt from such registration*
5169 *requirement. Except as provided for in subdivision f and subsection E of § 29.5-226, such remuneration shall*
5170 *not exceed \$200 per session;*

5171 *f. For services provided on any day designated as a legal holiday pursuant to § 2.2-3300, remuneration*

5172 shall be paid at a rate not less than one and one-half times the remuneration rate paid pursuant to
5173 subdivision e to bingo managers or callers who have a current registration certificate issued by the
5174 Commissioner in accordance with § 29.5-226, or who are exempt from such registration requirement; and

5175 g. Volunteers of a qualified organization may be reimbursed for their reasonable and necessary travel
5176 expenses, not to exceed \$50 per session.

5177 6. No landlord shall, at bingo games conducted on the landlord's premises, (i) participate in the conduct,
5178 management, or operation of any bingo games; (ii) sell, lease, or otherwise provide for consideration any
5179 bingo supplies, including bingo cards, instant bingo cards, or other game pieces; or (iii) require as a
5180 condition of the lease or by contract that a particular manufacturer, distributor, or supplier of bingo supplies
5181 or equipment be used by the organization.

5182 The provisions of this subdivision shall not apply to any qualified organization conducting bingo games
5183 on its own behalf at premises owned by it.

5184 7. No qualified organization shall enter into any contract with or otherwise employ or compensate any
5185 member of the organization on account of the sale of bingo supplies or equipment.

5186 8. No organization shall award any bingo prize money or any merchandise valued in excess of the
5187 following amounts:

5188 a. No bingo door prize shall exceed \$250 for a single door prize or \$500 in cumulative door prizes in any
5189 one session;

5190 b. No regular bingo or special bingo game prize shall exceed \$100. However, up to 10 games per bingo
5191 session may feature a regular bingo or special bingo game prize of up to \$200;

5192 c. No instant bingo, pull tab, or seal card prize for a single card shall exceed \$2,000;

5193 d. Except as provided in this subdivision 8, no bingo jackpot of any nature whatsoever shall exceed
5194 \$1,000, nor shall the total amount of bingo jackpot prizes awarded in any one session exceed \$1,000.
5195 Proceeds from the sale of bingo cards and the sheets used for bingo jackpot games shall be accounted for
5196 separately from the bingo cards or sheets used for any other bingo games; and

5197 e. No single network bingo prize shall exceed \$25,000. Proceeds from the sale of network bingo cards
5198 shall be accounted for separately from bingo cards and sheets used for any other bingo game.

5199 9. The provisions of subdivision 8 shall not apply to any progressive bingo game in which (i) a regular or
5200 special prize, not to exceed \$100, is awarded on the basis of predetermined numbers or patterns selected at
5201 random and (ii) a progressive prize, not to exceed \$500 for the initial progressive prize and \$5,000 for the
5202 maximum progressive prize, is awarded if the predetermined numbers or patterns are covered when a certain

5203 *number of numbers is called, provided that (a) there are no more than six such games per session per*
5204 *organization, (b) the amount of increase of the progressive prize per session is no more than \$200, (c) the*
5205 *bingo cards or sheets used in such games are sold separately from the bingo cards or sheets used for any*
5206 *other bingo games, (d) the organization separately accounts for the proceeds from such sale, and (e) such*
5207 *games are otherwise operated in accordance with the Commission's rules of play.*

5208 *10. No organization shall award any raffle prize valued at more than \$100,000.*

5209 *The provisions of this subdivision shall not apply to a raffle conducted no more than three times per*
5210 *calendar year by a qualified organization qualified as a tax-exempt organization pursuant to § 501(c) of the*
5211 *Internal Revenue Code for a prize consisting of a lot improved by a residential dwelling where 100 percent of*
5212 *the moneys received from such a raffle, less deductions for the fair market value for the cost of acquisition of*
5213 *the land and materials, are donated to lawful religious, charitable, community, or educational organizations*
5214 *specifically chartered or organized under the laws of the Commonwealth and qualified as a § 501(c) tax-*
5215 *exempt organization. No more than one such raffle shall be conducted in any one geographical region of the*
5216 *Commonwealth.*

5217 *11. No qualified organization composed of or for deaf or blind persons that employs a person not a*
5218 *member to provide clerical assistance in the management and operation but not the conduct of any charitable*
5219 *games shall conduct such games unless it has in force fidelity insurance, as defined in § 38.2-120, written by*
5220 *an insurer licensed to do business in the Commonwealth.*

5221 *12. No person shall participate in the management or operation of any charitable game if he has ever*
5222 *been convicted of any felony or if he has been convicted of any misdemeanor involving fraud, theft, or*
5223 *financial crimes within the preceding five years. No person shall participate in the conduct of any charitable*
5224 *game if, within the preceding 10 years, he has been convicted of any felony or if, within the preceding five*
5225 *years, he has been convicted of any misdemeanor involving fraud, theft, or financial crimes. In addition, no*
5226 *person shall participate in the management, operation, or conduct of any charitable game if that person,*
5227 *within the preceding five years, has participated in the management, operation, or conduct of any charitable*
5228 *game that was found by the Commission or a court of competent jurisdiction to have been operated in*
5229 *violation of state law, local ordinance, or Board regulation.*

5230 *13. Qualified organizations jointly conducting bingo games pursuant to § 29.5-220 shall not circumvent*
5231 *any restrictions and prohibitions that would otherwise apply if a single organization were conducting such*
5232 *games. These restrictions and prohibitions shall include the frequency with which bingo games may be held,*
5233 *the value of merchandise or money awarded as prizes, or any other practice prohibited under this section.*

5234 14. A qualified organization shall not purchase any charitable gaming supplies for use in the
5235 Commonwealth from any person who is not currently registered with the Commission as a supplier pursuant
5236 to § 29.5-225.

5237 15. Unless otherwise permitted in this chapter, no part of an organization's charitable gaming gross
5238 receipts shall be used for an organization's social or recreational activities.

5239 16. No organization qualified to conduct Texas Hold'em poker tournaments pursuant to § 29.5-219 shall
5240 conduct any Texas Hold'em poker games where the game has no predetermined end time and the players
5241 wager actual money or poker chips that have cash value.

5242 **§ 29.5-225. Suppliers of charitable gaming supplies; manufacturers of electronic gaming devices;**
5243 **permit; qualification; suspension, revocation, or refusal to renew certificate; maintenance, production,**
5244 **and release of records.**

5245 A. No person shall offer to sell, sell, or otherwise provide charitable gaming supplies to any qualified
5246 organization and no manufacturer shall distribute electronic gaming devices for charitable gaming in the
5247 Commonwealth unless and until such person has made application for and has been issued a permit by the
5248 Commissioner. An application for permit shall be made on forms prescribed by the Board and shall be
5249 accompanied by a fee in the amount of \$1,000. Each permit shall remain valid for a period of one year from
5250 the date of issuance. Application for renewal of a permit shall be accompanied by a fee in the amount of
5251 \$1,000 and shall be made on forms prescribed by the Board.

5252 B. The Board shall have authority to prescribe by regulation reasonable criteria consistent with the
5253 provisions of this chapter for the registration of suppliers and manufacturers of electronic gaming devices for
5254 charitable gaming. The Commissioner shall refuse to issue a permit to any supplier or manufacturer who
5255 has, or who has any officer, director, partner, or owner who has, (i) been convicted of or pleaded nolo
5256 contendere to a felony in any state or federal court or has been convicted of any offense that, if committed in
5257 the Commonwealth, would be a felony; (ii) been convicted of or pleaded nolo contendere to a crime involving
5258 gambling; (iii) violated the gaming laws of any jurisdiction within the last five years, including violations for
5259 failure to register; or (iv) had any license, permit, certificate, or other authority related to charitable gaming
5260 suspended or revoked in the Commonwealth or in any other jurisdiction within the last five years. The
5261 Commissioner may refuse to issue a permit to any supplier or manufacturer who has, or who has any officer,
5262 director, partner, or owner who has, (a) failed to file or has been delinquent in excess of one year in the filing
5263 of any tax returns or the payment of any taxes due the Commonwealth or (b) failed to establish a registered
5264 office or registered agent in the Commonwealth if so required by § 13.1-634 or 13.1-763.

5265 C. The Commissioner shall suspend, revoke, or refuse to renew the permit of any supplier or
5266 manufacturer for any conduct described in clause (i), (ii), (iii), or (iv) of subsection B. The Commissioner
5267 shall suspend, revoke, or refuse to renew the permit of any supplier or manufacturer for any conduct
5268 described in clause (a) or (b) of subsection B or for any violation of this chapter or regulation of the Board.
5269 Before taking any such action, the Commissioner shall give the supplier or manufacturer a written statement
5270 of the grounds upon which he proposes to take such action and an opportunity to be heard. Every hearing in
5271 a contested case shall be conducted in accordance with the Administrative Process Act (§ 2.2-4000 et seq.).

5272 D. Each supplier shall document each sale of charitable gaming supplies, including electronic gaming
5273 devices, and other items incidental to the conduct of charitable gaming, such as markers, wands, or tape, to a
5274 qualified organization on an invoice that clearly shows (i) the name and address of the qualified organization
5275 to which such supplies or items were sold; (ii) the date of the sale; (iii) the name or form and serial number
5276 of each deal of instant bingo cards and pull-tab raffle cards, the quantity of deals sold, and the price per deal
5277 paid by the qualified organization; (iv) the serial number of the top sheet in each packet of bingo paper, the
5278 serial number for each series of uncollated bingo paper, and the cut, color, and quantity of bingo paper sold;
5279 and (v) any other information with respect to charitable gaming supplies, including electronic gaming
5280 devices, or other items incidental to the conduct of charitable gaming as the Board may prescribe by
5281 regulation. A legible copy of the invoice shall accompany the charitable gaming supplies when delivered to
5282 the qualified organization.

5283 Each manufacturer of electronic gaming devices shall document each distribution of such devices to a
5284 qualified organization or supplier on an invoice that clearly shows (a) the name and address of the qualified
5285 organization or supplier to which such systems were distributed; (b) the date of distribution; (c) the serial
5286 number of each such device; and (d) any other information with respect to electronic gaming devices as the
5287 Board may prescribe by regulation. A legible copy of the invoice shall accompany the electronic gaming
5288 devices when delivered to the qualified organization or supplier.

5289 E. Each supplier and manufacturer shall maintain a legible copy of each invoice required by subsection D
5290 for a period of three years from the date of sale. Each supplier and manufacturer shall make such documents
5291 immediately available for inspection and copying to any agent or employee of the Commission upon request
5292 made during normal business hours. This subsection shall not limit the right of the Commission to require the
5293 production of any other documents in the possession of the supplier or manufacturer that relate to its
5294 transactions with qualified organizations. All documents and other information of a proprietary nature
5295 furnished to the Commission in accordance with this subsection shall not be a matter of public record and

5296 shall be exempt from disclosure under the provisions of the Virginia Freedom of Information Act (§ 2.2-3700
5297 et seq.).

5298 F. Each supplier and manufacturer shall provide to the Commission the results of background checks and
5299 any other records or documents necessary for the Commission to enforce the provisions of subsections B and
5300 C.

5301 § 29.5-226. **Bingo managers and callers; remuneration; registration; qualification; suspension,**
5302 **revocation, or refusal to renew certificate; exceptions.**

5303 A. No person shall receive remuneration as a bingo manager or caller from any qualified organization
5304 unless and until such person has made application for and has been issued a registration certificate by the
5305 Commissioner. Application for registration shall be made on forms prescribed by the Board and shall be
5306 accompanied by a fee in the amount of \$75. Each registration certificate shall remain valid for a period of
5307 one year from the date of issuance. Application for renewal of a registration certificate shall be accompanied
5308 by a fee in the amount of \$75 and shall be made on forms prescribed by the Board.

5309 B. As a condition of registration as a bingo manager, the applicant shall (i) have been a bona fide
5310 member of the qualified organization for at least 12 consecutive months prior to making application for
5311 registration and (ii) be required to complete a reasonable training course developed and conducted by the
5312 Board.

5313 As a condition of registration as a bingo caller, the applicant shall be required to complete a reasonable
5314 training course developed and conducted by the Board.

5315 The Commissioner may refuse to register any bingo manager or caller who has (a) been convicted of or
5316 pleaded nolo contendere to a felony in any state or federal court or has been convicted of any offense that, if
5317 committed in the Commonwealth, would be a felony; (b) been convicted of or pleaded nolo contendere to a
5318 crime involving gambling; (c) had any license, permit, certificate, or other authority related to activities
5319 defined as charitable gaming in the Commonwealth suspended or revoked in the Commonwealth or in any
5320 other jurisdiction; or (d) failed to file or has been delinquent in excess of one year in the filing of any tax
5321 returns or the payment of any taxes due the Commonwealth.

5322 C. The Commissioner may suspend, revoke, or refuse to renew the registration certificate of any bingo
5323 manager or caller for any conduct described in subsection B or for any violation of this chapter or Board
5324 regulations. Before taking any such action, the Commissioner shall give the bingo manager or caller a
5325 written statement of the grounds upon which he proposes to take such action and an opportunity to be heard.
5326 Every hearing in a contested case shall be conducted in accordance with the Administrative Process Act

5327 (§ 2.2-4000 et seq.).

5328 *D. The provisions of subsection A requiring registration for bingo callers with the Commission shall not*
5329 *apply to a bingo caller for a volunteer fire department or volunteer emergency medical services agency or*
5330 *auxiliary unit thereof that has been recognized in accordance with § 15.2-955 by an ordinance or resolution*
5331 *of the political subdivision where the volunteer fire department or volunteer emergency medical services*
5332 *agency is located as being a part of the safety program of such political subdivision.*

5333 *E. By October 1, 2029, and annually thereafter, the Board shall adjust the dollar amount of \$200*
5334 *specified in subdivision 5 e of § 29.5-224 to reflect the rate of inflation from the previous date that the dollar*
5335 *amount was established, as measured by the Consumer Price Index or other method of measuring the rate of*
5336 *inflation that the Department determines is reliable and generally accepted. The amount of each annual*
5337 *adjustment shall not be less than zero and shall be rounded to the nearest whole dollar.*

5338 **§ 29.5-227. Licensing of network bingo providers; qualification; suspension, revocation, or refusal to**
5339 **renew license; maintenance, production, and release of records.**

5340 *A. No person shall sell, offer to sell, or otherwise provide access to a network bingo network to any*
5341 *qualified organization unless and until such person has made application for and has been issued a license*
5342 *by the Commissioner. An application for license shall be made on forms prescribed by the Board and shall be*
5343 *accompanied by a fee in the amount of \$500. Each license shall remain valid for a period of two years from*
5344 *the date of issuance. Application for renewal of a license shall be accompanied by a fee in the amount of*
5345 *\$500 and shall be made on forms prescribed by the Board.*

5346 *B. The Board shall have authority to prescribe by regulation reasonable criteria consistent with the*
5347 *provisions of this chapter for the licensure of network bingo providers. The Commissioner may refuse to issue*
5348 *a license to any network bingo provider that has any officer, director, partner, or owner who has (i) been*
5349 *convicted of or pleaded nolo contendere to a felony in any state or federal court or has been convicted of any*
5350 *offense that, if committed in the Commonwealth, would be a felony; (ii) been convicted of or pleaded nolo*
5351 *contendere to a crime involving gambling; (iii) had any license, permit, certificate, or other authority related*
5352 *to activities defined as charitable gaming in the Commonwealth suspended or revoked in the Commonwealth*
5353 *or in any other jurisdiction; (iv) failed to file or been delinquent in excess of one year in the filing of any tax*
5354 *returns or the payment of any taxes due the Commonwealth; or (v) failed to establish a registered office or*
5355 *registered agent in the Commonwealth if so required by § 13.1-634 or 13.1-763.*

5356 *C. The Commissioner may suspend, revoke, or refuse to renew the license of any network bingo provider*
5357 *for any conduct described in subsection B or for any violation of this chapter or regulation of the Board.*

5358 *Before taking any such action, the Commissioner shall give the network bingo provider a written statement of*
5359 *the grounds upon which he proposes to take such action and an opportunity to be heard. Every hearing in a*
5360 *contested case shall be conducted in accordance with the Administrative Process Act (§ 2.2-4000 et seq.).*

5361 *D. The Board by regulation shall require network bingo providers to have onsite independent supervision*
5362 *of network bingo games as the numbers are called.*

5363 *E. Each network bingo provider shall document each sale of network bingo supplies and other items*
5364 *incidental to the conduct of network bingo to a qualified organization on an invoice that clearly shows (i) the*
5365 *name and address of the qualified organization to which such supplies or items were sold; (ii) the date of the*
5366 *sale; (iii) the name or form and serial number of each network bingo card, the quantity of cards sold, and the*
5367 *price per card paid by the qualified organization; and (iv) any other information required by the*
5368 *Commission. A legible copy of the invoice shall accompany the network bingo supplies when delivered to the*
5369 *qualified organization.*

5370 *F. Each network bingo provider shall maintain a legible copy of each invoice required by subsection E for*
5371 *a period of three years from the date of sale. Each network bingo provider shall make such documents*
5372 *immediately available for inspection and copying to any agent or employee of the Commission upon request*
5373 *made during normal business hours. This subsection shall not limit the right of the Commission to require the*
5374 *production of any other documents in the possession of the network bingo provider that relate to its*
5375 *transactions with qualified organizations. All documents and other information of a proprietary nature*
5376 *furnished to the Commission in accordance with this subsection shall be exempt from disclosure under the*
5377 *provisions of the Virginia Freedom of Information Act (§ 2.2-3700 et seq.).*

5378 **§ 29.5-228. Suspension of permit and registration.**

5379 *A. When any officer charged with the enforcement of the charitable gaming laws of the Commonwealth*
5380 *has reasonable cause to believe that the conduct of charitable gaming is being conducted by an organization*
5381 *in violation of this chapter or Board regulations, he may apply to any judge, magistrate, or other person*
5382 *having authority to issue criminal warrants for the immediate suspension of the permit or registration of the*
5383 *organization conducting charitable gaming. If the judge, magistrate, or person to whom such application is*
5384 *presented is satisfied that probable cause exists to suspend the permit or registration, he shall suspend the*
5385 *permit or registration. Immediately upon such suspension, the officer shall notify the organization in writing*
5386 *of such suspension.*

5387 *B. Written notice specifying the particular basis for the immediate suspension shall be provided by the*
5388 *officer to the organization within one business day of the suspension and a hearing held thereon by the*

5389 Commission or its designated hearing officer within 10 days of the suspension unless the organization
5390 consents to a later date. No charitable gaming shall be conducted by the organization until the suspension
5391 has been lifted by the Commission or a court of competent jurisdiction.

5392 § 29.5-229. *Civil penalty.*

5393 A. Any person or organization, whether permitted or qualified pursuant to this chapter or not, that (i)
5394 conducts charitable gaming without first obtaining a permit to do so, (ii) continues to conduct such games
5395 after revocation or suspension of such permit, or (iii) otherwise violates any provision of this chapter shall, in
5396 addition to any other penalties provided, be subject to a civil penalty of not less than \$25,000 and not more
5397 than \$50,000 per incident. Any civil penalties collected pursuant to this section shall be payable to the State
5398 Treasurer for remittance to the Commission.

5399 B. Any electronic gaming manufacturer, whether permitted pursuant to this chapter or not, shall, in
5400 addition to any other penalties provided, be subject to the penalty identified in subsection A for any violation
5401 of any provision of this chapter.

5402 § 29.5-230. *Criminal penalties.*

5403 A. Any person who (i) violates the provisions of this chapter; (ii) willfully and knowingly files, or causes
5404 to be filed, a false application, report, or other document; or (iii) willfully and knowingly makes a false
5405 statement, or causes a false statement to be made, on any application, report, or other document required to
5406 be filed with or made to the Commission is guilty of a Class 1 misdemeanor.

5407 B. Each day in violation of this section shall constitute a separate offense.

5408 C. Any person who converts funds derived from any charitable gaming to his own or another's use, when
5409 the amount of funds is less than \$1,000, is guilty of petit larceny and, when the amount of funds is \$1,000 or
5410 more, is guilty of grand larceny. The provisions of this section shall not preclude the applicability of any
5411 other provision of the criminal law of the Commonwealth that may apply to any course of conduct that
5412 violates this section.

5413 CHAPTER 3.

5414 CASINO GAMING.

5415 Article 1.

5416 General Provisions.

5417 § 29.5-300. *Definitions.*

5418 As used in this chapter, unless the context requires a different meaning:

5419 "Adjusted gross receipts" means the gross receipts from casino gaming less winnings paid to winners.

5420 "Casino gaming" or "game" means baccarat, blackjack, twenty-one, poker, craps, dice, slot machines,
5421 roulette wheels, Klondike tables, Mah Jongg, electronic table games, hybrid table games, punchboards, faro
5422 layouts, numbers tickets, push cards, jar tickets, or pull tabs, or any variation of the aforementioned games,
5423 and any other activity that is authorized by the Board as a wagering game or device under this chapter.

5424 "Casino gaming" or "game" includes on-premises mobile casino gaming.

5425 "Casino gaming establishment" means the premises, including the entire property located at the address
5426 of the licensed casino, upon which lawful casino gaming is authorized and licensed as provided in this
5427 chapter. "Casino gaming establishment" does not include a riverboat or similar vessel.

5428 "Casino gaming operator" means any person issued a license by the Commissioner to operate a casino
5429 gaming establishment.

5430 "Cheat" means to alter the selection criteria that determine the result of a game or the amount or
5431 frequency of payment in a game for the purpose of obtaining an advantage for one or more participants in a
5432 game over other participants in a game.

5433 "Counter check" means an interest-free negotiable instrument for a specified amount executed by a player
5434 and held by the casino that serves as evidence of the casino gaming patron's obligation to pay the casino and
5435 that can be exchanged by the casino gaming patron for the specified amount in chips, tokens, credits,
5436 electronic credits, electronic cash, or electronic cards.

5437 "Eligible host city" means any city described in § 29.5-307 in which a casino gaming establishment is
5438 authorized to be located.

5439 "Entity" means a person that is not a natural person.

5440 "Gaming operation" means the conduct of authorized casino gaming within a casino gaming
5441 establishment.

5442 "Gross receipts" means the total amount of money exchanged for the purchase of chips, tokens, electronic
5443 credits, electronic cash, or electronic cards by casino gaming patrons. "Gross receipts" does not include the
5444 cash value of promotions or credits provided to and exchanged by casino gaming patrons for chips, tokens,
5445 electronic credits, electronic cash, or electronic cards. "Gross receipts" also does not include uncollectable
5446 counter checks.

5447 "Immediate family" means (i) a spouse and (ii) any other person residing in the same household as an
5448 officer or employee and who is a dependent of the officer or employee or of whom the officer or employee is a
5449 dependent.

5450 "Individual" means a natural person.

5451 *"Licensee" or "license holder" means any person holding an operator's license under § 29.5-312.*

5452 *"On-premises mobile casino gaming" means casino gaming offered by a casino gaming operator at a*
5453 *casino gaming establishment using a computer network of both federal and nonfederal interoperable packet-*
5454 *switched data networks through which the casino gaming operator may offer casino gaming to individuals*
5455 *who have established an on-premises mobile casino gaming account with the casino gaming operator and*
5456 *who are physically present on the premises of the casino gaming establishment, as authorized by regulations*
5457 *promulgated by the Board.*

5458 *"Permit holder" means any person holding a supplier or service permit pursuant to this chapter.*

5459 *"Person" means an individual, partnership, joint venture, association, limited liability company, stock*
5460 *corporation, or nonstock corporation and includes any person that directly or indirectly controls or is under*
5461 *common control with another person.*

5462 *"Preferred casino gaming operator" means the proposed casino gaming establishment and operator*
5463 *thereof submitted by an eligible host city to the Board as an applicant for licensure.*

5464 *"Prepaid access instrument" means a system device that allows a casino gaming patron access to funds*
5465 *that have been paid in advance and can be retrieved or transferred at some point in the future through such a*
5466 *device. In order to transfer funds for gaming purposes, a prepaid access instrument shall be redeemed for*
5467 *tokens, chips, credits, electronic credits, electronic cash, or electronic cards or used in conjunction with an*
5468 *approved cashless wagering system or interactive gaming account.*

5469 *"Principal" means any individual who solely or together with his immediate family members (i) owns or*
5470 *controls, directly or indirectly, five percent or more of the pecuniary interest in any entity that is a licensee or*
5471 *(ii) has the power to vote or cause the vote of five percent or more of the voting securities or other ownership*
5472 *interests of such entity, and any person who manages a gaming operation on behalf of a licensee.*

5473 *"Professional sports" means the same as that term is defined in § 29.5-400.*

5474 *"Security" has the same meaning as provided in § 13.1-501. If the Board finds that any obligation, stock,*
5475 *or other equity interest creates control of or voice in the management operations of an entity in the manner of*
5476 *a security, then such interest shall be considered a security.*

5477 *"Sports betting" means the same as that term is defined in § 29.5-400.*

5478 *"Sports betting facility" means an area, kiosk, or device located inside a casino gaming establishment*
5479 *licensed pursuant to this chapter that is designated for sports betting.*

5480 *"Supplier" means any person that sells or leases, or contracts to sell or lease, any casino gaming*
5481 *equipment, devices, or supplies, or provides any management services, to a licensee.*

5482 *"Voluntary exclusion program" means a program established by the Board pursuant to § 29.5-118 that*
5483 *allows individuals to voluntarily exclude themselves from engaging in the activities described in subdivision*
5484 *1 of § 29.5-118 by placing their names on a voluntary exclusion list and following the procedures set forth by*
5485 *the Board.*

5486 *"Youth sports" means the same as that term is defined in § 29.5-400.*

5487 **§ 29.5-301. Regulation and control of casino gaming; limitation.**

5488 *A. Casino gaming shall be licensed and permitted as herein provided to benefit the people of the*
5489 *Commonwealth. The Board is vested with authority to prescribe regulations and conditions under this*
5490 *chapter. The Commissioner shall retain control of all other facets of control for all casino gaming in the*
5491 *Commonwealth. The purposes of this chapter are to assist economic development, promote tourism, and*
5492 *provide for the implementation of casino gaming operations of the highest quality, honesty, and integrity and*
5493 *free of any corrupt, incompetent, dishonest, or unprincipled practices.*

5494 *B. The conduct of casino gaming shall be limited to the qualified locations established in § 29.5-307. The*
5495 *Commissioner shall be limited to the issuance of a single operator's license for each such qualified location.*

5496 *C. The conduct of any casino gaming and entrance to such establishment is a privilege that may be*
5497 *granted or denied by the Commissioner or his duly authorized representatives in his discretion in order to*
5498 *effectuate the purposes set forth in this chapter. Any proposed site for a casino gaming establishment shall be*
5499 *privately owned property subject to the local land use and property taxation authority of the eligible host city*
5500 *in which the casino gaming establishment is located.*

5501 **§ 29.5-302. Additional powers of the Commissioner.**

5502 *In addition to the powers and duties set forth in § 29.5-102, the Commissioner shall:*

5503 *1. Issue permits and licenses under this chapter and supervise all gaming operations licensed under the*
5504 *provisions of this chapter, including all persons conducting or participating in any gaming operation. The*
5505 *Commissioner shall employ such persons to be present during gaming operations as are necessary to ensure*
5506 *that such gaming operations are conducted with order and the highest degree of integrity.*

5507 *2. Issue an operator's license only to a person who meets the criteria of § 29.5-309.*

5508 *3. Suspend, revoke, or refuse to renew any license or permit issued pursuant to this chapter.*

5509 *4. Eject or exclude from a casino gaming establishment any person, whether or not he possesses a license*
5510 *or permit, whose conduct or reputation is such that his presence may, in the opinion of the Commissioner,*
5511 *reflect negatively on the honesty and integrity of casino gaming or interfere with the orderly gaming*
5512 *operations.*

5513 5. Report immediately, upon the receipt of a complaint of an alleged criminal violation of this chapter,
5514 such complaint to the Commission's general or special counsel hired by the Commissioner pursuant to
5515 § 29.5-102, the Office of the Gaming Enforcement Coordinator at the Department of State Police pursuant to
5516 § 52-54, and the attorney for the Commonwealth in the jurisdiction where such alleged violation occurred for
5517 appropriate action.

5518 6. Inspect and investigate, and have free access to, the offices, facilities, or other places of business of any
5519 licensee or permit holder and may compel the production of any of the books, documents, records, or
5520 memoranda of any licensee or permit holder for the purpose of ensuring compliance with this chapter and
5521 Board regulations.

5522 7. Compel any person holding a license or permit pursuant to this chapter to file with the Commission
5523 such information as shall appear to the Commissioner to be necessary for the performance of the
5524 Commission's functions, including financial statements and information relative to principals and all others
5525 with any pecuniary interest in such person.

5526 8. Impose a fine or penalty not to exceed \$1 million upon any person determined, in proceedings
5527 commenced pursuant to § 29.5-305, to have violated any of the provisions of this chapter or regulations
5528 promulgated by the Board.

5529 9. Report annually to the Governor and the General Assembly on the expenses incurred in the regulation
5530 of casino gaming operations. Such annual report shall also include recommendations for changes in this
5531 chapter, as the Commissioner and Board deem necessary or desirable.

5532 10. Report immediately to the Governor and the General Assembly any matters that require immediate
5533 changes in the laws of the Commonwealth in order to prevent abuses and evasions of this chapter or the rules
5534 and regulations adopted hereunder or to rectify undesirable conditions in connection with the operation or
5535 regulation of casino gaming in the Commonwealth.

5536 **§ 29.5-303. Additional powers and duties of the Board; regulations.**

5537 In addition to the powers and duties set forth in § 29.5-104, the Board shall have the power and duty to:

5538 1. Adopt regulations regarding the conditions under which casino gaming shall be conducted in the
5539 Commonwealth and all such other regulations it deems necessary and appropriate to further the purposes of
5540 this chapter.

5541 2. Issue subpoenas for the attendance of witnesses before the Board, administer oaths, and compel
5542 production of records or other documents and testimony of such witnesses whenever in the judgment of the
5543 Board it is necessary to do so for the effectual discharge of its duties.

5544 3. Order such audits as it deems necessary and desirable.

5545 4. Provide for the withholding of the applicable amount of state and federal income tax of persons
5546 claiming a prize or payoff for winning a game and establish the thresholds for such withholdings.

5547 **§ 29.5-304. Fingerprints and background investigations.**

5548 The Commission, in conjunction with an accredited law-enforcement agency, shall conduct a background
5549 investigation, including a criminal history records check and fingerprinting, of the following individuals: (i)
5550 every individual applying for a license or permit pursuant to this chapter; (ii) every individual who is an
5551 officer, director, or principal of a licensee or applicant for a license and every employee of the licensee who
5552 conducts gaming operations; (iii) all security personnel of any licensee; and (iv) all permit holders and
5553 officers, directors, principals, and employees of permit holders whose duties relate to gaming operations in
5554 the Commonwealth. Each such individual shall submit his fingerprints and personal descriptive information
5555 to the Central Criminal Records Exchange to be forwarded to the Federal Bureau of Investigation for a
5556 national criminal records search and to the Department of State Police for a Virginia criminal history
5557 records check. The results of the background check and national and state criminal records check shall be
5558 returned to the Commissioner, or his designee, who shall be part of a governmental entity.

5559 **§ 29.5-305. Hearing and appeal.**

5560 Any person aggrieved by a refusal of the Commissioner to issue any license or permit, the suspension or
5561 revocation of a license or permit, the imposition of a fine, or any other action of the Commission may seek
5562 review of such action in accordance with Board regulations and Article 3 (§ 2.2-4018 et seq.) of the
5563 Administrative Process Act in the Circuit Court of the City of Richmond. Further appeals shall also be in
5564 accordance with Article 5 (§ 2.2-4025 et seq.) of the Administrative Process Act.

5565 **§ 29.5-306. Injunction.**

5566 The Commissioner may apply to the appropriate circuit court for an injunction against any person who
5567 has violated or may violate any provision of this chapter, Board regulation, or final decision of the
5568 Commissioner. The order granting or refusing such injunction shall be subject to appeal as in other cases in
5569 equity.

5570 Article 2.

5571 Eligible Host City; Certification of Preferred Casino Gaming Operator.

5572 **§ 29.5-307. Eligible host city; certification of preferred casino gaming operator.**

5573 A. The conduct of casino gaming shall be limited to the following eligible host cities:

5574 1. Any city (i) in which at least 40 percent of the assessed value of all real estate in such city is exempt

5575 *from local property taxation, according to the Virginia Department of Taxation Annual Report for Fiscal*
5576 *Year 2018, and (ii) that experienced a population decrease of at least seven percent from 1990 to 2016,*
5577 *according to data provided by the U.S. Census Bureau;*

5578 2. *Any city that had (i) an annual unemployment rate of at least five percent in 2018, according to data*
5579 *provided by the U.S. Bureau of Labor Statistics; (ii) an annual poverty rate of at least 20 percent in 2017,*
5580 *according to data provided by the U.S. Census Bureau; and (iii) a population decrease of at least 20 percent*
5581 *from 1990 to 2016, according to data provided by the U.S. Census Bureau;*

5582 3. *Any city that (i) had an annual unemployment rate of at least 3.6 percent in 2018, according to data*
5583 *provided by the U.S. Bureau of Labor Statistics; (ii) had an annual poverty rate of at least 20 percent in*
5584 *2017, according to data provided by the U.S. Census Bureau; (iii) experienced a population decrease of at*
5585 *least four percent from 1990 to 2016, according to data provided by the U.S. Census Bureau; and (iv) is*
5586 *located adjacent to a state that has adopted a Border Region Retail Tourism Development District Act;*

5587 4. *Any city (i) with a population greater than 200,000 according to the 2018 population estimates from*
5588 *the Weldon Cooper Center for Public Service of the University of Virginia; (ii) in which at least 24 percent of*
5589 *the assessed value of all real estate in such city is exempt from local property taxation, according to the*
5590 *Virginia Department of Taxation Annual Report for Fiscal Year 2018; and (iii) that experienced a population*
5591 *decrease of at least five percent from 1990 to 2016, according to data provided by the U.S. Census Bureau;*
5592 *and*

5593 5. *Any city (i) in which at least 17 percent of the assessed value of all real estate in such city is exempt*
5594 *from local property taxation, according to the Virginia Department of Taxation Annual Report for Fiscal*
5595 *Year 2016; (ii) that had a poverty rate of at least 21 percent in 2019, according to data provided by the U.S.*
5596 *Census Bureau; and (iii) that had an annual unemployment rate of at least 13 percent in 2020, according to*
5597 *data provided by the U.S. Bureau of Labor and Statistics.*

5598 B. *In selecting a preferred casino gaming operator, an eligible host city shall have considered and given*
5599 *substantial weight to factors such as:*

5600 1. *The potential benefit and prospective revenues of the proposed casino gaming establishment.*

5601 2. *The total value of the proposed casino gaming establishment.*

5602 3. *The proposed capital investment and the financial health of the proposer and any proposed*
5603 *development partners.*

5604 4. *The experience of the proposer and any development partners in the operation of a casino gaming*
5605 *establishment.*

- 5606 5. Security plans for the proposed casino gaming establishment.
- 5607 6. The economic development value of the proposed casino gaming establishment and the potential for
5608 community reinvestment and redevelopment in an area in need of such.
- 5609 7. Availability of city-owned assets and privately owned assets, such as real property, including where
5610 there is only one location practicably available or land under a development agreement between a potential
5611 operator and the city, incorporated in the proposal.
- 5612 8. The best financial interest of the city.
- 5613 9. The proposer's status as a minority-owned business as defined in § 2.2-1604 or the proposer's
5614 commitment to solicit equity investment in the proposed casino gaming establishment from one or more
5615 minority-owned businesses and the proposer's commitment to solicit contracts with minority-owned
5616 businesses for the purchase of goods and services.
- 5617 C. The Commissioner shall, upon request of any eligible host city, provide a list of resources that may be
5618 of assistance in evaluating the technical merits of any proposal submitted pursuant to this section, provided
5619 that selection of the preferred casino gaming operator shall be at the city's sole discretion.
- 5620 D. The eligible host city described in subdivision A 4 shall provide substantial and preferred
5621 consideration to a proposer who is a Virginia Indian tribe recognized in House Joint Resolution No. 54
5622 (1983) and acknowledged by the Assistant Secretary-Indian Affairs for the U.S. Department of the Interior as
5623 an Indian tribe within the meaning of federal law that has the authority to conduct gaming activities as a
5624 matter of claimed inherent authority or under the authority of the Indian Gaming Regulatory Act (25 U.S.C. §
5625 2701 et seq.).
- 5626 E. An eligible host city shall promptly submit its preferred casino gaming operator to the Commission for
5627 review prior to scheduling the referendum required by § 29.5-325. An eligible host city shall include with the
5628 submission any written or electronic documentation considered as part of the criteria in subsection B,
5629 including any memorandums of understanding, incentives, development agreements, land purchase
5630 agreements, or local infrastructure agreements. The Commissioner shall conduct a preliminary review of the
5631 financial status and ability of the preferred casino gaming operator to operate and properly support ongoing
5632 operations in an eligible host city, as well as current casino operations in other states and territories. The
5633 Commissioner shall conduct such review within 45 days of receipt of the submission by the eligible host city.
5634 An eligible host city and preferred casino gaming operator shall fully cooperate with all necessary requests
5635 by the Commissioner in that regard. Upon successful preliminary review, the Commissioner shall certify
5636 approval for the eligible host city to proceed to the referendum required by § 29.5-325. The Board shall

5637 *develop guidelines establishing procedures and criteria for conducting the preliminary review required by*
5638 *this subsection. Certification by the Commissioner to proceed to referendum shall in no way entitle the*
5639 *preferred casino gaming operator to approval of any application to operate a casino gaming establishment.*

5640 **§ 29.5-308. Regional Improvement Commission.**

5641 *There is hereby established the Regional Improvement Commission (the RIC). The membership of the RIC*
5642 *shall consist of one member appointed by the local governing body of each jurisdiction composing the*
5643 *transportation district created pursuant to the Transportation District Act of 1964 (§ 33.2-1900 et seq.) that*
5644 *includes the eligible host city described in subdivision A 3 of § 29.5-307. Each member shall be appointed to*
5645 *serve a two-year term. Notwithstanding the provisions of subdivision B 1 of § 29.5-327, for a casino gaming*
5646 *establishment located in the eligible host city described in subdivision A 3 of § 29.5-307, such transfer,*
5647 *otherwise returned to the city where it was collected, shall instead be made to the RIC. The purpose of the*
5648 *RIC shall be to (i) receive disbursements made to it; (ii) establish funding priorities for member localities*
5649 *related to improvements in the areas of education, transportation, and public safety; and (iii) make annual*
5650 *payments divided equally among the jurisdictions to fund the established priorities as determined by the RIC.*

5651 *Article 3.*

5652 *Licenses and Supplier's Permits.*

5653 **§ 29.5-309. Operator's license required; capital investment; equity interest; transferability; fee.**

5654 *A. No person shall operate a casino gaming establishment unless he has obtained an operator's license*
5655 *issued by the Commissioner in accordance with the provisions of this chapter and the regulations*
5656 *promulgated pursuant to this chapter.*

5657 *B. To obtain an operator's license issued under the provisions of this chapter, the applicant shall (i) make*
5658 *a capital investment of at least \$300 million in a casino gaming establishment, including the value of the real*
5659 *property upon which such establishment is located and all furnishings, fixtures, and other improvements, and*
5660 *(ii) possess an equity interest equal to at least 20 percent of the casino gaming establishment.*

5661 *C. A license issued under the provisions of this chapter shall be transferable, provided that the*
5662 *Commissioner has approved the proposed transfer and all licensure requirements are satisfied at the time the*
5663 *transfer takes effect.*

5664 *D. A nonrefundable fee of \$15 million shall be paid by the applicant to the Commission upon the issuance*
5665 *of a license and upon any subsequent transfer of a license to operate a casino gaming establishment. Such*
5666 *fees shall be deposited by the Commission into the Commonwealth Gaming Operations Fund established*
5667 *pursuant to § 29.5-119.*

5668 *E. No person issued a license pursuant to this chapter shall be precluded from obtaining a license for*
5669 *online sports betting pursuant to Chapter 4 (§ 29.5-400 et seq.) or any subsequently created online sports*
5670 *betting license.*

5671 **§ 29.5-310. *Submission of preferred casino gaming operator by eligible host city; application for***
5672 ***operator's license; penalty.***

5673 *A. If a majority of those voting in a referendum held pursuant to § 29.5-325 vote in the affirmative, the*
5674 *eligible host city shall certify its preferred casino gaming operator and submit such certification to the*
5675 *Commission within 30 days.*

5676 *B. Any preferred casino gaming operator desiring to operate a casino gaming establishment shall file*
5677 *with the Commission an application for an operator's license. Such application shall be filed at the place*
5678 *prescribed by the Board and shall be in such form and contain such information as prescribed by the Board,*
5679 *including the following:*

5680 *1. The name and address of such person; if a corporation, the state of its incorporation, the full name and*
5681 *address of each officer and director thereof, and, if a foreign corporation, whether it is qualified to do*
5682 *business in the Commonwealth; if a partnership or joint venture, the name and address of each general*
5683 *partner thereof; if a limited liability company, the name and address of each manager thereof; or, if another*
5684 *entity, the name and address of each person performing duties similar to those of officers, directors, and*
5685 *general partners;*

5686 *2. The name and address of each principal and of each person who has contracted to become a principal*
5687 *of the applicant, including providing management services with respect to any part of gaming operations; the*
5688 *nature and cost of such principal's interest; and the name and address of each person who has agreed to lend*
5689 *money to the applicant;*

5690 *3. Such information as the Board considers appropriate regarding the character, background, and*
5691 *responsibility of the applicant and the principals, officers, and directors of the applicant;*

5692 *4. A description of the casino gaming establishment in which such gaming operations are to be conducted,*
5693 *the city where such casino gaming establishment will be located, and the applicant's capital investment plan*
5694 *for the site. The Board shall require such information about a casino gaming establishment and its location*
5695 *as it deems necessary and appropriate to determine whether it complies with the minimum standards*
5696 *provided in this chapter and whether gaming operations at such location will be in furtherance of the*
5697 *purposes of this chapter;*

5698 *5. Such information relating to the financial responsibility of the applicant, including the applicant's*

5699 *financing plan for the casino gaming establishment, and the applicant's ability to perform under its license as*
5700 *the Board considers appropriate;*

5701 *6. If any of the facilities necessary for the conduct of gaming operations are to be leased, the terms of*
5702 *such lease;*

5703 *7. Evidence of compliance by the applicant with the economic development and land use plans and design*
5704 *review criteria of the local governing body of the city in which the casino gaming establishment is proposed*
5705 *to be located, including certification that the project complies with all applicable land use ordinances*
5706 *pursuant to Chapter 22 (§ 15.2-2200 et seq.) of Title 15.2;*

5707 *8. Such information necessary to enable the Commissioner to review the application based upon the best*
5708 *financial interests of the Commonwealth;*

5709 *9. Such information necessary to enable the Commissioner to authorize on-premises mobile casino*
5710 *gaming pursuant to this chapter;*

5711 *10. Submission of the following: (i) a minority investment plan disclosing any equity interest owned by a*
5712 *minority individual or minority-owned business or the applicant's efforts to seek equity investment from*
5713 *minority individuals or minority-owned businesses and (ii) a plan for the participation of minority individuals*
5714 *or minority-owned businesses in the applicant's purchase of goods and services related to the casino gaming*
5715 *establishment. As used in this subdivision, "minority individual" and "minority-owned business" mean the*
5716 *same as those terms are defined in § 2.2-1604; and*

5717 *11. Any other information that the Board in its discretion considers appropriate.*

5718 *C. A nonrefundable application fee of \$50,000 shall be paid for each principal at the time of filing to*
5719 *defray the costs associated with the background investigation conducted for the Commission. If the*
5720 *reasonable costs of the investigation exceed the application fee, the applicant shall pay the additional amount*
5721 *to the Commission. The Board may establish regulations calculating the reasonable costs to the Commission*
5722 *in performing its functions under this chapter and allocating such costs to the applicants for licensure at the*
5723 *time of filing.*

5724 *D. Any license application from an Indian tribe as described in subsection D of § 29.5-307 shall certify*
5725 *that the material terms of the relevant development agreements between the Indian tribe and any*
5726 *development partner have been determined in the opinion of the Office of General Counsel of the National*
5727 *Indian Gaming Commission after review not to deprive the Indian tribe of the sole proprietor interest in the*
5728 *gaming operations for purposes of federal Indian gaming law.*

5729 *E. Any application filed pursuant to this chapter shall be verified by the oath or affirmation of the*

5730 applicant. Any person who knowingly makes a false statement on an application is guilty of a Class 4 felony.

5731 F. The licensed operator shall be the person primarily responsible for the gaming operations under its
5732 license and compliance of such operations with the provisions of this chapter.

5733 G. The Commissioner may use or rely on any application, supporting documentation, or information
5734 submitted pursuant to § 29.5-402 in reviewing and verifying an application submitted pursuant to this
5735 chapter.

5736 § 29.5-311. Issuance of operator's license to preferred casino gaming operator; standards for licensure;
5737 temporary casino gaming allowed under certain conditions.

5738 A. If a preferred casino gaming operator, as certified by the applicable eligible host city, submits an
5739 application that meets the standards for licensure set forth in this chapter, the Commissioner shall issue an
5740 operator's license to such preferred casino gaming operator. The Commissioner shall not consider an
5741 application from any applicant that has not been certified as a preferred casino gaming operator by an
5742 eligible host city.

5743 B. The Commissioner may issue an operator's license to an applicant only if he finds that:

5744 1. The applicant submits a plan for addressing responsible gaming issues, including the goals of the plan,
5745 procedures, and deadlines for implementation of the plan;

5746 2. The applicant has established a policy requiring all license and permit holders who interact directly
5747 with the public in the casino gaming establishment to complete a training course acceptable to the Board in
5748 how to recognize and report suspected human trafficking;

5749 3. The casino gaming establishment the applicant proposes to use on a permanent basis is or will be
5750 appropriate for gaming operations consistent with the purposes of this chapter;

5751 4. The city where the casino gaming establishment will be located certifies that the proposed project
5752 complies with all applicable land use ordinances pursuant to Chapter 22 (§ 15.2-2200 et seq.) of Title 15.2;

5753 5. Any required local infrastructure or site improvements, including necessary sewerage, water, drainage
5754 facilities, or traffic flow, are to be paid exclusively by the applicant without state or local financial
5755 assistance;

5756 6. If the applicant is an entity, its securities are fully paid and, in the case of stock, nonassessable and
5757 have been subscribed and will be paid for only in cash or property to the exclusion of past services;

5758 7. All principals meet the criteria of this subsection and have submitted to the jurisdiction of the courts of
5759 the Commonwealth, and all nonresident principals have designated the Commissioner as their agent for
5760 receipt of process;

5761 8. *If the applicant is an entity, it has the right to purchase at fair market value the securities of, and*
5762 *require the resignation of, any person who is or becomes disqualified under subsection C;*

5763 9. *The applicant meets any other criteria established by this chapter and the Board's regulations for the*
5764 *granting of an operator's license;*

5765 10. *The applicant is qualified to do business in the Commonwealth or is subject to the jurisdiction of the*
5766 *courts of the Commonwealth; and*

5767 11. *The applicant has not previously been denied a license pursuant to subsection C.*

5768 C. *The Commissioner shall deny a license to an applicant if he finds that for any reason the issuance of a*
5769 *license to the applicant would reflect adversely on the honesty and integrity of the casino gaming industry in*
5770 *the Commonwealth or that the applicant, or any officer, principal, manager, or director of the applicant:*

5771 1. *Is, or has been found, guilty of any illegal act, conduct, or practice in connection with gaming*
5772 *operations in this or any other state or has been convicted of a felony;*

5773 2. *Has had a license or permit to hold or conduct a gaming operation denied for cause, suspended, or*
5774 *revoked, in this or any other state or country, unless the license or permit was subsequently granted or*
5775 *reinstated;*

5776 3. *Has at any time during the previous five years knowingly failed to comply with the provisions of this*
5777 *chapter or any Board regulation;*

5778 4. *Has knowingly made a false statement of material fact to the Commission or has deliberately failed to*
5779 *disclose any information requested by the Commission;*

5780 5. *Has defaulted in the payment of any obligation or debt due to the Commonwealth and has not cured*
5781 *such default; or*

5782 6. *Has operated, or caused to be operated, a casino gaming establishment for which a license is required*
5783 *under this chapter without obtaining such license.*

5784 D. *The Commissioner shall make a determination regarding whether to issue the operator's license within*
5785 *12 months of the receipt of a completed application.*

5786 E. *The Commissioner shall be limited to the issuance of one operator's license for each eligible host city.*

5787 F. *If, at the time of application, the applicant has not satisfied the capital investment requirement of at*
5788 *least \$300 million pursuant to subsection B of § 29.5-309 but otherwise meets the standards for licensure set*
5789 *forth in this chapter, the Commissioner shall issue the operator's license, which, prior to satisfying the*
5790 *capital investment requirement, may not be used to conduct gaming other than temporary casino gaming*
5791 *pursuant to subsection G.*

5792 *G. The Commissioner may authorize casino gaming to occur on a temporary basis for a period of one*
5793 *year under the following conditions:*

5794 *1. The request to authorize casino gaming is made by a preferred casino gaming operator that has been*
5795 *issued a license consistent with this section.*

5796 *2. The preferred casino gaming operator has submitted as a part of its application for licensure a*
5797 *construction schedule for a casino gaming establishment that has been approved by the eligible host city and*
5798 *the Commissioner.*

5799 *3. The temporary casino gaming is to be conducted at the same site referenced in the referendum held*
5800 *pursuant to § 29.5-325.*

5801 *4. The preferred casino gaming operator has secured suppliers and employees holding the appropriate*
5802 *permits required by this chapter and sufficient for the routine operation of the site where the temporary*
5803 *casino gaming is authorized.*

5804 *5. A performance bond is posted in an amount acceptable to the Board.*

5805 *H. No portion of any facility developed with the assistance of any grants or loans provided by a*
5806 *redevelopment and housing authority created pursuant to § 36-4 shall be used as a casino gaming*
5807 *establishment.*

5808 *The Commissioner may renew the authorization to conduct temporary casino gaming for an additional*
5809 *year if he determines that the preferred casino gaming operator has made a good faith effort to comply with*
5810 *the approved construction schedule.*

5811 *I. An operator issued a license under this chapter shall not be precluded from operating a sports betting*
5812 *facility for individuals to participate in sports betting activities in a casino gaming establishment, which may*
5813 *include in-person sports betting where the bettor places a bet directly with an employee of the casino or the*
5814 *sports betting permit holder, or through a kiosk or device.*

5815 **§ 29.5-312. Duration and form of operator's license; bond.**

5816 *A. A casino gaming operator license under this chapter shall be valid for a period of 10 years from its*
5817 *date of issuance but shall be reviewed no less frequently than annually to determine compliance with this*
5818 *chapter and Board regulations. Such annual review shall include a certification by the eligible host city of*
5819 *the status of the operator's compliance with local ordinances and regulations. If the certification states that*
5820 *the operator is not in compliance, the Commissioner shall require the operator to submit a plan of*
5821 *compliance, corrective action, or request for variance.*

5822 *B. The Board shall establish by regulation the criteria and procedures for license renewal and for*

5823 *amending licenses to conform to changes in a licensee's gaming operations. Such regulations shall require*
5824 *the operator to submit to the Commissioner any updates or revisions to the capital investment plan provided*
5825 *with the initial license application pursuant to subdivision B 4 of § 29.5-310. Renewal shall not be*
5826 *unreasonably refused.*

5827 *C. The Board shall require a bond with surety acceptable to it, and in an amount determined by it, to be*
5828 *sufficient to cover any indebtedness incurred by the licensee to the Commonwealth.*

5829 **§ 29.5-313. Records to be kept; reports; reinvestment projection.**

5830 *A. A licensed operator shall keep his books and records so as to clearly indicate the total amount of gross*
5831 *receipts and adjusted gross receipts.*

5832 *B. The licensed operator shall furnish to the Commission reports and information as the Commission may*
5833 *require with respect to its activities on forms designated and supplied for such purpose by the Board.*

5834 *C. Every five years the licensed operator shall submit to the Commission for review and approval a*
5835 *reinvestment projection related to the casino gaming establishment to cover the succeeding five-year period*
5836 *of operations.*

5837 **§ 29.5-314. Electronic accounting and reporting requirements; annual audit of licensed gaming**
5838 **operations.**

5839 *A. Each casino game that operates electronically shall be connected to a central monitoring and audit*
5840 *system established and operated by the Commission. Such system shall provide the ability to audit and*
5841 *account for terminal revenues and distributions in real time. The central monitoring and audit system shall*
5842 *collect the following information from each electronically operated casino game, as applicable: (i) cash in,*
5843 *(ii) cash out, (iii) points played, (iv) points won, (v) gross terminal income, (vi) net terminal income, (vii) the*
5844 *number of plays of the game, (viii) the amounts paid to play the game, (ix) door openings, (x) power failures,*
5845 *(xi) remote activations and disabling, and (xii) any other information required by Board regulations.*

5846 *B. Within 90 days after the end of each fiscal year, the licensed operator shall transmit to the Commission*
5847 *a third-party, independent audit of the financial transactions and condition of the licensee's total operations.*
5848 *All audits required by this section shall conform to Board regulations.*

5849 **§ 29.5-315. Supplier's permits; penalty.**

5850 *A. The Commissioner may issue a supplier's permit to any person upon application and payment of a*
5851 *nonrefundable application fee set by the Board, a determination by the Commissioner that the applicant is*
5852 *eligible for a supplier's permit, and payment of a \$5,000 initial permit fee. A supplier's permit shall be*
5853 *renewed at a fee to be determined by the Board, not to exceed \$5,000 per year of licensure. Such fees shall be*

5854 deposited by the Commission into the Commonwealth Gaming Operations Fund established pursuant to §
5855 29.5-119. The Board shall prescribe by regulation the criteria for the issuance, duration, and renewal of
5856 supplier's permits.

5857 B. The holder of a supplier's permit may sell or lease, or contract to sell or lease, casino gaming
5858 equipment and supplies, or provide management services, to any licensee involved in the ownership or
5859 management of gaming operations to the extent provided in the permit.

5860 C. Gaming equipment, devices, and supplies shall not be distributed unless such equipment, devices, and
5861 supplies conform to standards adopted by the Board.

5862 D. A person is ineligible to receive a supplier's permit if:

5863 1. The person has been convicted of a felony under the laws of the Commonwealth or any other state or of
5864 the United States;

5865 2. The person has submitted an application for a license under this chapter that contains false
5866 information;

5867 3. The person is a Board member, employee of the Commission, or a member of the immediate household
5868 of a Board member or Commission employee;

5869 4. The person is an entity in which a person described in subdivision 1, 2, or 3 is an officer, director,
5870 principal, or managerial employee;

5871 5. The firm or corporation employs a person who participates in the management or operation of casino
5872 gaming authorized under this chapter; or

5873 6. A prior permit issued to such person to own or operate casino gaming establishments or supply goods
5874 or services to a gaming operation under this chapter or any laws of any other jurisdiction has been revoked.

5875 E. Any person that supplies any casino gaming equipment, devices, or supplies to a licensed gaming
5876 operation or manages any operation, including a computerized network, of a casino gaming establishment
5877 shall first obtain a supplier's permit. A supplier shall furnish to the Commission a list of all management
5878 services, equipment, devices, and supplies offered for sale or lease in connection with the games authorized
5879 under this chapter. A supplier shall keep books and records for the furnishing of casino gaming equipment,
5880 devices, and supplies to gaming operations separate and distinct from any other business that the supplier
5881 might operate. A supplier shall file a quarterly return with the Commission listing all sales and leases for
5882 which a permit is required. A supplier shall permanently affix its name to all its equipment, devices, and
5883 supplies for gaming operations. Any supplier's equipment, devices, or supplies that are used by any person in
5884 an unauthorized gaming operation shall be forfeited to the Commonwealth.

5885 *F. A licensed operator may operate its own equipment, devices, and supplies and may utilize casino*
5886 *gaming equipment, devices, and supplies at such locations as may be approved by the Commission for the*
5887 *purpose of training enrollees in a school operated by the licensee to train individuals who desire to become*
5888 *qualified for employment or promotion in gaming operations. The Board may promulgate regulations for the*
5889 *conduct of any such schools.*

5890 *G. Each holder of an operator's license under this chapter shall file an annual report with the*
5891 *Commission listing its inventories of casino gaming equipment, devices, and supplies related to its operations*
5892 *in the Commonwealth.*

5893 *H. Any person who knowingly makes a false statement on an application for a supplier's permit is guilty*
5894 *of a Class 4 felony.*

5895 **§ 29.5-316. Denial of permit final.**

5896 *The denial of a supplier's permit by the Commissioner shall be final unless appealed under § 29.5-305. A*
5897 *permit may not be applied for again for a period of five years from the date of denial without the permission*
5898 *of the Commissioner.*

5899 **§ 29.5-317. Suspension or revocation of license or supplier's permit.**

5900 *A. The Commissioner may suspend, revoke, refuse to renew, or assess a civil penalty against the holder of*
5901 *a license or supplier's permit in a sum not to exceed \$100,000, after notice and a hearing. Such license or*
5902 *permit may, however, be temporarily suspended by the Commissioner without prior notice, pending any*
5903 *prosecution, hearing, or investigation, whether by a third party or by the Commissioner. A license may be*
5904 *suspended, revoked, or refused renewal by the Commissioner for one or more of the following reasons:*

5905 *1. Failure to comply with, or violation of, any provision of this chapter or any regulation or condition of*
5906 *the Board;*

5907 *2. Failure to disclose facts during the application process that indicate that such license or permit should*
5908 *not have been issued;*

5909 *3. Conviction of a felony under the laws of the Commonwealth or any other state or of the United States*
5910 *subsequent to issuance of a license or permit;*

5911 *4. Failure to file any return or report, to keep any records, or to pay any fees or other charges required by*
5912 *this chapter;*

5913 *5. Any act of fraud, deceit, misrepresentation, or conduct prejudicial to public confidence in the integrity*
5914 *of gaming operations;*

5915 *6. A material change, since issuance of the license or permit, with respect to any matters required to be*

5916 *considered by the Commissioner under this chapter; or*

5917 *7. Other factors established by Board regulation.*

5918 *B. Such action by the Commissioner shall be final unless appealed in accordance with § 29.5-305.*

5919 *Suspension or revocation of a license or permit for any violation shall not preclude criminal liability for such*
5920 *violation.*

5921 **§ 29.5-318. Acquisition of interest in licensee or permit holder.**

5922 *The Commission shall require any person desiring to become a principal of, or other investor in, any*
5923 *licensee or holder of a supplier's permit to apply to the Commissioner for approval and may demand such*
5924 *information of the applicant as it finds necessary. The Commissioner shall consider such application within*
5925 *60 days of its receipt, and if in his judgment the acquisition by the applicant would be detrimental to the*
5926 *public interest, to the honesty and integrity of gaming operations, or to its reputation, the application shall be*
5927 *denied. All reasonable costs for review by the Commissioner shall be borne by the applicant.*

5928 *Article 4.*

5929 *Service Permits.*

5930 **§ 29.5-319. Service permit required.**

5931 *No person shall participate in any gaming operation as a casino gaming employee or concessionaire or*
5932 *employee of either or in any other occupation that the Board has determined necessary to regulate in order*
5933 *to ensure the integrity of casino gaming in the Commonwealth unless such person possesses a service permit*
5934 *to perform such occupation issued by the Commissioner. The Board shall prescribe by regulation the criteria*
5935 *for the issuance, duration, and renewal of service permits.*

5936 **§ 29.5-320. Application for service permit.**

5937 *A. Any person desiring to obtain a service permit as required by this chapter shall apply on a form*
5938 *prescribed by the Board. The application shall be accompanied by a fee prescribed by the Board. Such fees*
5939 *shall be deposited by the Commission into the Commonwealth Gaming Operations Fund established pursuant*
5940 *to § 29.5-119.*

5941 *B. Any application filed hereunder shall be verified by the oath or affirmation of the applicant.*

5942 **§ 29.5-321. Consideration of service permit application.**

5943 *A. The Commissioner shall promptly consider any application for a service permit and issue or deny such*
5944 *service permit on the basis of the information in the application and all other information provided, including*
5945 *any investigation he considers appropriate. If an application for a service permit is approved, the*
5946 *Commissioner shall issue a service permit containing such information as the Board considers appropriate.*

5947 *B. The Commissioner shall deny the application and refuse to issue the service permit, which denial shall*
5948 *be final unless an appeal is taken under § 29.5-305, if he finds that the issuance of such service permit to*
5949 *such applicant would not be in the best interests of the Commonwealth or would reflect negatively on the*
5950 *honesty and integrity of casino gaming in the Commonwealth or that the applicant:*

5951 *1. Has knowingly made a false statement of a material fact in the application or has deliberately failed to*
5952 *disclose any information requested by the Commission;*

5953 *2. Is or has been guilty of any corrupt or fraudulent practice or conduct in connection with gaming*
5954 *operations in the Commonwealth or any other state;*

5955 *3. Has knowingly failed to comply with the provisions of this chapter or the regulations promulgated*
5956 *pursuant to this chapter;*

5957 *4. Has had a service permit to engage in activity related to casino gaming denied for cause, suspended, or*
5958 *revoked in the Commonwealth or any other state, and such denial, suspension, or revocation is still in effect;*

5959 *5. Is unqualified to perform the duties required for the service permit sought; or*

5960 *6. Has, within the five years immediately preceding the date of the application for the service permit*
5961 *sought, been convicted of a misdemeanor or felony involving unlawful conduct of wagering, fraudulent use of*
5962 *a gaming credential, unlawful transmission of information, touting, bribery, embezzlement, distribution or*
5963 *possession of drugs, excluding misdemeanor possession of marijuana, or any crime considered by the*
5964 *Commission to be detrimental to the honesty and integrity of casino gaming in the Commonwealth.*

5965 *C. The Commissioner may refuse to issue a service permit if for any reason he determines the granting of*
5966 *such service permit is not consistent with the provisions of this chapter or its responsibilities or any*
5967 *regulations promulgated by any other agency of the Commonwealth.*

5968 **§ 29.5-322. Suspension or revocation of service permit; civil penalty.**

5969 *A. The Commissioner may suspend, revoke, refuse to renew, or assess a civil penalty against the holder of*
5970 *a service permit in a sum not to exceed \$10,000, after notice and a hearing. Such service permit may,*
5971 *however, be temporarily suspended by the Commissioner without prior notice, pending any prosecution,*
5972 *hearing, or investigation, whether by a third party or by the Commissioner. A service permit may be*
5973 *suspended, revoked, or refused renewal by the Commissioner for one or more of the following reasons:*

5974 *1. Failure to comply with, or violation of, any provision of this chapter or any regulation or condition of*
5975 *the Board;*

5976 *2. Failure to disclose facts during the application process that indicate that such service permit should*
5977 *not have been issued;*

5978 3. Conviction of a felony under the laws of the Commonwealth or any other state or of the United States
5979 subsequent to issuance of a service permit;

5980 4. Failure to file any return or report, keep any record, or pay any fees or other charges required by this
5981 chapter;

5982 5. Any act of fraud, deceit, misrepresentation, or conduct prejudicial to public confidence in the integrity
5983 of gaming operations;

5984 6. A material change, since issuance of the service permit, with respect to any matters required to be
5985 considered by the Commissioner under this chapter; or

5986 7. Other factors established by Board regulation.

5987 B. Actions taken by the Commissioner pursuant to this section shall be final unless appealed in
5988 accordance with § 29.5-305. Suspension or revocation of a service permit for any violation shall not preclude
5989 criminal liability for such violation.

5990 Article 5.

5991 Conduct of Casino Gaming; Local Referendum.

5992 § 29.5-323. Conduct of casino gaming.

5993 A. Casino gaming may be conducted by licensed operators, subject to the following:

5994 1. Minimum and maximum wagers on games shall be set by Board regulations.

5995 2. Agents of the Commission, the Department of State Police, and the local law-enforcement and fire
5996 departments may enter any casino gaming establishment and inspect such facility at any time for the purpose
5997 of determining compliance with this chapter and other applicable fire prevention and safety laws.

5998 3. Employees of the Commission shall have the right to be present in any facilities under the control of the
5999 licensee.

6000 4. Gaming equipment, devices, and supplies customarily used in conducting casino gaming shall be
6001 purchased or leased only from suppliers holding permits for such purpose under this chapter.

6002 5. Persons licensed under this chapter shall permit no form of wagering on games except as permitted by
6003 this chapter.

6004 6. Wagers may be received only from a person present at the licensed casino gaming establishment. No
6005 person present at such facility shall place or attempt to place a wager on behalf of another person who is not
6006 present at the facility.

6007 7. No person younger than 21 years of age shall be permitted to make a wager under this chapter or be
6008 present where casino gaming is being conducted. A licensee or permit holder may employ persons between

6009 *the ages of 18 and 21 for positions in nongaming areas and such employees may traverse the gaming floor,*
6010 *while on duty.*

6011 8. *No person shall place or accept a wager on youth sports.*

6012 9. *No licensee or permit holder shall accept postdated checks in payment for participation in any gaming*
6013 *operation. No licensee or permit holder, or any person on the premises of a casino gaming establishment,*
6014 *shall extend lines of credit or accept any credit card or other electronic fund transfer in payment for*
6015 *participation in any gaming operation. A licensee or permit holder may accept prepaid access instruments. In*
6016 *order to transfer funds for gaming purposes, a prepaid access instrument shall be redeemed for tokens, chips,*
6017 *credits, electronic credits, electronic cash, or electronic cards or used in conjunction with an approved*
6018 *cashless wagering system or interactive gaming account. A licensee or permit holder may issue interest-free*
6019 *counter checks to a player provided (i) the player submits an application and (ii) the licensee or permit*
6020 *holder verifies funds sufficient to cover the face value of the counter check. Such counter checks shall be*
6021 *subject to the tax reporting requirements under state and federal law. Nothing shall preclude a player from*
6022 *making a wire transfer to licensees or permit holders.*

6023 *B. Casino gaming wagers shall be conducted only with tokens, chips, electronic credits, electronic cash,*
6024 *or electronic cards purchased from a licensed casino gaming operator. The conversion of cash to tokens,*
6025 *chips, credits, electronic credits, electronic cash, or electronic cards at a slot machine or any other casino*
6026 *game is permissible and does not constitute conducting a wager. Such tokens, chips, credits, electronic*
6027 *credits, electronic cash, or electronic cards may be used only for the purpose of (i) making wagers on games,*
6028 *(ii) redeeming for cash or check, or (iii) making a donation to a charitable entity granted tax-exempt status*
6029 *under § 501(c)(3) of the Internal Revenue Code, provided that the donated tokens, chips, credits, electronic*
6030 *credits, electronic cash, or electronic cards are redeemed by the same charitable entity accepting the*
6031 *donation. The provisions of this subsection shall not apply to sports betting in a sports betting facility, which*
6032 *may be conducted using cash.*

6033 **§ 29.5-324. Posting of illegal gaming tip line.**

6034 *Every casino gaming operator shall post in a conspicuous place in its casino gaming establishment a sign*
6035 *that bears (i) the toll-free telephone number and website for the illegal gaming tip line established and*
6036 *administered by the Office of the Gaming Enforcement Coordinator in the Department of State Police*
6037 *pursuant to § 52-54 for members of the public to report concerns about, or suspected instances of, illegal*
6038 *gaming activities and (ii) the toll-free telephone number for the National Problem Gambling Helpline.*

6039 **§ 29.5-325. Local referendum required.**

6040 A. The Commissioner shall not grant any initial license to operate a gaming operation in an eligible host
6041 city until a referendum on the question of whether casino gaming shall be permitted in such city is approved
6042 by the voters of such city.

6043 B. The governing body of any city containing an eligible host city shall petition the court, by resolution,
6044 asking that a referendum be held on the question of whether casino gaming shall be permitted within the city.
6045 The court, by order entered of record in accordance with Article 5 (§ 24.2-681 et seq.) of Chapter 6 of Title
6046 24.2, shall require the regular election officials of the city to open the polls and take the sense of the voters
6047 on the question as herein provided.

6048 C. The clerk of such court of record of such city shall publish notice of such election in a newspaper of
6049 general circulation in such city once a week for three consecutive weeks prior to such election.

6050 D. The regular election officers of such city shall open the polls at the various voting places in such city
6051 on the date specified in such order and conduct such election in the manner provided by law. The election
6052 shall be by ballot, which shall be prepared by the electoral board of the city and on which shall be printed
6053 the following question:

6054 "Shall casino gaming be permitted at a casino gaming establishment in (name of city and location) as
6055 may be approved by the Virginia Gaming Commission?

6056 [] Yes

6057 [] No"

6058 In the blank shall be inserted the name of the city in which such election is held and the proposed location
6059 of the casino gaming establishment. Any voter desiring to vote "Yes" shall mark in the square provided for
6060 such purpose immediately preceding the word "Yes," leaving the square immediately preceding the word
6061 "No" unmarked. Any voter desiring to vote "No" shall mark in the square provided for such purpose
6062 immediately preceding the word "No," leaving the square immediately preceding the word "Yes" unmarked.

6063 E. The ballots shall be counted, the returns made and canvassed as in other elections, and the results
6064 certified by the electoral board to the court ordering such election. Thereupon, such court shall enter an
6065 order proclaiming the results of such election and a duly certified copy of such order shall be transmitted to
6066 the Commission and to the governing body of such city.

6067 F. A subsequent local referendum shall be required if a license has not been granted by the Commissioner
6068 within five years of the court order proclaiming the results of the election.

6069 G. The governing body of any eligible host city that holds a local referendum pursuant to this section that
6070 subsequently fails shall be prohibited from holding another local referendum on the same question for a

6071 *period of three years from the date of the last referendum.*

6072 *Article 6.*

6073 *Taxation.*

6074 **§ 29.5-326. Tax rate on adjusted gross receipts.**

6075 *A. A tax on the adjusted gross receipts of each licensed operator received from games authorized under*
6076 *this chapter shall be imposed as follows:*

6077 *1. On the first \$200 million of adjusted gross receipts of an operator each calendar year, a rate of 18*
6078 *percent.*

6079 *2. On the adjusted gross receipts of an operator that exceed \$200 million but do not exceed \$400 million*
6080 *each calendar year, a rate of 23 percent.*

6081 *3. On the adjusted gross receipts of an operator that exceed \$400 million each calendar year, a rate of 30*
6082 *percent.*

6083 *B. All tax revenues collected pursuant to the provisions of this section shall accrue to the Gaming*
6084 *Proceeds Fund and be allocated as provided in § 29.5-327.*

6085 *C. The taxes imposed by this section shall be paid by the licensed operator to the Commission no later*
6086 *than the close of the fifth day of each month for the preceding month when the adjusted gross receipts were*
6087 *received and shall be accompanied by forms and returns prescribed by the Board. Revenues collected*
6088 *pursuant to this section shall be credited to the Gaming Proceeds Fund to be appropriated as set forth in*
6089 *§ 29.5-327. The Commissioner may suspend or revoke the license of an operator for willful failure to submit*
6090 *the wagering tax payment or the return within the specified time.*

6091 *D. The tax imposed under this section shall not apply to the receipts of a licensed operator from sports*
6092 *betting, whether such receipts were generated from a sports betting facility or sports betting platform;*
6093 *instead, such receipts shall be taxable under § 29.5-407.*

6094 **§ 29.5-327. Gaming Proceeds Fund; distribution of revenue.**

6095 *A. There is hereby created in the state treasury a special nonreverting fund to be known as the Gaming*
6096 *Proceeds Fund, referred to in this section as "the Fund." The Fund shall be established on the books of the*
6097 *Comptroller. All moneys required to be deposited into the Fund pursuant to this chapter shall be paid into the*
6098 *state treasury and credited to the Fund. Any moneys remaining in the Fund, including interest thereon, at the*
6099 *end of each fiscal year shall not revert to the general fund but shall remain in the Fund.*

6100 *B. Revenues from the Fund shall be apportioned by the Comptroller as follows:*

6101 *1. The following amounts shall be distributed to the city in which they were collected by warrants of the*

6102 *Comptroller drawn on the State Treasurer on a quarterly basis:*

6103 *a. An amount equal to a six percent tax on the first \$200 million of adjusted gross receipts;*

6104 *b. An amount equal to a seven percent tax on the adjusted gross receipts that exceed \$200 million but do*
6105 *not exceed \$400 million; and*

6106 *c. An amount equal to an eight percent tax on the adjusted gross receipts that exceed \$400 million.*

6107 *2. For any casino gaming establishment operated by a Virginia Indian tribe recognized in House Joint*
6108 *Resolution No. 54 (1983) and acknowledged by the Assistant Secretary-Indian Affairs of the U.S. Department*
6109 *of the Interior as an Indian tribe within the meaning of federal law that has the authority to conduct gaming*
6110 *activities as a matter of claimed inherent authority or under the authority of the Indian Gaming Regulatory*
6111 *Act (25 U.S.C. § 2701 et seq.), an amount equal to a tax of one percent on the adjusted gross receipts of such*
6112 *establishment shall be deposited in the Virginia Indigenous People's Trust Fund established pursuant to*
6113 *§ 2.2-401.01.*

6114 *3. Eight-tenths of one percent of the Fund shall be deposited in the Problem Gambling Treatment and*
6115 *Support Fund established pursuant to § 37.2-314.2.*

6116 *4. Two-tenths of one percent of the Fund shall be deposited in the Family and Children's Trust Fund*
6117 *established pursuant to § 63.2-2100.*

6118 *5. Any remaining revenues not apportioned pursuant to subdivisions 1 through 4 shall be deposited in the*
6119 *School Construction Fund established pursuant to § 22.1-140.1.*

6120 *Article 7.*

6121 *Prohibited Acts; Penalties.*

6122 ***§ 29.5-328. Illegal operation; penalty.***

6123 *A. No person shall:*

6124 *1. Operate casino gaming where wagering is used or to be used without a license issued by the*
6125 *Commissioner.*

6126 *2. Operate casino gaming where wagering is permitted other than in the manner specified by this chapter.*

6127 *3. Offer, promise, or give anything of value or benefit to a person who is connected with a gaming*
6128 *operation, including an officer or employee of a licensed operator or permit holder, pursuant to an*
6129 *agreement or arrangement or with the intent that the promise or thing of value or benefit will influence the*
6130 *actions of the person to whom the offer, promise, or gift was made in order to affect or attempt to affect the*
6131 *outcome of a game, or to influence official action of a member of the Board, the Commissioner, a*
6132 *Commission employee, or a local governing body.*

6133 4. Solicit or knowingly accept a promise of anything of value or benefit while the person is connected with
6134 a gaming operation, including an officer or employee of a licensed operator or permit holder, pursuant to an
6135 understanding or arrangement or with the intent that the promise or thing of value or benefit will influence
6136 the actions of the person to affect or attempt to affect the outcome of a game, or to influence official action of
6137 a member of the Board, the Commissioner, a Commission employee, or a local governing body.

6138 5. Use or possess with the intent to use a device to assist in:

6139 a. Projecting the outcome of a game;

6140 b. Keeping track of the cards played;

6141 c. Analyzing the probability of the occurrence of an event relating to a game; or

6142 d. Analyzing the strategy for playing or betting to be used in a game except as permitted by Board
6143 regulation.

6144 6. Cheat at gaming.

6145 7. Manufacture, sell, or distribute any card, chip, dice, game, or device that is intended to be used to
6146 violate any provision of this chapter.

6147 8. Alter or misrepresent the outcome of a game on which wagers have been made after the outcome is
6148 made sure but before it is revealed to the players.

6149 9. Place a bet after acquiring knowledge, not available to all players, of the outcome of the game that is
6150 the subject of the bet or to aid a person in acquiring the knowledge for the purpose of placing a bet
6151 contingent on that outcome.

6152 10. Claim, collect, or take, or attempt to claim, collect, or take, money or anything of value in or from a
6153 game, with intent to defraud, without having made a wager contingent on winning the game or claim, collect,
6154 or take an amount of money or thing of value of greater value than the amount won.

6155 11. Use counterfeit chips or tokens in a game.

6156 12. Possess any key or device designed for the purpose of opening, entering, or affecting the operation of
6157 a game, drop box, or electronic or mechanical device connected with the game or for removing coins, tokens,
6158 chips, or other contents of a game. This subdivision does not apply to a casino gaming licensee or employee
6159 of a casino gaming licensee acting in furtherance of the employee's employment.

6160 B. Any person convicted of a violation of this section is guilty of a Class 6 felony, and any person
6161 convicted of a violation of subsection A shall be barred for life from gaming operations under the jurisdiction
6162 of the Commission.

6163 § 29.5-329. *Fraudulent use of credential; penalty.*

6164 A. Any person, other than the lawful holder thereof, who (i) has in his possession (a) any credential,
6165 license, or permit issued by the Commissioner, or (b) any forged or simulated credential, license, or permit of
6166 the Commission, and (ii) uses such credential, license, or permit for the purposes of misrepresentation, fraud,
6167 or touting, is guilty of a Class 4 felony.

6168 B. Any credential, license, or permit issued by the Commissioner, if used by the holder thereof for a
6169 purpose other than identification and in the performance of legitimate duties in a casino gaming
6170 establishment, shall be automatically revoked.

6171 **§ 29.5-330. Prohibition on persons younger than 21 years of age placing wagers and sports betting on**
6172 **youth sports; penalty.**

6173 A. No person shall wager on or conduct any wagering on the outcome of a game pursuant to the
6174 provisions of this chapter unless such person is 21 years of age or older. No person shall accept any wager
6175 from a person younger than 21 years of age.

6176 B. No person shall wager on or conduct any wagering on the outcome of a youth sports game. No person
6177 shall accept any wager from a person on a youth sports game.

6178 C. Violation of this section is a Class 1 misdemeanor.

6179 **§ 29.5-331. Conspiracies and attempts to commit violations; penalty.**

6180 A. Any person who conspires, confederates, or combines with another, within or outside the
6181 Commonwealth, to commit a felony prohibited by this chapter is guilty of a Class 6 felony.

6182 B. Any person who attempts to commit any act prohibited by this chapter is guilty of a criminal offense
6183 and shall be punished as provided in § 18.2-26, 18.2-27, or 18.2-28, as appropriate.

6184 **§ 29.5-332. Civil penalties.**

6185 Any person who conducts a gaming operation without first obtaining a license to do so, or who continues
6186 to conduct such games after revocation of his license, in addition to other penalties provided, shall be subject
6187 to a civil penalty assessed by the Commission equal to the amount of gross receipts derived from wagering on
6188 games, whether unauthorized or authorized, conducted on the day, as well as confiscation and forfeiture of
6189 all casino gaming equipment, devices, and supplies used in the conduct of unauthorized games. Any civil
6190 penalties collected pursuant to this section shall be payable to the State Treasurer for deposit to the general
6191 fund.

6192 **§ 29.5-333. Use of the phrase "Virginia is for Bettors" prohibited; civil penalty.**

6193 A. No licensee, or any affiliate thereof, shall use the phrase "Virginia is for Bettors" in an advertisement
6194 in association with its product or service. Any licensee, or affiliate thereof, that violates this section shall be

6195 *subject to a civil penalty of not more than \$50,000. The Commissioner shall enforce the provisions of this*
6196 *section.*

6197 *B. All civil penalties collected pursuant to this section shall accrue to the general fund.*

6198 *Article 8.*

6199 *On-Premises Mobile Casino Gaming.*

6200 **§ 29.5-334. Federal law applicable.**

6201 *On-premises mobile casino gaming shall be subject to the provisions of, and preempted and superseded*
6202 *by, any applicable federal law.*

6203 **§ 29.5-335. Authorized on-premises mobile casino gaming.**

6204 *On-premises mobile casino gaming is prohibited except when offered by a casino gaming operator to*
6205 *individuals who participate in on-premises mobile casino gaming on the premises of the casino gaming*
6206 *establishment. Any casino gaming operator that offers on-premises mobile casino gaming shall comply with*
6207 *any regulations promulgated by the Board related to on-premises mobile casino gaming.*

6208 **§ 29.5-336. Location of primary on-premises mobile casino gaming operation.**

6209 *A. A casino gaming operator's primary on-premises mobile casino gaming operation, including facilities,*
6210 *equipment, and personnel who are directly engaged in the conduct of on-premises mobile casino gaming,*
6211 *shall be located within a restricted area on the premises of the casino gaming establishment. Backup*
6212 *equipment used on a temporary basis pursuant to regulations promulgated by the Board to conduct on-*
6213 *premises mobile casino gaming may, with the approval of the Commissioner, be located outside the*
6214 *territorial limits of a casino gaming establishment.*

6215 *B. Facilities used to conduct and support on-premises mobile casino gaming shall:*

6216 *1. Be arranged in a manner promoting optimum security;*

6217 *2. Include a closed circuit visual monitoring system according to specifications approved by the Board,*
6218 *with access on the premises to the system or its signal provided to the Commission;*

6219 *3. Not be designed in any way that might interfere with the ability of the Commission to supervise on-*
6220 *premises mobile casino gaming operations; and*

6221 *4. Comply in all respects with regulations of the Board pertaining thereto.*

6222 **§ 29.5-337. On-premises mobile casino gaming accounts.**

6223 *A. A casino gaming operator may offer on-premises mobile casino gaming only to an individual who has*
6224 *established an on-premises mobile casino gaming account and uses such account to place wagers as follows:*

6225 *1. Any wager shall be placed directly with the casino gaming operator by the account holder;*

6226 2. The casino gaming operator shall verify the account holder's physical presence on the premises of the
6227 casino gaming establishment; and

6228 3. The account holder shall provide the casino licensee with the correct authentication information for
6229 access to the wagering account.

6230 B. A casino gaming operator shall not accept a wager in an amount in excess of funds on deposit in the
6231 account of the individual placing the wager.

6232 **§ 29.5-338. Disposition of inactive, dormant accounts.**

6233 All amounts remaining in inactive or dormant on-premises mobile casino gaming accounts for such
6234 period and under such conditions as established by regulation by the Board shall be closed. Any funds
6235 remaining in the account at such time shall be paid 50 percent to the casino gaming operator and 50 percent
6236 to the general fund. Before closing an account pursuant to this section, the casino gaming operator shall
6237 attempt to contact the account holder by mail, phone, and electronic mail.

6238 **§ 29.5-339. Assistance to people with gambling problem.**

6239 A. In order to assist those persons who may have a gambling problem, a casino gaming operator shall:

6240 1. Cause the words "If you or someone you know has a gambling problem and wants help, call 1-800-MY-
6241 RESET," or some comparable language approved by the Commission, which language shall include the
6242 words "gambling problem" and "call 1-800-MY-RESET," to be displayed prominently at log-on and log-off
6243 times to any person visiting or logged onto on-premises mobile casino gaming; and

6244 2. Provide a mechanism by which an account holder may establish the following controls on wagering
6245 activity through the wagering account:

6246 a. A limit on the amount of money deposited within a specified period of time and the length of time the
6247 account holder will be unable to participate in gaming if the holder reaches the established deposit limit; and

6248 b. A temporary suspension of gaming through the account for any number of hours or days.

6249 B. The casino gaming operator shall not send gaming-related electronic mail to an account holder while
6250 gaming through his account is suspended, if the suspension is for at least 72 hours. The casino gaming
6251 operator shall provide a mechanism by which an account holder may change these controls, except that,
6252 while gaming through the wagering account is suspended, the account holder may not change gaming
6253 controls until the suspension expires, but the account holder shall continue to have access to the account and
6254 shall be permitted to withdraw funds from the account upon proper application therefor.

6255 **§ 29.5-340. Offering of on-premises mobile casino gaming without approval; penalties.**

6256 Any person who offers on-premises mobile casino gaming in violation of this chapter or regulations

6257 promulgated pursuant to this chapter is guilty of a Class 6 felony and subject to a fine of not more than
6258 \$25,000 and, in the case of a person other than a natural person, to a fine of not more than \$100,000.

6259 **§ 29.5-341. Tampering with equipment; penalties.**

6260 A. Any person who knowingly tampers with software, computers, or other equipment used to conduct on-
6261 premises mobile casino gaming to alter the odds or the payout of a game or disables the game from operating
6262 according to the rules of the game as promulgated by the Board is guilty of a Class 5 felony and subject to a
6263 fine of not more than \$50,000 and, in the case of a person other than a natural person, to a fine of not more
6264 than \$200,000.

6265 B. In addition to the penalties provided in subsection A, an employee of the casino gaming operator who
6266 violates this section shall have his permit revoked and shall be subject to such further penalty as the
6267 Commission deems appropriate.

6268 C. In addition to the penalties provided in subsection A, a casino gaming operator that violates this
6269 section shall have its license to conduct casino gaming suspended for a period determined by the
6270 Commissioner and shall be subject to such further penalty as the Commission deems appropriate.

6271 **§ 29.5-342. Tampering affecting odds, payout; penalties.**

6272 A. Any person who knowingly offers or allows to be offered any on-premises mobile casino game that has
6273 been tampered with in a way that affects the odds or the payout of a game or disables the game from
6274 operating according to the rules of the game as promulgated by the Board is guilty of a Class 5 felony and
6275 subject to a fine of not more than \$50,000 and, in the case of a person other than a natural person, to a fine
6276 of not more than \$200,000.

6277 B. In addition to the penalties provided in subsection A, an employee of the casino gaming operator who
6278 violates this section shall have his permit suspended for a period of not less than 30 days.

6279 C. In addition to the penalties provided in subsection A, a casino gaming operator that violates this
6280 section shall have its license to conduct casino gaming suspended for a period of not less than 30 days.

6281 **§ 29.5-343. Facilities permitted to conduct on-premises mobile casino gaming; violations, penalties.**

6282 No person shall make its premises available for on-premises mobile casino gaming or advertise that its
6283 premises may be used for such purpose, other than a casino gaming operator that (i) has located all of its
6284 equipment used to conduct on-premises mobile casino gaming, including computers, servers, monitoring
6285 rooms, and hubs, on the premises of its casino gaming establishment and (ii) offers on-site mobile casino
6286 gaming only to individuals who participate in such gaming on the premises of the casino gaming
6287 establishment. Any person that is determined by the Commission to have violated the provisions of this

6288 *section shall be subject to a penalty of \$1,000 per player per day for making its premises available for on-*
6289 *premises mobile casino gaming and of \$10,000 per violation for advertising that its premises may be used for*
6290 *such purpose.*

6291 **§ 29.5-344. Taxation.**

6292 *Any gross receipts from on-premises mobile casino gaming shall be included in a casino gaming*
6293 *operator's adjusted gross receipts and subject to taxation pursuant to the provisions of §§ 29.5-326 and*
6294 *29.5-327.*

6295 **CHAPTER 4.**

6296 **SPORTS BETTING.**

6297 **Article 1.**

6298 **General Provisions.**

6299 **§ 29.5-400. Definitions.**

6300 *As used in this chapter, unless the context requires a different meaning:*

6301 *"Adjusted gross revenue" means gross revenue minus:*

6302 *1. All cash and the cash value of merchandise paid out as winnings to bettors, and the value of all bonuses*
6303 *or promotions provided to patrons as an incentive to place or as a result of their having placed internet*
6304 *sports betting wagers in an operator's first 12 months of operations;*

6305 *2. Uncollectible gaming receivables, which shall not exceed two percent, or a different percentage as*
6306 *determined by the Board pursuant to § 29.5-104, of gross revenue minus all cash paid out as winnings to*
6307 *bettors;*

6308 *3. If the permit holder is a significant infrastructure limited licensee, as defined in § 29.5-601, any funds*
6309 *paid into the horsemen's purse account pursuant to the provisions of subdivision 13 of § 29.5-604; and*

6310 *4. All excise taxes on sports betting paid pursuant to federal law.*

6311 *"Amateur sports" means any sports or athletic event that is not professional sports, college sports,*
6312 *Virginia college sports, or youth sports. "Amateur sports" includes domestic, international, and Olympic*
6313 *sports or athletic events. "Amateur sports" does not include charitable gaming, as defined in § 29.5-200;*
6314 *fantasy contests, as defined in § 29.5-500; or horse racing, as defined in § 29.5-601.*

6315 *"College sports" means an athletic event (i) in which at least one participant is a team from a public or*
6316 *private institution of higher education, regardless of where such institution is located, and (ii) that does not*
6317 *include a team from a Virginia public or private institution of higher education.*

6318 *"Covered persons" means athletes; umpires, referees, and officials; personnel associated with clubs,*

6319 *teams, leagues, and athletic associations; medical professionals and athletic trainers who provide services to*
6320 *athletes and players; and the immediate family members and associates of such persons.*

6321 *"Gross revenue" means the total of all cash, property, or any other form of remuneration, whether*
6322 *collected or not, received by a permittee from its sports betting operations.*

6323 *"Major league sports franchise" means a professional baseball, basketball, football, hockey, or soccer*
6324 *team that is at the highest-level league of play for its respective sport.*

6325 *"Motor sports facility" means an outdoor motor sports facility that hosts a National Association for Stock*
6326 *Car Auto Racing (NASCAR) national touring race.*

6327 *"Official league data" means statistics, results, outcomes, and other data relating to a professional sports*
6328 *event obtained by a permit holder under an agreement with a sports governing body or with an entity*
6329 *expressly authorized by a sports governing body for determining the outcome of tier 2 bets.*

6330 *"Permit holder" means a person to which the Commissioner issues a permit pursuant to §§ 29.5-402 and*
6331 *29.5-403.*

6332 *"Personal biometric data" means any information about an athlete that is derived from his DNA, heart*
6333 *rate, blood pressure, perspiration rate, internal or external body temperature, hormone levels, glucose levels,*
6334 *hydration levels, vitamin levels, bone density, muscle density, or sleep patterns, or other information as may*
6335 *be prescribed by the Board by regulation.*

6336 *"Principal" means any individual who solely or together with his immediate family members (i) owns or*
6337 *controls, directly or indirectly, five percent or more of the pecuniary interest in any entity that is a permit*
6338 *holder or (ii) has the power to vote or cause the vote of five percent or more of the voting securities or other*
6339 *ownership interests of such entity. "Principal" includes any individual who is employed in a managerial*
6340 *capacity for a sports betting platform or sports betting facility on behalf of a permit holder.*

6341 *"Professional sports" means an athletic event involving at least two human competitors who receive*
6342 *compensation, in excess of their expenses, for participating in such event. "Professional sports" does not*
6343 *include charitable gaming, as defined in § 29.5-200; fantasy contests, as defined in § 29.5-500; or horse*
6344 *racing, as defined in § 29.5-601.*

6345 *"Prohibited conduct" means any statement, action, or other communication intended to influence,*
6346 *manipulate, or control a betting outcome of a sports event or of any individual occurrence or performance in*
6347 *a sports event in exchange for financial gain or to avoid financial or physical harm. "Prohibited conduct"*
6348 *includes statements, actions, and communications made to a covered person by a third party. "Prohibited*
6349 *conduct" does not include statements, actions, or communications made or sanctioned by a sports team or*

6350 *sports governing body.*

6351 *"Proposition bet" means a bet on an individual action, statistic, occurrence, or non-occurrence to be*
6352 *determined during an athletic event and includes any such action, statistic, occurrence, or non-occurrence*
6353 *that does not directly affect the final outcome of the athletic event to which it relates.*

6354 *"Sports betting" means placing wagers on professional sports, college sports, amateur sports, sporting*
6355 *events, or any other event approved by the Commissioner, and any portion thereof, and includes placing*
6356 *wagers related to the individual performance statistics of athletes in such sports and events. "Sports betting"*
6357 *includes any system or method of wagering approved by the Commissioner, including single-game bets,*
6358 *teaser bets, parlays, over-under, moneyline, pools, exchange wagering, in-game wagering, in-play bets,*
6359 *proposition bets, and straight bets. "Sports betting" does not include participating in charitable gaming*
6360 *authorized by Chapter 2 (§ 29.5-200 et seq.); participating in fantasy contests authorized by Chapter 5*
6361 *(§ 29.5-500 et seq.); wagering on horse racing, historical horse racing, or simulcast horse racing authorized*
6362 *by Chapter 6 (§ 29.5-600 et seq.); or participating in any lottery game authorized under Subtitle II (§*
6363 *29.5-700 et seq.). "Sports betting" does not include placing a wager on a college sports event in which a*
6364 *Virginia public or private institution of higher education is a participant.*

6365 *"Sports betting facility" means an area, kiosk, or device located inside a casino gaming establishment*
6366 *licensed pursuant to Chapter 3 (§ 29.5-300 et seq.) that is designated for sports betting.*

6367 *"Sports betting permit" means a permit to operate a sports betting platform or sports betting facility*
6368 *issued pursuant to the provisions of §§ 29.5-402, 29.5-403, and 29.5-404.*

6369 *"Sports betting platform" means a website, app, or other platform accessible via the internet or mobile,*
6370 *wireless, or similar communications technology that sports bettors use to participate in sports betting.*

6371 *"Sports betting program" means the program established by the Board to allow sports betting as*
6372 *described in this chapter.*

6373 *"Sports bettor" means a person physically located in the Commonwealth who participates in sports*
6374 *betting.*

6375 *"Sports event" or "sporting event" means professional sports, college sports, amateur sports, and any*
6376 *athletic event, motor race event, electronic sports event, competitive video game event, or any other event*
6377 *approved by the Commissioner.*

6378 *"Sports governing body" means an organization, headquartered in the United States, that prescribes rules*
6379 *and enforces codes of conduct with respect to a professional sports or college sports event and the*
6380 *participants therein. "Sports governing body" includes a designee of the sports governing body.*

6381 *"Stadium" means the physical facility that is the primary location at which a major league sports*
6382 *franchise hosts athletic events and any appurtenant facilities.*

6383 *"Tier 1 bet" means a bet that is placed using the internet and that is not a tier 2 bet.*

6384 *"Tier 2 bet" means a bet that is placed using the internet and that is placed after the event it concerns has*
6385 *started.*

6386 *"Virginia college sports" means an athletic event in which at least one participant is a team from a*
6387 *Virginia public or private institution of higher education.*

6388 *"Youth sports" means an athletic event (i) involving a majority of participants younger than 18 years of*
6389 *age or (ii) in which at least one participant is a team from a public or private elementary, middle, or*
6390 *secondary school, regardless of where such school is located. However, if an athletic event meets the*
6391 *definition of college sports or professional sports, such event shall not be considered youth sports regardless*
6392 *of the age of the participants. An international athletic event organized by the International Olympic*
6393 *Committee shall not be considered to be youth sports, regardless of the age of the participants.*

6394 **§ 29.5-401. Additional powers and duties of the Commissioner; reporting.**

6395 *A. In addition to the powers and duties set forth in § 29.5-102, the Commissioner may:*

6396 *1. Require bond or other surety satisfactory to him from permit holders in such amount as provided in the*
6397 *rules and regulations of the Board adopted under this chapter;*

6398 *2. Suspend, revoke, or refuse to renew any permit issued pursuant to this chapter or the rules and*
6399 *regulations adopted under this chapter; and*

6400 *3. Enter into contracts for the operation of the sports betting program, and enter into contracts with other*
6401 *states related to sports betting, provided that a contract awarded or entered into by the Commissioner shall*
6402 *not be assigned by the holder thereof except by specific approval of the Commissioner; and*

6403 *B. The Commissioner shall:*

6404 *1. Certify monthly to the State Comptroller and the Board a full and complete statement of sports betting*
6405 *revenues and expenses for the previous month;*

6406 *2. Report monthly to the Governor, the Secretary of Finance, and the Chairs of the Senate Committee on*
6407 *Finance and Appropriations, House Committee on Finance, and House Committee on Appropriations the*
6408 *total sports betting revenues and expenses for the previous month and make an annual report, which shall*
6409 *include a full and complete statement of sports betting revenues and expenses, to the Governor and the*
6410 *General Assembly, including recommendations for changes in this chapter as the Commissioner and Board*
6411 *deem prudent;*

6412 3. In accordance with sports betting program regulations, approve methods for sports bettors to fund
6413 sports betting accounts, including automated clearing house payments, credit cards, debit cards, wire
6414 transfers, and any other method that the Board determines is appropriate for sports betting;

6415 4. Report immediately, upon the receipt of a complaint of an alleged criminal violation of this chapter,
6416 such complaint to the Commission's general or special counsel hired by the Commissioner pursuant to
6417 § 29.5-102, the Office of the Gaming Enforcement Coordinator at the Department of State Police pursuant to
6418 § 52-54, and the attorney for the Commonwealth in the jurisdiction where such alleged violation occurred for
6419 appropriate action; and

6420 5. Report immediately to the Governor and the General Assembly any matters that require immediate
6421 changes in the laws of the Commonwealth in order to prevent abuses and evasions of this chapter or the rules
6422 and regulations adopted under this chapter or to rectify undesirable conditions in connection with the
6423 administration or operation of the sports betting program.

6424 Article 2.

6425 Permits.

6426 **§ 29.5-402. Application for a sports betting permit; penalty.**

6427 A. An applicant for a sports betting permit shall:

6428 1. Submit an application to the Commission, on forms prescribed by the Board, containing the
6429 information prescribed in subsection B; and

6430 2. Pay to the Commission a nonrefundable fee of \$50,000 for each principal at the time of filing to defray
6431 the costs associated with the background investigations conducted by the Commission. If the reasonable costs
6432 of the investigation exceed the application fee, the applicant shall pay the additional amount to the
6433 Commission. The Board may establish regulations calculating the reasonable costs to the Commission in
6434 performing its functions under this chapter and allocating such costs to the applicants for licensure at the
6435 time of filing. The fees for each principal and any additional investigation costs paid to the Commission shall
6436 be deposited into the Commonwealth Gaming Operations Fund established pursuant to § 29.5-119.

6437 B. An application for a sports betting permit shall include the following information:

6438 1. The applicant's background in sports betting;

6439 2. The applicant's experience in wagering activities in other jurisdictions, including the applicant's
6440 history and reputation of integrity and compliance;

6441 3. The applicant's proposed internal controls, including controls to ensure that no prohibited or
6442 voluntarily excluded person will be able to participate in sports betting;

6443 4. The applicant's history of working to prevent compulsive gambling, including training programs for its
6444 employees;

6445 5. If applicable, any supporting documentation necessary to establish eligibility for substantial and
6446 preferred consideration pursuant to the provisions of this section;

6447 6. The applicant's proposed procedures to detect and report suspicious or illegal betting activity; and

6448 7. Any other information the Board deems necessary.

6449 C. The Commission shall conduct a background investigation on the applicant. The background
6450 investigation shall include a credit history check, a tax record check, and a criminal history records check.

6451 D. 1. The Commissioner shall not issue any permit pursuant to this chapter until the Board has
6452 established a consumer protection program and published a consumer protection bill of rights pursuant to §
6453 29.5-104.

6454 2. The Commissioner shall issue no fewer than four and no more than 12 permits pursuant to this section;
6455 however, if an insufficient number of applicants apply for the Commissioner to satisfy the minimum, this
6456 provision shall not be interpreted to direct the Commissioner to issue a permit to an unqualified applicant. A
6457 permit shall not count toward the minimum or maximum if it is (i) issued pursuant to subdivision 4 or 5 to a
6458 major league sports franchise or to the operator of a facility; (ii) issued pursuant to subdivision 6 to an
6459 applicant that operates or intends to operate a casino gaming establishment; or (iii) revoked, expires, or
6460 otherwise becomes not effective.

6461 3. In issuing permits to operate sports betting platforms and sports betting facilities, the Commissioner
6462 shall consider the following factors:

6463 a. The contents of the applicant's application as required by subsection B;

6464 b. The extent to which the applicant demonstrates past experience, financial viability, compliance with
6465 applicable laws and regulations, and success with sports betting operations in other states;

6466 c. The extent to which the applicant will be able to meet the duties of a permit holder, as specified in
6467 § 29.5-404;

6468 d. Whether the applicant has demonstrated to the Commission that it has made serious, good-faith efforts
6469 to solicit and interview a reasonable number of investors that are minority individuals, as defined in
6470 § 2.2-1604;

6471 e. The amount of adjusted gross revenue and associated tax revenue that an applicant is expected to
6472 generate;

6473 f. The effect of issuing an additional permit on the amount of gross revenue and associated tax revenue

6474 generated by all existing permit holders, considered in the aggregate; and

6475 g. Any other factor the Board considers relevant.

6476 4. In issuing permits to operate sports betting platforms and sports betting facilities, the Commissioner
6477 shall give substantial and preferred consideration to any applicant that has (i) made or intends to make a
6478 capital investment of at least \$300 million in a casino gaming establishment, including the value of the real
6479 property upon which such establishment is located and all furnishings, fixtures, and other improvements; (ii)
6480 had its name submitted as a preferred casino gaming operator to the Commissioner by an eligible host city;
6481 and (iii) been certified by the Commissioner to proceed to a local referendum on whether casino gaming will
6482 be allowed in the locality in which the applicant intends to operate a casino gaming establishment.

6483 5. In a manner as may be required by Board regulation, any entity that applies pursuant to subdivision 4
6484 may demonstrate compliance with the requirements of an application, the duties of a permit holder, and any
6485 other provision of this chapter through the use of a partner, subcontractor, or other affiliate of the applicant.

6486 E. The Commissioner shall make a determination on an initial application for a sports betting permit
6487 within 90 days of receipt. The Commissioner's action shall be final unless appealed in accordance with §
6488 29.5-104.

6489 F. The following shall be grounds for denial of a permit or renewal of a permit:

6490 1. The Commissioner reasonably believes the applicant will be unable to satisfy the duties of a permit
6491 holder as described in subsection A of § 29.5-404;

6492 2. The Commissioner reasonably believes that the applicant or its directors lack good character, honesty,
6493 or integrity;

6494 3. The Commissioner reasonably believes that the applicant's prior activities, criminal record, reputation,
6495 or associations are likely to (i) pose a threat to the public interest, (ii) impede the regulation of sports betting,
6496 or (iii) promote unfair or illegal activities in the conduct of sports betting;

6497 4. The applicant or its directors knowingly make a false statement of material fact or deliberately fail to
6498 disclose information requested by the Commissioner;

6499 5. The applicant or its directors knowingly fail to comply with the provisions of this chapter or any
6500 requirements of the Commissioner;

6501 6. The applicant or its directors were convicted of a felony, a crime of moral turpitude, or any criminal
6502 offense involving dishonesty or breach of trust within the 10 years prior to the submission date of the permit
6503 application;

6504 7. The applicant's license, registration, or permit to conduct a sports betting operation issued by any

6505 *other jurisdiction has been suspended or revoked;*

6506 *8. The applicant defaults in payment of any obligation or debt due to the Commonwealth; or*

6507 *9. The applicant's application is incomplete.*

6508 *G. The Commissioner shall have the discretion to waive any of the grounds for denial of a permit or*
6509 *renewal of a permit if he determines that denial would limit the number of applicants or permit holders in a*
6510 *manner contrary to the best interests of the Commonwealth.*

6511 *H. Prior to issuance of a permit, each permit holder shall either (i) be bonded by a surety company*
6512 *entitled to do business in the Commonwealth in such amount and penalty as may be prescribed by the*
6513 *regulations of the Board or (ii) provide other surety, letter of credit, or reserve as may be satisfactory to the*
6514 *Commissioner. Such surety shall be prescribed by Board regulations and shall not exceed a reasonable*
6515 *amount.*

6516 *I. Any person who knowingly and willfully falsifies, conceals, or misrepresents a material fact or*
6517 *knowingly and willfully makes a false, fictitious, or fraudulent statement or representation in any application*
6518 *pursuant to this chapter is guilty of a Class 1 misdemeanor.*

6519 *J. In addition to the fee required pursuant to subdivision A 2, any applicant to which the Commissioner*
6520 *issues a permit shall pay a nonrefundable fee of \$250,000 to the Commission prior to the issuance of such*
6521 *permit. Such fees shall be deposited by the Commission into the Commonwealth Gaming Operations Fund*
6522 *established pursuant to § 29.5-119.*

6523 **§ 29.5-403. Renewals of permits.**

6524 *A. A permit issued pursuant to § 29.5-402 shall be valid for three years from the date issued.*

6525 *B. At least 60 days before the expiration of a permit, the permit holder shall submit a renewal application,*
6526 *on forms prescribed by the Board, with a nonrefundable renewal fee of \$200,000. Such fees shall be*
6527 *deposited into the Commonwealth Gaming Operations Fund established pursuant to § 29.5-119.*

6528 *C. The Commissioner may deny a permit renewal if he finds grounds for denial as described in subsection*
6529 *F of § 29.5-402. The Commissioner's action shall be final unless appealed in accordance with § 29.5-104.*

6530 *D. The Commissioner shall make a determination on an application for a renewal of a sports betting*
6531 *permit within 60 days of receipt. The Commissioner's action shall be final unless appealed in accordance*
6532 *with § 29.5-104.*

6533 **§ 29.5-404. Duties of permit holders.**

6534 *A. A permit holder shall ensure that its sports betting operation takes reasonable measures to:*

6535 *1. Ensure that only persons physically located in the Commonwealth are able to place bets through its*

6536 *sports betting platform, if applicable;*

6537 *2. Protect the confidential information of bettors using its sports betting platform or placing bets at its*

6538 *sports betting facility;*

6539 *3. Prevent betting on events that are prohibited pursuant to § 29.5-409, underage betting as prohibited by*

6540 *§ 29.5-410, and bets by persons who are prohibited from sports betting pursuant to § 29.5-411;*

6541 *4. Allow persons to restrict themselves from placing bets with the permit holder, including sharing, at the*

6542 *person's request, his request for self-exclusion with the Commission for the sole purpose of disseminating the*

6543 *request to other permit holders;*

6544 *5. Establish procedures to detect suspicious or illegal betting activity, including measures to immediately*

6545 *report such activity to the Commission;*

6546 *6. Provide for the issuance of applicable tax forms to persons who meet the reporting threshold for*

6547 *income from sports betting; and*

6548 *7. If applicable, allow sports bettors to establish and fund sports betting accounts over the internet on a*

6549 *sports betting platform, which may be funded through methods including automated clearing house*

6550 *payments, credit cards, debit cards, wire transfers, or any other method approved by the Commissioner*

6551 *under § 29.5-401.*

6552 *B. A permit holder shall maintain records on:*

6553 *1. All bets, including the bettor's personal information, the amount and type of bet, the time and location*

6554 *of the bet, and the outcome of the bet; and*

6555 *2. Suspicious or illegal betting activity.*

6556 *C. A permit holder shall disclose the records described in subsection B to the Commission upon request*

6557 *and shall maintain such records for at least three years after the related sports event occurs.*

6558 *D. 1. If a sports governing body notifies the Commission that real-time information-sharing for bets*

6559 *placed on its sporting events is necessary and desirable, permit holders shall, as soon as is commercially*

6560 *reasonable, share the information required to be retained pursuant to subdivision B 1 of § 29.5-404 with the*

6561 *sports governing body or its designee with respect to bets on its sporting events. The information shared*

6562 *pursuant to this subsection shall be shared pseudonymously and does not include personal information*

6563 *associated with any bettor. A permit holder shall not be required to share any information that is required to*

6564 *be kept confidential under federal or state law.*

6565 *2. A sports governing body shall use information shared pursuant to this subsection only for the purpose*

6566 *of integrity monitoring and shall not use such information for any commercial purpose. A sports governing*

6567 *body shall provide for security measures with respect to such information so as to prevent unauthorized*
6568 *access and distribution.*

6569 *E. In advertising its sports betting operations, a permit holder shall ensure that its advertisements:*

6570 *1. Do not target persons younger than 21 years of age;*

6571 *2. Disclose the identity of the permit holder;*

6572 *3. Provide information about, or links to, resources related to gambling addiction; and*

6573 *4. Are not misleading to a reasonable person.*

6574 *F. A permit holder shall not sublicense, convey, concede, or otherwise transfer its permit to a third party*
6575 *unless granted approval by the Commissioner. The Commissioner shall charge a nonrefundable fee of*
6576 *\$200,000 for a permit transfer. Such fees shall be deposited into the Commonwealth Gaming Operations*
6577 *Fund established pursuant to § 29.5-119.*

6578 *G. 1. A permit holder may operate its sports betting platform under a brand other than its own but is*
6579 *prohibited from holding itself out to the public as a sports betting operation under more than one brand, and*
6580 *a permit holder shall conspicuously display its utilized brand to sports bettors; however, if a permit holder is*
6581 *a major league sports franchise, it shall not be required to associate the name of its sports betting platform*
6582 *with the name of the major league sports franchise and shall be allowed to hold its sports betting platform*
6583 *out to the public under a separate brand name.*

6584 *2. A permit holder is prohibited from cooperatively marketing its sports betting platform with any*
6585 *business issued a license pursuant to the provisions of Title 4.1. If casino gaming is authorized under the*
6586 *laws of the Commonwealth and a casino gaming operator is licensed by the Commissioner as a permit*
6587 *holder, the prohibition in this subdivision shall not apply to such operator, provided that such operator shall*
6588 *be authorized to cooperatively market only on the premises of its casino gaming establishment. A permit*
6589 *holder shall not be allowed an exemption from the prohibition in this subdivision unless (i) such permit*
6590 *holder complies with any applicable local zoning ordinances and (ii) the local governing body approves by*
6591 *ordinance cooperative marketing with respect to the permit holder's stadium or casino gaming establishment.*

6592 *H. A permit holder shall not purchase or use any personal biometric data unless the permit holder has*
6593 *received written permission from the athlete's exclusive bargaining representative.*

6594 *I. Permit holders shall at all times maintain cash reserves in amounts to be established by Board*
6595 *regulation.*

6596 **§ 29.5-405. Suspension and revocation of permits; civil penalties.**

6597 *If the Commissioner determines that a permit holder has violated this chapter, he may, with at least 15*

6598 days' notice and a hearing, (i) suspend or revoke the permit holder's permit and (ii) impose a monetary
6599 penalty of not more than \$1,000 for each violation per day of this chapter. The Commissioner shall enforce
6600 civil penalties under this section and shall deposit all collected penalties to the general fund. The
6601 Commissioner's action shall be final unless appealed in accordance with § 29.5-104.

6602 § 29.5-406. *Use of official league data.*

6603 A. A permit holder may use any data source for determining the result of a tier 1 bet.

6604 B. A sports governing body may notify the Commission that it desires permit holders to use official league
6605 data to settle tier 2 bets. A notification under this subsection shall be made according to forms and
6606 procedures prescribed by the Board. The Commissioner shall notify each permit holder of the sports
6607 governing body's notification within five days after the Commission's receipt of the notification. If a sports
6608 governing body does not notify the Commission of its desire to supply official league data, a permit holder
6609 may use any data source for determining the result of a tier 2 bet on a professional sports event of the league
6610 governed by the sports governing body.

6611 C. Within 60 days after the Commissioner notifies each permit holder as required under subsection B,
6612 permit holders shall use only official league data to determine the results of tier 2 bets on professional sports
6613 events of the league governed by the sports governing body, unless any of the following apply:

6614 1. The sports governing body is unable to provide a feed, on commercially reasonable terms, of official
6615 league data to determine the results of a tier 2 bets, in which case permit holders may use any data source for
6616 determining the results of tier 2 bets until the data feed becomes available on commercially reasonable terms.

6617 2. A permit holder demonstrates to the Commission that the sports governing body has not provided or
6618 offered to provide a feed of official league data to such permit holder on commercially reasonable terms,
6619 according to criteria identified in subsection D.

6620 D. The Commissioner shall consider the following information in determining whether a sports governing
6621 body has provided or offered to provide a feed of official league data on commercially reasonable terms:

6622 1. The availability of a sports governing body's official league data for tier 2 bets from more than one
6623 authorized source;

6624 2. Market information regarding the purchase, in the Commonwealth and in other states, by permit
6625 holders of data from all authorized sources;

6626 3. The nature and quantity of the data, including the quality and complexity of the process used for
6627 collecting the data; and

6628 4. Any other information he deems relevant.

6629 *E. During any time period in which the Commissioner is determining whether official league data is*
6630 *available on commercially reasonable terms pursuant to the provisions of subsections C and D, a permit*
6631 *holder may use any data source for determining the results of any tier 2 bets. The Commissioner shall make a*
6632 *determination under subsections C and D within 120 days after a permit holder notifies the Commission that*
6633 *it desires to demonstrate that a sports governing body has not provided or offered to provide a feed of official*
6634 *league data to the permit holder on commercially reasonable terms.*

6635 *Article 3.*

6636 *Taxation.*

6637 **§ 29.5-407. Tax on adjusted gross revenue.**

6638 *A. There shall be imposed a tax of 15 percent on a permit holder's adjusted gross revenue.*

6639 *B. The tax imposed pursuant to this section is due monthly to the Commission, and the permit holder shall*
6640 *remit it on or before the twentieth day of the next succeeding calendar month. If the permit holder's*
6641 *accounting necessitates corrections to a previously remitted tax, the permit holder shall document such*
6642 *corrections when it pays the following month's taxes.*

6643 *C. If the permit holder's adjusted gross revenue for a month is a negative number, the permit holder may*
6644 *carry over the negative amount to a return filed for a subsequent month and deduct such amount from its tax*
6645 *liability for such month, provided that such amount shall not be carried over and deducted against tax*
6646 *liability in any month that is more than 12 months later than the month in which such amount was accrued.*

6647 **§ 29.5-408. Distribution of tax revenue.**

6648 *A. The Commission shall allocate 2.5 percent of the tax revenue collected pursuant to § 29.5-407 to the*
6649 *Problem Gambling Treatment and Support Fund established pursuant to § 37.2-314.2.*

6650 *B. The Commission shall allocate the remaining 97.5 percent of the tax revenue collected pursuant to*
6651 *§ 29.5-407 to the general fund.*

6652 *Article 4.*

6653 *Prohibited Acts; Penalties.*

6654 **§ 29.5-409. Events on which betting is prohibited; penalty.**

6655 *A. 1. No person shall place or accept a bet on youth sports.*

6656 *2. No person shall place or accept a proposition bet on college sports.*

6657 *3. No person shall place or accept a bet on Virginia college sports.*

6658 *B. 1. A sports governing body may notify the Commission that it desires to restrict, limit, or prohibit*
6659 *sports betting on its sporting events by providing notice in accordance with requirements prescribed by the*

6660 Board. A sports governing body also may request to restrict the types of bets that may be offered.
6661 Notwithstanding § 29.5-400, for purposes of this section, "sports governing body" includes any organization
6662 that is not headquartered in the United States and that otherwise meets the definition of "sports governing
6663 body."

6664 2. For any request made pursuant to subdivision 1, the requester shall bear the burden of establishing to
6665 the satisfaction of the Commissioner that the relevant betting or other activity poses a significant and
6666 unreasonable integrity risk. The Commissioner shall seek input from affected permit holders before making a
6667 determination on such request.

6668 3. If the Commissioner denies a request made pursuant to subdivision 1, the Commissioner shall give the
6669 requester notice and the right to be heard and offer proof in opposition to such determination in accordance
6670 with regulations established by the Board. If the Commissioner grants a request, the Board shall promulgate
6671 by regulation such restrictions, limitations, or prohibitions as may be requested.

6672 4. A permit holder shall not offer or take any bets in violation of regulations promulgated by the Board
6673 pursuant to this subsection.

6674 C. The prohibitions in subdivisions A 1 and 3 shall be limited to the single game or match in which a
6675 youth sports or Virginia college sports team is a participant. The prohibitions shall not be construed to
6676 prohibit betting on other games in a tournament or multigame event in which a youth sports or Virginia
6677 college sports team participates, so long as such other games do not have a participant that is a youth sports
6678 or Virginia college sports team.

6679 D. Any person convicted of violating this section is guilty of a Class 1 misdemeanor.

6680 **§ 29.5-410. Underage betting prohibited; penalty.**

6681 A. No person shall knowingly accept or redeem a sports bet by, or knowingly offer to accept or redeem a
6682 sports bet on behalf of, a person younger than 21 years of age.

6683 B. Any person convicted of violating this section is guilty of a Class 1 misdemeanor.

6684 **§ 29.5-411. Persons prohibited from sports betting; penalty.**

6685 A. The following persons shall be prohibited from sports betting:

6686 1. The Commissioner and any Board member, officer, or employee of the Commission;

6687 2. Any permit holder;

6688 3. Any director, officer, owner, or employee of a permit holder and any relative living in the same
6689 household as such persons; and

6690 4. Any officer or employee of any entity working directly on a contract with the Commission related to

6691 *sports betting.*

6692 *B. The persons described in subdivision A 3 shall be prohibited from sports betting only with respect to*
6693 *the related permit holder, but shall not be prohibited from placing sports bets with other permit holders.*

6694 *C. Any competitor, coach, trainer, employee, or owner of a team in a professional or college sports event,*
6695 *or any referee for a professional or college sports event, shall be prohibited from placing a bet on any event*
6696 *in a league in which such person participates. In determining which persons are prohibited from placing*
6697 *wagers under this subsection, a permit holder shall use publicly available information and any lists of*
6698 *persons that a sports governing body may provide to the Commission.*

6699 *D. Any person convicted of violating this section is guilty of a Class 1 misdemeanor.*

6700 **§ 29.5-412. Operation and advertising of unpermitted facilities prohibited; penalty.**

6701 *A. No person, except for a permit holder authorized pursuant to the provisions of this chapter, shall make*
6702 *its premises available for placing sports bets using the internet or advertise that its premises may be used for*
6703 *such purpose.*

6704 *B. The Commissioner may impose a monetary penalty for each violation of this section. For a person*
6705 *determined to have made its premises available for placing sports bets using the internet, the penalty shall*
6706 *not exceed \$1,000 per day per individual who places a sports bet. For a person determined to have*
6707 *advertised that its premises may be used for such purpose, the penalty shall not exceed \$10,000 per violation.*

6708 **§ 29.5-413. Use of the phrase "Virginia is for Bettors" prohibited; civil penalty.**

6709 *A. No permit holder, or any affiliate thereof, shall use the phrase "Virginia is for Bettors" in an*
6710 *advertisement in association with its product or service. Any permit holder, or affiliate thereof, that violates*
6711 *this section shall be subject to a civil penalty of not more than \$50,000. The Commissioner shall enforce the*
6712 *provisions of this section.*

6713 *B. All civil penalties collected pursuant to this section shall accrue to the general fund.*

6714 **§ 29.5-414. Reporting and investigating prohibited conduct.**

6715 *If the Commission receives a complaint of prohibited conduct by an athlete, it shall notify the appropriate*
6716 *sport governing body of such athlete to review the complaint. The Commission and permit holders shall*
6717 *cooperate with investigations conducted by sports governing bodies or law-enforcement agencies. Such*
6718 *cooperation shall include providing or facilitating the provision of account-level betting information and*
6719 *audio or video files relating to persons placing wagers.*

6720 **§ 29.5-415. Required direct notification to the Commission and to sports governing bodies.**

6721 *A. A permit holder shall, as soon as commercially reasonable, report to the Commission any information*

6722 relating to:

6723 1. Criminal or disciplinary proceedings commenced against the permit holder in connection with its
6724 operations in the Commonwealth or in any other jurisdiction;

6725 2. Abnormal betting activity or patterns that may indicate a risk to the integrity of a bet or wager;

6726 3. Any potential breach of a sports governing body's rules and codes of conduct pertaining to sports
6727 betting, to the extent that such rules and codes of conduct are provided to and known by the permit holder;

6728 4. Any conduct that may alter the outcome of an athletic event for purposes of financial gain, including
6729 match fixing; and

6730 5. Suspicious or illegal wagering activities, including using funds derived from illegal activity to place
6731 bets, using bets to conceal or launder funds derived from illegal activity, using agents to place bets, and
6732 using false identification to place bets.

6733 B. A permit holder shall, as soon as is commercially practicable, report the information described in
6734 subdivisions A 2, 3, and 4 to any sports governing body that may be affected by the activities described in
6735 subdivisions A 2, 3, and 4.

6736 **§ 29.5-416. Liquidity pools.**

6737 The Board may promulgate rules authorizing permit holders to offset loss and manage risk, directly or
6738 with a third party approved by the Commissioner, through the use of a liquidity pool in the Commonwealth or
6739 another jurisdiction so long as such permit holder, or an affiliate of such permit holder, is licensed by such
6740 jurisdiction to operate a sports betting business. However, a permit holder's use of a liquidity pool shall not
6741 eliminate its duty to ensure that it has sufficient funds available to pay bettors.

6742 **§ 29.5-417. Intermediate routing of electronic data.**

6743 All sports betting shall be initiated and received within the Commonwealth unless otherwise permitted by
6744 federal law. Consistent with the intent of the United States Congress as expressed in the Unlawful Internet
6745 Gambling Enforcement Act, 31 U.S.C. § 5361 et seq., the intermediate routing of electronic data relating to
6746 lawful intrastate sports betting authorized under this chapter shall not determine the location in which such
6747 bet is initiated and received.

6748 **CHAPTER 5.**

6749 **FANTASY CONTESTS.**

6750 **§ 29.5-500. Definitions.**

6751 As used in this chapter, unless the context requires otherwise:

6752 "Confidential information" means information related to the play of a fantasy contest by fantasy contest

6753 *players obtained as a result of, or by virtue of, a person's employment.*

6754 *"Entry fee" means cash or cash equivalent that is required to be paid by a fantasy contest participant to a*
6755 *fantasy contest operator in order to participate in a fantasy contest.*

6756 *"Fantasy contest" includes any online fantasy or simulated game or contest with an entry fee in which (i)*
6757 *the value of all prizes and awards offered to winning participants is established and made known to the*
6758 *participants in advance of the contest; (ii) all winning outcomes reflect the relative knowledge and skill of the*
6759 *participants and shall be determined by accumulated statistical results of the performance of individuals,*
6760 *including athletes in the case of sports events; and (iii) no winning outcome is based on the score, point*
6761 *spread, or any performance of any single actual team or combination of teams or solely on any single*
6762 *performance of an individual athlete or player in any single actual event.*

6763 *"Fantasy contest operator" or "operator" means a person or entity that offers fantasy contests for a cash*
6764 *prize to members of the public.*

6765 *"Fantasy contest player" or "player" means a person who participates in a fantasy contest offered by a*
6766 *fantasy contest operator.*

6767 *"Principal stockholder" means any person who individually or in concert with his spouse and immediate*
6768 *family members beneficially owns or controls, directly or indirectly, 15 percent or more of the equity*
6769 *ownership of a fantasy contest operator or who in concert with his spouse and immediate family members has*
6770 *the power to vote or cause the vote of 15 percent or more of the equity ownership of any such operator.*

6771 **§ 29.5-501. Registration of fantasy contest operators required; application for registration; issuance of**
6772 **registration certificate; penalty.**

6773 *A. No fantasy contest operator shall offer any fantasy contest in the Commonwealth without first being*
6774 *registered with the Commission. Applications for registration shall be on forms prescribed by the Board. Any*
6775 *registration issued by the Commissioner shall be valid for one year from the date of issuance.*

6776 *B. The application for registration submitted by a fantasy contest operator shall contain the following*
6777 *information:*

6778 *1. The name and principal address of the applicant; if a corporation, the state of its incorporation, the full*
6779 *name and address of each officer and director thereof, and, if a foreign corporation, whether it is qualified to*
6780 *do business in the Commonwealth; if a partnership or joint venture, the name and address of each officer*
6781 *thereof;*

6782 *2. The address of any offices of the applicant in the Commonwealth and its designated agent for process*
6783 *within the Commonwealth. If no such agent is designated, the applicant shall be deemed to have designated*

6784 *the Commissioner. If the operator does not maintain an office, the name and address of the person having*
6785 *custody of its financial records;*

6786 3. *The place where and the date when the applicant was legally established and the form of its*
6787 *organization;*

6788 4. *The names and addresses of the officers, directors, trustees, and principal salaried executive staff*
6789 *officer;*

6790 5. *The name and address of each principal stockholder or member of such corporation; and*

6791 6. *Such information as the Board deems necessary to ensure compliance with the provisions of this*
6792 *chapter.*

6793 C. *Every registration filed pursuant to this chapter shall be accompanied by a nonrefundable, initial*
6794 *application fee set by the Board.*

6795 D. *As a condition of registration, a fantasy contest operator shall submit evidence satisfactory to the*
6796 *Board that the operator has established and will implement procedures for fantasy contests that:*

6797 1. *Prevent him or his employees and relatives living in the same household as the operator from*
6798 *competing in any public fantasy contest offered by such operator in which the operator offers a cash prize;*

6799 2. *Prevent the sharing of confidential information that could affect fantasy contest play with third parties*
6800 *until the information is made publicly available;*

6801 3. *Verify that any fantasy contest player is 21 years of age or older;*

6802 4. *Ensure that players who are the subject of a fantasy contest are restricted from entering a fantasy*
6803 *contest that is determined, in whole or part, on the accumulated statistical results of a team of individuals in*
6804 *which such players are participants;*

6805 5. *Allow individuals to restrict themselves from entering a fantasy contest upon request and take*
6806 *reasonable steps to prevent those individuals from entering the operator's fantasy contests;*

6807 6. *Disclose the number of entries a single fantasy contest player may submit to each fantasy contest and*
6808 *take reasonable steps to prevent such players from submitting more than the allowable number; and*

6809 7. *Segregate player funds from operational funds in separate accounts and maintain a reserve in the form*
6810 *of cash, cash equivalents, irrevocable letter of credit, bond, or a combination thereof in an amount sufficient*
6811 *to pay all prizes and awards offered to winning participants.*

6812 E. *If the registration forms are filed online using a website approved by the Commissioner, the operator*
6813 *shall follow the procedures on that website for signing the forms.*

6814 F. *Any operator that allows its registration to lapse, without requesting an extension of time to file, shall*

6815 *be required to resubmit an initial registration. An extension may be granted by the Commissioner upon*
6816 *receipt of a written request.*

6817 **§ 29.5-502. Issuance of registration; denial of same.**

6818 *A. The Commissioner shall consider all applications for registration and shall issue a valid registration to*
6819 *an applicant that meets the criteria set forth in this chapter.*

6820 *B. The Commissioner shall deny registration to any applicant unless he finds that:*

6821 *1. If the corporation is a stock corporation, such stock is fully paid and nonassessable and has been*
6822 *subscribed and paid for only in cash or property to the exclusion of past services and, if the corporation is a*
6823 *nonstock corporation, that there are at least five members;*

6824 *2. All principal stockholders or members have submitted to the jurisdiction of the courts of the*
6825 *Commonwealth for the purposes of this chapter, and all nonresident principal stockholders or members have*
6826 *designated the Commissioner as their agent for receipt of process;*

6827 *3. The applicant's articles of incorporation provide that the corporation may, on vote of a majority of the*
6828 *stockholders or members, purchase at fair market value the entire membership interest of any stockholder or*
6829 *require the resignation of any member who is or becomes unqualified for such position under subsection C;*
6830 *and*

6831 *4. The applicant meets the criteria established by the Board for the granting of registration.*

6832 *C. The Commissioner may deny registration to an applicant if he finds that the applicant, or any officer,*
6833 *partner, principal stockholder, or director of the applicant:*

6834 *1. Has knowingly made a false statement of material fact or has deliberately failed to disclose any*
6835 *information requested;*

6836 *2. Is or has been found guilty of any illegal, corrupt, or fraudulent act, practice, or conduct in connection*
6837 *with any fantasy contest in the Commonwealth or any other state or has been convicted of a felony, a crime of*
6838 *moral turpitude, or any criminal offense involving dishonesty or breach of trust within the 10 years prior to*
6839 *the date of application for registration;*

6840 *3. Has at any time knowingly failed to comply with the provisions of this chapter or of any requirements of*
6841 *the Board;*

6842 *4. Has had a registration or permit to hold or conduct fantasy contests denied for just cause, suspended,*
6843 *or revoked in any other state or country;*

6844 *5. Has legally defaulted in the payment of any obligation or debt due to the Commonwealth; or*

6845 *6. Is not qualified to do business in the Commonwealth or is not subject to the jurisdiction of the courts of*

6846 *the Commonwealth.*

6847 *D. Any operator applying for registration or renewal of a registration may operate during the application*
6848 *period unless the Commissioner has reasonable cause to believe that such operator is or may be in violation*
6849 *of the provisions of this chapter and the Commissioner requires such operator to suspend the operation of*
6850 *any fantasy contest until registration or renewal of registration is issued.*

6851 *E. The Commissioner shall issue such registration within 60 days of receipt of the application for*
6852 *registration. If the registration is not issued, the Commissioner shall provide the operator with specific*
6853 *justification for not issuing such registration.*

6854 **§ 29.5-503. Independent audit required; submission to Commission.**

6855 *A registered operator shall (i) annually contract with a certified public accountant to conduct an*
6856 *independent audit, consistent with the standards accepted by the Board of Accountancy; (ii) annually*
6857 *contract with a testing laboratory recognized by the Commission to verify compliance with the provisions of*
6858 *subsection D of § 29.5-501; and (iii) submit to the Commission a copy of the (a) audit report and (b) report*
6859 *of the testing laboratory as required by clause (ii).*

6860 **§ 29.5-504. Powers and duties of the Board and the Commission.**

6861 *A. The Commission shall have all powers and duties necessary to carry out the provisions of this chapter.*
6862 *The Board may establish procedures deemed necessary to carry out the provisions of this chapter.*

6863 *B. Whenever it appears to the Commission that any person has violated any provision of this chapter, it*
6864 *may apply to the appropriate circuit court for an injunction against such person. The order granting or*
6865 *refusing such injunction shall be subject to appeal as in other cases in equity.*

6866 *C. Whenever the Commission has reasonable cause to believe that a violation of this chapter may have*
6867 *occurred, the Commission, upon its own motion or upon complaint of any person, may investigate any*
6868 *fantasy contest operator to determine whether such operator has violated the provisions of this chapter. In*
6869 *the conduct of such investigation, the Commission:*

6870 *1. May require or permit any person to file a statement in writing, under oath or otherwise as it*
6871 *determines, as to all facts and circumstances concerning the matter to be investigated;*

6872 *2. May administer oaths or affirmations and, upon its own motion or upon request of any party, subpoena*
6873 *witnesses and compel their attendance, take evidence, and require the production of any matter that is*
6874 *relevant to the investigation, including the existence, description, nature, custody, condition, and location of*
6875 *any books, documents, or other tangibles and the identity and location of persons having knowledge of*
6876 *relevant facts or any other matter reasonably calculated to lead to the discovery of material evidence; and*

6877 3. *Shall report immediately, upon the receipt of a complaint of an alleged criminal violation of this*
6878 *chapter, such complaint to the Commission's general or special counsel hired by the Commissioner pursuant*
6879 *to § 29.5-102, the Office of the Gaming Enforcement Coordinator at the Department of State Police pursuant*
6880 *to § 52-54, and the attorney for the Commonwealth in the jurisdiction where such alleged violation occurred*
6881 *for appropriate action.*

6882 D. *Any proceedings or hearings by the Commission under this chapter, where witnesses are subpoenaed*
6883 *and their attendance is required for evidence to be taken or any matter is to be produced to ascertain*
6884 *material evidence, shall take place within the City of Richmond.*

6885 E. *Upon failure to obey a subpoena and upon reasonable notice to all persons affected thereby, the*
6886 *Commission may apply to the Circuit Court of the City of Richmond for an order imposing punishment for*
6887 *contempt of the subpoena or compelling compliance.*

6888 **§ 29.5-505. Suspension or revocation of registration.**

6889 A. *After a hearing with 15 days' notice, the Commissioner may suspend or revoke any registration or*
6890 *impose on such operator a monetary penalty of not more than \$1,000 for each violation of this chapter, not to*
6891 *exceed \$50,000, in any case where a violation of this chapter has been shown by a preponderance of the*
6892 *evidence. The Commissioner may revoke a registration if he finds that facts not known by him at the time he*
6893 *considered the application indicate that such registration should not have been issued.*

6894 B. *The Commissioner may summarily suspend any registration for a period of not more than seven days,*
6895 *pending a hearing and final determination by the Board, if he determines that a violation of this chapter has*
6896 *occurred and emergency action is required to protect the public health, safety, and welfare. The Commission*
6897 *shall (i) schedule a hearing within seven business days after the registration is summarily suspended and (ii)*
6898 *notify the registered operator not less than five business days before the hearing of the date, time, and place*
6899 *of the hearing.*

6900 C. *If any such registration is suspended or revoked, the Commissioner shall state his reasons for doing so,*
6901 *which shall be entered of record. Such action shall be final unless appealed in accordance with § 29.5-506.*
6902 *Suspension or revocation of a registration issued by the Commissioner for any violation shall not preclude*
6903 *civil liability for such violation.*

6904 **§ 29.5-506. Hearing and appeal.**

6905 *Any person aggrieved by a denial of the Commissioner to issue a registration, the suspension or*
6906 *revocation of a registration, the imposition of a fine, or any other action of the Board may seek review of*
6907 *such action in accordance with Article 5 (§ 2.2-4025 et seq.) of the Administrative Process Act in the Circuit*

6908 *Court of the City of Richmond. Further appeals shall also be in accordance with Article 5 (§ 2.2-4025 et*
6909 *seq.) of the Administrative Process Act.*

6910 **§ 29.5-507. Fees and charges.**

6911 *All fees, charges, and monetary penalties collected by the Commission as provided in this chapter shall be*
6912 *paid into a special fund of the state treasury. Such funds shall be used to finance the administration and*
6913 *operation of this chapter.*

6914 **§ 29.5-508. Commission to adjust fees; certain transfer of money collected prohibited.**

6915 *A. Nongeneral funds generated by fees collected in accordance with this chapter on behalf of the*
6916 *Commission and accounted for and deposited into a special fund by the Commissioner shall be held*
6917 *exclusively to cover the expenses of the Commission in administering this chapter and shall not be*
6918 *transferred to any other agency.*

6919 *B. Following the close of any biennium, when the account for the Commission maintained under this*
6920 *chapter shows expenses allocated to it for the past biennium to be more than 10 percent greater or less than*
6921 *moneys collected on behalf of the Commission, it shall revise the fees levied by it for registration and renewal*
6922 *thereof so that the fees are sufficient but not excessive to cover expenses.*

6923 **§ 29.5-509. Public inspection of information filed with the Commission; charges for production.**

6924 *A. Except as provided in subsection B, registrations required to be filed under this chapter shall be open*
6925 *to the public for inspection at such time and under such conditions as the Board may prescribe. A charge not*
6926 *exceeding \$1 per page may be made for any copy of such documents as may be furnished to any person by*
6927 *the Commission.*

6928 *B. Reports, data, or documents submitted to the Commission pursuant to the audit requirements of*
6929 *§ 29.5-503 and records submitted to the Commission as part of an application for registration or renewal*
6930 *that contain information about the character or financial responsibility of the operator or its principal*
6931 *stockholders shall be deemed confidential and shall be exempt from disclosure under the Virginia Freedom of*
6932 *Information Act (§ 2.2-3700 et seq.).*

6933 **§ 29.5-510. Registration not endorsement.**

6934 *No registered operator shall use or exploit the fact of registration under this chapter so as to lead the*
6935 *public to believe that such registration in any manner constitutes an endorsement or approval by the*
6936 *Commonwealth.*

6937 **§ 29.5-511. Acquisition of interest in fantasy contest operator.**

6938 *A. If any person acquires actual control of a registered operator, such person shall register with the*

6939 *Commission in accordance with § 29.5-501.*

6940 *B. Where any such acquisition of control is without prior approval of the Commissioner, the*
6941 *Commissioner may suspend any registration he has issued to such operator, order compliance with this*
6942 *section, or take such other action as may be appropriate within his authority.*

6943 **§ 29.5-512. Civil penalty.**

6944 *In addition to the provisions of § 29.5-505, any person, firm, corporation, association, agent, or employee*
6945 *who knowingly violates any procedure implemented under subsection D of § 29.5-501 or any other provision*
6946 *of this chapter shall be liable for a civil penalty of not more than \$1,000 for each such violation. Such*
6947 *amount shall be recovered in a civil action brought by the Commission and be paid into the Literary Fund.*

6948 **§ 29.5-513. Fantasy contests conducted under this chapter not illegal gambling.**

6949 *A. Nothing contained in Chapter 9 (§ 29.5-900 et seq.) shall be applicable to a fantasy contest conducted*
6950 *in accordance with this chapter. The award of any prize money for any fantasy contest shall not be deemed to*
6951 *be part of any gaming contract within the purview of § 11-14.*

6952 *B. This section shall not apply to any sports betting or related activity that is lawful under Chapter 4*
6953 *(§ 29.5-400 et seq.), which shall be regulated pursuant to such chapter.*

6954 **§ 29.5-514. Liability imposed by other laws not decreased.**

6955 *Except as provided in § 29.5-513, nothing contained in this chapter shall be construed as making lawful*
6956 *any act or omission that is now unlawful or as decreasing the civil or criminal liability of any person imposed*
6957 *by existing laws.*

6958 **CHAPTER 6.**

6959 **LIVE HORSE RACING, HISTORICAL HORSE RACING, AND SIMULCAST HORSE RACING WITH PARI-**
6960 **MUTUEL WAGERING.**

6961 **Article 1.**

6962 **General Provisions.**

6963 **§ 29.5-600. Control of live horse racing, historical horse racing, and simulcast horse racing with pari-**
6964 **mutuel wagering.**

6965 *A. Horse racing with pari-mutuel wagering licensed pursuant to this chapter is permitted in the*
6966 *Commonwealth for the promotion, sustenance, and growth of a native industry, in a manner consistent with*
6967 *the health, safety, and welfare of the people. The Virginia Racing Commission is vested with plenary power*
6968 *and control of all live horse racing and simulcast horse racing with pari-mutuel wagering in the*
6969 *Commonwealth with the power to prescribe regulations and conditions under which such horse racing with*

6970 *pari-mutuel wagering shall be conducted, so as to maintain horse racing in the Commonwealth of the highest*
6971 *quality and free of any corrupt, incompetent, dishonest, or unprincipled practices and to maintain in such*
6972 *racing complete honesty and integrity. The Virginia Racing Commission shall encourage participation by*
6973 *local individuals and businesses in those activities associated with horse racing.*

6974 *B. The conduct of any horse racing or historical horse racing with pari-mutuel wagering, participation in*
6975 *such horse racing or wagering, and entrance to any place where such racing or wagering is conducted is a*
6976 *privilege that may be granted or denied by the Gaming Commission, the Racing Commission, and their duly*
6977 *authorized representatives in their discretion in order to effectuate the purposes set forth in this chapter.*

6978 *C. The award of any prize money for any pari-mutuel wager placed at a racetrack or satellite facility*
6979 *licensed by the Commission or Racing Commission shall not be construed as a part of any gaming contract*
6980 *within the purview of § 11-14.*

6981 *D. This section shall not apply to any sports betting or related activity that is lawful under Chapter 3*
6982 *(§ 29.5-300 et seq.) or 4 (§ 29.5-400 et seq.), which shall be regulated pursuant to such chapters.*

6983 **§ 29.5-601. Definitions.**

6984 *As used in this chapter, unless the context requires a different meaning:*

6985 *"Advance deposit account wagering" means a method of pari-mutuel wagering conducted in the*
6986 *Commonwealth that is permissible under the Interstate Horseracing Act (15 U.S.C. § 3001 et seq.) in which*
6987 *an individual may establish an account with an entity, licensed by the Racing Commission, to place pari-*
6988 *mutuel wagers in person or electronically.*

6989 *"Breakage," with respect to historical horse racing, means the odd cents by which the amount payable on*
6990 *each dollar wagered exceeds a multiple of 10 cents (\$0.10).*

6991 *"Breakage," with respect to horse racing other than historical horse racing, means the odd cents by which*
6992 *the amount payable on each dollar wagered exceeds one cent (\$0.01).*

6993 *"Commission" or "Gaming Commission" means the Virginia Gaming Commission established pursuant to*
6994 *§ 29.5-101.*

6995 *"Dependent" means a son, daughter, father, mother, brother, sister, or other person, whether or not*
6996 *related by blood or marriage, if such person receives from an officer or employee more than one-half of his*
6997 *financial support.*

6998 *"Drug" means the same as that term is defined in § 54.1-3401. The Racing Commission shall, by*
6999 *regulation, define and designate those drugs the use of which is prohibited or restricted.*

7000 *"Enclosure" means all areas of the property of a racetrack to which admission can be obtained only by*

7001 *payment of an admission fee or upon presentation of authorized credentials, and any additional areas*
7002 *designated by the Racing Commission.*

7003 *"E-permit" means a historical horse racing employee permit issued pursuant to § 29.5-630 or a live horse*
7004 *racing employee permit issued pursuant to § 29.5-631.*

7005 *"Executive Secretary" means the Executive Secretary of the Virginia Racing Commission appointed by the*
7006 *Commissioner pursuant to § 29.5-102.*

7007 *"Force majeure" means an event reasonably beyond the ability of the Racing Commission to anticipate or*
7008 *control. "Force majeure" includes acts of God, incidences of terrorism, war or riots, labor strikes or civil*
7009 *disturbances, floods, earthquakes, fires, explosions, epidemics, hurricanes, tornadoes, and governmental*
7010 *actions or restrictions.*

7011 *"Handle" means the total amount of all pari-mutuel wagering sales excluding refunds and cancellations.*

7012 *"Historical horse racing" means a form of horse racing that creates pari-mutuel pools from wagers*
7013 *placed on previously conducted horse races and is hosted at (i) a racetrack owned or operated by a*
7014 *significant infrastructure limited licensee or (ii) a satellite facility that is owned or operated by (a) a*
7015 *significant infrastructure limited licensee or (b) the recognized industry stakeholder organization licensed to*
7016 *own or operate such satellite facility.*

7017 *"Historical horse racing license" means a license issued by the Commissioner authorizing the operation*
7018 *of historical horse racing at a licensed significant infrastructure facility or a licensed satellite facility.*

7019 *"Horse racing" or "live horse racing" means a competition on a set course involving a race between*
7020 *horses on which pari-mutuel wagering is permitted. Unless the context requires otherwise, "horse racing"*
7021 *does not include historical horse racing.*

7022 *"Immediate family" means (i) a spouse and (ii) any other person residing in the same household as an*
7023 *officer or employee, who is a dependent of the officer or employee or of whom the officer or employee is a*
7024 *dependent.*

7025 *"Licensee" includes any person holding an owner's, operator's, or historical horse racing license*
7026 *pursuant to this chapter.*

7027 *"Member" includes any person designated a member of a nonstock corporation, and any person who, by*
7028 *means of a pecuniary or other interest, in such corporation exercises the power of a member.*

7029 *"Pari-mutuel wagering" means the system of wagering on horse races in which those who wager on*
7030 *horses that finish in the position or positions for which wagers are taken share in the total amounts wagered,*
7031 *plus any amounts provided by a licensee, less deductions required or permitted by law and includes pari-*

7032 *mutuel wagering on historical horse racing and simulcast horse racing originating within the Commonwealth*
7033 *or from any other jurisdiction.*

7034 *"Participant" means any person who (i) has an ownership interest in any horse entered to race in the*
7035 *Commonwealth or who acts as the trainer, jockey, or driver of any horse entered to race in the*
7036 *Commonwealth or (ii) takes part in any horse racing subject to the jurisdiction of the Racing Commission or*
7037 *in the conduct of a race meeting or pari-mutuel wagering there, including a horse owner, trainer, jockey, or*
7038 *driver, groom, stable foreman, valet, veterinarian, agent, pari-mutuel employee, vendor or employee thereof,*
7039 *track employee, or other position the Executive Secretary deems necessary to regulate to ensure the integrity*
7040 *of horse racing in the Commonwealth.*

7041 *"Permit holder" includes any person holding a (i) historical horse racing employee permit (HHR e-*
7042 *permit) to participate in historical horse racing subject to the jurisdiction of the Virginia Gaming*
7043 *Commission or (ii) live horse racing employee permit (LHR e-permit) to participate in any horse racing*
7044 *subject to the jurisdiction of the Racing Commission or in the conduct of a race meeting or pari-mutuel*
7045 *wagering thereon.*

7046 *"Person" means the same as that term is defined in § 1-230.*

7047 *"Pool" means the amount wagered during a race meeting or during a specified period of a race meeting.*

7048 *"Principal stockholder" means any person who individually or in concert with his spouse and immediate*
7049 *family members, beneficially owns or controls, directly or indirectly, five percent or more of the stock of any*
7050 *person that is a licensee, or who in concert with his spouse and immediate family members, has the power to*
7051 *vote or cause the vote of five percent or more of any such stock. However, "principal stockholder" does not*
7052 *include a broker-dealer registered under the Securities Exchange Act of 1934 (15 U.S.C. § 78A et seq.), as*
7053 *amended, which holds in inventory shares for sale on the financial markets for a publicly traded corporation*
7054 *holding, directly or indirectly, a license from the Gaming Commission or the Racing Commission, as*
7055 *applicable.*

7056 *"Race meeting" means the whole consecutive period of time during which live horse racing with pari-*
7057 *mutuel wagering is conducted by a licensee.*

7058 *"Racetrack" means an outdoor course located in the Commonwealth that is laid out for live horse racing*
7059 *and is licensed by the Racing Commission.*

7060 *"Racing Commission" means the Virginia Racing Commission established pursuant to § 29.5-602.*

7061 *"Recognized industry stakeholder organization" means the nonprofit industry stakeholder organization*
7062 *recognized by the Racing Commission to include the recognized majority horsemen's group, a breeder's*

7063 organization, and a licensed racetrack operator for the purpose of promoting, sustaining, and advancing
7064 horse racing within the Commonwealth.

7065 "Recognized majority horsemen's group" means the organization recognized by the Racing Commission
7066 as the representative of the majority of owners and trainers racing at race meetings subject to the Racing
7067 Commission's jurisdiction.

7068 "Retainage" means the total amount deducted from the pari-mutuel wagering pool for (i) a license fee to
7069 the Gaming Commission or Racing Commission, as applicable, and localities, (ii) the licensee, (iii) purse
7070 money for the participants, (iv) the Virginia Breeders Fund, and (v) certain enumerated organizations as
7071 required or permitted by law, regulation, or contract approved by the Gaming Commission or Racing
7072 Commission, as applicable.

7073 "Satellite facility" means all areas of the property at which simulcast horse racing is received for the
7074 purposes of pari-mutuel wagering, and any additional areas designated by the Racing Commission.

7075 "Significant infrastructure facility" means a horse racing facility that has been approved by a local
7076 referendum pursuant to § 29.5-634 and has a minimum racing infrastructure consisting of (i) a one-mile dirt
7077 racetrack for flat racing, (ii) a seven-eighths-mile turf course for flat or jump racing, (iii) covered seating for
7078 no fewer than 500 persons, and (iv) barns with no fewer than 400 permanent stalls.

7079 "Significant infrastructure limited licensee" means a person who owns or operates a significant
7080 infrastructure facility and holds a limited license under § 29.5-616.

7081 "Simulcast horse racing" means the simultaneous transmission of the audio or video portion, or both, of
7082 horse races from a licensed horse racetrack or satellite facility to another licensed horse racetrack or
7083 satellite facility, regardless of state of licensure, whether such races originate within the Commonwealth or
7084 any other jurisdiction, by satellite communication devices, television cables, telephone lines, or any other
7085 means for the purposes of conducting pari-mutuel wagering.

7086 "Steward" means a racing official, employed by the Executive Secretary, with powers and duties
7087 prescribed by Racing Commission regulations.

7088 "Stock" includes all classes of stock, partnership interest, membership interest, or similar ownership
7089 interest of an applicant or licensee, and any debt or other obligation of such person or an affiliated person if
7090 the Commission or Racing Commission, as applicable, finds that the holder of such interest or stock derives
7091 therefrom such control of or voice in the operation of the applicant or licensee that he should be deemed an
7092 owner of stock.

7093 "Virginia Breeders Fund" means the fund established pursuant to § 29.5-611 to foster the industry of

7094 *breeding race horses in the Commonwealth.*

7095 **§ 29.5-602. Virginia Racing Commission; purpose; membership; compensation; duties.**

7096 *A. The Virginia Racing Commission is established as a policy commission for the purpose of controlling*
7097 *and regulating all aspects of the horse racing industry in the Commonwealth with respect to live and*
7098 *simulcast horse racing with pari-mutuel wagering. The Racing Commission shall have a total membership of*
7099 *six members to be appointed as follows: five nonlegislative citizen members with voting privileges appointed*
7100 *by the Governor, subject to confirmation by the General Assembly, and one member of the Virginia Gaming*
7101 *Commission Board appointed by the chair of the Board who shall serve in an advisory role with nonvoting*
7102 *privileges. Nonlegislative citizen members shall be citizens of the Commonwealth.*

7103 *Appointments to fill vacancies, other than by expiration of a term, shall be for the unexpired terms.*

7104 *Vacancies shall be filled in the same manner as the original appointments. All members may be reappointed.*

7105 *After the initial staggering of terms, nonlegislative citizen members shall be appointed for a term of five*
7106 *years.*

7107 *The Racing Commission shall elect a chair and vice-chair from among its membership. A majority of the*
7108 *voting members shall constitute a quorum. The meetings of the Racing Commission shall be held at the call of*
7109 *the chair or whenever the majority of the members so request.*

7110 *Members shall receive such compensation for the performance of their duties as provided in § 2.2-2813.*

7111 *All members shall be reimbursed for all reasonable and necessary expenses incurred in the performance of*
7112 *their duties as provided in §§ 2.2-2813 and 2.2-2825. Funding for the costs of compensation and expenses of*
7113 *the members shall be provided by the Virginia Gaming Commission.*

7114 *B. The Racing Commission, or the Executive Secretary acting on its behalf, shall have the power and duty*
7115 *to:*

7116 *1. Visit, investigate, and have free access to the office, track, facilities, satellite facilities, or other places*
7117 *of business of any licensee or permit holder, and compel the production of any of the books, documents,*
7118 *records, or memoranda of any licensee or permit holder for the purpose of satisfying itself that the provisions*
7119 *of this chapter and its regulations are strictly complied with. The Racing Commission may require any*
7120 *person granted a permit by the Racing Commission and shall require any person licensed by the Racing*
7121 *Commission pursuant to this chapter, the recognized majority horsemen's group, and the recognized industry*
7122 *stakeholder organization to produce an annual balance sheet and operating statement prepared by a certified*
7123 *public accountant approved by the Racing Commission. The Racing Commission may require the production*
7124 *of any contract to which such person is or may be a party.*

7125 2. Promulgate regulations and conditions under which live horse racing and simulcast horse racing with
7126 pari-mutuel wagering shall be conducted in the Commonwealth, and all such other regulations the Racing
7127 Commission deems necessary and appropriate to effect the purposes of this chapter, including a requirement
7128 that licensees post, in a conspicuous location in every place where pari-mutuel wagering is conducted, (i) a
7129 sign that bears the toll-free telephone number for the National Problem Gambling Helpline and (ii) a sign
7130 that bears the toll-free number and website for the illegal gaming tip line established and administered by the
7131 Office of the Gaming Enforcement Coordinator in the Department of State Police pursuant to § 52-54 for
7132 members of the public to report concerns about, or suspected instances of, illegal gaming activities. To the
7133 extent permitted by law, such regulations shall include provisions for affirmative action to assure
7134 participation by minority persons in contracts granted by the Racing Commission and its licensees. Nothing
7135 in this subdivision shall be deemed to preclude private local ownership or participation in any horse
7136 racetrack. Such regulations may include penalties for violations. The promulgation of such regulations shall
7137 be subject to the provisions of the Administrative Process Act (§ 2.2-4000 et seq.).

7138 3. Promulgate regulations and conditions under which simulcast horse racing shall be conducted at a
7139 licensed racetrack or satellite facility in the Commonwealth and all such other regulations it deems necessary
7140 and appropriate to effect the purposes of this chapter. Such regulations shall include provisions that all
7141 simulcast horse racing shall comply with the Interstate Horse Racing Act of 1978 (15 U.S.C. § 3001 et seq.)
7142 and shall require the holder of a license to schedule no more than 125 live racing days in the Commonwealth
7143 each calendar year; however, the Racing Commission shall have the authority to alter the required number
7144 of live racing days in the event of force majeure. Such regulations shall authorize up to 10 satellite facilities
7145 and restrict majority ownership of satellite facilities to an entity licensed by the Racing Commission that is a
7146 significant infrastructure limited licensee. In no event shall the Racing Commission authorize any such
7147 entities to own or operate more than a combined total of 10 satellite facilities. Nothing in this subdivision
7148 shall be deemed to preclude private local ownership or participation in any satellite facility. Except as
7149 authorized pursuant to subdivision 4, wagering on simulcast horse racing shall take place only at a licensed
7150 racetrack or satellite facility.

7151 4. Promulgate regulations controlling advance deposit account wagering. Such regulations shall include
7152 (i) standards, qualifications, and procedures for the issuance of a license to an entity for the operation of
7153 pari-mutuel wagering in the Commonwealth, except that the Racing Commission shall not issue a license to,
7154 and shall revoke the license of, an entity that, either directly or through an entity under common control with
7155 it, withholds the sale at fair market value to a licensee of simulcast horse racing signals that such entity or an

7156 *entity under common control with it sells to other racetracks, satellite facilities, or advance deposit account*
7157 *wagering providers located in or outside of the Commonwealth; (ii) provisions regarding access to books,*
7158 *records, and memoranda, and submission to investigations and audits, as authorized by subdivisions 1 and 7;*
7159 *and (iii) provisions regarding the collection of all revenues due to the Commonwealth from the placing of*
7160 *such wagers. No pari-mutuel wager may be made on or with any computer owned or leased by the*
7161 *Commonwealth, or any of its political subdivisions, or at any public elementary or secondary school or*
7162 *institution of higher education. The Racing Commission also shall ensure that, except for advance deposit*
7163 *account wagering, all wagering on simulcast horse racing shall take place only at a licensed racetrack or*
7164 *satellite facility.*

7165 *Nothing in this subdivision shall be construed to limit the Racing Commission's authority as set forth*
7166 *elsewhere in this section.*

7167 *5. Compel any person holding a license or permit issued by the Racing Commission to file with the Racing*
7168 *Commission such data as shall appear to the Racing Commission to be necessary for the performance of its*
7169 *duties including all financial statements and information relative to stockholders and all others with*
7170 *pecuniary interest in such person. It may prescribe the manner in which books and records of such persons*
7171 *shall be kept.*

7172 *6. Report annually on or before March 1 to the Gaming Commission, which report shall include a*
7173 *financial statement of the operation of the Racing Commission.*

7174 *7. Order such audits, in addition to those required by § 29.5-610, as it deems necessary and desirable.*

7175 *8. Report immediately, upon the receipt of a complaint of an alleged criminal violation of this chapter,*
7176 *such complaint to the associate general counsel hired by the Commissioner to represent the interests of the*
7177 *Racing Commission, the Office of the Gaming Enforcement Coordinator at the Department of State Police*
7178 *pursuant to § 52-54, and the attorney for the Commonwealth in the jurisdiction where such alleged violation*
7179 *occurred for appropriate action.*

7180 *9. Provide for the withholding of the applicable amount of state and federal income tax of persons*
7181 *claiming a prize or pay-off for a winning wager and shall establish the threshold for such withholdings.*

7182 *10. Promulgate regulations defining and designating those drugs the use of which is prohibited or*
7183 *restricted.*

7184 *11. Subject, within the enclosure, stable, or other facility related to the conduct of horse racing, and*
7185 *during regular or usual business hours, any (i) permit holder to personal inspections, including alcohol and*
7186 *drug testing for illegal drugs, inspections of personal property, and inspections of other property or premises*

7187 *under the control of such permit holder and (ii) horse eligible to race at a race meeting licensed by the*
7188 *Racing Commission to testing for substances foreign to the natural horse within the racetrack enclosure or*
7189 *other place where such horse is kept. Any item, document, or record indicative of a violation of any provision*
7190 *of this chapter or Racing Commission regulations may be seized as evidence of such violation. All permit*
7191 *holders shall consent to the searches and seizures authorized by this subdivision, including breath, blood,*
7192 *and urine sampling for alcohol and illegal drugs. The Racing Commission may revoke or suspend the permit*
7193 *of any person who fails or refuses to comply with this subdivision or any rules and regulations of the Racing*
7194 *Commission.*

7195 *12. Require the existence of a contract between each licensee and the recognized horsemen's group for*
7196 *such licensee. Such contract shall be subject to the approval of the Racing Commission, which shall have the*
7197 *power to approve or disapprove any of its items, including the provisions regarding purses and prizes. Such*
7198 *contracts shall provide that on pools generated by wagering on simulcast horse racing from outside the*
7199 *Commonwealth, (i) for the first \$75 million of the total pari-mutuel handle for each breed, the licensee shall*
7200 *deposit funds at the minimum rate of five percent in the horsemen's purse account; (ii) for any amount in*
7201 *excess of \$75 million but less than \$150 million of the total pari-mutuel handle for each breed, the licensee*
7202 *shall deposit funds at the minimum rate of six percent in the horsemen's purse account; and (iii) for amounts*
7203 *in excess of \$150 million for each breed, the licensee shall deposit funds at the minimum rate of seven*
7204 *percent in the horsemen's purse account. Such deposits shall be made in the horsemen's purse accounts of the*
7205 *breed that generated the pools and such deposits shall be made within five days from the date on which the*
7206 *licensee receives wagers. In the absence of the required contract between the licensee and the recognized*
7207 *majority horsemen's group, the Racing Commission may permit wagering to proceed on simulcast horse*
7208 *racing from outside of the Commonwealth, provided that the licensee deposits into the Horse Racing*
7209 *Operations Fund, created pursuant to § 29.5-606, an amount equal to the minimum percentage of the total*
7210 *pari-mutuel handles as required in clauses (i), (ii), and (iii) or such lesser amount as the Racing Commission*
7211 *may approve. The deposits shall be made within five days from the date on which the licensee receives*
7212 *wagers. Once a contract between the licensee and the recognized majority horsemen's group is executed and*
7213 *approved by the Racing Commission, the Racing Commission shall transfer the funds to the licensee and the*
7214 *horsemen's purse accounts.*

7215 *13. Grant to an applicant, notwithstanding the provisions of § 29.5-634, provisional limited licenses or*
7216 *provisional unlimited licenses to own or operate racetracks or satellite facilities prior to the applicant*
7217 *securing the approval through the local referendum required by § 29.5-634. The provisional licenses issued*

7218 *by the Racing Commission shall only become effective upon the approval of the racetrack or satellite*
7219 *wagering facilities in a referendum conducted pursuant to § 29.5-634 in the jurisdiction in which the*
7220 *racetrack or satellite wagering facility is to be located.*

7221 *14. Keep a complete and accurate record of its proceedings. A copy of such record and any other public*
7222 *records not exempt from disclosure under the Virginia Freedom of Information Act (§ 2.2-3700 et seq.) shall*
7223 *be available for public inspection and copying during regular office hours at the Racing Commission.*

7224 *15. Promote the growth of the equine industry by implementing strategic initiatives aimed at enhancing*
7225 *industry visibility and economic viability. The Racing Commission shall also focus on sustaining the industry*
7226 *through support programs for existing stakeholders and infrastructure development. Further, the Racing*
7227 *Commission shall encourage participation by local individuals and businesses in activities associated with*
7228 *horse racing.*

7229 **§ 29.5-603. Financial interests of Racing Commission members and family members prohibited.**

7230 *No member of the Racing Commission, and no spouse or immediate family member of any such member*
7231 *shall have any financial interest, direct or indirect, in (i) any horse racetrack, satellite facility, or operation*
7232 *incident thereto subject to the provisions of this chapter; (ii) any entity that has submitted an application for*
7233 *a license pursuant to this chapter; (iii) the operation of any such racetrack or satellite facility within the*
7234 *Commonwealth; or (iv) the operation of any wagering authorized under this chapter. No member of the*
7235 *Racing Commission and no spouse or immediate family member of any such member shall (a) participate as*
7236 *owner of a horse or otherwise as a contestant in any horse race subject to the jurisdiction of the Racing*
7237 *Commission; (b) have any pecuniary interest in the purse or prize contested for in any such horse race; or (c)*
7238 *make any contribution to a candidate for office or office holders on the local or state level, or cause a*
7239 *contribution to be made on their behalf.*

7240 **§ 29.5-604. Powers and duties of the Gaming Commission; historical horse racing.**

7241 *The Virginia Gaming Commission and the Board shall have all powers and duties necessary to carry out*
7242 *the provisions of this chapter related to the administration and regulation of historical horse racing.*

7243 *Such powers and duties shall include:*

7244 *1. The Commission, its representatives, and employees shall visit, investigate, and have free access to the*
7245 *office, racetrack, facilities, satellite facilities, or other places of business of any historical horse racing*
7246 *licensee, and may compel the production of any of the books, documents, records, or memoranda of any*
7247 *licensee for the purpose of satisfying itself that this chapter and its regulations are strictly complied with.*

7248 *2. The Board shall promulgate regulations and conditions under which historical horse racing shall be*

7249 conducted in the Commonwealth, and all such other regulations it deems necessary and appropriate to effect
7250 the purposes of this chapter, including a requirement that licensees post, in a conspicuous place in every
7251 place where pari-mutuel wagering is conducted, (i) a sign that bears the toll-free telephone number for the
7252 National Problem Gambling Helpline and (ii) a sign that bears the toll-free number and website for the
7253 illegal gaming tip line established and administered by the Office of the Gaming Enforcement Coordinator in
7254 the Department of State Police pursuant to § 52-54 for members of the public to report concerns about, or
7255 suspected instances of, illegal gaming activities. Such regulations shall include provisions for affirmative
7256 action to assure participation by minority persons in contracts granted by the Commission and its licensees.
7257 Nothing in this subdivision shall be deemed to preclude private local ownership or participation in any horse
7258 racetrack. Such regulations may include penalties for violations. The promulgation of such regulations shall
7259 be subject to the provisions of the Administrative Process Act (§ 2.2-4000 et seq.).

7260 3. The Board may issue subpoenas for the attendance of witnesses before it, administer oaths, and compel
7261 production of records or other documents and testimony of such witnesses whenever, in the judgment of the
7262 Board, it is necessary to do so for the effectual discharge of its duties.

7263 4. The Board may compel any person holding a historical horse racing license to file with the Commission
7264 such data as shall appear to the Board to be necessary for the performance of its duties including financial
7265 statements and information relative to stockholders and all others with any pecuniary interest in such person.
7266 It may prescribe the manner in which books and records of such persons shall be kept.

7267 5. The Commission shall report annually on or before October 1 to the Governor and the General
7268 Assembly, which report shall include a financial statement of the operation of the Commission with respect to
7269 historical horse racing and the information reported to the Commission by the Racing Commission pursuant
7270 to subdivision B 6 of § 29.5-602.

7271 6. The Commission may order such audits, in addition to those required by § 29.5-610, as it deems
7272 necessary and desirable.

7273 7. The Commission, shall upon the receipt of a complaint of an alleged criminal violation of this chapter,
7274 immediately report the complaint to the Commission's general or special counsel hired by the Commissioner
7275 pursuant to § 29.5-102, the Office of the Gaming Enforcement Coordinator at the Department of State Police
7276 pursuant to § 52-54, and the attorney for the Commonwealth in the jurisdiction where such alleged violation
7277 occurred for appropriate action.

7278 8. The Commission shall provide for the withholding of the applicable amount of state and federal income
7279 tax of persons claiming a prize or pay-off for a winning wager and shall establish the thresholds for such

7280 *withholdings.*

7281 *9. The Board, in consultation and with the advice and consent of the Racing Commission, shall*
7282 *promulgate regulations requiring, for each calendar year, any significant infrastructure limited licensee that*
7283 *offers pari-mutuel wagering on historical horse racing to hold at least one live Thoroughbred horse racing*
7284 *day, consisting of not less than eight races per day, for every 100 historical horse racing terminals installed*
7285 *at its significant infrastructure facility together with any satellite facility owned, operated, controlled,*
7286 *managed, or otherwise directly or indirectly affiliated with such licensee. The regulations shall require any*
7287 *such significant infrastructure limited licensee that holds more than one live Thoroughbred horse racing day*
7288 *in accordance with the provisions of this subdivision to hold at least one of those racing days on a weekend.*
7289 *The number of historical horse racing terminals installed at a significant infrastructure facility shall be*
7290 *calculated as of December 31 of the calendar year in question; however, only historical horse racing*
7291 *terminals that are fully operational shall be included in such calculation.*

7292 **§ 29.5-605. Executive Secretary; duties; staff and stewards.**

7293 *A. The Commissioner of the Gaming Commission shall employ an Executive Secretary of the Racing*
7294 *Commission to supervise and oversee the conduct of the Virginia Racing Commission. The Executive*
7295 *Secretary, in addition to any other duties prescribed by the Commissioner, shall keep a true and full record*
7296 *of all proceedings of the Racing Commission and preserve all books, documents, and papers of the Racing*
7297 *Commission. Neither the Executive Secretary nor the spouse or any member of the immediate family of the*
7298 *Executive Secretary shall make any contributions to a candidate for office or office holder at the local or*
7299 *state level, or cause such a contribution to be made on his behalf.*

7300 *B. The Executive Secretary shall have the power and duty to:*

7301 *1. Employ such persons to be present at race meetings as are necessary to ensure that such meetings are*
7302 *conducted with order and the highest degree of integrity and to allow the Racing Commission to eject or*
7303 *exclude from the enclosure or from any part of such enclosure any person, whether or not he possesses a*
7304 *license or permit, whose conduct or reputation is such that his presence may, in the opinion of the Racing*
7305 *Commission, reflect on the honesty and integrity of horse racing or interfere with the orderly conduct of*
7306 *horse racing.*

7307 *2. Issue subpoenas for the attendance of witnesses before the Racing Commission, administer oaths, and*
7308 *compel production of records or other documents and testimony of such witnesses whenever, in his judgment,*
7309 *it is necessary to do so for the effectual discharge of his duties or the duties of the Racing Commission.*

7310 *3. Enter into arrangements with any foreign or domestic government or governmental agency, for the*

7311 *purposes of exchanging information or performing any other act to better ensure the proper conduct of live*
7312 *or simulcast horse racing.*

7313 *C. The Commissioner of the Gaming Commission and the Executive Secretary of the Racing Commission*
7314 *shall employ such persons as they deem essential to perform the relevant duties pursuant to this chapter,*
7315 *each of whom shall possess such authority and perform such functions as the Commissioner or Executive*
7316 *Secretary shall prescribe or delegate to them. Such employees may include stewards, chemists, veterinarians,*
7317 *inspectors, accountants, guards, and such other employees deemed to be necessary for the supervision and*
7318 *the proper conduct of the highest standard of live, historical, and simulcast horse racing. Such employees*
7319 *shall be compensated as provided by the Gaming Commission.*

7320 *D. The stewards employed by the Executive Secretary shall act as racing officials to oversee the conduct*
7321 *of (i) horse racing at licensed racetracks and (ii) simulcast horse racing at satellite facilities. The stewards*
7322 *shall have the authority to interpret and enforce the Racing Commission's regulations and to decide all*
7323 *questions of live horse racing and simulcast horse racing not specifically covered by the regulations of the*
7324 *Racing Commission. Nothing in this subsection shall limit the authority of the Commissioner to carry out the*
7325 *provisions of this chapter and to exercise control of horse racing as set forth in this chapter, including the*
7326 *power to review all decisions and rulings of the stewards.*

7327 **§ 29.5-606. Horse Racing Operations Fund.**

7328 *There is hereby created in the state treasury a special nonreverting fund to be known as the Horse Racing*
7329 *Operations Fund, referred to in this section as "the Fund." The Fund shall be established on the books of the*
7330 *Comptroller. All moneys and revenues received by the Virginia Gaming Commission or the Virginia Racing*
7331 *Commission pursuant to the provisions of this chapter and all funds appropriated for the operations of the*
7332 *Racing Commission shall be paid into the state treasury and credited to the Fund. Interest earned on moneys*
7333 *in the Fund shall remain in the Fund and be credited to it. Any moneys remaining in the Fund, including*
7334 *interest thereon, at the end of each fiscal year shall not revert to the general fund but shall remain in the*
7335 *Fund. Moneys in the Fund shall be used for paying (i) administrative and operational expenses of the Racing*
7336 *Commission; (ii) costs associated with participation in federally mandated programs, including the*
7337 *Horseracing Integrity and Safety Authority and the Horseracing Integrity and Welfare Unit; and (iii) costs*
7338 *association with the promotion, sustenance, and growth of the equine industry in the Commonwealth.*
7339 *Expenditures and disbursements from the Fund shall be made by the State Treasurer on warrants issued by*
7340 *the Comptroller upon written request signed by the Executive Secretary.*

7341 **§ 29.5-607. Fingerprints and background investigations; investigations from other states.**

7342 A. The Commission, in conjunction with an accredited law-enforcement agency, shall conduct a
7343 background investigation, including a criminal history records check and fingerprinting of the following
7344 persons: (i) every person licensed to hold race meetings within the Commonwealth; (ii) every person who is
7345 an officer, director, or principal stockholder of a corporation that holds such a license, and every employee
7346 of the holder of any such license whose duties relate to the horse racing business in the Commonwealth,
7347 including historical horse racing; (iii) all security personnel of any license holder; (iv) members of the
7348 Virginia Racing Commission; (v) all permit holders, including owners, trainers, jockeys, apprentices, stable
7349 employees, managers, agents, blacksmiths, veterinarians, and employees of any licensee or permit holder;
7350 and (vi) any person who actively participates in the horse racing activities of any licensee or permit holder.
7351 Each such person shall submit his fingerprints and personal descriptive information to the Central Criminal
7352 Records Exchange to be forwarded to the Federal Bureau of Investigation for a national criminal records
7353 search and to the Department of State Police for a Virginia criminal history records check. The results of the
7354 background check and national and state criminal records check shall be returned to the Commissioner, or
7355 his designee, who shall be part of a governmental entity.

7356 **§ 29.5-608. Hearing and appeal.**

7357 Any person aggrieved by (i) a refusal of the Commissioner or the Racing Commission to issue any license
7358 or e-permit, (ii) the suspension or revocation of a license or e-permit, (iii) the imposition of a fine, or (iv) any
7359 other action of the Gaming Commission, Board, or Racing Commission pursuant to this chapter, may seek
7360 review of such action in accordance with Article 5 (§ 2.2-4025 et seq.) of the Administrative Process Act in
7361 the Circuit Court of the City of Richmond, and any further appeals shall also be in accordance with such
7362 article.

7363 **§ 29.5-609. Injunction.**

7364 Whenever it appears to the Gaming Commission or Racing Commission, as applicable, that any person
7365 has violated or may violate any provision of this chapter, any Board or Racing Commission regulation, or
7366 final decision of the Gaming Commission or Racing Commission, such Commission may apply to the
7367 appropriate circuit court for an injunction against such person. The order granting or refusing such
7368 injunction shall be subject to appeal as in other cases in equity.

7369 **§ 29.5-610. Audit required.**

7370 A regular post-audit shall be conducted of all accounts and transactions of the Gaming Commission and
7371 the Racing Commission conducted pursuant to this chapter. An audit of a fiscal and compliance nature of
7372 such accounts and transactions of the Gaming Commission and the Racing Commission shall be conducted

7373 *by the Auditor of Public Accounts as determined necessary by him. The cost of the audit and post-audit*
7374 *examinations shall be paid by the Gaming Commission or the Racing Commission, as applicable.*

7375 **§ 29.5-611. Virginia Breeders Fund.**

7376 *There is hereby created within the State Treasury the Virginia Breeders Fund, referred to in this section*
7377 *as "the Fund," which Fund, together with the interest thereon, shall be administered in whole or in part by*
7378 *the Commission or by an entity designated by the Commission, with the advice of, in consultation with, and*
7379 *with the consent of the Racing Commission. The cost of administering and promoting the Fund shall be*
7380 *deducted from the Fund, and the balance shall be disbursed by the Commission or designated entity to the*
7381 *breeders of Virginia-bred horses that finish first, second, or third in races at race meetings designated by the*
7382 *Racing Commission, to the owners of Virginia sires of Virginia-bred horses that finish first, second, or third*
7383 *in races at race meetings designated by the Racing Commission, to the owners of Virginia-bred horses that*
7384 *win or earn purse money in nonrestricted races at racetracks in the Commonwealth licensed by the Racing*
7385 *Commission, to the owners of Virginia-bred horses that win races at race meetings designated by the Racing*
7386 *Commission, and for purses for races restricted to Virginia-bred or Virginia-sired horses or both at race*
7387 *meetings designated by the Racing Commission. To assist the Commission in establishing this awards and*
7388 *incentive program to foster the industry of breeding racehorses in the Commonwealth, the Board shall*
7389 *appoint an advisory committee composed of two members from each of the registered breed associations*
7390 *representing each breed of horse participating in the Fund program, one member representing the owners*
7391 *and operators of racetracks, and one member representing all of the meets sanctioned by the National*
7392 *Steeplechase Association.*

7393 *Article 2.*

7394 *Live Horseracing Compact.*

7395 **§ 29.5-612. Live Horseracing Compact; form of compact.**

7396 *The Live Horseracing Compact is enacted into law and entered into with all other jurisdictions legally*
7397 *joining therein in the form substantially as follows:*

7398 *ARTICLE I. Purposes.*

7399 *§ 1. Purposes.*

7400 *The purposes of this compact are to:*

7401 *1. Establish uniform requirements among the party states for the licensing of participants in live horse*
7402 *racing with pari-mutuel wagering, and ensure that all such participants who are licensed pursuant to this*
7403 *compact meet a uniform minimum standard of honesty and integrity.*

7404 2. Facilitate the growth of the horse racing industry in each party state and nationwide by simplifying the
7405 process for licensing participants in live racing, and reduce the duplicative and costly process of separate
7406 licensing by the regulatory agency in each state that conducts live horse racing with pari-mutuel wagering.

7407 3. Authorize the Virginia Gaming Commission to participate in this compact.

7408 4. Provide for participation in this compact by officials of the party states, and permit those officials,
7409 through the compact committee established by this compact, to enter into contracts with governmental
7410 agencies and nongovernmental persons to carry out the purposes of this compact.

7411 5. Establish the compact committee created by this compact as an interstate governmental entity duly
7412 authorized to request and receive criminal history record information from the Federal Bureau of
7413 Investigation and other state and local law-enforcement agencies.

7414 **ARTICLE II. Definitions.**

7415 § 2. Definitions.

7416 "Compact committee" means the organization of officials from the party states that is authorized and
7417 empowered by this compact to carry out the purposes of this compact.

7418 "Official" means the appointed, elected, designated, or otherwise duly selected representative of a racing
7419 commission or the equivalent thereof in a party state who represents that party state as a member of the
7420 compact committee.

7421 "Participants in live racing" means participants in live horse racing with pari-mutuel wagering in the
7422 party states.

7423 "Party state" means each state that has enacted this compact.

7424 "State" means each of the several states of the United States, the District of Columbia, the Commonwealth
7425 of Puerto Rico, and each territory or possession of the United States.

7426 **ARTICLE III. Entry into Force, Eligible Parties, and Withdrawal.**

7427 § 3. Entry into force.

7428 This compact shall come into force when enacted by any four states. Thereafter, this compact shall
7429 become effective as to any other state upon (i) that state's enactment of this compact and (ii) the affirmative
7430 vote of a majority of the officials on the compact committee as provided in § 8.

7431 § 4. States eligible to join compact.

7432 Any state that has adopted or authorized horse racing with pari-mutuel wagering shall be eligible to
7433 become party to this compact.

7434 § 5. Withdrawal from compact and impact thereof on force and effect of compact.

7435 Any party state may withdraw from this compact by enacting a statute repealing this compact, but no such
7436 withdrawal shall become effective until the head of the executive branch of the withdrawing state has given
7437 notice in writing of such withdrawal to the head of the executive branch of all other party states. If as a result
7438 of withdrawals participation in this compact decreases to less than three party states, this compact no longer
7439 shall be in force and effect unless and until there are at least three or more party states again participating in
7440 this compact.

7441 ARTICLE IV. Compact Committee.

7442 § 6. Compact committee established.

7443 There is hereby created an interstate governmental entity to be known as the "compact committee," which
7444 shall be composed of one official from the racing commission or its equivalent in each party state who shall
7445 be appointed, serve, and be subject to removal in accordance with the laws of the party state he represents.
7446 Pursuant to the laws of his party state, each official shall have the assistance of his state's racing commission
7447 or the equivalent thereof in considering issues related to licensing of participants in live racing and in
7448 fulfilling his responsibilities as the representative from his state to the compact committee. If an official is
7449 unable to perform any duty in connection with the powers and duties of the compact committee, the racing
7450 commission or equivalent thereof from his state shall designate an alternate who shall serve in his place and
7451 represent the party state as its official on the compact committee until that racing commission or equivalent
7452 thereof determines that the original representative official is able once again to perform his duties as that
7453 party state's representative official on the compact committee. The designation of an alternate shall be
7454 communicated by the affected state's racing commission or equivalent thereof to the compact committee as
7455 the committee's bylaws may provide.

7456 § 7. Powers and duties of compact committee.

7457 In order to carry out the purposes of this compact, the compact committee is hereby granted the power
7458 and duty to:

7459 1. Determine which categories of participants in live racing, including but not limited to owners, trainers,
7460 jockeys, grooms, mutuel clerks, racing officials, veterinarians, and farriers, and which categories of
7461 equivalent participants in live racing with pari-mutuel wagering authorized in two or more of the party
7462 states, should be licensed by the committee, and establish the requirements for the initial licensure of
7463 applicants in each such category, the term of the license for each category, and the requirements for renewal
7464 of licenses in each category, provided, however, that with regard to requests for criminal records on the
7465 issuance or renewal of a license, the compact committee shall determine for each category of participants in

7466 *live racing which licensure requirements for that category are, in its judgment, the most restrictive licensure*
7467 *requirements of any party state for that category and shall adopt licensure requirements for that category*
7468 *that are, in its judgment, comparable to those most restrictive requirements.*

7469 2. *Investigate applicants for a license from the compact committee and, as permitted by federal and state*
7470 *law, gather information on such applicants, including criminal history record information from the Federal*
7471 *Bureau of Investigation and relevant state and local law-enforcement agencies, and, where appropriate, from*
7472 *the Royal Canadian Mounted Police and law-enforcement agencies of other countries, necessary to*
7473 *determine whether a license should be issued under the licensure requirements established by the committee*
7474 *as provided in subdivision 1. Only officials on, and employees of, the compact committee may receive and*
7475 *review such criminal history record information, and those officials and employees may use that information*
7476 *only for the purposes of this compact. No such official or employee may disclose or disseminate such*
7477 *information to any person or entity other than another official or employee of the compact committee. The*
7478 *fingerprints of each applicant for a license from the compact committee shall be taken by the compact*
7479 *committee, its employees, or its designee and, pursuant to Public Law 92-544 or Public Law 100-413, shall*
7480 *be forwarded to a state identification bureau, or an association of state officials regulating pari-mutuel*
7481 *wagering designated by the Attorney General of the United States, for submission to the Federal Bureau of*
7482 *Investigation for a criminal history records check. Such fingerprints may be submitted on a fingerprint card*
7483 *or by electronic or other means authorized by the Federal Bureau of Investigation or other receiving law-*
7484 *enforcement agency.*

7485 3. *Issue licenses to, and renew the licenses of, participants in live racing listed in subdivision 1 who are*
7486 *found by the committee to have met the licensure and renewal requirements established by the committee.*
7487 *The compact committee shall not have the power or authority to deny a license. If it determines that an*
7488 *applicant will not be eligible for the issuance or renewal of a compact committee license, the compact*
7489 *committee shall notify the applicant that it will not be able to process his application further. Such*
7490 *notification does not constitute and shall not be considered to be the denial of a license. Any such applicant*
7491 *shall have the right to present additional evidence to, and to be heard by, the compact committee, but the*
7492 *final decision on issuance or renewal of the license shall be made by the compact committee using the*
7493 *requirements established pursuant to subdivision 1.*

7494 4. *Enter into contracts or agreements with governmental agencies and with nongovernmental persons to*
7495 *provide personal services for its activities and such other services as may be necessary to effectuate the*
7496 *purposes of this compact.*

7497 5. Create, appoint, and abolish those offices, employments, and positions, including an executive director,
7498 as it deems necessary for the purposes of this compact, prescribe their powers, duties, and qualifications,
7499 hire persons to fill those offices, employments, and positions, and provide for the removal, term, tenure,
7500 compensation, fringe benefits, retirement benefits, and other conditions of employment of its officers,
7501 employees, and other positions.

7502 6. Borrow, accept, or contract for the services of personnel from any state, the United States, or any other
7503 governmental agency, or from any person, firm, association, corporation, or other entity.

7504 7. Acquire, hold, and dispose of real and personal property by gift, purchase, lease, license, or in other
7505 similar manner, in furtherance of the purposes of this compact.

7506 8. Charge a fee to each applicant for an initial license or renewal of a license.

7507 9. Receive other funds through gifts, grants, and appropriations.

7508 § 8. Voting requirements.

7509 A. Each official shall be entitled to one vote on the compact committee.

7510 B. All action taken by the compact committee with regard to the addition of party states as provided in §
7511 3, the licensure of participants in live racing, and the receipt and disbursement of funds shall require a
7512 majority vote of the total number of officials, or their alternates, on the committee. All other action by the
7513 compact committee shall require a majority vote of those officials, or their alternates, present and voting.

7514 C. No action of the compact committee may be taken unless a quorum is present. A majority of the
7515 officials, or their alternates, on the compact committee shall constitute a quorum.

7516 § 9. Administration and management.

7517 A. The compact committee shall elect annually from among its members a chairman, a vice-chairman,
7518 and a secretary/treasurer.

7519 B. The compact committee shall adopt bylaws for the conduct of its business by a two-thirds vote of the
7520 total number of officials, or their alternates, on the committee at that time and shall have the power by the
7521 same vote to amend and rescind such bylaws. The committee shall publish its bylaws in convenient form and
7522 shall file a copy thereof and a copy of any amendments thereto with the secretary of state or equivalent
7523 agency of each of the party states.

7524 C. The compact committee may delegate the day-to-day management and administration of its duties and
7525 responsibilities to an executive director and his support staff.

7526 D. Employees of the compact committee shall be considered governmental employees.

7527 § 10. Immunity from liability for performance of official responsibilities and duties.

7528 *No official of a party state or employee of the compact committee shall be held personally liable for any*
7529 *good faith act or omission that occurs during the performance and within the scope of his responsibilities and*
7530 *duties under this compact.*

7531 *ARTICLE V. Rights and Responsibilities of Each Party State.*

7532 *§ 11. Rights and responsibilities of each party state.*

7533 *A. By enacting this compact, each party state:*

7534 *1. Agrees (i) to accept the decisions of the compact committee regarding the issuance of compact*
7535 *committee licenses to participants in live racing pursuant to the committee's licensure requirements and (ii)*
7536 *to reimburse or otherwise pay the expenses of its official representative on the compact committee or his*
7537 *alternate.*

7538 *2. Agrees not to treat a notification to an applicant by the compact committee under subdivision 3 of § 7*
7539 *that the compact committee will not be able to process his application further as the denial of a license, or to*
7540 *penalize such an applicant in any other way based solely on such a decision by the compact committee.*

7541 *3. Reserves the right (i) to charge a fee for the use of a compact committee license in that state; (ii) to*
7542 *apply its own standards in determining whether, on the facts of a particular case, a compact committee*
7543 *license should be suspended or revoked; (iii) to apply its own standards in determining licensure eligibility,*
7544 *under the laws of that party state, for categories of participants in live racing that the compact committee*
7545 *determines not to license and for individual participants in live racing who do not meet the licensure*
7546 *requirements of the compact committee; and (iv) to establish its own licensure standards for the licensure of*
7547 *nonracing employees at horse racetracks and employees at separate satellite wagering facilities. Any party*
7548 *state that suspends or revokes a compact committee license shall, through its racing commission or the*
7549 *equivalent thereof or otherwise, promptly notify the compact committee of that suspension or revocation.*

7550 *B. No party state shall be held liable for the debts or other financial obligations incurred by the compact*
7551 *committee.*

7552 *ARTICLE VI. Construction and Severability.*

7553 *§ 12. Construction and severability.*

7554 *This compact shall be liberally construed so as to effectuate its purposes. The provisions of this compact*
7555 *shall be severable, and if any phrase, clause, sentence, or provision of this compact is declared to be*
7556 *contrary to the Constitution of the United States or of any party state, or the applicability of this compact to*
7557 *any government, agency, person, or circumstance is held invalid, the validity of the remainder of this*
7558 *compact and the applicability thereof to any government, agency, person, or circumstance shall not be*

7559 *affected thereby. If all or some portion of this compact is held to be contrary to the constitution of any party*
7560 *state, the compact shall remain in full force and effect as to the remaining party states and in full force and*
7561 *effect as to the state affected as to all severable matters.*

7562 **§ 29.5-613. Compact Committee members.**

7563 *The Governor shall appoint one official to represent the Commonwealth on the Compact Committee for a*
7564 *term of four years. No official shall serve more than three consecutive terms. A vacancy shall be filled by the*
7565 *Governor for the unexpired term.*

7566 **§ 29.5-614. Cooperation of departments, agencies, and officers of the Commonwealth.**

7567 *All departments, agencies, and officers of the Commonwealth and its political subdivisions are hereby*
7568 *authorized to cooperate with the Compact Committee in furtherance of any of its activities pursuant to the*
7569 *Compact.*

7570 *Article 3.*

7571 *Licenses and Permits.*

7572 **§ 29.5-615. License required.**

7573 *A. No person shall (i) construct, establish, or own a racetrack or satellite facility where pari-mutuel*
7574 *wagering is permitted unless he has obtained an owner's license issued by the Racing Commission in*
7575 *accordance with the provisions of this chapter or (ii) operate historical horse racing at a racetrack or*
7576 *satellite facility, unless he has obtained a historical horse racing license issued by the Commissioner in*
7577 *accordance with the provisions of this chapter.*

7578 *B. No person shall operate (i) pari-mutuel wagering on live horse racing or conduct any race meeting at*
7579 *which wagering is permitted with his knowledge or acquiescence unless he has obtained an operator's license*
7580 *issued by the Racing Commission in accordance with the provisions of this chapter, or (ii) historical horse*
7581 *racing unless he has obtained a historical horse racing license issued by the Commission in accordance with*
7582 *the provisions of this chapter.*

7583 *C. No license issued under the provisions of this chapter shall be transferable.*

7584 **§ 29.5-616. Limited licenses; transfer of meet; taxation; authority to issue; limitations.**

7585 *A. Notwithstanding the provisions of § 29.5-615 or 29.5-618, but subject to such regulations and criteria*
7586 *as it may prescribe, the Racing Commission is authorized to issue limited licenses, provided such licenses*
7587 *shall permit any holder to conduct a race meeting or meetings for a period not to exceed 14 days in any*
7588 *calendar year, or in the case of a significant infrastructure limited licensee, 75 days in any calendar year.*

7589 *B. The Racing Commission may at any time, in its discretion, authorize any organization or association*

7590 *licensed under this section to transfer its race meeting or meetings from its own racetrack or place for*
7591 *holding races to the racetrack or place for holding races of any other organization or association licensed*
7592 *under this chapter upon the payment of any and all appropriate license fees. No such authority to transfer*
7593 *shall be granted without the express consent of the organization or association owning or leasing the*
7594 *racetrack to which such transfer is made.*

7595 *C. For any such meeting the licensee shall retain and pay from the pool the tax as provided in Article 5*
7596 *(§ 29.5-635 et seq.).*

7597 *D. On and after July 1, 2026, in addition to all other taxes and fees imposed by law, there is hereby levied*
7598 *a significant infrastructure facility limited license tax upon any significant infrastructure limited licensee.*
7599 *Any such licensee shall pay to the locality in which a significant infrastructure facility for such licensee is*
7600 *located \$110,000 for each live racing day at such facility.*

7601 **§ 29.5-617. Application for owner's license; penalty.**

7602 *A. Any person desiring to construct or own a racetrack or satellite facility where pari-mutuel wagering is*
7603 *permitted shall file with the Racing Commission an application for an owner's license. Such application shall*
7604 *be filed at the time and place, and in such form and containing such information, as prescribed by the Racing*
7605 *Commission with the following:*

7606 *1. The name and address of such person; if a corporation, the state of its incorporation, and the full name*
7607 *and address of each officer and director thereof, and if a foreign corporation, whether it is qualified to do*
7608 *business in the Commonwealth; if a partnership or joint venture, the name and address of each officer*
7609 *thereof;*

7610 *2. The name and address of each stockholder or member of such corporation, or each partner of such*
7611 *partnership or joint venture, and of each person who has contracted for a pecuniary interest in the applicant*
7612 *where pari-mutuel wagering will be conducted, whether such interest is an ownership or a security interest,*
7613 *and the nature and value of such interest, and the name and address of each person who has agreed to lend*
7614 *money to the applicant;*

7615 *3. Such information as the Racing Commission deems appropriate regarding the character, background,*
7616 *and responsibility of the applicant and the members, partners, stockholders, officers, and directors of the*
7617 *applicant;*

7618 *4. The location and description of the racetrack, place, or enclosure where such person proposes to hold*
7619 *such wagering, including the name of any locality in which any property of such satellite facility is or will be*
7620 *located. The Racing Commission shall require such information about the enclosure and location of such*

7621 racetrack or satellite facility as it deems necessary and appropriate to determine whether it complies with the
7622 minimum standards provided in this chapter, and whether the conduct of pari-mutuel wagering at such
7623 location would be in the best interests of the people of the Commonwealth;

7624 5. Such information relating to the financial responsibility of the applicant as the Racing Commission
7625 deems appropriate;

7626 6. If any of the facilities necessary for the conduct of pari-mutuel wagering are to be leased, the terms of
7627 such lease; and

7628 7. Any other information that the Racing Commission, in its discretion, deems appropriate.

7629 B. Any application filed hereunder shall be verified by the oath or affirmation of an officer of the
7630 applicant and accompanied by a nonrefundable application fee as prescribed by the Racing Commission.

7631 Each such application shall be provided by the Racing Commission to the Gaming Commission. The Gaming
7632 Commission, on behalf of the Racing Commission, shall conduct a background investigation, including a
7633 criminal history record information check, of such applicant and advise the Racing Commission of its
7634 findings. The Racing Commission shall review each application and determine the suitability of each such
7635 applicant on all other matters, including the applicant's racetrack or satellite facility where pari-mutuel
7636 wagering is subject to be permitted. If the Gaming Commission makes a final adverse determination with
7637 respect to any applicant, the Racing Commission shall not issue an owner's license to such applicant.

7638 C. Any person who knowingly makes a false statement to the Racing Commission for the purposes of
7639 obtaining a license under this chapter is guilty of a Class 4 felony.

7640 **§ 29.5-618. Issuance of owner's license.**

7641 A. The Racing Commission shall consider all applications for an owner's license and may grant a valid
7642 owner's license to applicants who (i) satisfy the background investigation, including a criminal history record
7643 information check, and (ii) meet the criteria set forth in this chapter and established by the Racing
7644 Commission. The Racing Commission shall deny a license to any applicant unless it finds that the applicant's
7645 facilities are or will be appropriate for the finest quality of horse racing.

7646 B. The Racing Commission shall deny a license to an applicant if it finds that (i) for any reason, the
7647 issuance of a license to the applicant would not be in the interest of the people of the Commonwealth or
7648 would reflect adversely on the honesty and integrity of the horse racing industry in the Commonwealth or (ii)
7649 that the applicant, or any officer, partner, principal stockholder, or director of the applicant:

7650 1. Has knowingly made a false statement of material fact or has deliberately failed to disclose any
7651 information requested;

7652 2. *Is or has been found guilty of any illegal, corrupt, or fraudulent act, practice, or conduct in connection*
7653 *with any horse racing in this or any other state, or has been convicted of a felony;*

7654 3. *Has at any time knowingly failed to comply with the provisions of this chapter or of any regulations of*
7655 *the Racing Commission;*

7656 4. *Has had a license or permit to hold or conduct a horse race meeting denied for just cause, suspended,*
7657 *or revoked in any other state or country;*

7658 5. *Has legally defaulted in the payment of any obligation or debt due to the Commonwealth;*

7659 6. *Has constructed or caused to be constructed a racetrack or satellite facility for which a license was*
7660 *required under § 29.5-617 without obtaining such license, or has deviated substantially, without the*
7661 *permission of the Racing Commission, from the plans and specifications submitted to the Racing*
7662 *Commission; or*

7663 7. *Is not qualified to do business in the Commonwealth or is not subject to the jurisdiction of the courts of*
7664 *the Commonwealth.*

7665 C. *The Racing Commission shall deny a license to any applicant unless it finds:*

7666 1. *That, if the corporation is a stock corporation, that such stock is fully paid and nonassessable, has been*
7667 *subscribed and paid for only in cash or property to the exclusion of past services, and, if the corporation is a*
7668 *nonstock corporation, that there are at least 20 members;*

7669 2. *That all principal stockholders or members have submitted to the jurisdiction of the courts of the*
7670 *Commonwealth, and all nonresident principal stockholders or members have designated the Executive*
7671 *Secretary as their agent for receipt of process;*

7672 3. *That the applicant's articles of incorporation provide that the corporation may, on vote of a majority of*
7673 *the stockholders or members, purchase at fair market value the entire membership interest of any stockholder*
7674 *or require the resignation of any member who is or becomes unqualified for such position under § 29.5-619;*
7675 *and*

7676 4. *That the applicant meets the criteria established by the Racing Commission for the granting of an*
7677 *owner's license.*

7678 **§ 29.5-619. Refusal of owner's license.**

7679 *No owner's license or renewal thereof shall be granted to any corporation if the Racing Commission finds*
7680 *that any principal stockholder of such stock corporation, or any member of such nonstock corporation:*

7681 1. *Is or has been guilty of any illegal, corrupt, or fraudulent act, conduct, or practice in connection with*
7682 *horse racing in the Commonwealth or any other state, or has knowingly failed to comply with the provisions*

7683 *of this chapter or Racing Commission regulations;*

7684 *2. Has had a license or permit to hold or conduct a race meeting denied for cause, suspended, or revoked*

7685 *in any other state or country; or*

7686 *3. Has at any time during the previous five years knowingly failed to comply with the provisions of this*

7687 *chapter or any Racing Commission regulations.*

7688 **§ 29.5-620. Duration, form of owner's license; bond.**

7689 *Any license issued pursuant to § 29.5-618 shall be valid for a period set by the Racing Commission, but in*

7690 *no case less than 20 years from its date of issuance. Such license shall be reviewed no less frequently than*

7691 *annually to determine compliance with this chapter and Racing Commission regulations. The Racing*

7692 *Commission shall designate on the license the duration of such license, the location of the racetrack, satellite*

7693 *facility, or proposed satellite facility and such other information as it deems proper. The Racing Commission*

7694 *shall establish criteria and procedures for licensure renewal.*

7695 *The Racing Commission shall require (i) a bond with surety or (ii) a letter of credit, acceptable to the*

7696 *Racing Commission, and in an amount determined by it, to be sufficient to cover any indebtedness incurred*

7697 *by the licensee to the Commonwealth.*

7698 **§ 29.5-621. Application for operator's license.**

7699 *A. Any person desiring to hold a race meeting or operate a satellite facility shall file with the Racing*

7700 *Commission an application for an operator's license. Such application may be made in conjunction with an*

7701 *application for an owner's license, if appropriate, and shall be filed at the time and place, and in such form*

7702 *and containing such information, as prescribed by the Racing Commission, including all information*

7703 *prescribed for an owner's license under § 29.5-617.*

7704 *B. Any application filed pursuant to this section shall be verified by the oath or affirmation of an officer of*

7705 *the applicant and accompanied by a nonrefundable application fee as prescribed by the Racing Commission.*

7706 *Each such application shall be provided by the Racing Commission to the Gaming Commission. The Gaming*

7707 *Commission, on behalf of the Racing Commission, shall conduct a background investigation, including a*

7708 *criminal history record information check, of such applicant and advise the Racing Commission of its*

7709 *findings. The Racing Commission shall review each application and determine the suitability of each such*

7710 *applicant on all other matters, including the applicant's racetrack or satellite facility where pari-mutuel*

7711 *wagering is subject to be permitted. If the Gaming Commission makes a final adverse determination with*

7712 *respect to any applicant, the Racing Commission shall not issue an operator's license to such applicant.*

7713 **§ 29.5-622. Issuance of operator's license.**

7714 *The Racing Commission shall promptly consider any application for an operator's license and grant a*
7715 *valid operator's license to any applicant who (i) satisfies the background investigation, including a*
7716 *background investigation, conducted by the Gaming Commission, and (ii) meets the criteria set forth in this*
7717 *chapter and established by the Racing Commission. The Racing Commission shall deny a license to any*
7718 *applicant, unless it finds:*

7719 *1. That such applicant is a corporation organized under Title 13.1 or comparable law of another state,*
7720 *and qualified to do business in the Commonwealth;*

7721 *2. That, if the corporation is a stock corporation, all principal stockholders have submitted to the*
7722 *jurisdiction of the courts of the Commonwealth and all nonresident principal stockholders have designated*
7723 *the Executive Secretary as their agent for process, and further, that an application shall also contain*
7724 *information as required by § 29.5-617;*

7725 *3. That the applicant's articles of incorporation provide that the corporation may, on vote of a majority of*
7726 *the stockholders or members, purchase at fair market value the entire membership interest of any*
7727 *stockholder, or require the resignation of any member, who is or becomes unqualified for such position under*
7728 *§ 29.5-619;*

7729 *4. That the applicant would be qualified for a license to own such racetrack or satellite facility under the*
7730 *provisions of §§ 29.5-618 and 29.5-619;*

7731 *5. That the applicant has made provisions satisfactory to the Racing Commission for the detection and*
7732 *prosecution of any illegal, corrupt, or fraudulent act, practice, or conduct in connection with any race*
7733 *meeting or pari-mutuel wagering, that the applicant has made provision for membership in the Thoroughbred*
7734 *Racing Association or other equivalent applicable association, and that the applicant shall utilize the*
7735 *services of the Thoroughbred Racing Protective Bureau or any other protective agency acceptable to the*
7736 *Racing Commission; and*

7737 *6. That the applicant has met the criteria established by the Racing Commission for the granting of an*
7738 *operator's license.*

7739 **§ 29.5-623. Duration, form of operator's license; bond.**

7740 *Any license issued pursuant to § 29.5-622 shall be valid for a period of 20 years from the date of issuance,*
7741 *but shall be reviewed no less frequently than annually to determine compliance with this chapter and Racing*
7742 *Commission regulations. The Racing Commission may, as it deems appropriate, change at the beginning of*
7743 *any year the dates on which the licensee is authorized to conduct pari-mutuel wagering. An applicant for*
7744 *renewal of a license may omit any information that in the opinion of the Racing Commission is already*

7745 available to it. The Racing Commission shall establish criteria and procedures for license renewal.

7746 Any license issued under § 29.5-622 shall designate on its face (i) the type or types of pari-mutuel
7747 wagering for which it is issued, (ii) the location of the racetrack or satellite facility where the meeting or
7748 wagering is to be conducted, (iii) the period during which such license is in effect, and (iv) such other
7749 information as the Racing Commission deems proper.

7750 The Racing Commission shall require a bond with surety acceptable to it, and in an amount determined
7751 by it to be sufficient to cover any indebtedness incurred by such licensee during the days allotted for racing.

7752 **§ 29.5-624. Licensing of owners or operators of certain pari-mutuel facilities.**

7753 A. Notwithstanding the provisions of § 29.5-634, the Racing Commission may grant a license, for a
7754 duration to be determined by the Racing Commission, to the owner or operator of a facility for the purpose of
7755 conducting pari-mutuel wagering on (i) Thoroughbred and Standardbred race meetings and (ii) simulcast
7756 horse racing at such facility in conjunction with the race meetings for a period not to exceed 14 days in any
7757 calendar year, provided that, prior to submitting an application for such license, (a) the facility has been
7758 approved by the Racing Commission and (b) the owner or operator of such facility has been granted tax-
7759 exempt status under § 501(c)(3) or (4) of the Internal Revenue Code.

7760 B. In deciding whether to grant any license pursuant to this section, the Racing Commission shall
7761 consider (i) the results of, circumstances surrounding, and any issues involved in any referendum conducted
7762 under the provisions of § 29.5-634 and (ii) whether the Racing Commission previously granted a license to
7763 such facility, owner, or operator.

7764 C. In no event shall the Racing Commission issue more than 12 licenses in a calendar year pursuant to
7765 this section.

7766 **§ 29.5-625. Application for historical horse racing license.**

7767 A. Any person desiring to conduct historical horse racing at a racetrack or a satellite facility shall file
7768 with the Commission an application for a historical horse racing license. Such application shall be filed at
7769 the time and place, and in such form and containing such information, as prescribed by the Board.

7770 B. Any application filed pursuant to this section shall be verified by the oath or affirmation of an officer of
7771 the applicant and accompanied by a nonrefundable application fee as prescribed by the Board.

7772 **§ 29.5-626. Issuance of historical horse racing license.**

7773 The Commissioner shall promptly consider any application for a historical horse racing license and grant
7774 a valid historical horse racing license to an applicant who meets the criteria set forth in this chapter and
7775 established by the Board. The Commissioner shall deny a license to any applicant, unless he finds:

7776 1. That such applicant is a corporation organized under Title 13.1 or comparable law of another state,
7777 and qualified to do business in the Commonwealth;

7778 2. That, if the corporation is a stock corporation, all principal stockholders have submitted to the
7779 jurisdiction of the courts of the Commonwealth and all nonresident principal stockholders have designated
7780 the Deputy Commissioner of Gaming as their agent for process, and further, that an application also
7781 contains information as required by § 29.5-617;

7782 3. That the applicant's articles of incorporation provide that the corporation may, on vote of a majority of
7783 the stockholders or members, purchase at fair market value the entire membership interest of any
7784 stockholder, or require the resignation of any member, who is or becomes unqualified for such position under
7785 § 29.5-619;

7786 4. That the applicant would be qualified for a license to own such horse racetrack or satellite facility
7787 under the provisions of §§ 29.5-618 and 29.5-619;

7788 5. That the applicant has made provisions satisfactory to the Board for the detection and prosecution of
7789 any illegal, corrupt, or fraudulent act, practice, or conduct in connection with any race meeting or pari-
7790 mutuel wagering, that the applicant has made provision for membership in the Thoroughbred Racing
7791 Association or other equivalent applicable association, and that the applicant shall utilize the services of the
7792 Thoroughbred Racing Protective Bureau or any other protective agency acceptable to the Racing
7793 Commission; and

7794 6. That the applicant has met the criteria established by the Board for the granting of a historical horse
7795 racing license.

7796 **§ 29.5-627. Denial of owner's, operator's, or historical horse racing license final.**

7797 The denial of (i) an owner's or operator's license by the Racing Commission or (ii) a historical horse
7798 racing license by the Commissioner shall be final unless appealed under § 29.5-608.

7799 **§ 29.5-628. Suspension or revocation of license or permit final.**

7800 A. After a hearing with 15 days' notice, the Commissioner or the Racing Commission, as applicable, may
7801 (i) suspend or revoke any issued license or permit or (ii) fine the holder of such license or permit a sum not to
7802 exceed \$100,000 in any case where there is reason to believe that any provision of this chapter, or any
7803 regulation or condition of the Board or the Racing Commission, has not been complied with or has been
7804 violated. The Commissioner or the Racing Commission may revoke a license or permit if facts not known at
7805 the time the application was considered indicate that such license or permit should not have been issued.

7806 B. The Commissioner or the Racing Commission, as applicable, shall revoke any license or permit issued

7807 *under § 29.5-622 for the operation of a satellite facility if the licensee, within one year of issuance of the*
7808 *satellite facility license, fails to conduct (i) live horse racing at a racetrack licensed pursuant to § 29.5-622*
7809 *or (ii) the live racing days assigned to the licensee by the Racing Commission without the permission of the*
7810 *Racing Commission.*

7811 *C. The Commissioner or the Racing Commission may summarily suspend any license or permit for a*
7812 *period of not more than 90 days pending a hearing and final determination by the Board or the Racing*
7813 *Commission, as applicable, if emergency action is required to protect the public health, safety, and welfare*
7814 *including revenues due the Commonwealth, its localities, or the horsemen's purse account. The Board or*
7815 *Racing Commission, as applicable, shall (i) schedule a hearing within 14 business days after the license or*
7816 *permit is summarily suspended and (ii) notify the licensee or permit holder not less than five business days*
7817 *before the hearing of the date, time, and place of the hearing.*

7818 *D. Deliberations of the Board or the Racing Commission pursuant to this section shall be conducted*
7819 *pursuant to the provisions of the Virginia Freedom of Information Act (§ 2.2-3700 et seq.). If any such license*
7820 *or permit is suspended or revoked, the Commissioner or Racing Commission shall state the reasons for doing*
7821 *so, which shall be entered of record. Such action shall be final unless appealed in accordance with the*
7822 *provisions of § 29.5-608. Suspension or revocation of a license or permit by the Commissioner or the Racing*
7823 *Commission for any violation shall not preclude criminal liability for such violation.*

7824 **§ 29.5-629. Acquisition of interest in licensee.**

7825 *A. The Commission or Racing Commission shall require any person desiring to become a partner,*
7826 *member, or principal stockholder of any licensee to apply to the Commission or Racing Commission, as*
7827 *applicable, for such approval and may demand such information of the applicant as it finds necessary. The*
7828 *Commissioner or Racing Commission shall promptly consider such application and shall approve or deny*
7829 *the application within 60 days of receipt. The Commissioner or Racing Commission shall approve an*
7830 *application that meets the criteria set forth in this chapter. The Commissioner or Racing Commission shall*
7831 *deny an application if the acquisition by the applicant would be detrimental to the public interest or to the*
7832 *honesty, integrity, and reputation of horse racing. The Commissioner or Racing Commission shall approve*
7833 *an application to acquire actual control of a licensee only if the applicant meets the criteria set forth in*
7834 *subsection B.*

7835 *B. If an applicant proposes to acquire actual control of a licensee, such person shall, pursuant to*
7836 *subsection A, submit to the Commission or Racing Commission, as applicable, (i) its proposal for the future*
7837 *operation of any existing or planned satellite facility owned or operated by the licensee, (ii) such additional*

7838 information as it desires, and (iii) such information as may be required by the Board or the Racing
7839 Commission to assure the Commissioner or the Racing Commission that the licensee, under the actual
7840 control of such person, will have the experience, expertise, financial responsibility, and commitment to
7841 comply with (a) the provisions of this chapter, (b) Board or Racing Commission regulations and orders, (c)
7842 the requirements for the continued operation of the licensee pursuant to the terms and conditions in effect on
7843 the date of the application of all licenses held by the licensee, (d) any existing contract with a recognized
7844 majority horseman's group, and (e) any proposal submitted to the Commission or Racing Commission by
7845 such person. The provisions of this subsection shall apply regardless of whether the control acquired is direct
7846 or indirect or whether its acquisition is accomplished individually or in concert with others.

7847 C. Any such acquisition of control without prior approval of the Commissioner or the Racing
7848 Commission, as applicable, shall be voidable by the Gaming Commission or the Racing Commission, as
7849 applicable, and, in such instance, the Commissioner or the Racing Commission may revoke any license
7850 issued to such licensee, order compliance with this section, or take such other action as may be appropriate.

7851 **§ 29.5-630. Historical horse racing employee permit (HHR e-permit); application.**

7852 A. No person shall participate in historical horse racing subject to the jurisdiction of the Commission,
7853 including as an employee of a historical horse racing licensee, who serves in a role that influences, manages,
7854 operates, or oversees historical horse racing activities or any other position that the Commission deems
7855 necessary to ensure the integrity of historical horse racing, unless such person possesses a historical horse
7856 racing employee permit (HHR e-permit) from the Commission and complies with the provisions of this
7857 chapter and all Board regulations. No HHR e-permit issued under the provisions of this chapter shall be
7858 transferable.

7859 B. Any person desiring to obtain a HHR e-permit as required by this chapter shall submit an application
7860 on a form, and accompanied by a fee, as prescribed by the Board and verified by oath or affirmation of the
7861 applicant.

7862 **§ 29.5-631. Live horse racing employee permit (LHR e-permit) required; application; exception.**

7863 A. No participant shall engage in any horse racing subject to the jurisdiction of the Racing Commission
7864 or in the conduct of a race meeting or pari-mutuel wagering thereon, including as a horse owner, trainer,
7865 jockey, exercise rider, groom, stable foreman, valet, veterinarian, agent, pari-mutuel employee, vendor or
7866 employee thereof, track employee, or other position the Executive Secretary or the Racing Commission deems
7867 necessary to regulate to ensure the integrity of horse racing in the Commonwealth, unless such person (i)
7868 possesses an LHR e-permit from the Racing Commission and (ii) complies with the provisions of this chapter

7869 *and all Racing Commission regulations. No LHR e-permit issued under the provisions of this chapter shall be*
7870 *transferable.*

7871 *B. Any person desiring to obtain a live horse racing employee permit (LHR e-permit) as required by this*
7872 *chapter shall submit an application on a form, and accompanied by a fee, as prescribed by the Racing*
7873 *Commission and verified by oath or affirmation of the applicant.*

7874 *C. The Racing Commission may waive the e-permit requirement for any person who possesses a valid*
7875 *permit or license to participate in the conduct of horse racing in another racing jurisdiction and participates*
7876 *in horse racing in the Commonwealth on nonconsecutive racing days.*

7877 *D. Once a horse is entered to run in the Commonwealth, all participants shall come under the jurisdiction*
7878 *of the Racing Commission, the Executive Secretary, and the stewards and shall be subject to regulations of*
7879 *the Racing Commission and sanctions it or the stewards may impose.*

7880 **§ 29.5-632. Consideration of e-permit applications.**

7881 *A. The Commissioner or Racing Commission shall promptly consider any application for a HHR e-permit*
7882 *or a LHR e-permit and issue or deny either such e-permit based on the information in the application and all*
7883 *other information provided, including any background investigation deemed appropriate. If an application*
7884 *for an e-permit is approved, the Commissioner or Racing Commission shall issue such e-permit, as*
7885 *applicable, which shall contain such information as the Board or the Racing Commission deems appropriate.*
7886 *Such e-permit shall be valid for one year; however, it shall expire automatically when such permit holder*
7887 *leaves the employment of the licensee or at the end of one year, whichever occurs first. The permit holder*
7888 *shall promptly notify the Commission or the Racing Commission when they leave the employment of the*
7889 *licensee. The Board and the Racing Commission, as applicable, shall establish criteria and procedures for e-*
7890 *permit renewal.*

7891 *B. The Commissioner or the Racing Commission shall deny an application and refuse to issue an e-*
7892 *permit, which denial shall be final unless an appeal is brought under § 29.5-608, if (i) the issuance of such e-*
7893 *permit would not be in the interests of the people of the Commonwealth or would reflect on the honesty and*
7894 *integrity of the horse racing industry in the Commonwealth, or (ii) the applicant:*

7895 *1. Has knowingly made a false statement of a material fact in the application, or has deliberately failed to*
7896 *disclose any information requested by the Commission or the Racing Commission;*

7897 *2. Is or has been found guilty of any corrupt or fraudulent practice or conduct in connection with horse*
7898 *racing in the Commonwealth or any other state;*

7899 *3. Has knowingly failed to comply with the provisions of this chapter or the regulations of the Board or*

7900 *the Racing Commission;*

7901 4. *Has had a permit to engage in activity related to historical horse racing or live horse racing denied for*
7902 *just cause, suspended, or revoked in any other state, and such denial, suspension, or revocation is still in*
7903 *effect; or*

7904 5. *Is unqualified to perform the duties required for the e-permit sought.*

7905 C. *The Commissioner or the Racing Commission shall deny an application and refuse to issue an e-permit*
7906 *if, within the five years immediately preceding the date of an application, the applicant has been convicted of*
7907 *a crime involving the unlawful conduct of wagering, fraudulent use of a credential, unlawful transmission of*
7908 *information, touting, bribery, administration or possession of drugs, or any felony considered by the*
7909 *Commission or Racing Commission to be detrimental to historical horse racing or live horse racing in the*
7910 *Commonwealth, or the Gaming Commission has made an adverse determination with respect to an e-permit*
7911 *applicant's background investigation; the denial shall be final unless an appeal is brought under § 29.5-608.*
7912 *Additionally, the Commissioner or the Racing Commission may deny an application and refuse to issue any*
7913 *e-permit if an applicant has been convicted of any such crime committed prior to the five years immediately*
7914 *preceding the date of his application.*

7915 D. *The Commissioner or Racing Commission may refuse to issue an e-permit if for any reason granting*
7916 *such permit is not consistent with the provisions of this chapter.*

7917 **§ 29.5-633. Suspension or revocation of e-permit; fine.**

7918 A. *The (i) Executive Secretary, acting by and through his stewards or at a Racing Commission meeting at*
7919 *which a quorum is present, or (ii) the Commissioner or the Board, at a Board meeting at which a quorum is*
7920 *present, may (a) suspend or revoke an e-permit issued pursuant to this chapter or fine the holder of such e-*
7921 *permit a sum not to exceed \$10,000 or (b) suspend an e-permit issued pursuant to this chapter and fine the*
7922 *holder of such e-permit a sum not to exceed \$10,000 after a hearing for which proper notice has been given*
7923 *to the permit holder, in any case where it is determined by a preponderance of the evidence that any*
7924 *provision of this chapter, or any regulation or condition of the Board or Racing Commission, has not been*
7925 *complied with or has been violated. The Commissioner or Racing Commission may revoke such e-permit,*
7926 *after such hearing, if facts not known at the time the application was being considered indicate that such*
7927 *permit should not have been issued. Deliberations of the Board or Racing Commission under this section*
7928 *shall be conducted pursuant to the provisions of the Virginia Freedom of Information Act (§ 2.2-3700 et*
7929 *seq.). If any e-permit is suspended or revoked, the Commissioner or Racing Commission shall state the*
7930 *reasons for doing so, which shall be entered of record. Such action shall be final unless an appeal is brought*

7931 *in accordance with § 29.5-608. Suspension or revocation of an e-permit by the Commissioner or Racing*
7932 *Commission for any violation shall not preclude criminal liability for such violation.*

7933 *B. The (i) Executive Secretary, acting by and through his stewards, or at a Racing Commission meeting at*
7934 *which a quorum is present, or (ii) the Commissioner or the Board, at a Board meeting at which a quorum is*
7935 *present, may summarily suspend an e-permit for a period of not more than 90 days pending a hearing and*
7936 *final determination. A hearing shall be scheduled by the Commission or the Racing Commission within 14*
7937 *business days after such permit is summarily suspended and the permit holder shall be notified not less than*
7938 *five business days before the hearing, of the date, time, and place of the hearing.*

7939 *Article 4.*

7940 *Local Referendum.*

7941 **§ 29.5-634. Local referendum required.**

7942 *The Racing Commission shall not grant any initial license to construct, establish, operate, or own a*
7943 *racetrack or satellite facility until a referendum approving the question is held in each county, city, or town*
7944 *in which such racetrack or satellite facility is to be located, in the following manner:*

7945 *1. A petition, signed by five percent of the qualified voters of such county, city, or town shall be filed with*
7946 *the circuit court of such county, city, or town asking that a referendum be held on the question, "Shall pari-*
7947 *mutuel wagering be permitted at a licensed racetrack in (name of such county, city, or town) on live horse*
7948 *racing at, and on simulcast horse racing transmitted from another jurisdiction to, the licensed racetrack on*
7949 *such days as may be approved by the Virginia Racing Commission in accordance with Chapter 6 (§ 29.5-600*
7950 *et seq.) of Title 29.5 of the Code of Virginia?" In addition, or in the alternative, such petition may ask that a*
7951 *referendum be held on the question, "Shall pari-mutuel wagering be permitted in _____ (the*
7952 *name of such county, city, or town) at satellite facilities in accordance with Chapter 6 (§ 29.5-600 et seq.) of*
7953 *Title 29.5 of the Code of Virginia?"*

7954 *2. Following the filing of such petition, the court shall, by order of record entered in accordance with*
7955 *§ 24.2-684.1, require the regular election officers of such county, city, or town to cause a special election to*
7956 *be held to take the sense of the qualified voters on the question. Such election shall be on a day designated by*
7957 *order of such court, but shall not be later than the next general election unless such general election is within*
7958 *60 days of the date of the entry of such order, nor shall it be held on a date designated as a primary election.*

7959 *3. The clerk of such court of record of such county, city, or town shall publish notice of such election in a*
7960 *newspaper of general circulation in such county, city, or town once a week for three consecutive weeks prior*
7961 *to such election.*

7962 4. The regular election officers of such county or city shall open the polls at the various voting places in
7963 such county or city on the date specified in such order and conduct such election in the manner provided by
7964 law. The election shall be by ballot, which shall be prepared by the electoral board of the county, city, or
7965 town and on which shall be printed either or both of the following questions:

7966 "Shall pari-mutuel wagering be permitted at a licensed racetrack in _____ on live horse
7967 racing at, and on simulcast horse racing transmitted from another jurisdiction to, the licensed racetrack on
7968 such days as may be approved by the Virginia Racing Commission in accordance with Chapter 6 (§ 29.5-600
7969 et seq.) of Title 29.5 of the Code of Virginia?

7970 [] Yes

7971 [] No"

7972 "Shall pari-mutuel wagering be permitted in _____ at satellite facilities in accordance with
7973 Chapter 6 (§ 29.5-600 et seq.) of Title 29.5 of the Code of Virginia?

7974 [] Yes

7975 [] No"

7976 In the blank shall be inserted the name of the county, city, or town in which such election is held. Any
7977 voter desiring to vote "Yes" shall mark a check mark () or a cross mark (x or +) or a line (-) in the square
7978 provided for such purpose immediately preceding the word "Yes," leaving the square immediately preceding
7979 the word "No" unmarked. Any voter desiring to vote "No" shall mark a check mark () or a cross mark (x or
7980 +) or a line (-) in the square provided for such purpose immediately preceding the word "No," leaving the
7981 square immediately preceding the word "Yes" unmarked.

7982 The ballots shall be counted, the returns made and canvassed as in other elections, and the results
7983 certified by the electoral board to the court ordering such election. Thereupon, such court shall enter an
7984 order proclaiming the results of such election and a duly certified copy of such order shall be transmitted to
7985 the Commission and to the governing body of such county, city, or town.

7986 No such referendum as described above shall be held more often than every three years in the same
7987 county, city, or town.

7988 A subsequent local referendum shall be required if a license has not been granted by the Racing
7989 Commission within five years of the court order proclaiming the results of the election. "Town," for purposes
7990 of this section, means any town with a population of 5,000 or more.

7991 Article 5.

7992 Taxation; Retainage; Distribution.

7993 § 29.5-635. *Taxation and retainage generally.*

7994 A. *Moneys payable to the Commonwealth shall be deposited in the general fund. Gross receipts for*
7995 *license tax purposes under Chapter 37 (§ 58.1-3700 et seq.) of Title 58.1 does not include pari-mutuel*
7996 *wagering pools and license taxes authorized by this article.*

7997 B. *All payments by the licensee to the Commonwealth or any locality shall be made within five days from*
7998 *the date on which such wagers are received by the licensee. All payments by the licensee to the Virginia*
7999 *Breeders Fund shall be made to the Commission within five days from the date on which such wagers are*
8000 *received by the licensee. All payments by the licensee to the Virginia-Maryland Regional College of*
8001 *Veterinary Medicine, the Virginia Horse Center Foundation, the Virginia Horse Industry Board, and the*
8002 *Virginia Thoroughbred Association shall be made by the first day of each quarter of the calendar year. All*
8003 *payments made under this article shall be used in support of the policy of the Commonwealth to sustain and*
8004 *promote the growth of a native industry.*

8005 C. *If a satellite facility is located in more than one locality, any amount a licensee is required to pay*
8006 *under this article to the locality in which the satellite facility is located shall be prorated in equal shares*
8007 *among those localities.*

8008 D. *Any contractual agreement between a licensee and other entities concerning the distribution of the*
8009 *remaining portion of the retainage under subsections B through G of § 29.5-637 shall be subject to the*
8010 *approval of the Racing Commission and subsections A and B of § 29.5-638 shall be subject to the approval of*
8011 *the Board.*

8012 E. *The recognized majority horsemen's group racing at a licensed race meeting may, subject to the*
8013 *approval of the Racing Commission, withdraw for administrative costs associated with serving the interests*
8014 *of the horsemen an amount not to exceed two percent of the amount in the horsemen's account.*

8015 F. *One-hundred percent of the legitimate breakage from each pari-mutuel pool for historical horse racing*
8016 *shall be distributed to the Problem Gambling Treatment and Support Fund established pursuant to § 37.2-*
8017 *314.2.*

8018 G. *The Gaming Commission and the Racing Commission shall complete an annual review of all taxation,*
8019 *retainage, and breakage amounts allocated pursuant to this article to ensure that such amounts are being*
8020 *appropriately distributed in a manner that sustains and promotes the growth of the horse racing industry,*
8021 *and shall report its findings to the General Assembly on or before October 1 of each year.*

8022 § 29.5-636. *Percentage retained; tax; live horse racing.*

8023 A. *On pari-mutuel pools generated by wagering at the racetrack on live horse racing conducted within the*

8024 *Commonwealth involving win, place, and show wagering, the licensee shall retain a percentage amount*
8025 *approved by the Racing Commission as jointly requested by a recognized majority horsemen's group and a*
8026 *licensee and the legitimate breakage, out of which shall be paid 1.25 percent to be distributed as follows: 1.0*
8027 *percent to the Commonwealth as a license tax and 0.25 percent to the locality in which the racetrack is*
8028 *located. The remainder of the retainage shall be paid as provided in subsection C, provided, however, that if*
8029 *the percentage amount approved by the Racing Commission is other than 18 percent, the amounts provided*
8030 *in subdivisions C 1, 2, and 3 shall be adjusted by the proportion that the approved percentage amount bears*
8031 *to 18 percent.*

8032 *B. On pari-mutuel pools generated by wagering at each Virginia satellite facility on live horse racing*
8033 *conducted within the Commonwealth involving win, place, and show wagering, the licensee shall retain a*
8034 *percentage amount approved by the Racing Commission as jointly requested by a recognized majority*
8035 *horsemen's group and a licensee and the legitimate breakage, out of which shall be paid 1.25 percent to be*
8036 *distributed as follows: 0.75 percent to the Commonwealth as a license tax, 0.25 percent to the locality in*
8037 *which the satellite facility is located, and 0.25 percent to the locality in which the racetrack is located. The*
8038 *remainder of the retainage shall be paid as provided in subsection C, provided, however, that if the*
8039 *percentage amount approved by the Racing Commission is other than 18 percent, the amounts provided in*
8040 *subdivisions C 1, 2, and 3 shall be adjusted by the proportion that the approved percentage amount bears to*
8041 *18 percent.*

8042 *C. On pari-mutuel pools generated by wagering at the racetrack and each Virginia satellite facility on*
8043 *live horse racing conducted within the Commonwealth involving win, place, and show wagering, the licensee*
8044 *shall retain a percentage amount approved by the Racing Commission as jointly requested by a recognized*
8045 *majority horsemen's group and a licensee and the legitimate breakage, out of which shall be paid:*

- 8046 *1. Eight percent as purses or prizes to the participants in such race meeting;*
8047 *2. Seven and one-half percent and all of the breakage and the proceeds of pari-mutuel tickets unredeemed*
8048 *180 days from the date on which the race was conducted, to the operator;*
8049 *3. One percent to the Virginia Breeders Fund;*
8050 *4. Fifteen one-hundredths percent to the Virginia-Maryland Regional College of Veterinary Medicine;*
8051 *5. Five one-hundredths percent to the Virginia Horse Center Foundation;*
8052 *6. Five one-hundredths percent to the Virginia Horse Industry Board; and*
8053 *7. The remainder as appropriate under subsection A or B.*

8054 *D. On pari-mutuel pools generated by wagering at the racetrack on live horse racing conducted within*

8055 *the Commonwealth involving wagering other than win, place, and show wagering, the licensee shall retain a*
8056 *percentage amount approved by the Racing Commission as jointly requested by a recognized majority*
8057 *horsemen's group and a licensee and the legitimate breakage, out of which shall be paid 2.75 percent to be*
8058 *distributed as follows: 2.25 percent to the Commonwealth as a license tax, and 0.5 percent to the locality in*
8059 *which the racetrack is located. The remainder of the retainage shall be paid as provided in subsection F,*
8060 *provided, however, that if the percentage amount approved by the Racing Commission is other than 22*
8061 *percent, the amounts provided in subdivisions F 1, 2, and 3 shall be adjusted by the proportion that the*
8062 *approved percentage amount bears to 22 percent.*

8063 *E. On pari-mutuel pools generated by wagering at each Virginia satellite facility on live horse racing*
8064 *conducted within the Commonwealth involving wagering other than win, place, and show wagering, the*
8065 *licensee shall retain a percentage amount approved by the Racing Commission as jointly requested by a*
8066 *recognized majority horsemen's group and a licensee and the legitimate breakage, out of which shall be paid*
8067 *2.75 percent to be distributed as follows: 1.75 percent to the Commonwealth as a license tax, 0.5 percent to*
8068 *the locality in which the satellite facility is located, and 0.5 percent to the locality in which the racetrack is*
8069 *located. The remainder of the retainage shall be paid as provided in subsection F, provided, however, that if*
8070 *the percentage amount approved by the Racing Commission is other than 22 percent, the amounts provided*
8071 *in subdivisions F 1, 2, and 3 shall be adjusted by the proportion that the approved percentage amount bears*
8072 *to 22 percent.*

8073 *F. On pari-mutuel pools generated by wagering at the racetrack and each Virginia satellite facility on live*
8074 *horse racing conducted within the Commonwealth involving wagering other than win, place, and show*
8075 *wagering, the licensee shall retain a percentage amount approved by the Racing Commission as jointly*
8076 *requested by a recognized majority horsemen's group and a licensee and the legitimate breakage, out of*
8077 *which shall be paid:*

- 8078 *1. Nine percent as purses or prizes to the participants in such race meeting;*
- 8079 *2. Nine percent and the proceeds of the pari-mutuel tickets unredeemed 180 days from the date on which*
8080 *the race was conducted, to the operator;*
- 8081 *3. One percent to the Virginia Breeders Fund;*
- 8082 *4. Fifteen one-hundredths percent to the Virginia-Maryland Regional College of Veterinary Medicine;*
- 8083 *5. Five one-hundredths percent to the Virginia Horse Center Foundation;*
- 8084 *6. Five one-hundredths percent to the Virginia Horse Industry Board; and*
- 8085 *7. The remainder as appropriate under subsection D or E.*

8086 § 29.5-637. *Percentage retained; tax; simulcast horse racing.*

8087 A. *On pari-mutuel wagering generated by simulcast horse racing transmitted from jurisdictions outside*
8088 *the Commonwealth, the licensee may, with the approval of the Racing Commission, commingle pools with the*
8089 *racetrack where the transmission emanates or establish separate pools for wagering within the*
8090 *Commonwealth. All simulcast horse racing in this subsection must comply with the Interstate Horse Racing*
8091 *Act of 1978 (15 U.S.C. § 3001 et seq.).*

8092 B. *On pari-mutuel pools generated by wagering at the racetrack on simulcast horse racing transmitted*
8093 *from jurisdictions outside the Commonwealth involving win, place, and show wagering, the licensee shall*
8094 *retain 1.25 percent of such pool to be distributed as follows: 0.75 percent to the Commonwealth as a license*
8095 *tax and 0.5 percent to the Virginia locality in which the racetrack is located.*

8096 C. *On pari-mutuel pools generated by wagering at each Virginia satellite facility on simulcast horse*
8097 *racing transmitted from jurisdictions outside the Commonwealth involving win, place, and show wagering,*
8098 *the licensee shall retain 1.25 percent of such pool to be distributed as follows: 0.75 percent to the*
8099 *Commonwealth as a license tax, 0.25 percent to the locality in which the satellite facility is located, and 0.25*
8100 *percent to the Virginia locality in which the racetrack is located.*

8101 D. *On pari-mutuel pools generated by wagering at the racetrack and each Virginia satellite facility on*
8102 *simulcast horse racing transmitted from jurisdictions outside the Commonwealth involving win, place, and*
8103 *show wagering, the licensee shall retain 1.3 percent of such pool to be distributed as follows:*

8104 1. *One percent of the pool to the Virginia Breeders Fund;*

8105 2. *Fifteen one-hundredths percent to the Virginia-Maryland Regional College of Veterinary Medicine;*

8106 3. *Five one-hundredths percent to the Virginia Horse Center Foundation;*

8107 4. *Five one-hundredths percent to the Virginia Horse Industry Board; and*

8108 5. *Five one-hundredths percent to the Virginia Thoroughbred Association for the promotion of breeding*
8109 *in the Commonwealth.*

8110 E. *On pari-mutuel pools generated by wagering at the racetrack on simulcast horse racing transmitted*
8111 *from jurisdictions outside the Commonwealth involving wagering other than win, place, and show wagering,*
8112 *the licensee shall retain 2.75 percent of such pool to be distributed as follows: 1.75 percent to the*
8113 *Commonwealth as a license tax and 1.0 percent to the Virginia locality in which the racetrack is located.*

8114 F. *On pari-mutuel pools generated by wagering at each Virginia satellite facility on simulcast horse*
8115 *racing transmitted from jurisdictions outside the Commonwealth involving wagering other than win, place,*
8116 *and show wagering, the licensee shall retain 2.75 percent of such pool to be distributed as follows: 1.75*

8117 percent to the Commonwealth as a license tax, 0.5 percent to the locality in which the satellite facility is
8118 located, and 0.5 percent to the Virginia locality in which the racetrack is located.

8119 G. On pari-mutuel pools generated by wagering at the racetrack and each Virginia satellite facility on
8120 simulcast horse racing transmitted from jurisdictions outside the Commonwealth involving wagering other
8121 than win, place, and show wagering, the licensee shall retain 1.3 percent of such pool to be distributed as
8122 follows:

8123 1. One percent of the pool to the Virginia Breeders Fund;

8124 2. Fifteen one-hundredths percent to the Virginia-Maryland Regional College of Veterinary Medicine;

8125 3. Five one-hundredths percent to the Virginia Horse Center Foundation;

8126 4. Five one-hundredths percent to the Virginia Horse Industry Board; and

8127 5. Five one-hundredths percent to the Virginia Thoroughbred Association for the promotion of breeding
8128 in the Commonwealth.

8129 § 29.5-638. **Percentage retained; tax; historical horse racing.**

8130 On pari-mutuel pools generated by wagering on historical horse racing, the licensee shall retain 1.30
8131 percent of such pool to be distributed as follows:

8132 1. a. If generated at a racetrack, 0.56 percent to the locality in which the racetrack is located; or

8133 b. If generated at a satellite facility before July 1, 2026, 0.28 percent to the locality in which the satellite
8134 facility is located and 0.28 percent to the Virginia locality in which the racetrack is located. If generated at a
8135 satellite facility on and after July 1, 2026, 0.56 percent to the locality in which the satellite facility is located;

8136 2. To the Problem Gambling Treatment and Support Fund established pursuant to § 37.2-314.2, 0.025
8137 percent;

8138 3. To the Virginia Breeders Fund established pursuant to § 29.5-611, 0.05 percent;

8139 4. To the (i) Virginia-Maryland Regional College of Veterinary Medicine for its equine programs, (ii)
8140 Virginia Horse Center Foundation, and (iii) Virginia Horse Industry Board, 0.025 percent each; and

8141 5. The remainder to the Commonwealth as a license tax.

8142 § 29.5-639. **Advance deposit account wagering revenues; distribution.**

8143 A. Notwithstanding the provisions of this article, the allocation of revenue from advance deposit account
8144 wagering shall include (i) a licensee fee of 1.5 percent paid to the Racing Commission; (ii) an additional fee
8145 equal to one percent of all wagers made within the Commonwealth placed through an advance deposit
8146 account wagering licensee, which shall be paid to the Virginia Breeders Fund, and (iii) an additional fee
8147 equal to nine percent of all wagers made within the Commonwealth placed through an advance deposit

8148 *account wagering licensee, out of which shall be paid:*

8149 *1. Four percent to the recognized industry stakeholder organization; and*

8150 *2. Five percent to representatives of the recognized majority horsemen's group by breed to be used for*
8151 *purse funds at horse races conducted in the Commonwealth, unless otherwise authorized by the Racing*
8152 *Commission.*

8153 *Notwithstanding the foregoing, if the advance deposit account wagering licensee is a significant*
8154 *infrastructure limited licensee, the additional fee equal to nine percent of the wagers placed through such*
8155 *advance deposit account wagering licensee since November 1, 2014, shall instead be retained by such*
8156 *licensee for operational expenses, including defraying the costs of live horse racing.*

8157 *B. The recognized industry stakeholder organization shall make distributions from fees received from*
8158 *advance deposit wagering to organizations within the Commonwealth providing care for retired race horses,*
8159 *the Virginia-Maryland Regional College of Veterinary Medicine, the Virginia Horse Center Foundation, the*
8160 *Virginia Horse Industry Board, and the Virginia Thoroughbred Association in the percentages of wagering*
8161 *handles set forth in subsections D and G of § 29.5-637, and shall make a distribution of thirty-five one-*
8162 *hundredths of one percent of all wagers made within the Commonwealth placed through such advance*
8163 *deposit account wagering licensee to the locality where live racing licensed by the Commission occurred*
8164 *prior to January 1, 2012, and beginning January 1, 2020, to the locality or localities where such live horse*
8165 *racing occurs to be shared in a ratio of the number of such annual live horse races in a locality to the total*
8166 *number of such annual lives horse races in the Commonwealth. Distributions under this section from the*
8167 *recognized industry stakeholder organization to the foregoing entities and locality or localities, when added*
8168 *to the distributions to such entities and locality or localities under this article, shall be capped at the sum*
8169 *necessary to equal distributions made in the 2013 calendar year to each entity under this article, and shall be*
8170 *capped at the sum necessary to equal \$400,000 for a locality or localities.*

8171 *C. Any additional distribution of fees received from advance deposit account licensees by the recognized*
8172 *industry stakeholder organization shall be approved by the Racing Commission.*

8173 **§ 29.5-640. Admissions tax.**

8174 *The governing body of any county or city may, by ordinance, impose a \$0.25 admissions tax on any*
8175 *licensee for each person at a race meeting conducted at a track located solely in such county or city on each*
8176 *day, except that those persons holding a valid e-permit pursuant to the provisions of this chapter and actually*
8177 *employed at such track in the capacity for which such permit was issued shall not be taxed. The licensee may*
8178 *collect the amount of such tax from the ticket holder in addition to the amount charged for the price of*

8179 *admission.*

8180 *If such racetrack or its enclosure is located in two or in three localities, each locality may impose a tax*

8181 *pursuant to this section of 12 and one-half cents or eight and one-third cents per person, respectively.*

8182 *Gross receipts for license tax purposes under Chapter 37 (§ 58.1-3700 et seq.) of Title 58.1 does not*

8183 *include the admissions tax imposed under this section.*

8184 *Article 6.*

8185 *Prohibited Acts; Penalties.*

8186 **§ 29.5-641. Unlawful conduct of wagering; penalty.**

8187 *Any person not licensed pursuant to this chapter who conducts (i) pari-mutuel wagering or (ii) horse*

8188 *racing on which wagering is conducted with his knowledge or consent is guilty of a Class 4 felony.*

8189 **§ 29.5-642. Fraudulent use of credential; penalty.**

8190 *A. Any person who has in his possession (i) any credential, license, or permit issued by the Commissioner*

8191 *or the Racing Commission other than the lawful holder thereof or (ii) a forged or simulated credential,*

8192 *license, or permit of the Commission or the Racing Commission, and uses such credential, license, or permit*

8193 *for the purpose of misrepresentation, fraud, or touting is guilty of a Class 4 felony.*

8194 *B. Any credential, license, or permit issued by the Commissioner or the Racing Commission shall be*

8195 *automatically revoked if used by the holder thereof for a purpose other than identification and in the*

8196 *performance of legitimate duties on a racetrack or within a satellite facility, whether so used on or off a*

8197 *racetrack or satellite facility.*

8198 **§ 29.5-643. Unlawful transmission of information; penalty.**

8199 *A. Any person who knowingly transmits information as to the progress or results of a horse race, or*

8200 *information as to wagers, betting odds, post or off times, or jockey changes in any horse race by any means*

8201 *whatsoever for the purposes of carrying on illegal gambling operations as defined in § 29.5-900, or to a*

8202 *person engaged in illegal gambling operations is guilty of a Class 4 felony.*

8203 *B. This section shall not be construed to prohibit (i) a newspaper from printing such results or*

8204 *information as news or (ii) any television or radio station from telecasting or broadcasting such results or*

8205 *information as news.*

8206 *C. This section shall not be so construed as to place in jeopardy any common carrier or its agents*

8207 *performing operations within the scope of a public franchise or any gambling operation authorized by law.*

8208 **§ 29.5-644. Touting; penalty.**

8209 *Any person who (i) knowingly and designedly by false representation persuades, procures, or causes, or*

8210 *attempts to persuade, procure, or cause, another person to wager on a horse in a race to be run in the*
8211 *Commonwealth or elsewhere, and upon which money is wagered in the Commonwealth, and (ii) asks or*
8212 *demands compensation as a reward for information or purported information given in such case is guilty of a*
8213 *Class 1 misdemeanor.*

8214 **§ 29.5-645. *Bribing of a jockey, driver, or other participant; penalty.***

8215 *Any person who gives, promises, or offers to any jockey, driver, groom, or any person participating in any*
8216 *race meeting, including owners of racetracks and their employees, stewards, trainers, judges, starters, and*
8217 *special policemen, any valuable thing with intent to influence him to attempt to lose or cause to be lost a*
8218 *horse race in which such person is taking part or expects to take part, or has any duty or connection, or who,*
8219 *being either jockey, driver, groom, or participant in a race meeting, solicits or accepts any valuable thing to*
8220 *influence him to lose or cause to be lost a horse race in which he is taking part, or expects to take part, or*
8221 *has any duty or connection, is guilty of a Class 4 felony.*

8222 **§ 29.5-646. *Prohibited acts, administration of drugs, etc.; penalties.***

8223 *A. Any person who, with the intent to defraud, acts to alter the outcome of a race by (i) the administration*
8224 *of any substance foreign to the natural horse, except those substances specifically permitted by the*
8225 *regulations of the Racing Commission, or (ii) the use of any device, electrical or otherwise, except those*
8226 *specifically permitted by the regulations of the Racing Commission, is guilty of a Class 4 felony.*

8227 *B. Any person who, with the intent to defraud, influences or conspires with another to alter the outcome of*
8228 *a horse race by (i) the administration of any substance foreign to the natural horse, except those substances*
8229 *specifically permitted by the regulations of the Racing Commission, or (ii) the use of any device, electrical or*
8230 *otherwise, except those specifically permitted by the regulations of the Racing Commission, is guilty of a*
8231 *Class 4 felony.*

8232 *C. Any person who (i) administers any substance foreign to the natural horse, except those substances*
8233 *specifically permitted by the regulations of the Racing Commission, when the horse is entered to start or (ii)*
8234 *at any time, exposes any substance foreign to the natural horse with the intent of impeding or increasing the*
8235 *speed, endurance, health, or condition of a horse, is guilty of a Class 4 felony.*

8236 **§ 29.5-647. *Possessing drugs; penalty.***

8237 *A. Except those drugs permitted by regulation of the Racing Commission, no person shall possess or*
8238 *transport any drug within the racing enclosure without a bona fide veterinarian's prescription with a*
8239 *complete statement of uses and purposes on the container. A copy of such prescription shall be filed with the*
8240 *stewards.*

8241 *B. Any person knowingly violating the provisions of this section relating to the legal possession of drugs*
8242 *is guilty of a Class 1 misdemeanor.*

8243 *C. The provisions of the Drug Control Act (§ 54.1-3400 et seq.) shall apply in situations where drugs*
8244 *regulated by the Drug Control Act are within the racing enclosure.*

8245 **§ 29.5-648. Horse racing under false name; penalty.**

8246 *Any person who knowingly (i) enters or races any horse in any running or harness race under any name*
8247 *or designation other than the name or designation assigned to such horse by and registered with the Jockey*
8248 *Club, the United States Trotting Association, the American Quarter Horse Association, or other applicable*
8249 *association or (ii) instigates, engages in, or in any way furthers any act by which any horse is entered or*
8250 *raced in any running or trotting race under any name or designation other than the name or designation duly*
8251 *assigned by and registered with the Jockey Club, the United States Trotting Association, the American*
8252 *Quarter Horse Association, or other applicable association, is guilty of a Class 4 felony.*

8253 **§ 29.5-649. Prohibition on underage pari-mutuel wagering; penalty.**

8254 *A. No person shall wager on or conduct any wagering on the outcome of a horse race pursuant to the*
8255 *provisions of this chapter unless such person is 18 years of age or older.*

8256 *B. No person shall accept any wager from a minor.*

8257 *C. No person shall be admitted into a satellite facility if such person is younger than 18 years of age*
8258 *unless accompanied by a parent or legal guardian.*

8259 *D. No person younger than 21 years of age shall use any electronic gaming terminal or other electronic*
8260 *device in a satellite facility to wager on or conduct any wagering on historical horse racing.*

8261 *E. Violation of this section is a Class 1 misdemeanor.*

8262 **§ 29.5-650. Conspiracies and attempts to commit violations; penalty.**

8263 *A. Any person who conspires, confederates, or combines with another, either within or outside of the*
8264 *Commonwealth, to commit a felony prohibited by this chapter is guilty of a Class 4 felony.*

8265 *B. Any person who attempts to commit any act prohibited by this chapter is guilty of a criminal offense*
8266 *and punished as provided in either § 18.2-26, 18.2-27, or 18.2-28, as appropriate.*

8267 **SUBTITLE II.**

8268 **VIRGINIA LOTTERY.**

8269 **CHAPTER 7.**

8270 **GENERAL PROVISIONS.**

8271 **§ 29.5-700. Short title.**

8272 *This subtitle shall be known and may be cited as the "Virginia Lottery Law."*

8273 **§ 29.5-701. Establishment of state lottery.**

8274 *This subtitle establishes a lottery to be operated by the Commonwealth to produce revenue consonant*
8275 *with the probity of the Commonwealth and the general welfare of its people, to be used for the public purpose*
8276 *as provided in Article X, Section 7-A of the Constitution of Virginia.*

8277 **§ 29.5-702. Definitions.**

8278 *As used in this subtitle, unless the context requires a different meaning:*

8279 *"Board" means the Virginia Lottery Board established by this subtitle.*

8280 *"Department" means the independent agency responsible for the administration of the Virginia Lottery*
8281 *pursuant to this subtitle.*

8282 *"Director" means the Director of the Virginia Lottery.*

8283 *"Lottery" or "state lottery" means the lottery or lotteries established and operated pursuant to this*
8284 *subtitle.*

8285 *"Ticket courier service" means a third-party service operated for the purpose of purchasing Virginia*
8286 *Lottery tickets on behalf of individuals located within or outside of the Commonwealth and delivering or*
8287 *transmitting such tickets, or electronic images thereof, to such individuals as a business-for-profit delivery*
8288 *service.*

8289 **§ 29.5-703. Virginia Lottery established.**

8290 *Notwithstanding the provisions of Subtitle III (§ 29.5-900 et seq.) or any other provision of law, there is*
8291 *hereby established as an independent agency of the Commonwealth, exclusive of the legislative, executive, or*
8292 *judicial branches of government, the Virginia Lottery, which shall include a Director and a Virginia Lottery*
8293 *Board for the purpose of operating a state lottery.*

8294 **§ 29.5-704. Membership of Board; appointment; terms; vacancies; removal; expenses.**

8295 *A. The Board shall consist of five members, all of whom shall be citizens and residents of the*
8296 *Commonwealth and shall be appointed by and serve at the pleasure of the Governor, subject to confirmation*
8297 *by a majority of the members elected to each house of the General Assembly if in session when the*
8298 *appointment is made, and if not in session, then at its next succeeding session. Prior to the appointment of*
8299 *any Board members, the Governor shall consider the political affiliation and the geographic residence of the*
8300 *Board members. The members shall be appointed for terms of five years. The members shall annually elect*
8301 *one member as chair of the Board.*

8302 *B. Any vacancy on the Board occurring for any reason other than the expiration of a term shall be filled*

8303 *for the unexpired term in the same manner as the original term.*

8304 *C. The members of the Board shall receive such compensation as provided in § 2.2-2813, shall be subject*
8305 *to the requirements of such section, and shall be allowed reasonable expenses incurred in the performance of*
8306 *their official duties.*

8307 *D. Before entering upon the discharge of their duties, the members of the Board shall take an oath that*
8308 *they will faithfully and honestly execute the duties of the office during their continuance therein and they*
8309 *shall give bond in such amount as may be fixed by the Governor, conditioned upon the faithful discharge of*
8310 *their duties. The premium on such bond shall be paid out of the Virginia Lottery Fund.*

8311 **§ 29.5-705. Appointment, qualifications, and salary of Director.**

8312 *A. The Department shall be under the immediate supervision and direction of a Director, who shall be a*
8313 *person of good reputation, particularly as to honesty and integrity, and shall be subject to a thorough*
8314 *background investigation conducted by the Department of State Police prior to appointment. The Director*
8315 *shall be appointed by and serve at the pleasure of the Governor, subject to confirmation by a majority of the*
8316 *members elected to each house of the General Assembly if in session when the appointment is made, and if*
8317 *not in session, then at its next succeeding session. The Director shall receive a salary as provided in the*
8318 *general appropriation act.*

8319 *B. The Director shall devote his full time to the performance of his official duties and shall not be engaged*
8320 *in any other profession or occupation.*

8321 *C. Before entering upon the discharge of his duties, the Director shall take an oath that he will faithfully*
8322 *and honestly execute the duties of his office during his continuance therein and shall give bond in such*
8323 *amount as may be fixed by the Governor, conditioned upon the faithful discharge of his duties. The premium*
8324 *on such bond shall be paid out of the Virginia Lottery Fund.*

8325 **§ 29.5-706. Powers of the Director.**

8326 *A. The Director shall supervise and administer the operation of the lottery in accordance with the*
8327 *provisions of this subtitle and with the rules and regulations promulgated hereunder.*

8328 *B. The Director shall also:*

8329 *1. Employ such deputy directors, professional, technical and clerical assistants, and other employees as*
8330 *may be required to carry out the functions and duties of the Department.*

8331 *2. Act as secretary and executive officer of the Board.*

8332 *3. Require bond or other surety satisfactory to the Director from licensed agents as provided in*
8333 *subsection E of § 29.5-709 and Department employees with access to Department funds or lottery funds in*

8334 *such amount as provided in the rules and regulations of the Board. The Director may also require bond from*
8335 *other employees as he deems necessary.*

8336 *4. Confer regularly, but not less than four times each year, with the Board on the operation and*
8337 *administration of the lottery; make available for inspection by the Board, upon request, all books, records,*
8338 *files, and other information and documents of the Department; and advise the Board and recommend such*
8339 *matters as he deems necessary and advisable to improve the operation and administration of the lottery.*

8340 *5. Suspend, revoke, or refuse to renew any license issued pursuant to this chapter or the rules and*
8341 *regulations adopted hereunder.*

8342 *6. Enter into contracts for the operation of the lottery, or any part thereof, for the promotion of the lottery*
8343 *and into interstate and international lottery contracts with other states and nations. A contract awarded or*
8344 *entered into by the Director shall not be assigned by the holder thereof except by specific approval of the*
8345 *Director.*

8346 *7. Certify monthly to the State Comptroller and the Board a full and complete statement of lottery*
8347 *revenues, prize disbursements, and other expenses for the preceding month.*

8348 *8. Report monthly to the Governor, the Secretary of Finance, and the Chairs of the Senate Committee on*
8349 *Finance and Appropriations, House Committee on Finance, and House Committee on Appropriations the*
8350 *total lottery revenues, prize disbursements, and other expenses for the preceding month and make an annual*
8351 *report, which shall include a full and complete statement of lottery revenues, prize disbursements, and other*
8352 *expenses to the Governor and the General Assembly.*

8353 *9. Report immediately to the Governor and the General Assembly any matters that require immediate*
8354 *changes in the laws of the Commonwealth in order to prevent abuses and evasions of this subtitle or the rules*
8355 *and regulations adopted hereunder or to rectify undesirable conditions in connection with the administration*
8356 *or operation of the lottery.*

8357 *10. Notify prize winners and appropriate state and federal agencies of the payment of prizes in excess of*
8358 *\$600 in the manner required by the lottery rules and regulations.*

8359 *11. Provide for the withholding of the applicable amount of state and federal income tax of persons*
8360 *claiming a prize for a winning ticket in excess of \$5,001.*

8361 *12. Participate in the Problem Gambling Treatment and Support Advisory Committee, established*
8362 *pursuant to § 37.2-304 by the Department of Behavioral Health and Developmental Services, to enable*
8363 *collaboration among prevention and treatment providers and operators of legal gaming in the*
8364 *Commonwealth on efforts to reduce the negative effects of problem gambling.*

8365 C. The Director and the director of security or investigators appointed by the Director shall be vested
8366 with the powers of sheriff and sworn to enforce the statutes and regulations pertaining to the Department and
8367 to investigate violations of the statutes and regulations that the Director is required to enforce.

8368 D. The Director may authorize temporary bonus or incentive programs for payments to licensed sales
8369 agents that he determines will be cost effective and support increased sales of lottery products.

8370 **§ 29.5-707. Powers of the Board.**

8371 A. The Board shall have the power to adopt regulations governing the establishment and operation of a
8372 lottery pursuant to this subtitle. The regulations governing the establishment and operation of the lottery
8373 shall be promulgated by the Board after consultation with the Director. Such regulations shall be in
8374 accordance with the Administrative Process Act (§ 2.2-4000 et seq.). The regulations shall provide for all
8375 matters necessary or desirable for the efficient, honest, and economical operation and administration of the
8376 lottery and for the convenience of the purchasers of tickets or shares and the holders of winning tickets or
8377 shares. The regulations, which may be amended, repealed, or supplemented as necessary, shall include the
8378 following:

8379 1. The type or types of lottery or game to be conducted in accordance with § 29.5-701.

8380 2. The price or prices of tickets or shares in the lottery.

8381 3. The numbers and sizes of the prizes on the winning tickets or shares, including informing the public of
8382 the approximate odds of winning and the proportion of lottery revenues (i) disbursed as prizes and (ii)
8383 returned to the Commonwealth as net revenues.

8384 4. The manner of selecting the winning tickets or shares.

8385 5. The manner of payment of prizes to the holders of winning tickets or shares.

8386 6. The frequency of the drawings or selections of winning tickets or shares without limitation.

8387 7. Without limitation as to number, the type or types of locations at which tickets or shares may be sold.

8388 8. The method to be used in selling tickets or shares, including the sale of tickets or shares over the
8389 internet.

8390 9. The advertisement of the lottery in accordance with the provisions of subsection E of § 29.5-717.

8391 10. The licensing of agents to sell tickets or shares who will best serve the public convenience and
8392 promote the sale of tickets or shares. No person younger than 18 years of age shall be licensed as an agent. A
8393 licensed agent may employ a person who is 16 years of age or older to sell or otherwise vend tickets at the
8394 agent's place of business so long as the employee is supervised in the selling or vending of tickets by the
8395 manager or supervisor in charge at the location where the tickets are being sold. Employment of such person

8396 shall be in compliance with Chapter 5 (§ 40.1-78 et seq.) of Title 40.1.

8397 11. The manner and amount of compensation, if any, to be paid licensed sales agents necessary to provide
8398 for the adequate availability of tickets or shares to prospective buyers and for the convenience of the public.
8399 Notwithstanding the provisions of this subdivision, the Board shall not be required to approve temporary
8400 bonus or incentive programs for payments to licensed sales agents.

8401 12. Apportionment of the total revenues accruing from the sale of tickets or shares and from all other
8402 sources and establishment of the amount of the special reserve fund as provided in § 58.1-4022.

8403 13. Such other matters necessary or desirable for the efficient and economical operation and
8404 administration of the lottery.

8405 The Department shall not be subject to the provisions of Chapter 43 (§ 2.2-4300 et seq.) of Title 2.2;
8406 however, the Board shall promulgate regulations, after consultation with the Director, relative to
8407 departmental procurement that include standards of ethics for procurement consistent with the provisions of
8408 Article 6 (§ 2.2-4367 et seq.) of Chapter 43 of Title 2.2 and that ensure that departmental procurement will
8409 be based on competitive principles.

8410 The Board shall have the power to advise and recommend, but shall have no power to veto or modify,
8411 administrative decisions of the Director. However, the Board shall have the power to accept, modify, or
8412 reject any revenue projections before such projections are forwarded to the Governor.

8413 B. The Board shall carry on a continuous study and investigation of the lottery throughout the
8414 Commonwealth to:

8415 1. Ascertain any defects of this subtitle or the regulations issued hereunder that cause abuses in the
8416 administration and operation of the lottery and any evasions of such provisions.

8417 2. Formulate, with the Director, recommendations for changes in this subtitle and the regulations
8418 promulgated hereunder to prevent such abuses and evasions.

8419 3. Guard against the use of this subtitle and the regulations promulgated hereunder as a subterfuge for
8420 organized crime and illegal gambling.

8421 4. Ensure that this law and the regulations of the Board are in such form and are so administered as to
8422 serve the true purpose of this subtitle.

8423 C. The Board shall make a continuous study and investigation of (i) the operation and the administration
8424 of similar laws that may be in effect in other states or countries, (ii) any literature on the subject that may be
8425 published or available, (iii) any federal laws that may affect the operation of the lottery, and (iv) the reaction
8426 of citizens of the Commonwealth to the potential features of the lottery with a view to recommending or

8427 *effecting changes that will serve the purpose of this subtitle.*

8428 *D. The Board shall hear and decide an appeal of any denial by the Director of the licensing or revocation*
8429 *of a license of a lottery agent pursuant to subdivision A 10 and to subdivision B 5 of § 29.5-706.*

8430 *E. The Board shall have the authority to initiate procedures for the planning, acquisition, and*
8431 *construction of capital projects as set forth in Article 4 (§ 2.2-1129 et seq.) of Chapter 11 and Article 3*
8432 *(§ 2.2-1819 et seq.) of Chapter 18 of Title 2.2.*

8433 **§ 29.5-708. Employees of the Department; background investigations of employees.**

8434 *All persons employed by the Department shall be fingerprinted before, and as a condition of, employment.*
8435 *These fingerprints and furnished demographic information shall be submitted to the Central Criminal*
8436 *Records Exchange (CCRE) to be forwarded to the Federal Bureau of Investigation for a national criminal*
8437 *records search. The result of such search shall be returned to the chief security officer, or his designee who*
8438 *shall be a government employee. All board members, officers, and employees of any vendor of lottery online*
8439 *or instant ticket goods or services working directly on a contract with the Department for such goods or*
8440 *services shall be fingerprinted, and such fingerprints and furnished demographic information shall be*
8441 *submitted to the CCRE to be forwarded to the Federal Bureau of Investigation for a national criminal*
8442 *records search. The result of such search shall be returned to the chief security officer, or his designee who*
8443 *shall be a government employee. A background investigation shall be conducted by the chief security officer*
8444 *of the Department on every applicant prior to employment by the Department. However, all division directors*
8445 *of the Department and employees of the Department performing duties primarily related to security matters*
8446 *shall be subject to a background investigation to include fingerprints and furnished demographic*
8447 *information, which shall be submitted to the CCRE to be forwarded to the Federal Bureau of Investigation*
8448 *for a national criminal records search. The results of such search shall be returned to the Department of*
8449 *State Police. The Department of State Police shall complete the investigation prior to an individual becoming*
8450 *employed by the Department. The Department of State Police shall be reimbursed by the Virginia Lottery for*
8451 *the cost of investigations conducted pursuant to this section or § 29.5-705. No person who has been convicted*
8452 *of a felony, bookmaking, or other forms of illegal gambling, or of a crime involving moral turpitude shall be*
8453 *employed by the Department or on contracts with vendors described in this section.*

8454 **§ 29.5-709. Licensing of lottery sales agents; penalty.**

8455 *A. No license as an agent to sell lottery tickets or shares shall be issued to any person to engage in*
8456 *business primarily as a lottery sales agent. Before issuing such license, the Director shall consider such*
8457 *factors as (i) the financial responsibility and security of the person and his business or activity; (ii) the*

8458 *accessibility of his place of business or activity to the public; (iii) the sufficiency of existing licensees to serve*
8459 *the public convenience; and (iv) the volume of expected sales.*

8460 *B. For the purposes of this section, the term "person" means an individual, association, partnership,*
8461 *corporation, club, trust, estate, society, company, joint stock company, receiver, trustee, assignee, referee, or*
8462 *any other person acting in a fiduciary or representative capacity, whether appointed by a court or otherwise,*
8463 *and any combination of individuals. "Person" also means all departments, commissions, agencies, and*
8464 *instrumentalities of the Commonwealth, including counties, cities, municipalities, agencies, and*
8465 *instrumentalities thereof.*

8466 *C. The chief security officer of the Department shall conduct a background investigation, to include a*
8467 *fingerprint search. Each licensed lottery sales agent may be required to submit to being fingerprinted and to*
8468 *furnish demographic information, which shall be submitted to the CCRE to be forwarded to the Federal*
8469 *Bureau of Investigation for a state and national criminal records search. The result of such search shall be*
8470 *returned to the chief security officer or his designee, who shall be a government employee. The Director may*
8471 *refuse to issue a license to operate as an agent to sell lottery tickets or shares to any person who has been (i)*
8472 *convicted of a crime involving moral turpitude, (ii) convicted of bookmaking or other forms of illegal*
8473 *gambling, (iii) found guilty of any fraud or misrepresentation in any connection, (iv) convicted of a felony, or*
8474 *(v) engaged in conduct prejudicial to public confidence in the Lottery. The Director may refuse to grant a*
8475 *license or may suspend, revoke, or refuse to renew a license issued pursuant to this subtitle to a partnership*
8476 *or corporation, if he determines that any general or limited partner, or officer or director of such partnership*
8477 *or corporation has been (a) convicted of a crime involving moral turpitude, (b) convicted of bookmaking or*
8478 *other forms of illegal gambling, (c) found guilty of any fraud or misrepresentation in any connection, (d)*
8479 *convicted of a felony, or (e) engaged in conduct prejudicial to public confidence in the Lottery. Whoever*
8480 *knowingly and willfully falsifies, conceals, or misrepresents a material fact or knowingly and willfully makes*
8481 *a false, fictitious, or fraudulent statement or representation in any application for licensure to the*
8482 *Department for lottery sales agent is guilty of a Class 1 misdemeanor.*

8483 *D. In the event an applicant is a former lottery sales agent whose license was suspended, revoked, or*
8484 *refused renewal pursuant to this section or § 29.5-712, no application for a new license to sell lottery tickets*
8485 *or shares shall be considered for a minimum period of 90 days following the suspension, revocation, or*
8486 *refusal to renew.*

8487 *E. Prior to issuance of a license, every lottery sales agent shall either (i) be bonded by a surety company*
8488 *entitled to do business in the Commonwealth in such amount and penalty as may be prescribed by the*

8489 regulations of the Department or (ii) provide such other surety as may be satisfactory to the Director,
8490 payable to the Virginia Lottery and conditioned upon the faithful performance of his duties.

8491 F. Every licensed agent shall prominently display his license, or a copy thereof, as provided in the
8492 regulations of the Department.

8493 **§ 29.5-710. Authority of persons licensed as lottery sales agents; annual fee.**

8494 A. Notwithstanding any other provision of law, any person licensed as provided in this subtitle is hereby
8495 authorized to act as a lottery sales agent.

8496 B. The rules and regulations of the Department shall provide for an initial licensing fee and an annual
8497 license review fee to be collected from each lottery sales agent. Such fee, as promulgated by rule and
8498 regulation of the Board, shall be designed to recover all or such portion of the installation and annual
8499 operational costs borne by the Department in providing services to the agent.

8500 **§ 29.5-711. Meaning of "gross receipts."**

8501 A. Notwithstanding the provisions of Chapter 37 (§ 58.1-3700 et seq.) of Title 58.1 or § 29.5-812 relating
8502 to local license taxes, the term "gross receipts" as used in Chapter 37 shall include only the compensation
8503 actually paid to a licensed sales agent as provided by rule or regulation adopted by the Board consistent with
8504 the provisions of subdivision A 11 of § 29.5-707.

8505 B. Unless otherwise provided by contract, any person licensed as a lottery agent who makes rental
8506 payments for the business premises on which state lottery tickets are sold on the basis of retail sales shall
8507 have that portion of rental payment based on sales of state lottery tickets or shares computed on the basis of
8508 the compensation received as a lottery agent from the Virginia Lottery.

8509 **§ 29.5-712. Suspension and revocation of licenses.**

8510 The Director may suspend, revoke, or refuse to renew, after notice and a hearing, any license issued
8511 pursuant to this subtitle. Such license may, however, be temporarily suspended by the Director without prior
8512 notice, pending any prosecution, hearing, or investigation, whether by a third party or by the Director. A
8513 license may be suspended, revoked, or refused renewal by the Director for one or more of the following
8514 reasons:

- 8515 1. Failure to properly account for lottery tickets received or the proceeds of the sale of lottery tickets;
- 8516 2. Failure to file a bond if required by the Director or to comply with instructions and rules and
8517 regulations of the Department concerning the licensed activity, especially with regard to the prompt payment
8518 of claims;
- 8519 3. Conviction of any offense referenced in subsection C of § 29.5-709 subsequent to licensure;

8520 4. Failure to file any return or report, to keep records, or to pay any fees or other charges required by this
8521 subtitle;

8522 5. Any act of fraud, deceit, misrepresentation, or conduct prejudicial to public confidence in the
8523 Commonwealth lottery;

8524 6. If the number of lottery tickets sold by the lottery sales agent is insufficient to meet administrative costs
8525 and public convenience is adequately served by other licensees;

8526 7. A material change, since issuance of the license, with respect to any matters required to be considered
8527 by the Director under this subtitle; or

8528 8. Other factors established by Department regulation.

8529 **§ 29.5-713. Prohibited actions; penalty.**

8530 Any person who (i) wrongfully and fraudulently uses, disposes of, conceals, or embezzles any public
8531 money or funds associated with the operation of the lottery; (ii) wrongfully and fraudulently tampers with any
8532 equipment or machinery used in the operation of the lottery; or (iii) makes inaccurate entries regarding a
8533 financial accounting of the lottery in order to conceal the truth, defraud the Commonwealth, and obtain
8534 money to which he is not entitled is guilty of a Class 3 felony.

8535 **§ 29.5-714. License required for "instant ticket" games or contests; penalty.**

8536 No person who owns or is employed by any retail establishment in the Commonwealth shall use any
8537 "instant ticket" game or contest for the purpose of promoting or furthering the sale of any product without
8538 first obtaining a license to do so from the Director. For the purposes of this section, an "instant ticket" game
8539 or contest means a game of chance played on a paper ticket or card where (i) a person may receive gifts,
8540 prizes, or gratuities and (ii) winners are determined by preprinted concealed letters, numbers, or symbols
8541 which, when exposed, reveal immediately whether the player has won a prize or entry into a prize drawing,
8542 but does not include any "instant ticket" game or contest licensed by the Virginia Gaming Commission
8543 pursuant to Chapter 2 (§ 29.5-200 et seq.). The fact that no purchase is required in order to participate shall
8544 not exclude such game or contest from the provisions of this section; however, nothing in this section shall
8545 prohibit any retail establishment from using a Virginia lottery ticket to promote or further the sale of any
8546 products except those having both a federal and state excise tax placed on them. Any person who violates this
8547 section is guilty of a Class 3 misdemeanor.

8548 **§ 29.5-715. Unclaimed prizes.**

8549 A. Unclaimed prizes for a winning ticket or share shall be retained by the Director for the person entitled
8550 thereto for 180 days after the drawing in which the prize was won in the case of a drawing prize and for 180

8551 *days after the announced end of the lottery game in the case of a prize determined in any manner other than*
8552 *by means of a drawing. If no claim is made for the prize within the 180 days, the Director shall deem such*
8553 *prize forfeited by the person entitled to claim such winnings.*

8554 *B. All prizes deemed forfeited pursuant to subsection A shall be paid into the Literary Fund. The Director*
8555 *may develop procedures, to be approved by the Auditor of Public Accounts, for estimating the cumulative*
8556 *total of such unclaimed prizes in any lottery game in lieu of specifically identifying unclaimed prizes where*
8557 *such specific identification would not be cost effective. The Director, within 60 days after the end of each*
8558 *180-day retention period, shall report the total value of prizes forfeited at the end of such period to the*
8559 *Comptroller, who shall promptly transfer the total of such prizes to the Literary Fund. The total value of*
8560 *prizes forfeited during the fiscal year shall be audited by the Auditor of Public Accounts in accordance with §*
8561 *29.5-719. In the case of a prize payable over time on one or more winning tickets, if one or more winning*
8562 *tickets is not claimed within the 180-day redemption period, the Department shall transfer the then current*
8563 *monetary value of such portion of the prize remaining unclaimed to the Literary Fund in accordance with*
8564 *procedures approved by the State Treasurer. "Current monetary value" shall be determined by the net*
8565 *proceeds from the sale of that portion of jackpot securities allocated to the unclaimed winner plus the amount*
8566 *of the initial cash payment.*

8567 *C. Subsection B shall not apply to prizes of \$25 or less resulting from any lottery game other than a*
8568 *lottery game in which a drawing determined the prize. The Board shall adopt regulations for the disposition*
8569 *of all such unclaimed prizes of \$25 or less not resulting from a drawing. Such disposition shall be directed in*
8570 *whole or in part to either the Virginia Lottery Fund or to other forms of compensation to licensed sales*
8571 *agents.*

8572 *D. For purposes of this section, "prize" refers to a cash prize. In the case of a prize payable over time and*
8573 *not as a lump sum payment, "prize" means the present cash value of the prize, not the value paid over time.*

8574 *E. In accordance with the provisions of the Soldiers' and Sailors' Civil Relief Act of 1940 (50 App.*
8575 *U.S.C.A. § 525), any person whose unclaimed prize was deemed forfeited pursuant to subsection A while he*
8576 *was in active military service may claim such forfeited prize by presenting his winning ticket to the Director*
8577 *no later than 180 days after his discharge from active military service. Within 30 days of such presentation,*
8578 *the Director shall verify the claim and report the verification to the Comptroller. The Comptroller shall*
8579 *promptly pay the verified claim first from funds available in the Unclaimed Property Trust Fund; if such*
8580 *funds are insufficient, then, from any undesignated, unreserved year-end balance of the general fund. All*
8581 *verified claims shall be paid in accordance with the Board's rules and regulations then in effect regarding the*

8582 *manner of payment of prizes to the holders of winning tickets or shares.*

8583 **§ 29.5-716. Deposit of moneys received by agents; performance of functions, etc., in connection with**
8584 ***operation of lottery; compensation of agents.***

8585 *A. The Director shall require all lottery sales agents to deposit to the credit of the Virginia Lottery Fund*
8586 *in banks, designated by the State Treasurer, all moneys received by such agents from the sale of lottery*
8587 *tickets or shares, less any amount paid as prizes or retained as compensation to agents for the sale of the*
8588 *tickets or shares, and to file with the Director, or his designated agents, reports of their receipts,*
8589 *transactions, and disbursements pertaining to the sale of lottery tickets in such form and containing such*
8590 *information as he may require. Such deposits and reports shall be submitted at such times and within such*
8591 *intervals as shall be prescribed by rule and regulation of the Department. The Director may arrange for any*
8592 *person, including a bank, to perform such functions, activities, or services in connection with the operation of*
8593 *the lottery as he may deem advisable pursuant to this subtitle and the rules and regulations of the*
8594 *Department, and such functions, activities, and services shall constitute lawful functions, activities, and*
8595 *services of the person.*

8596 *B. The rules and regulations of the Department shall provide for a service charge to the licensed agent if*
8597 *any payor bank dishonors a check or draft tendered for deposit to the credit of the Virginia Lottery Fund by a*
8598 *licensed agent or for an electronic transfer of funds to the Virginia Lottery Fund from the account of a*
8599 *licensed agent for money received from the sale of lottery tickets.*

8600 *The regulations of the Department shall provide for a service charge and penalty to a licensed agent if*
8601 *any payor bank dishonors a check or draft from the account of a licensed agent tendered for payment of any*
8602 *prize by a licensed agent to any claimant. Any such charge or penalty so collected by the Department shall be*
8603 *used first to reimburse the claimant for any charges or penalties incurred by him as a result of the licensed*
8604 *agent's dishonored check tendered as payment of any prize and the remainder to offset the Department's*
8605 *administrative costs.*

8606 *C. A licensed agent shall be charged interest as provided in § 58.1-15 on the money that is not timely paid*
8607 *to the Virginia Lottery Fund in accordance with the rules and regulations of the Department and shall in*
8608 *addition thereto pay penalties as provided by rules and regulations of the Department.*

8609 *D. Should the Department refer the debt of any licensed agent to the Attorney General, the Department of*
8610 *Taxation as provided in the Setoff Debt Collection Act (§ 58.1-520 et seq.), or any other central collection*
8611 *unit of the Commonwealth, an additional service charge shall be imposed in the amount necessary to cover*
8612 *the administrative costs of the Department and agencies to which such debt is referred.*

8613 *E. Notwithstanding the provisions of Chapter 5 (§ 8.01-257 et seq.) of Title 8.01, in any action for the*
8614 *collection of a debt owed by any licensed agent to the lottery, venue shall lie in the City of Richmond.*

8615 *F. All proceeds from the sale of lottery tickets or shares received by a person in the capacity of a sales*
8616 *agent shall constitute a trust fund until deposited into the Virginia Lottery Fund either directly or through the*
8617 *Department's authorized collection representative. Proceeds shall include cash proceeds of the sale of any*
8618 *lottery products, less any amount paid as prizes or retained as compensation to agents for the sale of the*
8619 *tickets or shares. Sales agents shall be personally liable for all proceeds.*

8620 *G. If the Director determines that the deposit or collection from any sales agent of any moneys or*
8621 *proceeds under this section is or will be jeopardized or will otherwise be delayed, he may adjust either the*
8622 *time or the interval or both for such deposits or collections of any sales agent; require that all such moneys*
8623 *or proceeds shall be kept separate and apart from all other funds and assets and shall not be commingled*
8624 *with any other funds or assets prior to their deposit or collection under this section; and require such other*
8625 *security of any sales agent as he may deem advisable to ensure the timely deposit or collection of moneys or*
8626 *proceeds to the credit of the Virginia Lottery Fund.*

8627 *Collection of moneys or proceeds "is or will be jeopardized or will otherwise be delayed" when (i) a*
8628 *check, draft, or electronic funds transfer to the credit of the Virginia Lottery Fund is dishonored as described*
8629 *in subsection B; (ii) an independent auditor states that the lottery sales agent's financial condition raises*
8630 *substantial doubt about its ability to continue as a going concern; or (iii) the lottery sales agent (a) closes for*
8631 *business or fails to maintain normal business hours without reasonable explanation, (b) has a credit record*
8632 *reflecting recent actions that cast doubt as to its creditworthiness, (c) states it has or may have cash flow*
8633 *problems or may be unable to meet its financial obligations, (d) states it may seek the protection of the*
8634 *federal bankruptcy or state insolvency law, (e) refuses to purchase additional lottery tickets or returns tickets*
8635 *ordered without good cause, or (f) does any other act tending to prejudice or to render wholly or partially*
8636 *ineffectual proceedings to collect moneys or proceeds that are or will become due and payable to the*
8637 *Virginia Lottery Fund.*

8638 **§ 29.5-717. Virginia Lottery Fund.**

8639 *A. All moneys received from the sale of lottery tickets or shares, less payment for prizes and compensation*
8640 *of agents as authorized by regulation and any other revenues received under this subtitle, shall be placed in a*
8641 *special fund known as the "Virginia Lottery Fund." Notwithstanding any other provisions of law, interest*
8642 *earned from moneys in the Virginia Lottery Fund shall accrue to the benefit of such Fund.*

8643 *B. The total costs for the operation and administration of the lottery shall be funded from the Virginia*

8644 *Lottery Fund and shall be in such amount as provided in the general appropriation act. Appropriations to the*
8645 *Department during any fiscal year beginning on and after July 1, 1989, exclusive of agent compensation,*
8646 *shall at no time exceed 10 percent of the total annual estimated gross revenues to be generated from lottery*
8647 *sales. However, should it be anticipated at any time by the Director that such operational and administrative*
8648 *costs for a fiscal year will exceed the limitation provided herein, the Director shall immediately report such*
8649 *information to the Board, the Governor, and the Chairs of the Senate Committee on Finance and*
8650 *Appropriations and the House Committee on Appropriations. From the moneys in the Fund, the Comptroller*
8651 *shall establish a special reserve fund in such amount as shall be provided by regulation of the Department*
8652 *for (i) operation of the lottery, (ii) use if the game's pay-out liabilities exceed its cash on hand, or (iii)*
8653 *enhancement of the prize pool with income derived from lending securities held for payment of prize*
8654 *installments, which lending of securities shall be conducted in accordance with lending programs approved*
8655 *by the Department of the Treasury.*

8656 *C. The Comptroller shall transfer to the Lottery Proceeds Fund established pursuant to § 29.5-718, less*
8657 *the special reserve fund, the audited balances of the Virginia Lottery Fund at the close of each fiscal year.*
8658 *The transfer for each year shall be made in two parts: (i) on or before June 30, the Comptroller shall transfer*
8659 *balances of the Virginia Lottery Fund for the fiscal year, based on an estimate determined by the Virginia*
8660 *Lottery, and (ii) no later than 10 days after receipt of the annual audit report required by § 29.5-719, the*
8661 *Comptroller shall transfer to the Lottery Proceeds Fund the remaining audited balances of the Virginia*
8662 *Lottery Fund for the fiscal year. If such annual audit discloses that the actual revenue is less than the*
8663 *estimate on which the transfer was based, the State Comptroller shall transfer the difference between the*
8664 *actual revenue and the estimate from the Lottery Proceeds Fund to the Virginia Lottery Fund.*

8665 *D. In addition to such other funds as may be appropriated, 100 percent of the lottery revenues transferred*
8666 *to the Lottery Proceeds Fund shall be appropriated entirely and solely for the purpose of public education in*
8667 *the Commonwealth unless otherwise redirected pursuant to Article X, Section 7-A of the Constitution of*
8668 *Virginia. The additional appropriation of lottery revenues to local school divisions for public education*
8669 *purposes consistent with this provision shall be used for operating, capital outlay, or debt service expenses,*
8670 *as determined by the appropriation act. The additional appropriation of lottery revenues shall not be used by*
8671 *any local school division to reduce its total local expenditures for public education in accordance with the*
8672 *provisions of the general appropriation act.*

8673 *E. As a function of the administration of this subtitle, funds may be expended for the purposes of*
8674 *reasonably informing the public concerning (i) the facts embraced in the subjects contained in subdivisions A*

8675 *1 through 7 of § 29.5-707 and (ii) the fact that the net proceeds are paid into the Lottery Proceeds Fund of*
8676 *the Commonwealth, but no funds shall be expended for the primary purpose of inducing persons to*
8677 *participate in the lottery.*

8678 **§ 29.5-718. Lottery Proceeds Fund.**

8679 *A. There is hereby created in the state treasury a special nonreverting fund to be known as the Lottery*
8680 *Proceeds Fund, referred to in this section as the "Fund." The Fund shall be established on the books of the*
8681 *Comptroller and interest earned on moneys in the Fund shall remain in the Fund and be credited to it. Any*
8682 *moneys remaining in the Fund, including interest thereon, at the end of each fiscal year shall not revert to the*
8683 *general fund but shall remain in the Fund. The Fund shall consist of amounts deposited into it from the net*
8684 *revenues of any lottery conducted by the Commonwealth pursuant to Article X, Section 7-A of the*
8685 *Constitution of Virginia.*

8686 *B. For purposes of any appropriation act enacted by the General Assembly and for the purposes of the*
8687 *Comptroller's preliminary and final annual reports required by § 2.2-813, all deposits to and appropriations*
8688 *from the Lottery Proceeds Fund shall be accounted for and considered to be a part of the general fund of the*
8689 *state treasury.*

8690 **§ 29.5-719. Post-audit of accounts and transactions of Department; post-compliance audits.**

8691 *A regular post-audit shall be conducted of all accounts and transactions of the Department. An annual*
8692 *audit of a fiscal and compliance nature of the accounts and transactions of the Department shall be*
8693 *conducted by the Auditor of Public Accounts on or before August 15 of each year. The cost of the annual*
8694 *audit and post-audit examinations shall be borne by the Department. The Board may order such other audits*
8695 *as it deems necessary and desirable.*

8696 **§ 29.5-720. Employees of the Department.**

8697 *Employees of the Department shall be exempt from the provisions of the Virginia Personnel Act, Chapter*
8698 *29 (§ 2.2-2900 et seq.) of Title 2.2. Personnel actions shall be taken without regard to race, sex, sexual*
8699 *orientation, gender identity, color, ethnic or national origin, religion, age, disability, or political affiliation.*

8700 **§ 29.5-721. Judicial review.**

8701 *The action of the Board in granting or denying a license or registration or in suspending or revoking any*
8702 *license or registration under the provisions of this subtitle shall be subject to review in accordance with the*
8703 *provisions of the Administrative Process Act (§ 2.2-4000 et seq.). Such review shall be limited to the*
8704 *evidential record of the proceedings provided by the Board. Both the petitioner and the Board shall have the*
8705 *right to appeal to the Court of Appeals from any order of the court.*

8706

CHAPTER 8.

8707

ADMINISTRATION OF TICKETS AND PRIZES.

8708

§ 29.5-800. Lottery tickets to bear telephone number for compulsive gamblers.

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All lottery tickets shall bear a toll-free telephone number for "Gamblers Anonymous" or other

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organization that provides assistance to compulsive gamblers.

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§ 29.5-801. Posting of illegal gaming tip line.

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Every licensed lottery sales agent shall post in a conspicuous place in its retail establishment a sign that

bears (i) the toll-free telephone number and website for the illegal gaming tip line established and

administered by the Office of the Gaming Enforcement Coordinator in the Department of State Police

pursuant to § 52-54 for members of the public to report concerns about, or suspected instances of, illegal

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gaming activities and (ii) the toll-free telephone number for the National Problem Gambling Helpline.

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§ 29.5-802. Right to prize not assignable; exceptions.

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A. No right of any person to a prize drawn shall be assignable, except that: (i) payment of any prize

drawn may be paid according to the terms of a deceased prize winner's beneficiary designation or similar

form filed with the Department or to the estate of a deceased prize winner who has not completed such a

form; (ii) the prize to which the winner is entitled may be paid to a person pursuant to an appropriate

judicial order; and (iii) payment of any prize drawn may be paid in accordance with the provisions of §

29.5-811. Payments made according to the terms of a deceased prize winner's beneficiary designation or

similar form filed with the Department are effective by reason of the contract involved and this statute and

are not to be considered as testamentary or subject to Chapter 4 (§ 64.2-400 et seq.) of Title 64.2. The

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Director shall be discharged of all liability upon payment of a prize pursuant to this section.

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B. Investments of prize proceeds made by the Department to fund the payment of an annuitized prize are

to be held in the name of the Department or the Commonwealth and not in the name of the prize winner. Any

claim of a prize winner to a future payment remains inchoate until the date the payment is due under

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Department regulations.

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C. Except as provided in Chapter 19 (§ 63.2-1900 et seq.) of Title 63.2 and this subtitle, no lottery prize

or installment thereof may be subject to garnishment or to a lien of any kind until such prize or installment

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thereof has been paid or distributed.

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D. Whenever the Department or the Director is or may be named as a party in any proceeding instituted

by or on behalf of one or more persons who claim ownership of a winning lottery ticket, prize, share, or

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portion thereof for the purpose of determining the ownership or right to such ticket, prize, share, or portion

8737 *thereof, the Director may voluntarily pay or tender the prize, share, or portion thereof into the circuit court*
8738 *where the action is filed, or may be ordered to do so by the court, and shall thereupon be discharged from all*
8739 *liability as between the claimants of such ticket, prize, share, or portion thereof without regard to whether*
8740 *such payment was made voluntarily or pursuant to a court order.*

8741 *Nothing in this section shall be deemed to constitute a waiver of the sovereign immunity of the*
8742 *Commonwealth or to authorize any attachment, garnishment, or lien against the prize, share, or portion*
8743 *thereof paid into the court except as permitted by subsection C.*

8744 **§ 29.5-803. Price of tickets or shares; who may sell; penalty.**

8745 *No person shall sell a ticket or share at any price or at any location other than that fixed by rules and*
8746 *regulations of the Department. No person other than a licensed lottery sales agent or his employee shall sell*
8747 *lottery tickets or shares, except that nothing in this section shall be construed to prevent any person from*
8748 *giving lottery tickets or shares to another person 18 years of age or older as a gift. No person shall operate a*
8749 *ticket courier service in the Commonwealth.*

8750 *Any person convicted of violating this section is guilty of a Class 1 misdemeanor.*

8751 **§ 29.5-804. Method of payment for purchase of tickets or shares.**

8752 *Lottery sales agents licensed in accordance with this subtitle shall accept only cash or debit cards in*
8753 *payment for the purchase of lottery tickets or shares.*

8754 **§ 29.5-805. Sale of ticket or share to person younger than 18 years of age prohibited; penalty.**

8755 *No ticket or share shall be sold to or redeemed from any person younger than 18 years of age. Any*
8756 *licensee who knowingly sells or offers to sell or redeem a lottery ticket or share to or from any person*
8757 *younger than 18 years of age is guilty of a Class 1 misdemeanor.*

8758 **§ 29.5-806. Gift to minor prohibited; penalty.**

8759 *No ticket or share shall be given as a gift or otherwise to any person younger than 18 years of age. Any*
8760 *person who knowingly gives a lottery ticket or share to any person younger than 18 years of age is guilty of a*
8761 *Class 3 misdemeanor.*

8762 **§ 29.5-807. Alteration and forgery; presentation of counterfeit or altered ticket or share; penalty.**

8763 *Any person who (i) forges, alters, or fraudulently makes any lottery ticket or share with intent to present*
8764 *for payment or to transfer to another person to be presented for payment or (ii) knowingly presents for*
8765 *payment or transfers to another person to be presented for payment such forged, altered, or fraudulently*
8766 *made counterfeit lottery ticket or share sold pursuant to this subtitle is guilty of a Class 6 felony.*

8767 **§ 29.5-808. Larceny of tickets; fraudulent notification of prizes; penalty.**

8768 A. Any person who steals or otherwise unlawfully converts to his own or another's use a lottery ticket,
8769 prize, share, or portion thereof is guilty of larceny. For purposes of this subsection, the value of a lottery
8770 ticket, prize, share, or portion thereof shall be deemed to be the greater of its face amount or its redemption
8771 value.

8772 B. Any person who, with intent to defraud, steal, embezzle, or violate the provisions of § 18.2-186.3,
8773 designs, makes, prints, or otherwise produces, in whole or in part, a document or writing, whether in printed
8774 or electronic form, that falsely purports to be correspondence from or on behalf of the lottery is guilty of a
8775 Class 5 felony.

8776 Jurisdiction shall lie and prosecution may proceed under this subsection in any county or city (i) in which
8777 the document was created; (ii) from which it was sent, regardless of the form of delivery; or (iii) in which it
8778 was received, regardless of the form of delivery.

8779 **§ 29.5-809. Ticket discounting; civil penalties.**

8780 A. As used in this section, "ticket discounting" means reselling or having a person other than the prize
8781 winner claim a winning lottery ticket or buying or claiming a winning lottery ticket for the purpose of
8782 assisting the original prize winner with concealing his identity as a prize winner.

8783 B. No person shall engage in the practice of ticket discounting.

8784 C. Any person found to have engaged in the practice of ticket discounting shall be fined as determined by
8785 the Director (i) for prizes of less than \$1,000, not more than \$250; (ii) for prizes of \$1,000 or more but less
8786 than \$5,000, more than \$250 but not more than \$500; and (iii) for prizes of \$5,000 or more, no less than
8787 \$1,000. All fines recovered for violations of this section shall be paid into the state treasury to the credit of
8788 the Literary Fund, in accordance with § 19.2-353.

8789 **§ 29.5-810. Certain persons ineligible to purchase tickets or shares or receive prizes.**

8790 A. No ticket or share shall be purchased by, and no prize shall be paid on a ticket purchased by or
8791 transferred to, any (i) Board member, officer, or employee of the Lottery; (ii) board member, officer, or
8792 employee of any vendor to the Lottery of lottery online or instant ticket goods or services working directly on
8793 a contract with the Department for such goods or services; (iii) person residing in the same household of
8794 such member, officer, or employee; or (iv) person younger than 18 years of age or the transferee of any such
8795 person.

8796 B. Only natural persons may purchase lottery tickets and claim prize winnings. In all cases, the identity
8797 and social security number of all natural persons who receive a prize greater than \$100 from a winning
8798 ticket redeemed at any Department office shall be provided in order to comply with this section and §§

8799 29.5-805, 29.5-806, and 29.5-813 and Chapter 19 (§ 63.2-1900 et seq.) of Title 63.2.

8800 § 29.5-811. *Voluntary assignment of lottery prizes or pledge as collateral for a loan; requirements for*
8801 *the assignees and lenders.*

8802 A. *Lottery prizes, payable in installments over a period of time, excluding prizes payable for the winner's*
8803 *life, may be voluntarily assigned or pledged as collateral for a loan, in whole or in part, by the person*
8804 *entitled to such installments, by written contract affirming that the requirements of this section have been met*
8805 *and endorsed by written order of a court of competent jurisdiction after a hearing. The order shall specify the*
8806 *name, address, and social security number or tax identification number of the assignee or lender and shall*
8807 *specifically describe the payments be assigned or pledged as collateral by date and gross pre-tax amount.*
8808 *The Department shall be given notice of any hearing held pursuant to this section and shall have the right to*
8809 *appear and participate in such hearing. Venue for hearings held pursuant to this section shall be in the*
8810 *Circuit Court of the City of Richmond.*

8811 *The rate charged for any such assignment or loan shall not exceed 15 percent.*

8812 *The contract shall:*

8813 1. *Be signed by the assignor and the assignee or the lender and the borrower, and the assignor or*
8814 *borrower shall affirm the assignment or loan has been voluntarily executed.*

8815 2. *Include or be accompanied by a sworn statement attesting that the assignor or borrower (i) is of sound*
8816 *mind and not acting under duress; (ii) has been advised in writing by the assignee or lender to seek*
8817 *independent legal counsel and independent financial counsel concerning the implications of the assignment*
8818 *or loan, including the tax consequences, and has either received such advice or knowingly waived such*
8819 *advice in writing; (iii) understands that he is relinquishing or limiting his rights to receive the lottery*
8820 *proceeds; and (iv) has received from the Virginia Lottery, in response to a written request therefor,*
8821 *confirmation of the assignee's or lender's registration with the Virginia Lottery in accordance with subsection*
8822 *E.*

8823 3. *Include a disclosure statement setting forth (i) the amounts assigned or loaned; (ii) the dates such*
8824 *amounts are payable; (iii) the purchase price paid for the assignment or loan; (iv) the rate of discount to*
8825 *present value, assuming daily compounding and funding on the contract date; (v) the amount of any fees*
8826 *associated with the assignment or loan and by whom such fees are payable; and (vi) the tax identification*
8827 *number of the assignee.*

8828 4. *Expressly state that the assignor or borrower has three business days after signing the contract to*
8829 *cancel the assignment or loan.*

8830 5. Expressly state that the assignee or lender is eligible to purchase, share, or receive prizes of the
8831 Virginia Lottery pursuant to §§ 29.5-805, 29.5-806, and subsection A of § 29.5-810, and that the Virginia
8832 Lottery has complied with subsection B of § 29.5-810 in that the original prizewinner is, or if deceased, was,
8833 a natural person if and to the extent that the prize was awarded on or after the effective date pursuant to
8834 subsection B of § 29.5-810.

8835 6. Expressly state that no amounts assigned or loaned are subject to setoff pursuant to Article 21
8836 (§ 58.1-520 et seq.) of Chapter 3 of Title 58.1.

8837 B. The Commonwealth, the Virginia Lottery, and any employee or representative of either shall be
8838 indemnified and held harmless upon payment of amounts due as set forth in the court order.

8839 C. The Virginia Lottery may establish a reasonable fee to process the assignments provided for in this
8840 section and to receive, review, and file the registration required by subsection E and confirm compliance
8841 with the registration requirements. The fee shall be reflective of the direct and indirect costs of processing the
8842 assignments or registrations.

8843 D. Notwithstanding the provisions of this section, the Commonwealth and the Virginia Lottery shall not
8844 accept any assignment if either of the following has occurred:

8845 1. Federal law provides that the right to assign lottery proceeds is deemed receipt of income in the year
8846 the lottery prize is won for all installment lottery prize winners. "Federal law" includes statutory law, rulings
8847 of courts of competent jurisdiction, and published rulings by the Internal Revenue Service.

8848 2. State law provides that the right to assign lottery proceeds is deemed receipt of income in the year the
8849 lottery prize is won for all installment lottery prize winners. "State law" includes statutory law, rulings of
8850 courts of competent jurisdiction, and published rulings by the Department of Taxation.

8851 E. An assignee, prospective assignee, lender, or prospective lender shall not make any representation in
8852 any written or oral communications with a lottery winner that implies that the assignee, prospective assignee,
8853 lender, or prospective lender is associated with or an agent of the Virginia Lottery. Every prospective
8854 assignee or prospective lender shall register with the Virginia Lottery prior to contracting for any assignment
8855 or loan pursuant to this section. The registration shall include (i) the assignee's or lender's standard
8856 information packet or materials given or sent to prospective assignees or borrowers; (ii) the assignee's or
8857 lender's standard form of agreement; (iii) the assignee's or lender's federal tax identification number; and
8858 (iv) where applicable, the assignee's or lender's most recent public financial statement. The Director may
8859 deny, suspend, or revoke a registration for a violation of this subtitle or for such other reasons as the Board,
8860 by regulation, may establish.

8861 **§ 29.5-812. Exemption of lottery prizes and sales of tickets from state and local taxation.**

8862 *Except as provided in § 29.5-711 and Chapter 3 (§ 58.1-300 et seq.) of Title 58.1, no state or local taxes*
8863 *of any type whatsoever shall be imposed upon any prize awarded or upon the sale of any lottery ticket sold*
8864 *pursuant to the Virginia Lottery Law.*

8865 **§ 29.5-813. Set-off of debts to the Commonwealth from prizes.**

8866 *The Director shall establish by rule and regulation a set-off debt collection program in accordance with*
8867 *the provisions of the Setoff Debt Collection Act (§ 58.1-520 et seq.), wherein certain prizes shall be subjected*
8868 *to delinquent debts of agencies and institutions of the Commonwealth. The Director shall be responsible for*
8869 *the administration of the program and shall ensure by rule and regulation of the Department that any agency*
8870 *eligible to participate in the Setoff Debt Collection Act shall be eligible to participate in the lottery prize set-*
8871 *off. The Tax Commissioner shall transmit to the Director, at such intervals as requested by the Director, a*
8872 *listing of claimant agencies and delinquent debts owed thereto.*

8873 **§ 29.5-814. Disclosure of identity of winners by the Department.**

8874 *Except as provided in subsection B of § 29.5-810, the Department shall not disclose information about the*
8875 *identity of an individual lottery winner if the value of the prize won by the winner is \$1 million or greater,*
8876 *unless the winner consents in writing to such disclosure.*

8877 **SUBTITLE III.**

8878 **ILLEGAL GAMBLING.**

8879 **CHAPTER 9.**

8880 **ILLEGAL GAMBLING.**

8881 **§ 29.5-900. Definitions.**

8882 *As used in this subtitle, unless the context requires a different meaning:*

8883 *"Amusement device" means a game that is activated by a coin, token, or other object of consideration or*
8884 *value and that does not provide the opportunity to (i) enter into a sweepstakes, lottery, or other illegal*
8885 *gambling event or (ii) receive any form of consideration or value, except for an appropriate reward.*

8886 *"Appropriate reward" means a noncash, merchandise prize (i) the value of which does not exceed the cost*
8887 *of playing the amusement device or the total aggregate cost of playing multiple amusement devices, (ii) that*
8888 *is not and does not include an alcoholic beverage, (iii) that is not eligible for repurchase, and (iv) that is not*
8889 *exchangeable for cash or cash equivalents.*

8890 *"Gambling device" means (i) any device, machine, paraphernalia, equipment, or other thing, including all*
8891 *books, records, and other papers, which are actually used in an illegal gambling operation or activity; (ii)*

8892 any machine, apparatus, implement, instrument, contrivance, board, or other thing, or any electronic or
8893 video version thereof, including those dependent upon the insertion of a coin or other object for their
8894 operation, which operates, either completely automatically or with the aid of some physical act by the player
8895 or operator, in such a manner that, depending upon elements of chance, it may eject something of value or
8896 determine the prize or other thing of value to which the player is entitled, provided, however, that the return
8897 to the user of nothing more than additional chances or the right to use such machine is not deemed something
8898 of value within the meaning of this definition; and provided further, that machines that only sell, or entitle the
8899 user to obtain, items of merchandise of equivalent value that may differ from each other in composition, size,
8900 shape, or color, shall not be deemed gambling devices within the meaning of this definition; and (iii) skill
8901 games.

8902 Such devices are no less gambling devices if they indicate beforehand the definite result of one or more
8903 operations, but not all the operations; nor are they any less a gambling device because, apart from their use
8904 or adaptability as such, they may also sell or deliver something of value on a basis other than chance.

8905 "Illegal gambling" means the making, placing, or receipt of any bet or wager within the Commonwealth
8906 of money or other consideration or thing of value, made in exchange for a chance to win a prize, stake, or
8907 other consideration or thing of value, dependent upon the result of any game, contest, or any other event the
8908 outcome of which is uncertain or a matter of chance, whether such game, contest, or event occurs or is to
8909 occur inside or outside the limits of the Commonwealth.

8910 For purposes of this definition and notwithstanding any provision in this section to the contrary, the
8911 making, placing, or receipt of any bet or wager of money or other consideration or thing of value includes the
8912 purchase of a product, internet access, or other thing made in exchange for a chance to win a prize, stake, or
8913 other consideration or thing of value by means of the operation of a gambling device as described in clause
8914 (ii) of the definition of "gambling device," regardless of whether the chance to win such prize, stake, or other
8915 consideration or thing of value may be offered in the absence of a purchase.

8916 "Illegal gambling" also means the playing or offering for play of any skill game.

8917 "Interstate gambling" means the conduct of an enterprise for profit that engages in the purchase or sale
8918 within the Commonwealth of any interest in a lottery of another state or country, whether or not such interest
8919 is an actual lottery ticket, receipt, contingent promise to pay, order to purchase, or other record of such
8920 interest.

8921 "Operator" means any person, firm, or association of persons who conducts, finances, manages,
8922 supervises, directs, or owns all or part of an illegal gambling enterprise, activity, or operation.

8923 *"Skill" means the knowledge, dexterity, or any other ability or expertise of a natural person.*

8924 *"Skill game" means an electronic, computerized, or mechanical contrivance, terminal, machine, or other*
8925 *device that requires the insertion of a coin, currency, ticket, token, or similar object to operate, activate, or*
8926 *play a game, the outcome of which is determined by any element of skill of the player and that may deliver or*
8927 *entitle the person playing or operating the device to receive cash or cash equivalents, gift cards, vouchers,*
8928 *billets, tickets, tokens, or electronic credits to be exchanged for cash or cash equivalents whether the payoff*
8929 *is made automatically from the device or manually. "Skill game" includes a device that (i) contains a meter*
8930 *or measurement device that records the number of free games or portions of games that are rewarded and*
8931 *(ii) is designed or adapted to enable a person using the device to increase the chances of winning free games*
8932 *or portions of games by paying more than the amount that is ordinarily required to play the game. "Skill*
8933 *game" does not include any amusement device.*

8934 *"Unregulated location" means any location that is not regulated or operated by the Virginia Gaming*
8935 *Commission, the Virginia Lottery or the Virginia Lottery Board, the Virginia Alcoholic Beverage Control*
8936 *Authority, or the Virginia Racing Commission.*

8937 **§ 29.5-901. Greyhound racing and simulcasting prohibited; penalty.**

8938 *Any person who (i) holds, conducts, or operates any greyhound race for public exhibition in the*
8939 *Commonwealth for monetary remuneration or (ii) transmits or receives interstate or intrastate simulcasting*
8940 *of any greyhound race for commercial purposes in the Commonwealth is guilty of a Class 4 felony.*

8941 **§ 29.5-902. Penalty for illegal gambling.**

8942 *A. Except as otherwise provided in this chapter, any person who illegally gambles or engages in interstate*
8943 *gambling is guilty of a Class 3 misdemeanor. If an association or pool of persons illegally gambles, each*
8944 *such person is guilty of illegal gambling.*

8945 *B. However, if any person makes, places, or receives any bet or wager of money or other thing of value on*
8946 *a live horse race or historical horse race in the Commonwealth, whether such race is inside or outside the*
8947 *limits of the Commonwealth, at any place or through any means other than (i) a racetrack or satellite facility,*
8948 *as defined in § 29.5-601, licensed by the Virginia Racing Commission pursuant to Chapter 6 (§ 29.5-600 et*
8949 *seq.), (ii) advance deposit account wagering, as defined in § 29.5-601, or (iii) a racetrack or satellite facility*
8950 *licensed by the Virginia Gaming Commission pursuant to Chapter 6 (§ 29.5-600 et seq.) to conduct historical*
8951 *horse racing, such person is guilty of a Class 1 misdemeanor. For purposes of this subsection, venue shall be*
8952 *in any county or city in which any act was performed in furtherance of any course of conduct constituting*
8953 *illegal gambling.*

8954 **§ 29.5-903. Winning by fraud; penalty.**

8955 *If any person, while gambling, cheats, or by fraudulent means wins or acquires for himself or another*
8956 *money or any other valuable thing, he shall be fined not less than five nor more than 10 times the value of*
8957 *such winnings. Such penalty shall be in addition to any other penalty imposed under this chapter.*

8958 **§ 29.5-904. Conducting an illegal gambling operation; penalties.**

8959 A. *As used in this section, "gross revenue" means the total amount of illegal gambling transactions*
8960 *handled, dealt with, received by, or placed with such operation, as distinguished from any net figure or*
8961 *amount from which deductions are taken, without regard to whether money or any other thing of value*
8962 *actually changes hands.*

8963 B. *The operator of an illegal gambling enterprise, activity, or operation is guilty of a Class 6 felony.*
8964 *However, any such operator who engages in an illegal gambling operation that has (i) been or remains in*
8965 *substantially continuous operation for a period in excess of 30 days or (ii) gross revenue of \$2,000 or more*
8966 *in any single day shall be fined not more than \$20,000 and imprisoned not less than one year nor more than*
8967 *10 years.*

8968 **§ 29.5-905. Owners, etc., of gambling place permitting its continuance; penalty.**

8969 *Any owner, lessee, tenant, occupant, or other person in control of any place or conveyance who knows, or*
8970 *reasonably should know, that such place or conveyance is being used for illegal gambling, and permits such*
8971 *gambling to continue without having notified a law-enforcement officer of the presence of such illegal*
8972 *gambling activity is guilty of a Class 1 misdemeanor.*

8973 **§ 29.5-906. Accessories to gambling activity; penalty.**

8974 *Any person, firm, or association of persons, other than those persons specified in other sections of this*
8975 *chapter, who knowingly aids, abets, or assists in the operation of an illegal gambling enterprise, activity, or*
8976 *operation is guilty of a Class 1 misdemeanor.*

8977 **§ 29.5-907. Illegal possession, etc., of a gambling device; enforcement; penalty.**

8978 A. *Any person who (i) manufactures, sells, transports, rents, gives away, places, or possesses, or (ii)*
8979 *conducts or negotiates any transaction affecting or designed to affect ownership, custody, or use of any*
8980 *gambling device, believing or having reason to believe that the same is to be used in the advancement of*
8981 *unlawful gambling activity is guilty of illegal possession of a gambling device, a Class 1 misdemeanor.*

8982 B. *If it comes to the knowledge of the Governor that the provisions of this section are not being enforced*
8983 *in any locality, the Governor may call upon the Attorney General to direct its enforcement in such locality.*

8984 *The Attorney General may instruct the attorney for the Commonwealth and the chief law-enforcement officer*

8985 *of such locality to take such steps as may be necessary to ensure the enforcement of this section in such*
8986 *locality. If any such officers, after receiving such instructions, fail or refuse to exercise due diligence in the*
8987 *enforcement of this section, the Attorney General shall report, in writing, to the Governor and to the judge of*
8988 *the circuit court having jurisdiction over the acts thereby prohibited. The Attorney General, upon being*
8989 *directed to do so by the Governor, shall take such steps he deems proper in directing the institution and*
8990 *prosecution of criminal proceedings to enforce this section.*

8991 **§ 29.5-908. Operation of gambling devices at unregulated locations; civil penalty.**

8992 *A. In addition to any other penalty provided by law, any person who conducts, finances, manages,*
8993 *supervises, directs, sells, or owns a gambling device that is located in an unregulated location is subject to a*
8994 *civil penalty of up to \$25,000 for each gambling device located in such unregulated location.*

8995 *B. The Attorney General, an attorney for the Commonwealth, or the attorney for any locality may cause*
8996 *an action in equity to be brought in the name of the Commonwealth or of the locality, as applicable, to*
8997 *immediately enjoin the operation of a gambling device in violation of this section and to request an*
8998 *attachment against all such devices and any moneys within such devices pursuant to Chapter 20 (§ 8.01-533*
8999 *et seq.) of Title 8.01 and to recover the civil penalty of up to \$25,000 per device.*

9000 *C. In any action brought under this section, the Attorney General, the attorney for the Commonwealth, or*
9001 *the attorney for the locality may recover reasonable expenses incurred by the Commonwealth or local agency*
9002 *in investigating and preparing the case and attorney fees.*

9003 *D. Any civil penalties assessed under this section in an action in equity brought in the name of the*
9004 *Commonwealth shall be paid into the Literary Fund. Any civil penalties assessed under this section in an*
9005 *action in equity brought in the name of a locality shall be paid into the general fund of the locality.*

9006 **§ 29.5-909. Certain acts not deemed "consideration" in prosecution under this chapter.**

9007 *In any prosecution under this chapter, no consideration shall be deemed to have passed or been given*
9008 *because of any person's attendance upon the premises of another; his execution, mailing, or delivery of an*
9009 *entry blank; his answering of questions, verbally or in writing; his witnessing of a demonstration or other*
9010 *proceeding; or any one or more thereof, where no charge is made to, paid by, or any purchase required of*
9011 *him in connection with such action.*

9012 **§ 29.5-910. Immunity of witnesses from prosecution.**

9013 *No witness called by the Commonwealth or by the court, giving evidence before the grand jury or in any*
9014 *prosecution under this chapter, shall be prosecuted for the offense being prosecuted concerning which he is*
9015 *testifying. Such witness shall be compelled to testify and may be punished for contempt for his refusal to*

9016 *testify.*

9017 **§ 29.5-911. Enjoining offenses related to illegal gambling.**

9018 *Whenever any person commits, permits to be committed, or is about to commit or permit any act*
9019 *prohibited by any one or more of the sections in this chapter, the attorney for the Commonwealth of the*
9020 *county or city in which such act is being, or is about to be, committed or permitted, or the Attorney General*
9021 *of the Commonwealth, may institute and maintain a suit in equity in the appropriate court, in the name of the*
9022 *Commonwealth, upon the relation of such attorney for the Commonwealth, or the Attorney General, to enjoin*
9023 *and restrain such person from committing, or permitting, such prohibited act or acts. The procedure in any*
9024 *such suit shall be similar to the procedure in other suits for injunctions, except that no bond shall be required*
9025 *upon the granting of either a temporary or permanent injunction therein.*

9026 **§ 29.5-912. County ordinances prohibiting illegal gambling.**

9027 *The governing body of any county may adopt ordinances prohibiting illegal gambling, including a*
9028 *provision for forfeiture proceedings in accordance with Chapter 22.1 (§ 19.2-386.1 et seq.) of Title 19.2.*
9029 *Such ordinances shall not conflict with the provisions of this chapter or with other state laws, and any*
9030 *penalties provided for violation of such ordinances shall not exceed a fine of \$2,500 or confinement in jail for*
9031 *12 months, either or both.*

9032 **§ 29.5-913. Exceptions to chapter; penalty.**

9033 *A. Nothing in this chapter shall be construed to prevent any contest of speed or skill between people,*
9034 *animals, fowl, or vehicles, where participants may receive prizes or different percentages of a purse, stake, or*
9035 *premium dependent upon whether they win or lose or upon their position or score at the end of such contest.*

9036 *Any participant, who, for the purpose of competing for any such purse, stake, or premium offered in any*
9037 *such contest, knowingly and fraudulently enters (i) any contestant other than the contestant purported to be*
9038 *entered or (ii) a contestant in a class in which it does not belong, is guilty of a Class 3 misdemeanor.*

9039 *B. Nothing in this chapter shall be construed to make it illegal to participate in a game of chance*
9040 *conducted in a private residence, provided such private residence is not commonly used for such games of*
9041 *chance and there is no operator.*

9042 *C. Nothing in this chapter shall:*

9043 *1. Apply to any bingo game, instant bingo, network bingo, raffle, duck race, or Texas Hold'em poker*
9044 *tournament conducted solely by organizations, as defined in § 29.5-200, that have received a permit, as set*
9045 *forth in § 29.5-209, or which are exempt from the permit requirement under § 29.5-206;*

9046 *2. Be construed to make it illegal to participate in any casino gaming operation conducted in accordance*

9047 *with Chapter 3 (§ 29.5-300 et seq.);*

9048 *3. Apply to any sports betting or related activity that is lawful under Chapter 4 (§ 29.5-400 et seq.);*

9049 *4. Apply to any fantasy contest conducted in accordance with the provisions of Chapter 5 (§ 29.5-500 et*
9050 *seq.);*

9051 *5. Be construed to make it illegal to participate in any race meeting or pari-mutuel wagering conducted in*
9052 *accordance with Chapter 6 (§ 29.5-600 et seq.);*

9053 *6. Apply to any lottery conducted by the Commonwealth pursuant to Subtitle II (§ 29.5-700 et seq.); or*

9054 *7. Apply to the placement or operation of, or communication to and from, data center equipment in the*
9055 *Commonwealth associated with the hosting of lottery games duly authorized by another state or jurisdiction*
9056 *and regulated and operated consistent with and exclusively for the benefit of such state or jurisdiction,*
9057 *provided that wagering on such games is legally authorized in such other state or jurisdiction and the*
9058 *individuals wagering on such games are required by the laws or regulations of such other state or*
9059 *jurisdiction to be physically located within the geographic bounds of such other state or jurisdiction at the*
9060 *time the wager is initiated or placed.*

9061 *D. A person may make amusement devices available for play if the prize won or distributed to a player is*
9062 *a noncash, merchandise prize or a voucher, billet, ticket, token, or electronic credit redeemable only for an*
9063 *appropriate reward. An appropriate reward shall only be redeemable on the premises where the amusement*
9064 *device is located.*

9065 *An amusement device shall not be designed or adapted to cause or enable a person to cause the release of*
9066 *free games or portions of games when designated as a potential reward for use of the device and shall not*
9067 *contain any meter or other measurement device to record the number of free games or portions of games that*
9068 *are rewarded.*

9069 *An amusement device shall not be designed or adapted to enable a person using the device to increase the*
9070 *chances of winning free games or portions of games by paying more than is ordinarily required to play the*
9071 *game.*

9072 **§ 37.2-304. Duties of Commissioner.**

9073 The Commissioner shall be the chief executive officer of the Department and shall have the following
9074 duties and powers:

9075 1. To supervise and manage the Department and its state facilities.

9076 2. To employ the personnel required to carry out the purposes of this title.

9077 3. To make and enter into all contracts and agreements necessary or incidental to the performance of the

9078 Department's duties and the execution of its powers under this title, including contracts with the United
9079 States, other states, and agencies and governmental subdivisions of the Commonwealth, consistent with
9080 policies and regulations of the Board and applicable federal and state statutes and regulations.

9081 4. To accept, hold, and enjoy gifts, donations, and bequests on behalf of the Department from the United
9082 States government, agencies and instrumentalities thereof, and any other source, subject to the approval of the
9083 Governor. To these ends, the Commissioner shall have the power to comply with conditions and execute
9084 agreements that may be necessary, convenient, or desirable, consistent with policies and regulations of the
9085 Board.

9086 5. To accept, execute, and administer any trust in which the Department may have an interest, under the
9087 terms of the instruments creating the trust, subject to the approval of the Governor.

9088 6. To transfer between state hospitals and training centers school-age individuals who have been identified
9089 as appropriate to be placed in public school programs and to negotiate with other school divisions for
9090 placements in order to ameliorate the impact on those school divisions located in a jurisdiction in which a
9091 state hospital or training center is located.

9092 7. To provide to the Director of the Commonwealth's designated protection and advocacy system,
9093 established pursuant to § 51.5-39.13, a written report setting forth the known facts of (i) critical incidents, as
9094 that term is defined in § 37.2-709.1, or deaths of individuals receiving services in facilities, within 15
9095 working days of such critical incident or death; (ii) serious incidents and deaths that are required to be
9096 reported to the Department through its incident reporting system, as required by regulations adopted by the
9097 Board pursuant to Chapter 4 (§ 37.2-400 et seq.), within 15 working days of the date the report is received;
9098 and (iii) allegations of abuse or neglect that are required to be reported pursuant to regulations adopted by the
9099 Board pursuant to Chapter 4 (§ 37.2-400 et seq.), within five working days of the date on which the director's
9100 final decision on the allegation is reported to the Department.

9101 8. To work with the appropriate state and federal entities to ensure that any individual who has received
9102 services in a state facility for more than one year has possession of or receives prior to discharge any of the
9103 following documents, when they are needed to obtain the services contained in his discharge plan: a
9104 Department of Motor Vehicles approved identification card that will expire 90 days from issuance, a copy of
9105 his birth certificate if the individual was born in the Commonwealth, or a social security card from the Social
9106 Security Administration. State facility directors, as part of their responsibilities pursuant to § 37.2-837, shall
9107 implement this provision when discharging individuals.

9108 9. To work with the Department of Veterans Services and the Department for Aging and Rehabilitative
9109 Services to establish a program for mental health and rehabilitative services for Virginia veterans and
9110 members of the Virginia National Guard and Virginia residents in the Armed Forces Reserves not in active
9111 federal service and their family members pursuant to § 2.2-2001.1.

9112 10. To establish and maintain a pharmaceutical and therapeutics committee composed of representatives
9113 of the Department of Medical Assistance Services, state facilities operated by the Department, community
9114 services boards, at least one health insurance plan, and at least one individual receiving services to develop a
9115 drug formulary for use at all community services boards, state facilities operated by the Department, and
9116 providers licensed by the Department.

9117 11. To establish and maintain the Commonwealth Mental Health First Aid Program pursuant to
9118 § 37.2-312.2.

9119 12. To submit a report for the preceding fiscal year by December 1 of each year to the Governor and the
9120 ~~Chairmen~~ *Chairs* of the House Committee on Appropriations and Senate Committee on Finance and
9121 Appropriations that provides information on the operation of Virginia's publicly funded behavioral health and
9122 developmental services system. The report shall include a brief narrative and data on the number of
9123 individuals receiving state facility services or community services board services, including purchased
9124 inpatient psychiatric services; the types and amounts of services received by these individuals; and state
9125 facility and community services board service capacities, staffing, revenues, and expenditures. The annual
9126 report shall describe major new initiatives implemented during the past year and shall provide information on
9127 the accomplishment of systemic outcome and performance measures during the year.

9128 13. To establish a comprehensive program for the prevention and treatment of problem gambling in the
9129 Commonwealth and administer the Problem Gambling Treatment and Support Fund established pursuant to
9130 § 37.2-314.2.

9131 14. To establish and maintain the Problem Gambling Treatment and Support Advisory Committee (the
9132 Advisory Committee) to enable collaboration among prevention and treatment providers and operators of
9133 legal gaming in the Commonwealth on efforts to reduce the negative effects of problem gambling. The
9134 Advisory Committee shall be composed of (i) the Problem Gambling Prevention Coordinator from the
9135 Department; (ii) a representative from the Virginia Council on Problem Gambling; (iii) ~~one representative~~
9136 ~~from each of the state agencies primarily responsible for regulating the lottery, casino gaming, sports betting,~~
9137 ~~live horse racing with pari-mutuel wagering, historical horse racing, charitable gaming, and any other form of~~
9138 ~~legal gaming permitted under state law~~ *the Director of the Virginia Lottery*; (iv) *the Deputy Commissioner of*

9139 *Gaming for the Virginia Gaming Commission; (v) the Executive Secretary for the Virginia Racing*
9140 *Commission; (vi) the executive director of a community services board; ~~(v)~~ (vii) a casino gaming operator;*
9141 *~~(vi)~~ (viii) a sports betting permit holder; ~~(vii)~~ (ix) a historical horse racing operator; and ~~(viii)~~ (x) a charitable*
9142 *gaming permit holder. The Problem Gambling Prevention Coordinator shall be the ~~chairman~~ chair of the*
9143 *Advisory Committee, and a ~~vice-chairman~~ vice-chair shall be elected from among the designated*
9144 *membership.*

9145 Unless specifically authorized by the Governor to accept or undertake activities for compensation, the
9146 Commissioner shall devote his entire time to his duties.

9147 **§ 37.2-314.2. Problem Gambling Treatment and Support Fund.**

9148 A. As used in this section:

9149 "Compulsive gambling" means persistent and recurrent problem gambling behavior leading to clinically
9150 significant impairment or distress, as indicated by an individual exhibiting four or more of the criteria, as
9151 defined by the Diagnostic Statistical Manual of Mental Disorders, in a 12-month period and where the
9152 behavior is not better explained by a manic episode.

9153 "Problem gambling" means a gambling behavior that causes disruptions in any major area of life,
9154 including the psychological, social, or vocational areas of life, but does not fulfill the criteria for diagnosis as
9155 a gambling disorder.

9156 B. There is hereby created in the state treasury a special nonreverting fund to be known as the Problem
9157 Gambling Treatment and Support Fund, referred to in this section as "the Fund." The Fund shall be
9158 established on the books of the Comptroller. All ~~revenue accruing to~~ *moneys required to be deposited into the*
9159 *Fund pursuant to ~~subsection A of § 58.1-4038 Chapter 3 (§ 29.5-300 et seq.) of Title 29.5 and moneys~~*
9160 *required to be deposited into all revenue accruing to the Fund pursuant to ~~Chapter 41 (§ 58.1-4100 et seq.) of~~*
9161 *Title 58.1 29.5-408 shall be paid into the state treasury and credited to the Fund. Interest earned on moneys in*
9162 *the Fund shall remain in the Fund and be credited to it. Any moneys remaining in the Fund, including interest*
9163 *thereon, at the end of each fiscal year shall not revert to the general fund but shall remain in the Fund.*
9164 *Moneys in the Fund shall be used solely for the purposes of (i) providing counseling and other support*
9165 *services for compulsive and problem gamblers, (ii) developing and implementing compulsive and problem*
9166 *gambling treatment and prevention programs, and (iii) providing grants to support organizations that provide*
9167 *assistance to compulsive and problem gamblers. Expenditures and disbursements from the Fund shall be*
9168 *made by the State Treasurer on warrants issued by the Comptroller upon written request signed by the*
9169 *Commissioner.*

9170 § 52-53. Definitions.

9171 As used in this chapter, unless the context requires a different meaning:

9172 "Coordinator" means the position of the Gaming Enforcement Coordinator established pursuant to
9173 § 52-54.

9174 "Department" means the Department of State Police.

9175 "Gaming laws" means the laws regulating ~~gambling under Article 1 (§ 18.2-325 et seq.) of Chapter 8 of~~
9176 ~~Title 18.2,~~ charitable gaming under ~~Article 1.1:1 Chapter 2 (§ 18.2-340.15 29.5-200 et seq.) of Chapter 8 of~~
9177 ~~Title 18.2 29.5,~~ lottery games under ~~Article 1 (§ 58.1-4000 et seq.) of Chapter 40 of Title 58.1,~~ casino gaming
9178 ~~under Chapter 3 (§ 29.5-300 et seq.) of Title 29.5,~~ sports betting under ~~Article 2 Chapter 4 (§ 58.1-4030~~
9179 ~~29.5-400 et seq.) of Chapter 40 of Title 58.1 29.5,~~ casino gaming under Chapter 41 (§ 58.1-4100 et seq.) of
9180 ~~Title 58.1,~~ fantasy contests under Chapter 54 5 (§ 59.1-556 29.5-500 et seq.) of Title 59.1 29.5, live horse
9181 racing, *historical horse racing*, and *simulcast horse racing with pari-mutuel wagering* under Chapter 29 6 (§
9182 ~~59.1-364 29.5-600 et seq.) of Title 59.1 29.5,~~ lottery games under Subtitle II (§ 29.5-700 et seq.) of Title 29.5,
9183 *gambling under Subtitle III (§ 29.5-900 et seq.) of Title 29.5,* any regulations promulgated pursuant to such
9184 laws, and any other federal, state, or local laws the Gaming Enforcement Coordinator deems relevant.

9185 "Superintendent" means the Superintendent of State Police.

9186 § 52-54. Office of the Gaming Enforcement Coordinator established; purpose; duties.

9187 A. The Superintendent shall designate a Department employee to serve as the Gaming Enforcement
9188 Coordinator. The purpose of the office of the Coordinator shall be to synchronize the enforcement of gaming
9189 laws by state and local law enforcement, and to serve as a liaison between such agencies and federal law
9190 enforcement.

9191 B. The Coordinator shall have the following duties:

9192 1. Coordinating enforcement of the Commonwealth's gaming laws by the Department, the ~~Department of~~
9193 ~~Agriculture and Consumer Services~~ *Virginia Gaming Commission, the Virginia Lottery*, and all other state
9194 agencies; attorneys for the Commonwealth; and local law enforcement;

9195 2. Acting as a liaison between the federal government and the agencies identified in subdivision 1 for
9196 purposes of any federal investigation into gaming activities;

9197 3. Establishing, advertising, and administering a tip line, which may be accessed by phone and by ~~Internet~~
9198 *internet*, for members of the public to report concerns about, or suspected instances of, *illegal* gaming
9199 activities; and

9200 4. Performing any other duties as are necessary to promote and enable the equitable enforcement of
9201 gaming laws in the Commonwealth.

9202 **§ 58.1-3. Secrecy of information; penalties.**

9203 A. Except in accordance with a proper judicial order or as otherwise provided by law, the Tax
9204 Commissioner or agent, clerk, commissioner of the revenue, treasurer, or any other state or local tax or
9205 revenue officer or employee, or any person to whom tax information is divulged pursuant to this section or
9206 § 58.1-512, 58.1-2712.2, or 58.1-3826, or any former officer or employee of any of the aforementioned
9207 offices shall not divulge any information acquired by him in the performance of his duties with respect to the
9208 transactions, property, including personal property, income, or business of any person, firm or corporation.
9209 Such prohibition specifically includes any copy of a federal return or federal return information required by
9210 Virginia law to be attached to or included in the Virginia return. This prohibition shall apply to any reports,
9211 returns, financial documents, or other information filed with the Attorney General pursuant to the provisions
9212 of Article 3 (§ 3.2-4204 et seq.) of Chapter 42 of Title 3.2. Any person violating the provisions of this section
9213 is guilty of a Class 1 misdemeanor. The provisions of this subsection shall not be applicable, however, to:

9214 1. Matters required by law to be entered on any public assessment roll or book;

9215 2. Acts performed or words spoken, published, or shared with another agency or *political* subdivision of
9216 the Commonwealth in the line of duty under state law;

9217 3. Inquiries and investigations to obtain information as to the process of real estate assessments by a duly
9218 constituted committee of the General Assembly, or when such inquiry or investigation is relevant to its study,
9219 provided that any such information obtained shall be privileged;

9220 4. The sales price, date of construction, physical dimensions, or characteristics of real property, or any
9221 information required for building permits;

9222 5. Copies of or information contained in an estate's probate tax return, filed with the clerk of court
9223 pursuant to § 58.1-1714, when requested by a beneficiary of the estate or an heir at law of the decedent or by
9224 the commissioner of accounts making a settlement of accounts filed in such estate;

9225 6. Information regarding nonprofit entities exempt from sales and use tax under § 58.1-609.11, when
9226 requested by the General Assembly or any duly constituted committee of the General Assembly;

9227 7. Reports or information filed with the Attorney General by a Stamping Agent pursuant to the provisions
9228 of Article 3 (§ 3.2-4204 et seq.), when such reports or information are provided by the Attorney General to a
9229 tobacco products manufacturer who is required to establish a qualified escrow fund pursuant to § 3.2-4201
9230 and are limited to the brand families of that manufacturer as listed in the Tobacco Directory established

9231 pursuant to § 3.2-4206 and are limited to the current or previous two calendar years or in any year in which
9232 the Attorney General receives Stamping Agent information that potentially alters the required escrow deposit
9233 of the manufacturer. The information shall only be provided in the following manner: the manufacturer may
9234 make a written request, on a quarterly or yearly basis or when the manufacturer is notified by the Attorney
9235 General of a potential change in the amount of a required escrow deposit, to the Attorney General for a list of
9236 the Stamping Agents who reported stamping or selling its products and the amount reported. The Attorney
9237 General shall provide the list within 15 days of receipt of the request. If the manufacturer wishes to obtain
9238 actual copies of the reports the Stamping Agents filed with the Attorney General, it must first request them
9239 from the Stamping Agents pursuant to subsection C of § 3.2-4209. If the manufacturer does not receive the
9240 reports pursuant to subsection C of § 3.2-4209, the manufacturer may make a written request to the Attorney
9241 General, including a copy of the prior written request to the Stamping Agent and any response received, for
9242 copies of any reports not received. The Attorney General shall provide copies of the reports within 45 days of
9243 receipt of the request.

9244 B. 1. Nothing contained in this section shall be construed to prohibit the publication of statistics so
9245 classified as to prevent the identification of particular reports or returns and the items thereof or the
9246 publication of delinquent lists showing the names of taxpayers who are currently delinquent, together with
9247 any relevant information which in the opinion of the Department may assist in the collection of such
9248 delinquent taxes. Notwithstanding any other provision of this section or other law, the Department, upon
9249 request by the General Assembly or any duly constituted committee of the General Assembly, shall disclose
9250 the total aggregate amount of an income tax deduction or credit taken by all taxpayers, regardless of (i) how
9251 few taxpayers took the deduction or credit or (ii) any other circumstances. This section shall not be construed
9252 to prohibit a local tax official from disclosing whether a person, firm, or corporation is licensed to do
9253 business in that locality and divulging, upon written request, the name and address of any person, firm, or
9254 corporation transacting business under a fictitious name. Additionally, notwithstanding any other provision of
9255 law, the commissioner of revenue is authorized to provide, upon written request stating the reason for such
9256 request, the Tax Commissioner with information obtained from local tax returns and other information
9257 pertaining to the income, sales, and property of any person, firm, or corporation licensed to do business in
9258 that locality.

9259 2. This section shall not prohibit the Department from disclosing whether a person, firm, or corporation is
9260 registered as a retail sales and use tax dealer pursuant to Chapter 6 (§ 58.1-600 et seq.) or whether a
9261 certificate of registration number relating to such tax is valid. Additionally, notwithstanding any other

9262 provision of law, the Department is hereby authorized to make available the names and certificate of
9263 registration numbers of dealers who are currently registered for retail sales and use tax.

9264 3. This section shall not prohibit the Department from disclosing information to nongovernmental entities
9265 with which the Department has entered into a contract to provide services that assist it in the administration
9266 of refund processing or other services related to its administration of taxes.

9267 4. This section shall not prohibit the Department from disclosing information to taxpayers regarding
9268 whether the taxpayer's employer or another person or entity required to withhold on behalf of such taxpayer
9269 submitted withholding records to the Department for a specific taxable year as required pursuant to
9270 subdivision C 1 of § 58.1-478.

9271 5. This section shall not prohibit the commissioner of the revenue, treasurer, director of finance, or other
9272 similar local official who collects or administers taxes for a county, city, or town from disclosing information
9273 to nongovernmental entities with which the locality has entered into a contract to provide services that assist
9274 it in the administration of refund processing or other non-audit services related to its administration of taxes.
9275 The commissioner of the revenue, treasurer, director of finance, or other similar local official who collects or
9276 administers taxes for a county, city, or town shall not disclose information to such entity unless he has
9277 obtained a written acknowledgement by such entity that the confidentiality and nondisclosure obligations of
9278 and penalties set forth in subsection A apply to such entity and that such entity agrees to abide by such
9279 obligations.

9280 C. Notwithstanding the provisions of subsection A or B or any other provision of this title, the Tax
9281 Commissioner is authorized to (i) divulge tax information to any commissioner of the revenue, director of
9282 finance, or other similar collector of county, city, or town taxes who, for the performance of his official
9283 duties, requests the same in writing setting forth the reasons for such request; (ii) provide to the
9284 Commissioner of the Department of Social Services, upon entering into a written agreement, the amount of
9285 income, filing status, number and type of dependents, whether a federal earned income tax credit as
9286 authorized in § 32 of the Internal Revenue Code and an income tax credit for low-income taxpayers as
9287 authorized in § 58.1-339.8 have been claimed, and Forms W-2 and 1099 to facilitate the administration of
9288 public assistance or social services benefits as defined in § 63.2-100 or child support services pursuant to
9289 Chapter 19 (§ 63.2-1900 et seq.) of Title 63.2, or as may be necessary to facilitate the administration of
9290 outreach and enrollment related to the federal earned income tax credit authorized in § 32 of the Internal
9291 Revenue Code and the income tax credit for low-income taxpayers authorized in § 58.1-339.8; (iii) provide to

9292 the chief executive officer of the designated student loan guarantor for the Commonwealth of Virginia, upon
9293 written request, the names and home addresses of those persons identified by the designated guarantor as
9294 having delinquent loans guaranteed by the designated guarantor; (iv) provide current address information
9295 upon request to state agencies and institutions for their confidential use in facilitating the collection of
9296 accounts receivable, and to the clerk of a circuit or district court for their confidential use in facilitating the
9297 collection of fines, penalties, and costs imposed in a proceeding in that court; (v) provide to the
9298 Commissioner of the Virginia Employment Commission, after entering into a written agreement, such tax
9299 information as may be necessary to facilitate the collection of unemployment taxes and overpaid benefits; (vi)
9300 provide to the Virginia Alcoholic Beverage Control Authority, upon entering into a written agreement, such
9301 tax information as may be necessary to facilitate the collection of state and local taxes and the administration
9302 of the alcoholic beverage control laws; (vii) provide to the Director of the Virginia Lottery such tax
9303 information as may be necessary to identify those lottery ticket retailers who owe delinquent taxes; (viii)
9304 provide to the Department of the Treasury for its confidential use such tax information as may be necessary
9305 to facilitate the location of owners and holders of unclaimed property, as defined in § 55.1-2500; (ix) provide
9306 to the State Corporation Commission, upon entering into a written agreement, such tax information as may be
9307 necessary to facilitate the collection of taxes and fees administered by the Commission; (x) provide to the
9308 Executive Director of the Potomac and Rappahannock Transportation Commission for his confidential use
9309 such tax information as may be necessary to facilitate the collection of the motor vehicle fuel sales tax; (xi)
9310 provide to the Commissioner of the ~~Department of Agriculture and Consumer Services~~ *Virginia Gaming*
9311 *Commission* such tax information as may be necessary to identify those applicants for registration as a
9312 supplier of charitable gaming supplies who have not filed required returns or who owe delinquent taxes; (xii)
9313 provide to the Department of Housing and Community Development for its confidential use such tax
9314 information as may be necessary to facilitate the administration of the remaining effective provisions of the
9315 Enterprise Zone Act (§ 59.1-270 et seq.), and the Enterprise Zone Grant Program (§ 59.1-538 et seq.); (xiii)
9316 provide current name and address information to private collectors entering into a written agreement with the
9317 Tax Commissioner, for their confidential use when acting on behalf of the Commonwealth or any of its
9318 political subdivisions; however, the Tax Commissioner is not authorized to provide such information to a
9319 private collector who has used or disseminated in an unauthorized or prohibited manner any such information
9320 previously provided to such collector; (xiv) provide current name and address information as to the identity
9321 of the wholesale or retail dealer that affixed a tax stamp to a package of cigarettes to any person who
9322 manufactures or sells at retail or wholesale cigarettes and who may bring an action for injunction or other

9323 equitable relief for violation of ~~Chapter 40.1, the Enforcement of Illegal Sale or Distribution of Cigarettes Act~~
9324 (*§ 58.1-1031 et seq.*); (xv) provide to the Commissioner of Labor and Industry, upon entering into a written
9325 agreement, such tax information as may be necessary to facilitate the collection of unpaid wages under
9326 *§ 40.1-29*; (xvi) provide to the Director of the Department of Human Resource Management, upon entering
9327 into a written agreement, such tax information as may be necessary to identify persons receiving workers'
9328 compensation indemnity benefits who have failed to report earnings as required by *§ 65.2-712*; (xvii) provide
9329 to any commissioner of the revenue, director of finance, or any other officer of any county, city, or town
9330 performing any or all of the duties of a commissioner of the revenue and to any dealer registered for the
9331 collection of the Communications Sales and Use Tax, a list of the names, business addresses, and dates of
9332 registration of all dealers registered for such tax; (xviii) provide to the Executive Director of the Northern
9333 Virginia Transportation Commission for his confidential use such tax information as may be necessary to
9334 facilitate the collection of the motor vehicle fuel sales tax; (xix) provide to the Commissioner of Agriculture
9335 and Consumer Services the name and address of the taxpayer businesses licensed by the Commonwealth that
9336 identify themselves as subject to regulation by the Board of Agriculture and Consumer Services pursuant to
9337 *§ 3.2-5130*; (xx) provide to the developer or the economic development authority of a tourism project
9338 authorized by *§ 58.1-3851.1*, upon entering into a written agreement, tax information facilitating the
9339 repayment of gap financing; (xxi) provide to the Virginia Retirement System and the Department of Human
9340 Resource Management, after entering into a written agreement, such tax information as may be necessary to
9341 facilitate the enforcement of subdivision C 4 of *§ 9.1-401*; (xxii) provide to the Department of Medical
9342 Assistance Services and the Department of Social Services, upon entering into a written agreement, the name,
9343 address, social security number, email address, dependent information provided pursuant to subdivision B 2
9344 of *§ 58.1-341.1*, number and type of personal exemptions, tax-filing status, adjusted gross income, and any
9345 additional information voluntarily provided by the taxpayer for disclosure pursuant to subdivisions B 1 and 2
9346 of *§ 58.1-341.1*, of an individual, or spouse in the case of a married taxpayer filing jointly, who has
9347 voluntarily consented to such disclosure for purposes of identifying persons who would like to newly enroll
9348 in medical assistance; (xxiii) provide to the Commissioner of the Department of Motor Vehicles information
9349 sufficient to verify that an applicant for a driver privilege card or permit under *§ 46.2-328.3* or an applicant
9350 for an identification privilege card under *§ 46.2-345.3* reported income and deductions from Virginia sources,
9351 as defined in *§ 58.1-302*, or was claimed as a dependent, on an individual income tax return filed with the
9352 Commonwealth within the preceding 12 months; and (xxiv) provide to the Virginia Health Benefit Exchange,
9353 upon entering into a written agreement, for taxable years starting on January 1, 2023, or as soon thereafter as

9354 practicable, as determined by the Department of Taxation and the Virginia Health Benefit Exchange, the
9355 name, address, social security number, email address, dependent information provided pursuant to
9356 subdivision B 2 of § 58.1-341.1, number and type of personal exemptions, tax-filing status, adjusted gross
9357 income, and any additional information voluntarily provided by the taxpayer for disclosure pursuant to
9358 subdivision B 3 of § 58.1-341.1, of an individual, or spouse in the case of a married taxpayer filing jointly,
9359 who has voluntarily consented to such disclosure for purposes of identifying persons who do not meet the
9360 income eligibility requirements for medical assistance and would like to newly enroll in a qualified health
9361 plan. The Tax Commissioner is further authorized to enter into written agreements with duly constituted tax
9362 officials of other states and of the United States for the inspection of tax returns, the making of audits, and the
9363 exchange of information relating to any tax administered by the Department of Taxation. Any person to
9364 whom tax information is divulged pursuant to this section shall be subject to the prohibitions and penalties
9365 prescribed herein as though he were a tax official.

9366 D. Notwithstanding the provisions of subsection A or B or any other provision of this title, the
9367 commissioner of revenue or other assessing official is authorized to (i) provide, upon written request stating
9368 the reason for such request, the chief executive officer of any county or city with information furnished to the
9369 commissioner of revenue by the Tax Commissioner relating to the name and address of any dealer located
9370 within the county or city who paid sales and use tax, for the purpose of verifying the local sales and use tax
9371 revenues payable to the county or city; (ii) provide to the Department of Professional and Occupational
9372 Regulation for its confidential use the name, address, and amount of gross receipts of any person, firm, or
9373 entity subject to a criminal investigation of an unlawful practice of a profession or occupation administered
9374 by the Department of Professional and Occupational Regulation, only after the Department of Professional
9375 and Occupational Regulation exhausts all other means of obtaining such information; and (iii) provide to any
9376 representative of a condominium unit owners' association, property owners' association, or real estate
9377 cooperative association, or to the owner of property governed by any such association, the names and
9378 addresses of parties having a security interest in real property governed by any such association; however,
9379 such information shall be released only upon written request stating the reason for such request, which reason
9380 shall be limited to proposing or opposing changes to the governing documents of the association, and any
9381 information received by any person under this subsection shall be used only for the reason stated in the
9382 written request. The treasurer or other local assessing official may require any person requesting information
9383 pursuant to clause (iii) of this subsection to pay the reasonable cost of providing such information. Any
9384 person to whom tax information is divulged pursuant to this subsection shall be subject to the prohibitions

9385 and penalties prescribed herein as though he were a tax official.

9386 Notwithstanding the provisions of subsection A or B or any other provisions of this title, the treasurer or
9387 other collector of taxes for a county, city, or town is authorized to provide information relating to any motor
9388 vehicle, trailer, or semitrailer obtained by such treasurer or collector in the course of performing his duties to
9389 the commissioner of the revenue or other assessing official for such jurisdiction for use by such
9390 commissioner or other official in performing assessments.

9391 This section shall not be construed to prohibit a local tax official from imprinting or displaying on a motor
9392 vehicle local license decal the year, make, and model and any other legal identification information about the
9393 particular motor vehicle for which that local license decal is assigned.

9394 E. Notwithstanding any other provisions of law, state agencies and any other administrative or regulatory
9395 unit of state government shall divulge to the Tax Commissioner or his authorized agent, upon written request,
9396 the name, address, and social security number of a taxpayer, necessary for the performance of the
9397 Commissioner's official duties regarding the administration and enforcement of laws within the jurisdiction of
9398 the Department of Taxation. The receipt of information by the Tax Commissioner or his agent that may be
9399 deemed taxpayer information shall not relieve the Commissioner of the obligations under this section.

9400 F. Additionally, it is unlawful for any person to disseminate, publish, or cause to be published any
9401 confidential tax document that he knows or has reason to know is a confidential tax document. A confidential
9402 tax document is any correspondence, document, or tax return that is prohibited from being divulged by
9403 subsection A, B, C, or D and includes any document containing information on the transactions, property,
9404 income, or business of any person, firm, or corporation that is required to be filed with any state official by
9405 § 58.1-512. This prohibition shall not apply if such confidential tax document has been divulged or
9406 disseminated pursuant to a provision of law authorizing disclosure. Any person violating the provisions of
9407 this subsection is guilty of a Class 1 misdemeanor.

9408 G. Information provided by an accommodations intermediary pursuant to subsection F of § 58.1-3826 to
9409 the commissioner of the revenue, treasurer, or any other local tax or revenue officer or employee of a county,
9410 city, or town, or any other person to whom such tax information is divulged, shall be confidential pursuant to
9411 subsection A and shall not be divulged to any other department or official of the locality or any other political
9412 subdivision of the Commonwealth. Such information shall be used by such officials only for the purpose of
9413 levying and collecting retail sales and use tax, transient occupancy tax, and any other taxes imposed on the
9414 sale of accommodations.

9415 **§ 58.1-439. Major business facility job tax credit.**

9416 A. For taxable years beginning on and after January 1, 1995, but before July 1, 2025, a taxpayer shall be
9417 allowed a credit against the taxes imposed by Articles 2 (§ 58.1-320 et seq.), 6 (§ 58.1-360 et seq.), and 10
9418 (§ 58.1-400 et seq.) of Chapter 3; Chapter 12 (§ 58.1-1200 et seq.); Article 1 (§ 58.1-2500 et seq.) of Chapter
9419 25; or Article 2 (§ 58.1-2620 et seq.) of Chapter 26 as set forth in this section.

9420 B. For purposes of this section, the amount of any credit attributable to a partnership, electing small
9421 business corporation (S corporation), or limited liability company shall be allocated to the individual partners,
9422 shareholders, or members, respectively, in proportion to their ownership or interest in such business entities.

9423 C. A "major business facility" is a company that satisfies the following criteria:

9424 1. Subject to the provisions of subsections K or L, the establishment or expansion of the company shall
9425 result in the creation of at least 50 jobs for qualified full-time employees; the first such 50 jobs shall be
9426 referred to as the "threshold amount"; and

9427 2. The company is engaged in any business in the Commonwealth, except a retail trade business if such
9428 trade is the principal activity of an individual facility in the Commonwealth. Examples of types of major
9429 business facilities that are eligible for the credit provided under this section include; ~~but are not limited to,~~ a
9430 headquarters, or portion of such a facility, where company employees are physically employed, and where the
9431 majority of the company's financial, personnel, legal, or planning functions are handled either on a regional or
9432 national basis. A company primarily engaged in the Commonwealth in the business of manufacturing or
9433 mining; agriculture, forestry, or fishing; transportation or communications; or a public utility subject to the
9434 corporation income tax shall be deemed to have established or expanded a major business facility in the
9435 Commonwealth if it meets the requirements of subdivision 1 during a single taxable year and such facilities
9436 are not retail establishments. A major business facility shall also include facilities that perform central
9437 management or administrative activities, whether operated as a separate trade or business, or as a separate
9438 support operation of another business. Central management or administrative activities include; ~~but are not~~
9439 ~~limited to,~~ general management; accounting; computing; tabulating; purchasing; transportation or shipping;
9440 engineering and systems planning; advertising; technical sales and support operations; central administrative
9441 offices and warehouses; research, development, and testing laboratories; computer-programming,
9442 data-processing, and other computer-related services facilities; and legal, financial, insurance, and real estate
9443 services. The terms used in this subdivision to refer to various types of businesses shall have the same
9444 meanings as those terms are commonly defined in the Standard Industrial Classification Manual.

9445 D. For purposes of this section, the "credit year" is the first taxable year following the taxable year in

9446 which the major business facility commenced or expanded operations.

9447 E. The Department of Taxation shall make all determinations as to the classification of a major business
9448 facility in accordance with the provisions of this section.

9449 F. A "qualified full-time employee" means an employee filling a new, permanent full-time position in a
9450 major business facility in the Commonwealth. A "new, permanent full-time position" is a job of an indefinite
9451 duration, created by the company as a result of the establishment or expansion of a major business facility in
9452 the Commonwealth, requiring a minimum of 35 hours of an employee's time a week for the entire normal
9453 year of the company's operations, which "normal year" shall consist of at least 48 weeks, or a position of
9454 indefinite duration which requires a minimum of 35 hours of an employee's time a week for the portion of the
9455 taxable year in which the employee was initially hired for, or transferred to, the major business facility in the
9456 Commonwealth. Seasonal or temporary positions, or a job created when a job function is shifted from an
9457 existing location in the Commonwealth to the new major business facility and positions in building and
9458 grounds maintenance, security, and other such positions which are ancillary to the principal activities
9459 performed by the employees at a major business facility shall not qualify as new, permanent full-time
9460 positions.

9461 G. For any major business facility, the amount of credit earned pursuant to this section shall be equal to
9462 \$1,000 per qualified full-time employee, over the threshold amount, employed during the credit year. The
9463 credit shall be allowed ratably, with one-third of the credit amount allowed annually for three years beginning
9464 with the credit year. However, for taxable years beginning on or after January 1, 2009, one-half of the credit
9465 amount shall be allowed each year for two years. The portion of the \$1,000 credit earned with respect to any
9466 qualified full-time employee who is employed in the Commonwealth for less than 12 full months during the
9467 credit year will be determined by multiplying the credit amount by a fraction, the numerator of which is the
9468 number of full months that the qualified full-time employee worked for the major business facility in the
9469 Commonwealth during the credit year, and the denominator of which is 12. A separate credit year and a
9470 three-year allowance period shall exist for each distinct major business facility of a single taxpayer, except
9471 for credits allowed for taxable years beginning on or after January 1, 2009, when a two-year allowance period
9472 shall exist for each distinct major business facility of a single taxpayer.

9473 H. The amount of credit allowed pursuant to this section shall not exceed the tax imposed for such taxable
9474 year. Any credit not usable for the taxable year the credit was allowed may be, to the extent usable, carried

9475 over for the next 10 succeeding taxable years. No credit shall be carried back to a preceding taxable year. In
9476 the event that a taxpayer who is subject to the tax limitation imposed pursuant to this subsection is allowed
9477 another credit pursuant to any other ~~section provision of the this Code of Virginia~~, or has a credit carryover
9478 from a preceding taxable year, such taxpayer shall be considered to have first utilized any credit allowed
9479 which does not have a carryover provision, and then any credit which is carried forward from a preceding
9480 taxable year, prior to the utilization of any credit allowed pursuant to this section.

9481 I. No credit shall be earned pursuant to this section for any employee (i) for whom a credit under this
9482 section was previously earned by a related party as defined by Internal Revenue Code § 267(b) or a trade or
9483 business under common control as defined by Internal Revenue Code § 52(b); (ii) who was previously
9484 employed in the same job function in Virginia by a related party as defined by Internal Revenue Code §
9485 267(b) or a trade or business under common control as defined by Internal Revenue Code § 52(b); (iii) whose
9486 job function was previously performed at a different location in Virginia by an employee of the taxpayer, a
9487 related party as defined by Internal Revenue Code § 267(b), or a trade or business under common control as
9488 defined by Internal Revenue Code § 52(b); or (iv) whose job function previously qualified for a credit under
9489 this section at a different major business facility on behalf of the taxpayer, a related party as defined by
9490 Internal Revenue Code § 267(b), or a trade or business under common control as defined by Internal Revenue
9491 Code § 52(b).

9492 J. Subject to the provisions of subsections K or L, recapture of this credit, under the following
9493 circumstances, shall be accomplished by increasing the tax in any of the five years succeeding the taxable
9494 year in which a credit has been earned pursuant to this section if the number of qualified full-time employees
9495 decreases below the average number of qualified full-time employees employed during the credit year. Such
9496 tax increase amount shall be determined by (i) recomputing the credit which would have been earned for the
9497 original credit year using the decreased number of qualified full-time employees and (ii) subtracting such
9498 recomputed credit from the amount of credit previously earned. In the event that the average number of
9499 qualifying full-time employees employed at a major business facility falls below the threshold amount in any
9500 of the five taxable years succeeding the credit year, all credits earned with respect to such major business
9501 facility shall be recaptured. No credit amount will be recaptured more than once pursuant to this subsection.
9502 Any recapture pursuant to this section shall reduce credits earned but not yet allowed, and credits allowed but
9503 carried forward, before the taxpayer's tax liability may be increased.

9504 K. In the event that a major business facility is located in an economically distressed area or in an
9505 enterprise zone as defined in Chapter 49 (§ 59.1-538 et seq.) of Title 59.1, during a credit year, the threshold
9506 amount required to qualify for a credit pursuant to this section and to avoid full recapture shall be reduced
9507 from 50 to 25 for purposes of subdivision C 1 and subsection J. An area shall qualify as economically
9508 distressed if it is a city or county with an unemployment rate for the preceding year of at least 0.5 percent
9509 higher than the average statewide unemployment rate for such year. The Virginia Economic Development
9510 Partnership shall identify and publish a list of all economically distressed areas at least annually.

9511 L. For taxable years beginning on or after January 1, 2004, but before January 1, 2006, in the event that a
9512 major business facility is located in a severely economically distressed area, the threshold amount required to
9513 qualify for a credit pursuant to this section and to avoid full recapture shall be reduced from 100 to 25 for
9514 purposes of subdivision C 1 and subsection J. However, the total amount of credit allowable under this
9515 subsection shall not exceed \$100,000 in aggregate. An area shall qualify as severely economically distressed
9516 if it is a city or county with an unemployment rate for the preceding year of at least twice the average
9517 statewide unemployment rate for such year. The Virginia Economic Development Partnership shall identify
9518 and publish a list of all severely economically distressed areas at least annually.

9519 M. The Tax Commissioner shall promulgate regulations, in accordance with the Administrative Process
9520 Act (§ 2.2-4000 et seq.), relating to (i) the computation, carryover, and recapture of the credit provided under
9521 this section; (ii) defining criteria for (a) a major business facility, (b) qualifying full-time employees at such
9522 facility, and (c) economically distressed areas; and (iii) the computation, carryover, recapture, and redemption
9523 of the credit by affiliated companies pursuant to subsection S.

9524 N. The provisions of this section shall apply only in instances where an announcement of intent to
9525 establish or expand a major business facility is made on or after January 1, 1994. An announcement of intent
9526 to establish or expand a major business facility includes, ~~but is not limited to,~~ a press conference or extensive
9527 press coverage, providing information with respect to the impact of the project on the economy of the area
9528 where the major business facility is to be established or expanded and the Commonwealth as a whole.

9529 O. The credit allowed pursuant to this section shall be granted to the person who pays taxes for the
9530 qualified full-time employees pursuant to Chapter 5 (§ 60.2-500 et seq.) of Title 60.2.

9531 P. No person shall claim a credit allowed pursuant to this section and the credit allowed pursuant to
9532 § 58.1-439.2. Any qualified business firm receiving an enterprise zone job creation grant under § 59.1-547
9533 shall not be eligible to receive a major business facility job tax credit pursuant to this section for any job used
9534 to qualify for the enterprise zone job creation grant.

9535 Q. No person operating a business in the Commonwealth pursuant to Chapter ~~29 6~~ (§ ~~59.1-364~~ 29.5-600
9536 et seq.) of Title ~~59.1~~ 29.5 shall claim a credit pursuant to this section.

9537 R. Notwithstanding subsection O, a taxpayer may, for the purpose of determining the number of qualified
9538 full-time employees at a major business facility, include the employees of a contractor or a subcontractor if
9539 such employees are permanently assigned to the taxpayer's major business facility. If the taxpayer includes
9540 the employees of a contractor or subcontractor in its total of qualified full-time employees, it shall enter into a
9541 contractual agreement with the contractor or subcontractor prohibiting the contractor or subcontractor from
9542 also claiming these employees in order to receive a credit given under this section. The taxpayer shall provide
9543 evidence satisfactory to the Department of Taxation that it has entered into such a contract.

9544 S. For purposes of satisfying the criteria of subdivision C 1, two or more affiliated companies may elect to
9545 aggregate the number of jobs created for qualified full-time employees as the result of the establishment or
9546 expansion by the individual companies in order to qualify for the credit allowed pursuant to this section. For
9547 purposes of this subsection, "affiliated companies" means two or more companies related to each other such
9548 that (i) one company owns at least 80 percent of the voting power of the other or others or (ii) at least 80
9549 percent of the voting power of two or more companies is owned by the same interests.

9550 T. The General Assembly of Virginia finds that modern business infrastructure allows businesses to locate
9551 their administrative or manufacturing facilities with minimal regard to the location of markets or the
9552 transportation of raw materials and finished goods, and that the economic vitality of the Commonwealth
9553 would be enhanced if such facilities were established in Virginia. Accordingly, the provisions of this section
9554 targeting the credit to major business facilities and limiting the credit to those companies which establish a
9555 major business facility in Virginia are integral to the purpose of the credit earned pursuant to this section and
9556 shall not be deemed severable.

9557 U. For taxable years beginning on and after January 1, 2019, and notwithstanding the provisions of
9558 § 58.1-3 or any other provision of law, the Department of Taxation, in consultation with the Virginia
9559 Economic Development Partnership, shall publish the following information by November 1 of each year for
9560 the 12-month period ending on the preceding December 31:

- 9561 1. The location of sites used for major business facilities for which a credit was claimed;
- 9562 2. The North American Industry Classification System codes used for the major business facilities for
9563 which a credit was claimed;

9564 3. The number of qualified full time employees for whom a credit was claimed; and

9565 4. The total cost to the Commonwealth's general fund of the credits claimed.

9566 Such information shall be published by the Department, regardless of how few taxpayers claimed the tax
9567 credit, in a manner that prevents the identification of particular taxpayers, reports, returns, or items.

9568 **§ 58.1-460. Definitions.**

9569 For the purposes of this article:

9570 "Employee" includes an individual, whether a resident or a nonresident of the Commonwealth, who
9571 performs or performed any service in the Commonwealth for wages, or a resident of the Commonwealth who
9572 performs or performed any service in the service outside the Commonwealth for wages. ~~The word~~
9573 ~~"employee"~~ "Employee" also includes an officer, employee, or elected official of the United States, the
9574 Commonwealth, or any other state or any territory, or any political subdivision thereof, or the District of
9575 Columbia, or any agency or instrumentality of any one or more of the foregoing, or an officer of a
9576 corporation. ~~The term shall~~ "Employee" does not include the beneficial owner of an individual retirement
9577 account (IRA) or simplified employee pension plan (SEPP).

9578 "Employer" means the Commonwealth, or any political subdivision thereof, the United States, or any
9579 agency or instrumentality of any one or more of the foregoing, or the person, whether a resident or a
9580 nonresident of the Commonwealth, for whom an individual performs or performed any service as an
9581 employee or from whom a person receives a prize in excess of \$5,001 pursuant to the Virginia Lottery Law
9582 (§ ~~58.1-4000~~ 29.5-700 et seq.), except that:

9583 1. If the person, governmental unit, or agency thereof, for whom the individual performs or performed the
9584 service does not have control of the payment of the wages for such services, the term "employer" (except as
9585 used in the definition of "wages" herein) means the person having control of the payment of such wages; and

9586 2. In the case of a person paying wages on behalf of a nonresident person not engaged in trade or business
9587 within the Commonwealth or on behalf of any governmental unit or agency thereof not located within the
9588 Commonwealth, the term, "employer" (except as used in the definition of "wages" herein) means such
9589 person. ~~The term shall~~ "Employer" does not include a financial institution, corporation, partnership, or other
9590 person or entity with respect to benefits paid as custodian, trustee, or depository for an individual retirement
9591 account (IRA) or simplified employee pension plan (SEPP).

9592 "Miscellaneous payroll period" means a payroll period other than a daily, weekly, biweekly, semimonthly,
9593 monthly, quarterly, semiannual, or annual payroll period.

9594 "Payroll period" means a period for which a payment of wages is ordinarily made to the employee by his
9595 employer.

9596 "Wages" means wages as defined under ~~§ 3401 (a)~~ § 3401(a) of the Internal Revenue Code, as well as any
9597 other amounts from which federal income tax is withheld under the provisions of §§ 3402 and 3405 of the
9598 Internal Revenue Code and also includes all prizes in excess of \$5,001 paid by the Virginia Lottery; however,
9599 ~~such term shall~~ "wages" does not include amounts paid pursuant to individual retirement plans and simplified
9600 employee pension plans as defined in §§ 7701 (a)(37) and 408 (c) of the Internal Revenue Code and ~~shall~~
9601 does not include remuneration paid for acting in or service as a member of the crew of a (i) motion picture
9602 feature film, (ii) television series or commercial, or (iii) promotional film filmed totally or partially in the
9603 Commonwealth by an individual or corporation which conducts business in the Commonwealth for less than
9604 90 days of the tax year and when such film, series, or commercial is processed, edited, and marketed outside
9605 the Commonwealth. Every such individual or corporation shall, immediately subsequent to the filming of
9606 such portion of the film, series, or commercial filmed in the Commonwealth, file with the Commissioner on
9607 forms furnished the Department, a list of the names and social security account numbers of each actor or crew
9608 member who is a resident of the Commonwealth and is compensated by such individual or corporation.

9609 **§ 58.1-3510. Definition of merchants' capital.**

9610 A. ~~Merchants'~~ For purposes of this section, "merchants' capital" is defined as follows: ~~Inventory means~~
9611 inventory of stock on hand; daily rental vehicles as defined in § 58.1-1735; and all other taxable personal
9612 property of any kind whatsoever, except money on hand and on deposit and except tangible personal property
9613 not offered for sale as merchandise, which tangible personal property shall be reported and assessed as such.

9614 B. For purposes of this section, a repair and service operation (i) carried on as an integral part of and in
9615 conjunction with a business that is primarily mercantile and (ii) the principal sales of such business are
9616 subject to the tax imposed by Article 9 (§ 58.1-1734 et seq.) of Chapter 17 or to the tax imposed by Chapter
9617 24 (§ 58.1-2400 et seq.) ~~of this title~~ shall be deemed a mercantile business, and all capital, as defined herein,
9618 including all repair parts, materials, and supplies associated with such repair and service operation shall be
9619 deemed merchants' capital.

9620 C. For purposes of valuing lottery tickets as part of a dealer's inventory, cost shall include only the
9621 compensation payable to a licensed sales agent as provided by rules or regulations adopted by the Board
9622 consistent with the provisions of subdivision A 11 ~~of subsection A~~ of § ~~58.1-4007~~ 29.5-707. The value of
9623 lottery tickets shall not be based on the cost of the tickets to the merchant.

9624 **§ 58.1-3732.1. Limitation on gross receipts; pari-mutuel wagering.**

9625 Gross receipts for license tax purposes under Chapter 37 (§ 58.1-3700 et seq.) ~~shall~~ does not include the
9626 license and admission taxes established under §§ ~~59.1-392 and 59.1-393~~ 29.5-635, 29.5-636, 29.5-637,
9627 29.5-638, and 29.5-640, respectively, nor shall it include pari-mutuel wagering pools as established under
9628 ~~Article 1.1 Chapter 2 (§ 18.2-340.15~~ 29.5-200 et seq.) ~~of Chapter 8 of Title 18.2~~ 29.5 or § ~~59.1-392~~ Article 5
9629 (§ 29.5-635 et seq.) of Chapter 6 of Title 29.5.

9630 **§ 59.1-542.1. Local incentives; motor sports facilities.**

9631 A. A locality that is home to a motor sports facility, as defined in § ~~58.1-4030~~ 29.5-400, in the
9632 Commonwealth may propose local incentives that address the economic conditions within such locality and
9633 will help stimulate real property improvements and new job creation. Such local incentives may include: (i)
9634 reduction of permit fees; (ii) reduction of user fees; (iii) reduction of business, professional, and occupational
9635 license taxes; or (iv) partial exemption from taxation of substantially rehabilitated real estate pursuant to
9636 § 58.1-3221. The extent and duration of such incentives shall conform to the requirements of the
9637 Constitutions of Virginia and the United States. Local incentives may also include regulatory flexibility,
9638 including (a) special zoning districts, (b) permit process reform, (c) exemptions from local ordinances, or (d)
9639 other public incentives that are binding on the locality.

9640 B. A locality may establish eligibility criteria for local incentives that differ from the criteria required to
9641 qualify for the incentives provided by this chapter.

9642 **2. That §§ 2.2-2455 and 2.2-2456, Article 1 (§§ 18.2-325 through 18.2-340) of Chapter 8 of Title 18.2,**
9643 **Article 1.1:1 (§§ 18.2-340.15 through 18.2-340.37) of Chapter 8 of Title 18.2, Chapter 40 (§§ 58.1-4000**
9644 **through 58.1-4048) of Title 58.1, Chapter 41 (§§ 58.1-4100 through 58.1-4141) of Title 58.1, Chapter 29**
9645 **(§§ 59.1-364 through 59.1-405) of Title 59.1, Chapter 29.1 (§ 59.1-405.1) of Title 59.1, and Chapter 51**
9646 **(§§ 59.1-556 through 59.1-570) of Title 59.1 are repealed.**

9647 **3. That there shall be established a Virginia Gaming Oversight Commission (the Oversight**
9648 **Commission), which shall consist of seven members of the General Assembly. Members shall be**
9649 **appointed as follows: four members of the House of Delegates who are members of the House**
9650 **Committee on Appropriations or the House Committee on General Laws to be appointed by the**
9651 **Speaker of the House of Delegates and three members of the Senate who are members of the Senate**
9652 **Committee on Finance and Appropriations or the Senate Committee on General Laws and Technology**
9653 **to be appointed by the Senate Committee on Rules. The Oversight Commission shall elect a chair and**
9654 **vice-chair from among its membership; however, the chair and vice-chair shall not both be members of**
9655 **the House of Delegates, nor shall both the chair and vice-chair be members of the Senate. No**

9656 recommendation of the Oversight Commission shall be adopted if a majority of the House members or
9657 a majority of the Senate members appointed to the Oversight Commission (i) vote against the
9658 recommendation and (ii) vote for the recommendation to fail notwithstanding the majority vote of the
9659 Oversight Commission. The Oversight Commission shall exercise the function of overseeing the
9660 implementation of the provisions of this act and shall convene regularly for the purpose of making
9661 decisions regarding such implementation and providing direction to the Virginia Lottery in its role as
9662 the project management organization directed to oversee the implementation of the provisions of this
9663 act in accordance with the provisions of the fifth enactment of this act. The Oversight Commission
9664 shall expire (a) on July 1, 2027, or (b) upon the appointment of all members to the Virginia Gaming
9665 Commission Board, established pursuant to § 29.5-103 of the Code of Virginia, as created by this act,
9666 and the appointment of a Commissioner to the Virginia Gaming Commission pursuant to § 29.5-102 of
9667 the Code of Virginia, as created by this act, whichever occurs first.

9668 4. That the Virginia Gaming Oversight Commission created pursuant to the third enactment of this act
9669 shall report quarterly on its progress to the Chairs of the House Committees on Appropriations and
9670 General Laws and the Senate Committees on Finance and Appropriations and General Laws and
9671 Technology.

9672 5. That the Virginia Lottery shall operate as the project management organization to oversee and
9673 execute the work of the Virginia Gaming Oversight Commission as such Oversight Commission
9674 exercises its duties and responsibilities pursuant to the third enactment of this act. The Virginia
9675 Lottery shall cease all operations as the project management organization once the Virginia Gaming
9676 Commission Board, established pursuant to § 29.5-103 of the Code of Virginia, as created by this act,
9677 and the Commissioner of the Virginia Gaming Commission, appointed pursuant to § 29.5-102 of the
9678 Code of Virginia, as created by this act, determine the Virginia Gaming Commission to be fully
9679 operational.

9680 6. That the initial terms of office of those persons appointed to serve as nonlegislative citizen voting
9681 members on the Virginia Gaming Commission Board pursuant to § 29.5-103 of the Code of Virginia, as
9682 created by this act, shall be staggered as follows: two persons shall be appointed for a term of five
9683 years; two persons shall be appointed for a term of four years; three persons shall be appointed for a
9684 term of three years; one person shall be appointed for a term of two years; and one person shall be
9685 appointed for a term of one year. Thereafter, nonlegislative citizen voting members of the Virginia
9686 Gaming Commission Board shall serve for terms of five years.

9687 7. That the initial terms of office of those persons appointed to serve as nonlegislative citizen voting
9688 members on the Virginia Racing Commission pursuant to § 29.5-602 of the Code of Virginia, as
9689 created by this act, shall be staggered as follows: two persons shall be appointed for a term of two
9690 years; two persons for a term of one year; and one person for a term of three years. Thereafter,
9691 nonlegislative citizen voting members of the Virginia Racing Commission shall serve for terms of five
9692 years.

9693 8. That this act shall not be construed to affect existing appointments to the Charitable Gaming Board
9694 for the terms that have not expired as of July 1, 2026. However, all new appointments to the Charitable
9695 Gaming Advisory Board, established pursuant to § 29.5-201 of the Code of Virginia, as created by this
9696 act, made on or after July 1, 2026, shall be made in accordance with the provisions of this act.

9697 9. That this act shall not be construed to affect existing appointments to the Virginia Lottery Board
9698 (the Board) for the terms that have not expired as of July 1, 2026, with the exception of the member
9699 who is a law-enforcement officer and the member who is a certified public accountant authorized to
9700 practice in the Commonwealth, both appointed pursuant to Chapters 1197 and 1248 of the Acts of
9701 Assembly of 2020, who shall be removed from the Board in accordance with the provisions of this act.
9702 However, all new appointments to the Board pursuant to § 29.5-704 of the Code of Virginia, as created
9703 by this act, made on or after the appointment of the nonlegislative citizen members of the Virginia
9704 Gaming Commission Board established pursuant to § 29.5-103 of the Code of Virginia, as created by
9705 this act, shall be made in accordance with the provisions of this act.

9706 10. That the Chief Operating Officer of the Virginia Gaming Commission (the Commission) shall also
9707 serve as the Chief Transition Officer of the Commission to lead and coordinate the efforts between the
9708 Department of Agriculture and Consumer Services, the Virginia Lottery, and the Virginia Racing
9709 Commission (the relevant state agencies) and the Commission with respect to transitioning the
9710 oversight and regulation of charitable gaming, casino gaming, sports betting, fantasy contests, and
9711 historical horse racing from such relevant state agencies to the Commission. The duties of the Chief
9712 Operating Officer that are related to such transition shall expire upon the successful completion of the
9713 transition process.

9714 11. That the regulations of the (i) Department of Agriculture and Consumer Services promulgated
9715 pursuant to Article 1.1:1 (§ 18.2-340.15 et seq.) of Chapter 8 of Title 18.2 of the Code of Virginia; (ii)
9716 Virginia Lottery Board promulgated pursuant to Article 2 (§ 58.1-4030 et seq.) of Chapter 40 and
9717 Chapter 41 (§ 58.1-4100 et seq.) of Title 58.1 of the Code of Virginia; and (iii) Virginia Racing

9718 Commission promulgated pursuant to Chapter 29 (§ 59.1-364 et seq.) of Title 59.1 of the Code of
9719 Virginia, as repealed by this act, shall remain in full force and effect until the Virginia Gaming
9720 Commission Board promulgates regulations pursuant to this act. Regulations with respect to clause (i)
9721 shall be administered by the Department of Agriculture and Consumer Services and regulations with
9722 respect to clauses (ii) and (iii) shall be administered by the Virginia Lottery until the Virginia Gaming
9723 Commission Board promulgates regulations pursuant to this act. The provisions of this enactment shall
9724 become effective in due course.

9725 12. That during the interim period between July 1, 2026, and the formal establishment of the Virginia
9726 Gaming Commission (the Commission), established pursuant to § 29.5-101 of the Code of Virginia, as
9727 created by this act, the Virginia Lottery shall be responsible for conducting all necessary business
9728 functions assigned to the Commission pursuant to this act. Formal establishment shall include
9729 appointment of the Commissioner of the Commission pursuant to § 29.5-102 of the Code of Virginia, as
9730 created by this act, and achievement of staffing levels adequate to allow the Commission to
9731 independently accomplish such business functions as determined by the Commissioner and the
9732 Virginia Gaming Commission Board, established pursuant to § 29.5-103 of the Code of Virginia, as
9733 created by this act.

9734 13. That in the event that ex officio membership on any board, commission, council, committee, or
9735 other body is affected by the provisions of this act, the Governor shall designate an appropriate
9736 successor officer, employee, or member of a board or agency established pursuant to the provisions of
9737 this act as a replacement.

9738 14. That the Governor may transfer an appropriation or any portion thereof within a state agency
9739 established, abolished, or otherwise affected by the provisions of this act, or from one such agency to
9740 another, to support the changes in organization or responsibility resulting from or required by the
9741 provisions of this act.

9742 15. That any accrued sick leave or annual leave of any employee of the Department of Agriculture and
9743 Consumer Services, the Virginia Lottery, or the Virginia Racing Commission who transfers to the
9744 Virginia Gaming Commission in accordance with the provisions of this act shall transfer with the
9745 employee.

9746 16. That the Virginia Gaming Commission Board (the Board) shall promulgate regulations to
9747 implement the provisions of this act by January 1, 2028; however, the Board shall present such

9748 regulations to the Virginia Gaming Oversight Commission for review prior to adoption. With the
9749 exception of § 2.2-4031 of the Code of Virginia, neither the provisions of the Administrative Process
9750 Act (§ 2.2-4000 et seq. of the Code of Virginia) nor the public participation guidelines adopted
9751 pursuant thereto shall apply to the initial adoption of any regulations pursuant to this act. Prior to
9752 adopting any regulations pursuant to this act, the Board shall publish a notice of opportunity to
9753 comment in the Virginia Register of Regulations and post the action on the Virginia Regulatory Town
9754 Hall. Such notice of opportunity to comment shall contain (i) a summary of the proposed regulations;
9755 (ii) the text of the proposed regulations; and (iii) the name, address, email address, and telephone
9756 number of the agency contact person responsible for receiving public comments. Such notice shall be
9757 made at least 60 days in advance of the last date prescribed in such notice for the submittal of public
9758 comment. The Board shall consider and keep on file all public comments received for any regulations
9759 adopted pursuant to this act. The provisions of this enactment shall become effective in due course.

9760 17. That employees of the Virginia Gaming Commission (the Commission), established pursuant to
9761 § 29.5-101 of the Code of Virginia, as created by this act, shall be considered employees of the
9762 Commonwealth. Employees of the Commission shall be eligible for membership in the Virginia
9763 Retirement System or other retirement plan as authorized by Article 4 (§ 51.1-125 et seq.) of Chapter 1
9764 of Title 51.1 of the Code of Virginia and participation in all health and related insurance and other
9765 benefits, including premium conversion and flexible benefits, available to state employees as provided
9766 by law. Employees of the Commission shall be employed on such terms and conditions as established
9767 by the Virginia Gaming Commission Board (the Board). The Board shall develop and adopt policies
9768 and procedures that afford its employees grievance rights, ensure that employment decisions are based
9769 upon the merit and fitness of applicants, and prohibit discrimination because of race, color, religion,
9770 ethnic or national origin, sex, pregnancy, childbirth or related medical conditions, age, marital status,
9771 sexual orientation, gender identity, disability, or military status. Notwithstanding any other provision
9772 of law, the Board shall develop, implement, and administer a paid leave program, which may include
9773 annual, personal, and sick leave or any combination thereof. All other leave benefits shall be
9774 administered in accordance with Chapter 11 (§ 51.1-1100 et seq.) of Title 51.1 of the Code of Virginia,
9775 except as otherwise provided in this enactment.

9776 18. That notwithstanding any other provision of law, the Virginia Gaming Commission (the
9777 Commission), established pursuant to § 29.5-101 of the Code of Virginia, as created by this act, shall
9778 give preference in hiring to employees of the Department of Agriculture and Consumer Services, the

9779 Virginia Lottery, and the Virginia Racing Commission (relevant state agencies). The Commission shall
9780 issue a written notice to all persons whose employment at such relevant state agencies will be
9781 transferred to the Commission. The date upon which such written notice is issued shall be referred to
9782 herein as the "Option Date." In order to facilitate an orderly and efficient transition and ensure the
9783 continuation of operations during the transition from the relevant state agencies to the Commission,
9784 the Commission shall have discretion, subject to the time limitations contained herein, to determine the
9785 date upon which any employee's employment with the relevant state agencies will end or be transferred
9786 to the Commission. This date shall be stated in the written notice and shall be referred to herein as the
9787 "Transition Date." No Transition Date shall occur prior to July 1, 2026, without the mutual agreement
9788 of the employee and the Commission. No Transition Date shall be set beyond July 1, 2028. Each person
9789 whose employment will be transferred to the Commission may, by written request made within 120
9790 days of the Option Date, elect not to become employed by the Commission. Any employee of the
9791 relevant state agencies who (i) is not offered the opportunity to transfer to employment by the
9792 Commission or (ii) is not offered a position with the Commission for which the employee is qualified or
9793 is offered a position that requires relocation or a reduction in salary shall be eligible for the severance
9794 benefits conferred by the provisions of the Workforce Transition Act (§ 2.2-3200 et seq. of the Code of
9795 Virginia). Any employee who accepts employment with the Commission shall not be considered to be
9796 involuntarily separated from state employment and shall not be eligible for the severance benefits
9797 conferred by the provisions of the Workforce Transition Act. Any eligibility for such severance benefits
9798 shall be contingent on the continued employment through an employee's Transition Date.

9799 Notwithstanding any other provision of law to the contrary, any person whose employment is
9800 transferred to the Commission as a result of this act and who is a member of any plan for providing
9801 health insurance coverage pursuant to Chapter 28 (§ 2.2-2800 et seq.) of Title 2.2 of the Code of
9802 Virginia shall continue to be a member of such health insurance plan under the same terms and
9803 conditions as if no transfer had occurred.

9804 Notwithstanding any other provision of law to the contrary, any person whose employment is
9805 transferred to the Commission as a result of this act and who is a member of the Virginia Retirement
9806 System or other retirement plan as authorized by Article 4 (§ 51.1-125 et seq.) of Chapter 1 of Title
9807 51.1 of the Code of Virginia shall continue to be a member of the Virginia Retirement System or other
9808 such authorized retirement plan under the same terms and conditions as if no transfer had occurred.

9809 Notwithstanding any other provision of law, any person whose employment is transferred to the

9810 Commission as a result of this act and who was subjected to a criminal history background check as a
9811 condition of employment with any of the relevant state agencies shall not be subject to any provisions
9812 of this act regarding a criminal history background check, unless the Commission deems otherwise.

9813 19. That the Virginia Gaming Commission (the Commission), established pursuant to § 29.5-101 of the
9814 Code of Virginia, as created by this act, upon becoming operational, shall conduct a review of all
9815 technology systems inherited from the Department of Agriculture and Consumer Services, the Virginia
9816 Lottery, and the Virginia Racing Commission for the purpose of increasing efficiency in core functions
9817 through the reduction of manual processes and standardizing similar processes, such as licensing,
9818 auditing, and case management, across the different types of gaming that are overseen and regulated
9819 by the Commission.

9820 20. That the Virginia Gaming Commission (the Commission), established pursuant to § 29.5-101 of the
9821 Code of Virginia, as created by this act, upon becoming operational, shall conduct a study to evaluate
9822 the legal, economic, technological, and public policy implications of prediction markets. In the course
9823 of such study, the Commission shall (i) seek to define prediction markets; (ii) determine how it
9824 compares or differs from traditional gambling, derivatives, or financial instruments; (iii) explore how
9825 prediction markets are currently regulated under federal law and how state and federal courts have
9826 distinguished prediction markets from gambling or financial speculation; (iv) consult with the Office of
9827 the Attorney General and other relevant stakeholders on the legal implications of regulating prediction
9828 markets at the state level; and (v) conduct any other relevant research deemed necessary by the
9829 Commission. The Commission shall complete such study no later than October 1, 2029.

9830 21. That the Virginia Gaming Commission (the Commission), established pursuant to § 29.5-101 of the
9831 Code of Virginia, as created by this act, shall notify the Department of Accounts as soon as the
9832 Commission is operational as evidenced by the appointment of all members to the Virginia Gaming
9833 Commission Board, established pursuant to § 29.5-103 of the Code of Virginia, as created by this act,
9834 and the appointment of a Commissioner to the Commission pursuant to § 29.5-102 of the Code of
9835 Virginia, as created by this act.

9836 22. That the provisions of this act may result in a net increase in periods of imprisonment or
9837 commitment. Pursuant to § 30-19.1:4 of the Code of Virginia, the estimated amount of the necessary
9838 appropriation is _____ for periods of imprisonment in state adult correctional facilities; therefore,
9839 Chapter 725 of the Acts of Assembly of 2025 requires the Virginia Criminal Sentencing Commission to
9840 assign a minimum fiscal impact of \$50,000. Pursuant to § 30-19.1:4 of the Code of Virginia, the

9841 estimated amount of the necessary appropriation is _____ for periods of commitment to the custody
9842 of the Department of Juvenile Justice.