

26110092D

SENATE BILL NO. 661
AMENDMENT IN THE NATURE OF A SUBSTITUTE
(Proposed by the Second Joint Conference Committee
on March 14, 2026)
(Patron Prior to Substitute—Senator Rouse)

A *BILL to amend and reenact §§ 2.2-3711, as it is currently effective and as it shall become effective, 18.2-325, 18.2-334, 19.2-389, as it is currently effective and as it shall become effective, 18.2-331.1, 18.2-339, 37.2-314.2, 58.1-4002, 58.1-4003, 58.1-4006, 58.1-4007, 58.1-4015.1, 58.1-4048, and 58.1-4103 of the Code of Virginia and to amend the Code of Virginia by adding in Chapter 3 of Title 11 a section numbered 11-16.3, by adding sections numbered 18.2-334.7 and 19.2-386.30:1, and by adding in Title 58.1 a chapter numbered 42, containing articles numbered 1 through 5, consisting of sections numbered 58.1-4200 through 58.1-4226, relating to regulation of gaming commerce and development in the Commonwealth; penalties.*

Be it enacted by the General Assembly of Virginia:

1. That §§ 2.2-3711, as it is currently effective and as it shall become effective, 18.2-325, 18.2-334, 19.2-389, as it is currently effective and as it shall become effective, 18.2-331.1, 18.2-339, 37.2-314.2, 58.1-4002, 58.1-4003, 58.1-4006, 58.1-4007, 58.1-4015.1, 58.1-4048, and 58.1-4103 of the Code of Virginia are amended and reenacted and that the Code of Virginia is amended by adding in Chapter 3 of Title 11 a section numbered 11-16.3, by adding sections numbered 18.2-334.7 and 19.2-386.30:1, and by adding in Title 58.1 a chapter numbered 42, containing articles numbered 1 through 5, consisting of sections numbered 58.1-4200 through 58.1-4226, as follows:

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

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

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

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

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

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

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

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

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

8. Consultation with legal counsel employed or retained by a public body regarding specific legal matters requiring the provision of legal advice by such counsel. Nothing in this subdivision shall be construed to

SENATE SUBSTITUTE

SB661S3

3/14/26 16:27

60 permit the closure of a meeting merely because an attorney representing the public body is in attendance or is
61 consulted on a matter.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

- 184 29. Discussion of the award of a public contract involving the expenditure of public funds, including
185 interviews of bidders or offerors, and discussion of the terms or scope of such contract, where discussion in
186 an open session would adversely affect the bargaining position or negotiating strategy of the public body.
- 187 30. Discussion or consideration of grant or loan application information subject to the exclusion in
188 subdivision 17 of § 2.2-3705.6 by the Commonwealth Health Research Board.
- 189 31. Discussion or consideration by the Commitment Review Committee of information subject to the
190 exclusion in subdivision 5 of § 2.2-3705.2 relating to individuals subject to commitment as sexually violent
191 predators under Chapter 9 (§ 37.2-900 et seq.) of Title 37.2.
- 192 32. Discussion or consideration of confidential proprietary information and trade secrets developed and
193 held by a local public body providing certain telecommunication services or cable television services and
194 subject to the exclusion in subdivision 18 of § 2.2-3705.6. However, the exemption provided by this
195 subdivision shall not apply to any authority created pursuant to the BVU Authority Act (§ 15.2-7200 et seq.).
- 196 33. Discussion or consideration by a local authority created in accordance with the Virginia Wireless
197 Service Authorities Act (§ 15.2-5431.1 et seq.) of confidential proprietary information and trade secrets
198 subject to the exclusion in subdivision 19 of § 2.2-3705.6.
- 199 34. Discussion or consideration by the State Board of Elections or local electoral boards of voting security
200 matters made confidential pursuant to § 24.2-410.2 or 24.2-625.1.
- 201 35. Discussion or consideration by the Forensic Science Board or the Scientific Advisory Committee
202 created pursuant to Article 2 (§ 9.1-1109 et seq.) of Chapter 11 of Title 9.1 of criminal investigative files.
- 203 36. Discussion or consideration by the Brown v. Board of Education Scholarship Committee of
204 information or confidential matters subject to the exclusion in subdivision A 3 of § 2.2-3705.4, and meetings
205 of the Committee to deliberate concerning the annual maximum scholarship award, review and consider
206 scholarship applications and requests for scholarship award renewal, and cancel, rescind, or recover
207 scholarship awards.
- 208 37. Discussion or consideration by the Virginia Port Authority of information subject to the exclusion in
209 subdivision 1 of § 2.2-3705.6 related to certain proprietary information gathered by or for the Virginia Port
210 Authority.
- 211 38. Discussion or consideration by the Board of Trustees of the Virginia Retirement System acting
212 pursuant to § 51.1-124.30, by the Investment Advisory Committee appointed pursuant to § 51.1-124.26, by
213 any local retirement system, acting pursuant to § 51.1-803, by the Board of the Commonwealth Savers Plan
214 acting pursuant to § 23.1-706, or by the Commonwealth Savers Plan's Investment Advisory Committee
215 appointed pursuant to § 23.1-702 of information subject to the exclusion in subdivision 24 of § 2.2-3705.7.
- 216 39. Discussion or consideration of information subject to the exclusion in subdivision 3 of § 2.2-3705.6
217 related to economic development.
- 218 40. Discussion or consideration by the Board of Education of information relating to the denial,
219 suspension, or revocation of teacher licenses subject to the exclusion in subdivision 11 of § 2.2-3705.3.
- 220 41. Those portions of meetings of the Virginia Military Advisory Council or any commission created by
221 executive order for the purpose of studying and making recommendations regarding preventing closure or
222 realignment of federal military and national security installations and facilities located in Virginia and
223 relocation of such facilities to Virginia, or a local or regional military affairs organization appointed by a
224 local governing body, during which there is discussion of information subject to the exclusion in subdivision
225 8 of § 2.2-3705.2.
- 226 42. Discussion or consideration by the Board of Trustees of the Veterans Services Foundation of
227 information subject to the exclusion in subdivision 28 of § 2.2-3705.7 related to personally identifiable
228 information of donors.
- 229 43. Discussion or consideration by the Virginia Tobacco Region Revitalization Commission of
230 information subject to the exclusion in subdivision 23 of § 2.2-3705.6 related to certain information contained
231 in grant applications.
- 232 44. Discussion or consideration by the board of directors of the Commercial Space Flight Authority of
233 information subject to the exclusion in subdivision 24 of § 2.2-3705.6 related to rate structures or charges for
234 the use of projects of, the sale of products of, or services rendered by the Authority and certain proprietary
235 information of a private entity provided to the Authority.
- 236 45. Discussion or consideration of personal and proprietary information related to the resource
237 management plan program and subject to the exclusion in (i) subdivision 25 of § 2.2-3705.6 or (ii) subsection
238 E of § 10.1-104.7. This exclusion shall not apply to the discussion or consideration of records that contain
239 information that has been certified for release by the person who is the subject of the information or
240 transformed into a statistical or aggregate form that does not allow identification of the person who supplied,
241 or is the subject of, the information.
- 242 46. Discussion or consideration by the Board of Directors of the Virginia Alcoholic Beverage Control
243 Authority of information subject to the exclusion in subdivision 1 of § 2.2-3705.3 related to investigations of
244 applicants for licenses and permits and of licensees and permittees.
- 245 47. Discussion or consideration of grant, loan, or investment application records subject to the exclusion

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

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

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

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

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

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

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

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

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

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

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

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

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

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

299 **§ 2.2-3711. (Effective July 1, 2026) Closed meetings authorized for certain limited purposes.**

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

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

308 be present to the presiding officer of the appropriate board. Nothing in this subdivision, however, shall be
309 construed to authorize a closed meeting by a local governing body or an elected school board to discuss
310 compensation matters that affect the membership of such body or board collectively.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

369 activity and estimating general and nongeneral fund revenues.
370 16. Discussion or consideration of medical and mental health records subject to the exclusion in
371 subdivision 1 of § 2.2-3705.5.

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

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

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

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

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

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

431 University, as the case may be.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

577 **§ 11-16.3. Exemption; play of authorized electronic skill gaming devices.**

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

581 **§ 18.2-325. Definitions.**

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

583 "Gambling device" includes:

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

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

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

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

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

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

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

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

615 "Interstate gambling" means the conduct of an enterprise for profit that engages in the purchase or sale
 616 within the Commonwealth of any interest in a lottery of another state or country whether or not such interest

617 is an actual lottery ticket, receipt, contingent promise to pay, order to purchase, or other record of such
618 interest.

619 3. "Gambling device" includes:

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

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

632 e. Skill games:

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

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

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

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

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

652 **§ 18.2-331.1. Operation of gambling devices at unregulated locations; civil penalty.**

653 A. In addition to any other penalty provided by law, any person who conducts, finances, manages,
654 supervises, directs, sells, or owns a gambling device that is located in an unregulated location is subject to a
655 civil penalty of up to ~~\$25,000~~ \$50,000 for each gambling device located in such unregulated location.

656 B. The Attorney General, an attorney for the Commonwealth, or the attorney for any locality may ~~cause~~
657 ~~bring~~ an action ~~in equity to be brought~~ in the name of the Commonwealth or of the locality, as applicable, to
658 (i) immediately enjoin the operation of a gambling device in violation of this section ~~and to~~, (ii) request an
659 attachment against all such devices and any moneys within such devices pursuant to Chapter 20 (§ 8.01-533
660 et seq.) of Title 8.01, and ~~to~~ (iii) recover the civil penalty of up to ~~\$25,000~~ \$50,000 per device.

661 C. In any action brought under this section, the Attorney General, the attorney for the Commonwealth, or
662 the attorney for the locality may recover reasonable expenses incurred by the state or local agency in
663 investigating and preparing the case, and attorney fees.

664 D. Any civil penalties assessed under this section in an action ~~in equity~~ brought in the name of the
665 Commonwealth shall be paid into the Literary Fund. Any civil penalties assessed under this section in an
666 action ~~in equity~~ brought in the name of a locality shall be paid into the general fund of the locality.

667 **§ 18.2-334. Exception to article; private residences.**

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

671 **§ 18.2-334.7. Exemptions to article; electronic skill gaming devices.**

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

674 **§ 18.2-339. Civil penalty for violation of article; enjoining offenses relating to gambling.**

675 A. In addition to any other penalty provided by law, any person who commits or attempts to commit any
676 violation of this article is subject to a civil penalty of up to \$50,000 for each violation of law.

677 B. Whenever any person ~~shall be~~ is engaged in committing, ~~or~~ in permitting to be committed, or ~~shall be~~ is
678 about to commit, or permit, any act prohibited by any one or more of the sections in this article, the Attorney

679 *General, an attorney for the Commonwealth of the county or city, or the attorney for any locality, as*
 680 *applicable, in which such act is being, or is about to be, committed or permitted; or the Attorney General of*
 681 *the Commonwealth, may institute and maintain a suit in equity in the appropriate court, in the name of the*
 682 *Commonwealth, upon the relation of such attorney for the Commonwealth, or the Attorney General, bring an*
 683 *action to (i) immediately enjoin and restrain such person from committing; or permitting; such prohibited act*
 684 *or acts, (ii) request an attachment against all such gambling devices or other property, and any moneys*
 685 *within such devices or in connection with such violation of law, pursuant to Chapter 20 (§ 8.01-533 et seq.)*
 686 *of Title 8.01, and (iii) recover the civil penalty of up to \$50,000 per such violation of law. The procedure in*
 687 *any such suit shall be similar to the procedure in other suits for injunctions, except that no bond shall be*
 688 *required upon the granting of either a temporary or permanent injunction therein.*

689 *C. In any action brought under this section, the Attorney General, the attorney for the Commonwealth, or*
 690 *the attorney for the locality may recover reasonable expenses incurred by the state or local agency in*
 691 *investigating and preparing the case, and attorney fees.*

692 *D. Any civil penalties assessed under this section in an action brought in the name of the Commonwealth*
 693 *shall be paid into the Literary Fund.*

694 *E. Any civil penalties assessed under this section in an action brought in the name of a locality shall be*
 695 *paid into the general fund of the locality.*

696 **§ 19.2-386.30:1. Forfeiture of property used in connection with illegal electronic skill gaming device.**

697 *A. As used in this section, "electronic skill gaming device" has the same meaning as provided in*
 698 *§ 58.1-4200.*

699 *B. The following property shall be subject to lawful seizure and forfeiture to the Commonwealth when*
 700 *used in connection with, derived from, or constituting proceeds of a violation involving an unlicensed or*
 701 *illegal electronic skill gaming device in violation of the provisions of Chapter 42 (§ 58.1-4200 et seq.) of Title*
 702 *58.1:*

703 *1. Any electronic skill gaming device operated, placed, distributed, hosted, or made available for play in*
 704 *violation of the provisions of Chapter 42 (§ 58.1-4200 et seq.) of Title 58.1;*

705 *2. All money, stakes, or things of value received or proposed to be received in connection with the*
 706 *operation or play of such unlicensed or illegal electronic skill gaming devices;*

707 *3. Any personal property, including equipment or devices, used in substantial connection with such*
 708 *violation; and*

709 *4. All moneys or other property, real or personal, traceable to such violation, together with any interest*
 710 *or profits derived therefrom.*

711 *C. All seizures and forfeitures under this section shall be governed by the procedures contained in*
 712 *Chapter 22.1 (§ 19.2-386.1 et seq.).*

713 **§ 19.2-389. (Effective until July 1, 2026) Dissemination of criminal history record information.**

714 *A. Criminal history record information shall be disseminated, whether directly or through an intermediary,*
 715 *only to:*

716 *1. Authorized officers or employees of criminal justice agencies, as defined by § 9.1-101, for purposes of*
 717 *the administration of criminal justice and the screening of an employment application or review of*
 718 *employment by a criminal justice agency with respect to its own employees or applicants, and dissemination*
 719 *to the Virginia Parole Board, pursuant to this subdivision, of such information on all state-responsible*
 720 *inmates for the purpose of making parole determinations pursuant to subdivisions 1, 2, 3, 4, and 6 of*
 721 *§ 53.1-136 shall include collective dissemination by electronic means every 30 days. For purposes of this*
 722 *subdivision, criminal history record information includes information sent to the Central Criminal Records*
 723 *Exchange pursuant to §§ 37.2-819 and 64.2-2014 when disseminated to any full-time or part-time employee*
 724 *of the State Police, a police department or sheriff's office that is a part of or administered by the*
 725 *Commonwealth or any political subdivision thereof, and who is responsible for the prevention and detection*
 726 *of crime and the enforcement of the penal, traffic or highway laws of the Commonwealth for the purposes of*
 727 *the administration of criminal justice;*

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

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

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

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

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

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

751 7a. Commissions created pursuant to the Transportation District Act of 1964 (§ 33.2-1900 et seq.) of Title
 752 33.2 and their contractors, for the conduct of investigations of individuals who have been offered a position
 753 of employment whenever, in the interest of public welfare or safety and as authorized in the Transportation
 754 District Act of 1964, it is necessary to determine if the past criminal conduct of a person with a conviction
 755 record would be compatible with the nature of the employment under consideration;

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

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

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

769 11. A person requesting a copy of his own criminal history record information as defined in § 9.1-101 at
 770 his cost, except that criminal history record information shall be supplied at no charge to a person who has
 771 applied to be a volunteer with (i) a Virginia affiliate of Big Brothers/Big Sisters of America; (ii) a volunteer
 772 fire company; (iii) the Volunteer Emergency Families for Children; (iv) any affiliate of Prevent Child Abuse,
 773 Virginia; (v) any Virginia affiliate of Compeer; or (vi) any board member or any individual who has been
 774 offered membership on the board of a Crime Stoppers, Crime Solvers or Crime Line program as defined in
 775 § 15.2-1713.1;

776 12. Administrators and board presidents of and applicants for licensure or registration as a child welfare
 777 agency as defined in § 63.2-100 for dissemination to the Commissioner of Social Services' representative
 778 pursuant to § 63.2-1702 for the conduct of investigations with respect to employees of and volunteers at such
 779 facilities, caretakers, and foster and adoptive parent applicants of private child-placing agencies, pursuant to
 780 §§ 63.2-1719, 63.2-1720, and 63.2-1721, subject to the restriction that the data shall not be further
 781 disseminated by the facility or agency to any party other than the data subject, the Commissioner of Social
 782 Services' representative or a federal or state authority or court as may be required to comply with an express
 783 requirement of law for such further dissemination; however, nothing in this subdivision shall be construed to
 784 prohibit the Commissioner of Social Services' representative from issuing written certifications regarding the
 785 results of a background check that was conducted before July 1, 2021, in accordance with subsection J of
 786 § 22.1-289.035 or § 22.1-289.039;

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

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

794 15. The Virginia Lottery for the conduct of investigations as set forth in the Virginia Lottery Law
 795 (§ 58.1-4000 et seq.) and, casino gaming as set forth in Chapter 41 (§ 58.1-4100 et seq.) of Title 58.1,
 796 *electronic skill gaming devices as set forth in Chapter 42 (§ 58.1-4200 et seq.) of Title 58.1*, and the
 797 Department of Agriculture and Consumer Services for the conduct of investigations as set forth in Article
 798 1.1:1 (§ 18.2-340.15 et seq.) of Chapter 8 of Title 18.2;

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

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

806 18. The Virginia Alcoholic Beverage Control Authority for the conduct of investigations as set forth in
807 § 4.1-103.1;

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

811 20. The Commissioner of Behavioral Health and Developmental Services (the Commissioner) or his
812 designees for individuals who are committed to the custody of or being evaluated by the Commissioner
813 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,
814 19.2-182.8, and 19.2-182.9 where such information may be beneficial for the purpose of placement,
815 evaluation, treatment, or discharge planning;

816 21. Any alcohol safety action program certified by the Commission on the Virginia Alcohol Safety Action
817 Program for (i) interventions with first offenders under § 18.2-251 or (ii) services to offenders under
818 § 18.2-51.4, 18.2-266, or 18.2-266.1;

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

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

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

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

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

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

843 28. Executive directors of behavioral health authorities as defined in § 37.2-600 for the purpose of
844 determining an individual's fitness for employment, approval as a sponsored residential service provider,
845 permission to enter into a shared living arrangement with a person receiving medical assistance services
846 pursuant to a waiver, or permission for any person under contract with the behavioral health authority to
847 serve in a direct care position on behalf of the behavioral health authority pursuant to §§ 37.2-506,
848 37.2-506.1, and 37.2-607;

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

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

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

863 32. The ~~Chairman~~ Chair of the Senate Committee for Courts of Justice or the ~~Chairman~~ Chair of the
864 House Committee for Courts of Justice for the purpose of determining if any person being considered for

- 865 election to any judgeship has been convicted of a crime;
- 866 33. Heads of state agencies in which positions have been identified as sensitive for the purpose of
- 867 determining an individual's fitness for employment in positions designated as sensitive under Department of
- 868 Human Resource Management policies developed pursuant to § 2.2-1201.1;
- 869 34. The Office of the Attorney General, for all criminal justice activities otherwise permitted under
- 870 subdivision A 1 and for purposes of performing duties required by the Civil Commitment of Sexually Violent
- 871 Predators Act (§ 37.2-900 et seq.);
- 872 35. Shipyards, to the extent permitted by federal law or regulation, engaged in the design, construction,
- 873 overhaul, or repair of nuclear vessels for the United States Navy, including their subsidiary companies, for
- 874 the conduct of investigations of applications for employment or for access to facilities, by contractors, leased
- 875 laborers, and other visitors;
- 876 36. Any employer of individuals whose employment requires that they enter the homes of others, for the
- 877 purpose of screening individuals who apply for, are offered, or have accepted such employment;
- 878 37. Public agencies when and as required by federal or state law to investigate (i) applicants as providers
- 879 of adult foster care and home-based services or (ii) any individual with whom the agency is considering
- 880 placing an adult on an emergency, temporary, or permanent basis pursuant to § 63.2-1601.1, subject to the
- 881 restriction that the data shall not be further disseminated by the agency to any party other than a federal or
- 882 state authority or court as may be required to comply with an express requirement of law for such further
- 883 dissemination, subject to limitations set out in subsection G;
- 884 38. The Department of Medical Assistance Services, or its designee, for the purpose of screening
- 885 individuals who, through contracts, subcontracts, or direct employment, volunteer, apply for, are offered, or
- 886 have accepted a position related to the provision of transportation services to enrollees in the Medicaid
- 887 Program or the Family Access to Medical Insurance Security (FAMIS) Program, or any other program
- 888 administered by the Department of Medical Assistance Services;
- 889 39. The State Corporation Commission for the purpose of investigating individuals who are current or
- 890 proposed members, senior officers, directors, and principals of an applicant or person licensed under Chapter
- 891 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.
- 892 Notwithstanding any other provision of law, if an application is denied based in whole or in part on
- 893 information obtained from the Central Criminal Records Exchange pursuant to Chapter 16, 19, or 26 of Title
- 894 6.2, the Commissioner of Financial Institutions or his designee may disclose such information to the applicant
- 895 or its designee;
- 896 40. The Department of Professional and Occupational Regulation for the purpose of investigating
- 897 individuals for initial licensure pursuant to § 54.1-2106.1;
- 898 41. The Department for Aging and Rehabilitative Services and the Department for the Blind and Vision
- 899 Impaired for the purpose of evaluating an individual's fitness for various types of employment and for the
- 900 purpose of delivering comprehensive vocational rehabilitation services pursuant to Article 11 (§ 51.5-170 et
- 901 seq.) of Chapter 14 of Title 51.5 that will assist the individual in obtaining employment;
- 902 42. Bail bondsmen, in accordance with the provisions of § 19.2-120;
- 903 43. The State Treasurer for the purpose of determining whether a person receiving compensation for
- 904 wrongful incarceration meets the conditions for continued compensation under § 8.01-195.12;
- 905 44. The Department of Education or its agents or designees for the purpose of screening individuals
- 906 seeking to enter into a contract with the Department of Education or its agents or designees for the provision
- 907 of child care services for which child care subsidy payments may be provided;
- 908 45. The Department of Juvenile Justice to investigate any parent, guardian, or other adult members of a
- 909 juvenile's household when completing a predispositional or postdispositional report required by § 16.1-273 or
- 910 a Board of Juvenile Justice regulation promulgated pursuant to § 16.1-233;
- 911 46. The State Corporation Commission, for the purpose of screening applicants for insurance licensure
- 912 under Chapter 18 (§ 38.2-1800 et seq.) of Title 38.2;
- 913 47. Administrators and board presidents of and applicants for licensure or registration as a child day
- 914 program or family day system, as such terms are defined in § 22.1-289.02, for dissemination to the
- 915 Superintendent of Public Instruction's representative pursuant to § 22.1-289.013 for the conduct of
- 916 investigations with respect to employees of and volunteers at such facilities pursuant to §§ 22.1-289.034
- 917 through 22.1-289.037, subject to the restriction that the data shall not be further disseminated by the facility
- 918 or agency to any party other than the data subject, the Superintendent of Public Instruction's representative, or
- 919 a federal or state authority or court as may be required to comply with an express requirement of law for such
- 920 further dissemination; however, nothing in this subdivision shall be construed to prohibit the Superintendent
- 921 of Public Instruction's representative from issuing written certifications regarding the results of prior
- 922 background checks in accordance with subsection J of § 22.1-289.035 or § 22.1-289.039;
- 923 48. The National Center for Missing and Exploited Children for the purpose of screening individuals who
- 924 are offered or accept employment or will be providing volunteer or contractual services with the National
- 925 Center for Missing and Exploited Children;
- 926 49. The Executive Director or investigators of the Board of Accountancy for the purpose of the

927 enforcement of laws relating to the Board of Accountancy in accordance with § 54.1-4407; and

928 50. Other entities as otherwise provided by law.

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

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

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

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

946 D. Criminal justice agencies shall establish procedures to query the Central Criminal Records Exchange
947 prior to dissemination of any criminal history record information on offenses required to be reported to the
948 Central Criminal Records Exchange to ensure that the most up-to-date disposition data is being used.
949 Inquiries of the Exchange shall be made prior to any dissemination except in those cases where time is of the
950 essence and the normal response time of the Exchange would exceed the necessary time period. A criminal
951 justice agency to whom a request has been made for the dissemination of criminal history record information
952 that is required to be reported to the Central Criminal Records Exchange may direct the inquirer to the
953 Central Criminal Records Exchange for such dissemination. Dissemination of information regarding offenses
954 not required to be reported to the Exchange shall be made by the criminal justice agency maintaining the
955 record as required by § 15.2-1722.

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

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

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

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

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

979 **§ 19.2-389. (Effective July 1, 2026) Dissemination of criminal history record information.**

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

982 1. Authorized officers or employees of criminal justice agencies, as defined by § 9.1-101, for purposes of
983 the administration of criminal justice and the screening of an employment application or review of
984 employment by a criminal justice agency with respect to its own employees or applicants, and dissemination
985 to the Virginia Parole Board, pursuant to this subdivision, of such information on all state-responsible
986 inmates for the purpose of making parole determinations pursuant to subdivisions 1, 2, 3, 4, and 6 of
987 § 53.1-136 shall include collective dissemination by electronic means every 30 days. For purposes of this
988 subdivision, criminal history record information includes information sent to the Central Criminal Records

989 Exchange pursuant to §§ 37.2-819 and 64.2-2014 when disseminated to any full-time or part-time employee
 990 of the State Police, a police department or sheriff's office that is a part of or administered by the
 991 Commonwealth or any political subdivision thereof, and who is responsible for the prevention and detection
 992 of crime and the enforcement of the penal, traffic or highway laws of the Commonwealth for the purposes of
 993 the administration of criminal justice;

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

1000 3. Individuals and agencies pursuant to a specific agreement with a criminal justice agency to provide
 1001 services required for the administration of criminal justice pursuant to that agreement which shall specifically
 1002 authorize access to data, limit the use of data to purposes for which given, and ensure the security and
 1003 confidentiality of the data;

1004 4. Individuals and agencies for the express purpose of research, evaluative, or statistical activities pursuant
 1005 to an agreement with a criminal justice agency that shall specifically authorize access to data, limit the use of
 1006 data to research, evaluative, or statistical purposes, and ensure the confidentiality and security of the data;

1007 5. Agencies of state or federal government that are authorized by state or federal statute or executive order
 1008 of the President of the United States or Governor to conduct investigations determining employment
 1009 suitability or eligibility for security clearances allowing access to classified information;

1010 6. Individuals and agencies where authorized by court order or court rule;

1011 7. Agencies of any political subdivision of the Commonwealth, public transportation companies owned,
 1012 operated or controlled by any political subdivision, and any public service corporation that operates a public
 1013 transit system owned by a local government for the conduct of investigations of applicants for employment,
 1014 permit, or license whenever, in the interest of public welfare or safety, it is necessary to determine under a
 1015 duly enacted ordinance if the past criminal conduct of a person with a conviction record would be compatible
 1016 with the nature of the employment, permit, or license under consideration;

1017 7a. Commissions created pursuant to the Transportation District Act of 1964 (§ 33.2-1900 et seq.) of Title
 1018 33.2 and their contractors, for the conduct of investigations of individuals who have been offered a position
 1019 of employment whenever, in the interest of public welfare or safety and as authorized in the Transportation
 1020 District Act of 1964, it is necessary to determine if the past criminal conduct of a person with a conviction
 1021 record would be compatible with the nature of the employment under consideration;

1022 8. Public or private agencies when authorized or required by federal or state law or interstate compact to
 1023 investigate (i) applicants for foster or adoptive parenthood or (ii) any individual, and the adult members of
 1024 that individual's household, with whom the agency is considering placing a child or from whom the agency is
 1025 considering removing a child due to abuse or neglect, on an emergency, temporary, or permanent basis
 1026 pursuant to §§ 63.2-901.1 and 63.2-1505, subject to the restriction that the data shall not be further
 1027 disseminated to any party other than a federal or state authority or court as may be required to comply with an
 1028 express requirement of law;

1029 9. To the extent permitted by federal law or regulation, public service companies as defined in § 56-1, for
 1030 the conduct of investigations of applicants for employment when such employment involves personal contact
 1031 with the public or when past criminal conduct of an applicant would be incompatible with the nature of the
 1032 employment under consideration;

1033 10. The appropriate authority for purposes of granting citizenship and for purposes of international travel,
 1034 including, but not limited to, issuing visas and passports;

1035 11. A person requesting a copy of his own criminal history record information as defined in § 9.1-101 at
 1036 his cost, except that criminal history record information shall be supplied at no charge to a person who has
 1037 applied to be a volunteer with (i) a Virginia affiliate of Big Brothers/Big Sisters of America; (ii) a volunteer
 1038 fire company; (iii) the Volunteer Emergency Families for Children; (iv) any affiliate of Prevent Child Abuse,
 1039 Virginia; (v) any Virginia affiliate of Compeer; or (vi) any board member or any individual who has been
 1040 offered membership on the board of a Crime Stoppers, Crime Solvers or Crime Line program as defined in
 1041 § 15.2-1713.1;

1042 12. Administrators and board presidents of and applicants for licensure or registration as a child welfare
 1043 agency as defined in § 63.2-100 for dissemination to the Commissioner of Social Services' representative
 1044 pursuant to § 63.2-1702 for the conduct of investigations with respect to employees of and volunteers at such
 1045 facilities, caretakers, and foster and adoptive parent applicants of private child-placing agencies, pursuant to
 1046 §§ 63.2-1719, 63.2-1720, and 63.2-1721, subject to the restriction that the data shall not be further
 1047 disseminated by the facility or agency to any party other than the data subject, the Commissioner of Social
 1048 Services' representative or a federal or state authority or court as may be required to comply with an express
 1049 requirement of law for such further dissemination; however, nothing in this subdivision shall be construed to
 1050 prohibit the Commissioner of Social Services' representative from issuing written certifications regarding the

1051 results of a background check that was conducted before July 1, 2021, in accordance with subsection J of
1052 § 22.1-289.035 or § 22.1-289.039;

1053 13. Administrators and board presidents of and applicants for licensure as a prescribed pediatric extended
1054 care center for dissemination to the State Health Commissioner's representative pursuant to
1055 §§ 32.1-162.15:1.5 and 32.1-162.15:1.10 for the conduct of investigations with respect to employees of and
1056 volunteers at such centers, pursuant to § 32.1-162.15:1.17, subject to the restriction that the data shall not be
1057 further disseminated by the center to any party other than the data subject, the State Health Commissioner's
1058 representative, or a federal or state authority or court as may be required to comply with an express
1059 requirement of law;

1060 14. The Department of Social Services for the purpose of screening individuals as a condition of licensure,
1061 employment, volunteering, or providing services on a regular basis in a licensed child welfare agency
1062 pursuant to §§ 63.2-1721 and 63.2-1726 or foster or adoptive home approved by a child-placing agency
1063 pursuant to § 63.2-901.1;

1064 15. The school boards of the Commonwealth for the purpose of screening individuals who are offered or
1065 who accept public school employment and those current school board employees for whom a report of arrest
1066 has been made pursuant to § 19.2-83.1;

1067 16. The Virginia Lottery for the conduct of investigations as set forth in the Virginia Lottery Law
1068 (§ 58.1-4000 et seq.) ~~and~~, casino gaming as set forth in Chapter 41 (§ 58.1-4100 et seq.) of Title 58.1,
1069 *electronic skill gaming devices as set forth in Chapter 42 (§ 58.1-4200 et seq.) of Title 58.1*, and the
1070 Department of Agriculture and Consumer Services for the conduct of investigations as set forth in Article
1071 1.1:1 (§ 18.2-340.15 et seq.) of Chapter 8 of Title 18.2;

1072 17. Licensed prescribed pediatric extended care centers for the conduct of investigations of applicants for
1073 compensated employment and volunteers in licensed prescribed pediatric extended care centers pursuant to
1074 § 32.1-162.15:1.17;

1075 18. Licensed nursing homes, hospitals, and home care organizations for the conduct of investigations of
1076 applicants for compensated employment in licensed nursing homes pursuant to § 32.1-126.01, hospital
1077 pharmacies pursuant to § 32.1-126.02, and home care organizations pursuant to § 32.1-162.9:1, subject to the
1078 limitations set out in subsection E;

1079 19. Licensed assisted living facilities and licensed adult day centers for the conduct of investigations of
1080 applicants for compensated employment in licensed assisted living facilities and licensed adult day centers
1081 pursuant to § 63.2-1720, subject to the limitations set out in subsection F;

1082 20. The Virginia Alcoholic Beverage Control Authority for the conduct of investigations as set forth in
1083 § 4.1-103.1;

1084 21. The State Board of Elections and authorized officers and employees thereof and general registrars
1085 appointed pursuant to § 24.2-110 in the course of conducting necessary investigations with respect to voter
1086 registration, limited to any record of felony convictions;

1087 22. The Commissioner of Behavioral Health and Developmental Services (the Commissioner) or his
1088 designees for individuals who are committed to the custody of or being evaluated by the Commissioner
1089 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,
1090 19.2-182.8, and 19.2-182.9 where such information may be beneficial for the purpose of placement,
1091 evaluation, treatment, or discharge planning;

1092 23. Any alcohol safety action program certified by the Commission on the Virginia Alcohol Safety Action
1093 Program for (i) interventions with first offenders under § 18.2-251 or (ii) services to offenders under
1094 § 18.2-51.4, 18.2-266, or 18.2-266.1;

1095 24. Residential facilities for juveniles regulated or operated by the Department of Social Services, the
1096 Department of Education, or the Department of Behavioral Health and Developmental Services for the
1097 purpose of determining applicants' fitness for employment or for providing volunteer or contractual services;

1098 25. The Department of Behavioral Health and Developmental Services and facilities operated by the
1099 Department for the purpose of determining an individual's fitness for employment pursuant to departmental
1100 instructions;

1101 26. Pursuant to § 22.1-296.3, the governing boards or administrators of private elementary or secondary
1102 schools which are accredited pursuant to § 22.1-19 or a private organization coordinating such records
1103 information on behalf of such governing boards or administrators pursuant to a written agreement with the
1104 Department of State Police;

1105 27. Public institutions of higher education and nonprofit private institutions of higher education for the
1106 purpose of screening individuals who are offered or accept employment;

1107 28. Members of a threat assessment team established by a local school board pursuant to § 22.1-79.4, by a
1108 public institution of higher education pursuant to § 23.1-805, or by a private nonprofit institution of higher
1109 education, for the purpose of assessing or intervening with an individual whose behavior may present a threat
1110 to safety; however, no member of a threat assessment team shall redisclose any criminal history record
1111 information obtained pursuant to this section or otherwise use any record of an individual beyond the purpose
1112 that such disclosure was made to the threat assessment team;

1113 29. Executive directors of community services boards or the personnel director serving the community
 1114 services board for the purpose of determining an individual's fitness for employment, approval as a sponsored
 1115 residential service provider, permission to enter into a shared living arrangement with a person receiving
 1116 medical assistance services pursuant to a waiver, or permission for any person under contract with the
 1117 community services board to serve in a direct care position on behalf of the community services board
 1118 pursuant to §§ 37.2-506, 37.2-506.1, and 37.2-607;

1119 30. Executive directors of behavioral health authorities as defined in § 37.2-600 for the purpose of
 1120 determining an individual's fitness for employment, approval as a sponsored residential service provider,
 1121 permission to enter into a shared living arrangement with a person receiving medical assistance services
 1122 pursuant to a waiver, or permission for any person under contract with the behavioral health authority to
 1123 serve in a direct care position on behalf of the behavioral health authority pursuant to §§ 37.2-506,
 1124 37.2-506.1, and 37.2-607;

1125 31. The Commissioner of Social Services for the purpose of locating persons who owe child support or
 1126 who are alleged in a pending paternity proceeding to be a putative father, provided that only the name,
 1127 address, demographics and social security number of the data subject shall be released;

1128 32. Authorized officers or directors of agencies licensed pursuant to Article 2 (§ 37.2-403 et seq.) of
 1129 Chapter 4 of Title 37.2 by the Department of Behavioral Health and Developmental Services for the purpose
 1130 of determining if any applicant who accepts employment in any direct care position or requests approval as a
 1131 sponsored residential service provider, permission to enter into a shared living arrangement with a person
 1132 receiving medical assistance services pursuant to a waiver, or permission for any person under contract with
 1133 the provider to serve in a direct care position has been convicted of a crime that affects his fitness to have
 1134 responsibility for the safety and well-being of individuals with mental illness, intellectual disability, or
 1135 substance abuse pursuant to §§ 37.2-416, 37.2-416.1, 37.2-506, 37.2-506.1, and 37.2-607;

1136 33. The Commissioner of the Department of Motor Vehicles, for the purpose of evaluating applicants for
 1137 and holders of a motor carrier certificate or license subject to the provisions of Chapters 20 (§ 46.2-2000 et
 1138 seq.) and 21 (§ 46.2-2100 et seq.) of Title 46.2;

1139 34. The ~~Chairman~~ *Chair* of the Senate Committee for Courts of Justice or the ~~Chairman~~ *Chair* of the
 1140 House Committee for Courts of Justice for the purpose of determining if any person being considered for
 1141 election to any judgeship has been convicted of a crime;

1142 35. Heads of state agencies in which positions have been identified as sensitive for the purpose of
 1143 determining an individual's fitness for employment in positions designated as sensitive under Department of
 1144 Human Resource Management policies developed pursuant to § 2.2-1201.1;

1145 36. The Office of the Attorney General, for all criminal justice activities otherwise permitted under
 1146 subdivision 1 and for purposes of performing duties required by the Civil Commitment of Sexually Violent
 1147 Predators Act (§ 37.2-900 et seq.);

1148 37. Shipyards, to the extent permitted by federal law or regulation, engaged in the design, construction,
 1149 overhaul, or repair of nuclear vessels for the United States Navy, including their subsidiary companies, for
 1150 the conduct of investigations of applications for employment or for access to facilities, by contractors, leased
 1151 laborers, and other visitors;

1152 38. Any employer of individuals whose employment requires that they enter the homes of others, for the
 1153 purpose of screening individuals who apply for, are offered, or have accepted such employment;

1154 39. Public agencies when and as required by federal or state law to investigate (i) applicants as providers
 1155 of adult foster care and home-based services or (ii) any individual with whom the agency is considering
 1156 placing an adult on an emergency, temporary, or permanent basis pursuant to § 63.2-1601.1, subject to the
 1157 restriction that the data shall not be further disseminated by the agency to any party other than a federal or
 1158 state authority or court as may be required to comply with an express requirement of law for such further
 1159 dissemination, subject to limitations set out in subsection G;

1160 40. The Department of Medical Assistance Services, or its designee, for the purpose of screening
 1161 individuals who, through contracts, subcontracts, or direct employment, volunteer, apply for, are offered, or
 1162 have accepted a position related to the provision of transportation services to enrollees in the Medicaid
 1163 Program or the Family Access to Medical Insurance Security (FAMIS) Program, or any other program
 1164 administered by the Department of Medical Assistance Services;

1165 41. The State Corporation Commission for the purpose of investigating individuals who are current or
 1166 proposed members, senior officers, directors, and principals of an applicant or person licensed under Chapter
 1167 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.
 1168 Notwithstanding any other provision of law, if an application is denied based in whole or in part on
 1169 information obtained from the Central Criminal Records Exchange pursuant to Chapter 16, 19, or 26 of Title
 1170 6.2, the Commissioner of Financial Institutions or his designee may disclose such information to the applicant
 1171 or its designee;

1172 42. The Department of Professional and Occupational Regulation for the purpose of investigating
 1173 individuals for initial licensure pursuant to § 54.1-2106.1;

1174 43. The Department for Aging and Rehabilitative Services and the Department for the Blind and Vision

1175 Impaired for the purpose of evaluating an individual's fitness for various types of employment and for the
1176 purpose of delivering comprehensive vocational rehabilitation services pursuant to Article 11 (§ 51.5-170 et
1177 seq.) of Chapter 14 of Title 51.5 that will assist the individual in obtaining employment;

1178 44. Bail bondsmen, in accordance with the provisions of § 19.2-120;

1179 45. The State Treasurer for the purpose of determining whether a person receiving compensation for
1180 wrongful incarceration meets the conditions for continued compensation under § 8.01-195.12;

1181 46. The Department of Education or its agents or designees for the purpose of screening individuals
1182 seeking to enter into a contract with the Department of Education or its agents or designees for the provision
1183 of child care services for which child care subsidy payments may be provided;

1184 47. The Department of Juvenile Justice to investigate any parent, guardian, or other adult members of a
1185 juvenile's household when completing a predispositional or postdispositional report required by § 16.1-273 or
1186 a Board of Juvenile Justice regulation promulgated pursuant to § 16.1-233;

1187 48. The State Corporation Commission, for the purpose of screening applicants for insurance licensure
1188 under Chapter 18 (§ 38.2-1800 et seq.) of Title 38.2;

1189 49. Administrators and board presidents of and applicants for licensure or registration as a child day
1190 program or family day system, as such terms are defined in § 22.1-289.02, for dissemination to the
1191 Superintendent of Public Instruction's representative pursuant to § 22.1-289.013 for the conduct of
1192 investigations with respect to employees of and volunteers at such facilities pursuant to §§ 22.1-289.034
1193 through 22.1-289.037, subject to the restriction that the data shall not be further disseminated by the facility
1194 or agency to any party other than the data subject, the Superintendent of Public Instruction's representative, or
1195 a federal or state authority or court as may be required to comply with an express requirement of law for such
1196 further dissemination; however, nothing in this subdivision shall be construed to prohibit the Superintendent
1197 of Public Instruction's representative from issuing written certifications regarding the results of prior
1198 background checks in accordance with subsection J of § 22.1-289.035 or § 22.1-289.039;

1199 50. The National Center for Missing and Exploited Children for the purpose of screening individuals who
1200 are offered or accept employment or will be providing volunteer or contractual services with the National
1201 Center for Missing and Exploited Children;

1202 51. The Executive Director or investigators of the Board of Accountancy for the purpose of the
1203 enforcement of laws relating to the Board of Accountancy in accordance with § 54.1-4407; and

1204 52. Other entities as otherwise provided by law.

1205 Upon an ex parte motion of a defendant in a felony case and upon the showing that the records requested
1206 may be relevant to such case, the court shall enter an order requiring the Central Criminal Records Exchange
1207 to furnish the defendant, as soon as practicable, copies of any records of persons designated in the order on
1208 whom a report has been made under the provisions of this chapter.

1209 Notwithstanding any other provision of this chapter to the contrary, upon a written request sworn to
1210 before an officer authorized to take acknowledgments, the Central Criminal Records Exchange, or the
1211 criminal justice agency in cases of offenses not required to be reported to the Exchange, shall furnish a copy
1212 of conviction data covering the person named in the request to the person making the request; however, such
1213 person on whom the data is being obtained shall consent in writing, under oath, to the making of such
1214 request. A person receiving a copy of his own conviction data may utilize or further disseminate that data as
1215 he deems appropriate. In the event no conviction data is maintained on the data subject, the person making
1216 the request shall be furnished at his cost a certification to that effect.

1217 B. Use of criminal history record information disseminated to noncriminal justice agencies under this
1218 section shall be limited to the purposes for which it was given and may not be disseminated further, except as
1219 otherwise provided in subdivision A 49.

1220 C. No criminal justice agency or person shall confirm the existence or nonexistence of criminal history
1221 record information for employment or licensing inquiries except as provided by law.

1222 D. Criminal justice agencies shall establish procedures to query the Central Criminal Records Exchange
1223 prior to dissemination of any criminal history record information on offenses required to be reported to the
1224 Central Criminal Records Exchange to ensure that the most up-to-date disposition data is being used.
1225 Inquiries of the Exchange shall be made prior to any dissemination except in those cases where time is of the
1226 essence and the normal response time of the Exchange would exceed the necessary time period. A criminal
1227 justice agency to whom a request has been made for the dissemination of criminal history record information
1228 that is required to be reported to the Central Criminal Records Exchange may direct the inquirer to the
1229 Central Criminal Records Exchange for such dissemination. Dissemination of information regarding offenses
1230 not required to be reported to the Exchange shall be made by the criminal justice agency maintaining the
1231 record as required by § 15.2-1722.

1232 E. Criminal history information provided to licensed nursing homes, hospitals and to home care
1233 organizations pursuant to subdivision A 18 shall be limited to the convictions on file with the Exchange for
1234 any offense specified in §§ 32.1-126.01, 32.1-126.02, and 32.1-162.9:1.

1235 F. Criminal history information provided to licensed assisted living facilities and licensed adult day
1236 centers pursuant to subdivision A 19 shall be limited to the convictions on file with the Exchange for any

1237 offense specified in § 63.2-1720.

1238 G. Criminal history information provided to public agencies pursuant to subdivision A 39 shall be limited
1239 to the convictions on file with the Exchange for any offense set forth in clause (i) of the definition of barrier
1240 crime in § 19.2-392.02.

1241 H. Upon receipt of a written request from an employer or prospective employer, the Central Criminal
1242 Records Exchange, or the criminal justice agency in cases of offenses not required to be reported to the
1243 Exchange, shall furnish at the employer's cost a copy of conviction data covering the person named in the
1244 request to the employer or prospective employer making the request, provided that the person on whom the
1245 data is being obtained has consented in writing to the making of such request and has presented a photo-
1246 identification to the employer or prospective employer. In the event no conviction data is maintained on the
1247 person named in the request, the requesting employer or prospective employer shall be furnished at his cost a
1248 certification to that effect. The criminal history record search shall be conducted on forms provided by the
1249 Exchange.

1250 I. The attorney for the Commonwealth shall provide a physical or electronic copy of a person's criminal
1251 history record information, including criminal history record information maintained in the National Crime
1252 Information Center (NCIC) and the Interstate Identification Index System (III System) that is in his
1253 possession, pursuant to the rules of court for obtaining discovery or for review by the court. No criminal
1254 history record information provided under this subsection shall be disseminated further.

1255 **§ 37.2-314.2. Problem Gambling Treatment and Support Fund.**

1256 A. As used in this section:

1257 "Compulsive gambling" means persistent and recurrent problem gambling behavior leading to clinically
1258 significant impairment or distress, as indicated by an individual exhibiting four or more of the criteria as
1259 defined by the Diagnostic Statistical Manual of Mental Disorders in a 12-month period and where the
1260 behavior is not better explained by a manic episode.

1261 "Problem gambling" means a gambling behavior that causes disruptions in any major area of life,
1262 including the psychological, social, or vocational areas of life, but does not fulfill the criteria for diagnosis as
1263 a gambling disorder.

1264 B. There is hereby created in the state treasury a special nonreverting fund to be known as the Problem
1265 Gambling Treatment and Support Fund, referred to in this section as "the Fund." The Fund shall be
1266 established on the books of the Comptroller. All revenue accruing to the Fund pursuant to subsection A of
1267 § 58.1-4038, *moneys required to be deposited into the Fund pursuant to subsection B of § 58.1-4218*, and
1268 moneys required to be deposited into the Fund pursuant to Chapter 41 (§ 58.1-4100 et seq.) of Title 58.1 shall
1269 be paid into the state treasury and credited to the Fund. Interest earned on moneys in the Fund shall remain in
1270 the Fund and be credited to it. Any moneys remaining in the Fund, including interest thereon, at the end of
1271 each fiscal year shall not revert to the general fund but shall remain in the Fund. Moneys in the Fund shall be
1272 used solely for the purposes of (i) providing counseling and other support services for compulsive and
1273 problem gamblers, (ii) developing and implementing compulsive and problem gambling treatment and
1274 prevention programs, and (iii) providing grants to support organizations that provide assistance to compulsive
1275 and problem gamblers. Expenditures and disbursements from the Fund shall be made by the State Treasurer
1276 on warrants issued by the Comptroller upon written request signed by the Commissioner.

1277 **§ 58.1-4002. Definitions.**

1278 As used in this chapter, unless the context requires a different meaning:

1279 "Board" means the Virginia Lottery Board established by this chapter.

1280 "Casino gaming" or "game" means baccarat, blackjack, twenty-one, poker, craps, dice, slot machines,
1281 roulette wheels, Klondike tables, punchboards, faro layouts, numbers tickets, push cards, jar tickets, or pull
1282 tabs and any other activity that is authorized by the Board as a wagering game or device under Chapter 41
1283 (§ 58.1-4100 et seq.). "Casino gaming" or "game" includes on-premises mobile casino gaming.

1284 "Department" means the independent agency responsible for the administration of the Virginia Lottery
1285 pursuant to this article ~~and~~, *the regulation of sports betting pursuant to Article 2 (§ 58.1-4030 et seq.), casino*
1286 *gaming pursuant to Chapter 41 (§ 58.1-4100 et seq.), and electronic skill gaming devices pursuant to*
1287 *Chapter 42 (§ 58.1-4200 et seq.).*

1288 "Director" means the Director of the Virginia Lottery.

1289 "Lottery" or "state lottery" means the lottery or lotteries established and operated pursuant to this ~~chapter~~
1290 *article.*

1291 "On-premises mobile casino gaming" means casino gaming offered by a casino gaming operator at a
1292 casino gaming establishment using a computer network of both federal and nonfederal interoperable packet-
1293 switched data networks through which the casino gaming operator may offer casino gaming to individuals
1294 who have established an on-premises mobile casino gaming account with the casino gaming operator and
1295 who are physically present on the premises of the casino gaming establishment, as authorized by regulations
1296 promulgated by the Board.

1297 "Sports betting" means placing wagers on sporting events as such activity is regulated by the Board.

1298 "Ticket courier service" means a service operated for the purpose of purchasing Virginia Lottery tickets

1299 on behalf of individuals located within or outside of the Commonwealth and delivering or transmitting such
1300 tickets, or electronic images thereof, to such individuals as a business-for-profit delivery service.

1301 "Voluntary exclusion program" means a program established by the Board pursuant to § 58.1-4015.1 that
1302 allows individuals to voluntarily exclude themselves from engaging in the activities described in subdivision
1303 B 1 of § 58.1-4015.1 by placing their name on a voluntary exclusion list and following the procedures set
1304 forth by the Board.

1305 **§ 58.1-4003. Virginia Lottery established.**

1306 Notwithstanding the provisions of Article 1 (§ 18.2-325 et seq.) of Chapter 8 of Title 18.2 or any other
1307 provision of law, there is hereby established as an independent agency of the Commonwealth, exclusive of
1308 the legislative, executive, or judicial branches of government, the Virginia Lottery, which shall include a
1309 Director and a *the* Virginia Lottery Board for the ~~purpose~~ *purposes* of operating a state lottery *and regulating*
1310 *sports betting pursuant to Article 2 (§ 58.1-4030 et seq.), casino gaming pursuant to Chapter 41 (§ 58.1-4100*
1311 *et seq.), and electronic skill gaming devices pursuant to Chapter 42 (§ 58.1-4200 et seq.).*

1312 **§ 58.1-4006. Powers of the Director.**

1313 A. The Director shall supervise and administer:

1314 1. The operation of the lottery in accordance with the provisions of this chapter and with the rules and
1315 regulations promulgated ~~hereunder pursuant to this chapter;~~ ~~and~~

1316 2. *The regulation of sports betting in accordance with Article 2 (§ 58.1-4030 et seq.) and with the rules*
1317 *and regulations promulgated pursuant to this chapter;*

1318 3. The regulation of casino gaming in accordance with Chapter 41 (§ 58.1-4100 et seq.) *and with the rules*
1319 *and regulations promulgated pursuant to that chapter; and*

1320 4. *The regulation of electronic skill gaming devices in accordance with Chapter 42 (§ 58.1-4200 et seq.)*
1321 *and with the rules and regulations promulgated pursuant to that chapter.*

1322 B. The Director shall also:

1323 1. Employ such deputy directors, professional, technical, and clerical assistants, and other employees as
1324 may be required to carry out the functions and duties of the Department.

1325 2. Act as secretary and executive officer of the Board.

1326 3. Require bond or other surety satisfactory to the Director from licensed agents as provided in subsection
1327 E of § 58.1-4009 and Department employees with access to Department funds or lottery funds, in such
1328 amount as provided in the rules and regulations of the Board. The Director may also require bond from other
1329 employees as he deems necessary.

1330 4. Confer regularly, but not less than four times each year, with the Board on the operation and
1331 administration of the lottery, and the regulation of *sports betting, casino gaming, and electronic skill gaming*
1332 *devices; make available for inspection by the Board, upon request, all books, records, files, and other*
1333 *information and documents of the Department; and advise the Board and recommend such matters as he*
1334 *deems necessary and advisable to improve the operation and administration of the lottery and the regulation*
1335 *of sports betting, casino gaming, and electronic skill gaming devices.*

1336 5. Suspend, revoke, or refuse to renew any license issued pursuant to this chapter or the rules and
1337 regulations adopted ~~hereunder pursuant to this chapter.~~

1338 6. Suspend, revoke, or refuse to renew any license or permit issued pursuant to Chapter 41 (§ 58.1-4100 et
1339 seq.).

1340 7. Eject or exclude from a casino gaming establishment any person, whether or not he possesses a license
1341 or permit, whose conduct or reputation is such that his presence may, in the opinion of the Director, reflect
1342 negatively on the honesty and integrity of casino gaming or interfere with the orderly gaming operations.

1343 8. Immediately upon the receipt of a credible complaint of an alleged criminal violation of Chapter 41
1344 (§ 58.1-4100 et seq.), report the complaint to the Attorney General and the State Police for appropriate action.

1345 9. Inspect and investigate, and have free access to, the offices, facilities, or other places of business of any
1346 licensee or permit holder and may compel the production of any of the books, documents, records, or
1347 memoranda of any licensee or permit holder for the purpose of ensuring compliance with Chapter 41
1348 (§ 58.1-4100 et seq.) and Department regulations.

1349 10. Compel any person holding a license or permit pursuant to Chapter 41 (§ 58.1-4100 et seq.) to file
1350 with the Department such information as shall appear to the Director to be necessary for the performance of
1351 the Department's functions, including financial statements and information relative to principals and all others
1352 with any pecuniary interest in such person.

1353 11. Impose a fine or penalty not to exceed \$1 million upon any person determined, in proceedings
1354 commenced pursuant to § 58.1-4105, to have violated any of the provisions of Chapter 41 (§ 58.1-4100 et
1355 seq.) or regulations promulgated by the Board.

1356 12. Enter into arrangements with any foreign or domestic governmental agency for the purposes of
1357 exchanging information or performing any other act to better ensure the proper conduct of casino gaming
1358 operations or the efficient conduct of the Director's duties.

1359 13. Enter into contracts for the operation of the lottery, or any part thereof, for the promotion of the lottery
1360 and into interstate lottery contracts with other states. A contract awarded or entered into by the Director shall

1361 not be assigned by the holder thereof except by specific approval of the Director.

1362 14. Certify monthly to the State Comptroller and the Board a full and complete statement of lottery
1363 revenues, prize disbursements, and other expenses for the preceding month.

1364 15. Report monthly to the Governor, the Secretary of Finance, and the ~~Chairmen~~ *Chairs* of the Senate
1365 Committee on Finance and Appropriations, House Committee on Finance, and House Committee on
1366 Appropriations the total lottery revenues, prize disbursements, and other expenses for the preceding month
1367 and make an annual report, which shall include a full and complete statement of lottery revenues, prize
1368 disbursements, and other expenses, as well as a separate financial statement of the expenses incurred in the
1369 regulation of casino gaming operations as defined in § 58.1-4100, to the Governor and the General Assembly.
1370 Such annual report shall also include such recommendations for changes in this chapter and Chapter 41
1371 (§ 58.1-4100 et seq.) as the Director and Board deem necessary or desirable.

1372 16. Report immediately to the Governor and the General Assembly any matters that require immediate
1373 changes in the laws of the Commonwealth in order to prevent abuses and evasions of this chapter ~~and~~,
1374 Chapter 41 (§ 58.1-4100 et seq.), *and Chapter 42 (§ 58.1-4200 et seq.)*, or the rules and regulations adopted
1375 ~~hereunder pursuant to this chapter~~, or to rectify undesirable conditions in connection with the administration
1376 or operation of the lottery.

1377 17. Notify prize winners and appropriate state and federal agencies of the payment of prizes in excess of
1378 \$600 in the manner required by the lottery rules and regulations.

1379 18. Provide for the withholding of the applicable amount of state and federal income tax of persons
1380 claiming a prize for a winning ticket in excess of \$5,001.

1381 19. Participate in the Problem Gambling Treatment and Support Advisory Committee established
1382 pursuant to § 37.2-304 by the Department of Behavioral Health and Developmental Services to enable
1383 collaboration among prevention and treatment providers and operators of legal gaming in the Commonwealth
1384 on efforts to reduce the negative effects of problem gambling.

1385 C. The Director and the director of security or investigators appointed by the Director shall be vested with
1386 the powers of sheriff and sworn to enforce the statutes and regulations pertaining to the Department and to
1387 investigate violations of the statutes and regulations that the Director is required to enforce.

1388 D. The Director may authorize temporary bonus or incentive programs for payments to licensed sales
1389 agents that he determines will be cost effective and support increased sales of lottery products.

1390 **§ 58.1-4007. Powers of the Board.**

1391 A. The Board shall have the power to adopt regulations governing the establishment and operation of a
1392 lottery pursuant to this article ~~and~~, sports betting pursuant to Article 2 (§ 58.1-4030 et seq.), *casino gaming*
1393 *pursuant to Chapter 41 (§ 58.1-4100 et seq.)*, *and electronic skill gaming devices pursuant to Chapter 42*
1394 *(§ 58.1-4200 et seq.)*. The regulations governing the establishment and operation of the lottery ~~and~~, sports
1395 betting, *casino gaming*, *and electronic skill gaming devices* shall be promulgated by the Board after
1396 consultation with the Director. Such regulations shall be in accordance with the Administrative Process Act
1397 (§ 2.2-4000 et seq.). The regulations shall provide for all matters necessary or desirable for the efficient,
1398 honest, and economical operation and administration of the lottery ~~and~~, sports betting, *casino gaming*, *and*
1399 *electronic skill gaming devices* and for the convenience of the purchasers of tickets or shares, the holders of
1400 winning tickets or shares, ~~and~~ sports bettors, *casino gaming patrons*, *and the players of electronic skill*
1401 *gaming devices*. The regulations, which may be amended, repealed, or supplemented as necessary, shall
1402 include the following:

1403 1. The type or types of lottery or game to be conducted in accordance with § 58.1-4001.

1404 2. The price or prices of tickets or shares in the lottery.

1405 3. The numbers and sizes of the prizes on the winning tickets or shares, including informing the public of
1406 the approximate odds of winning and the proportion of lottery revenues (i) disbursed as prizes and (ii)
1407 returned to the Commonwealth as net revenues.

1408 4. The manner of selecting the winning tickets or shares.

1409 5. The manner of payment of prizes to the holders of winning tickets or shares.

1410 6. The frequency of the drawings or selections of winning tickets or shares without limitation.

1411 7. Without limitation as to number, the type or types of locations at which tickets or shares may be sold.

1412 8. The method to be used in selling tickets or shares, including the sale of tickets or shares over the
1413 ~~Internet~~ *internet*.

1414 9. The advertisement of the lottery in accordance with the provisions of subsection E of § 58.1-4022.

1415 10. The licensing of agents to sell tickets or shares who will best serve the public convenience and
1416 promote the sale of tickets or shares. No person under the age of 18 shall be licensed as an agent. A licensed
1417 agent may employ a person who is 16 years of age or older to sell or otherwise vend tickets at the agent's
1418 place of business so long as the employee is supervised in the selling or vending of tickets by the manager or
1419 supervisor in charge at the location where the tickets are being sold. Employment of such person shall be in
1420 compliance with Chapter 5 (§ 40.1-78 et seq.) of Title 40.1.

1421 11. The manner and amount of compensation, if any, to be paid licensed sales agents necessary to provide
1422 for the adequate availability of tickets or shares to prospective buyers and for the convenience of the public.

1423 Notwithstanding the provisions of this subdivision, the Board shall not be required to approve temporary
 1424 bonus or incentive programs for payments to licensed sales agents.

1425 12. Apportionment of the total revenues accruing from the sale of tickets or shares and from all other
 1426 sources and establishment of the amount of the special reserve fund as provided in § 58.1-4022.

1427 13. Such other matters necessary or desirable for the efficient and economical operation and
 1428 administration of the lottery.

1429 14. The operation of sports betting pursuant to Article 2 (§ 58.1-4030 et seq.). In adopting such
 1430 regulations, the Board shall establish a consumer protection program and publish a consumer protection bill
 1431 of rights. Such program and bill of rights shall include measures to protect sports bettors, as defined in
 1432 § 58.1-4030, with respect to identity, funds and accounts, consumer complaints, self-exclusion, and any other
 1433 consumer protection measure the Board determines to be reasonable.

1434 15. The administration of a voluntary exclusion program as provided in § 58.1-4015.1.

1435 The Department shall not be subject to the provisions of ~~Chapter 43~~ *the Virginia Public Procurement Act*
 1436 (§ 2.2-4300 et seq.) ~~of Title 2.2~~; however, the Board shall promulgate regulations, after consultation with the
 1437 Director, relative to departmental procurement which include standards of ethics for procurement consistent
 1438 with the provisions of Article 6 (§ 2.2-4367 et seq.) of ~~Chapter 43~~ *of Title 2.2 the Virginia Public*
 1439 *Procurement Act* and which ensure that departmental procurement will be based on competitive principles.

1440 The Board shall have the power to advise and recommend; but shall have no power to veto or modify
 1441 administrative decisions of the Director. However, the Board shall have the power to accept, modify, or reject
 1442 any revenue projections before such projections are forwarded to the Governor.

1443 B. The Board shall carry on a continuous study and investigation of the lottery ~~and~~, sports betting, *casino*
 1444 *gaming, and electronic skill gaming devices* throughout the Commonwealth to:

1445 1. Ascertain any defects of this chapter or the regulations issued ~~hereunder~~ *which pursuant to this chapter*
 1446 *that cause abuses in the administration and operation of the lottery and, sports betting and, casino gaming, or*
 1447 *electronic skill gaming devices or any evasions of such provisions.*

1448 2. Formulate, with the Director, recommendations for changes in this chapter and the regulations
 1449 promulgated ~~hereunder~~ *pursuant to this chapter* to prevent such abuses and evasions.

1450 3. Guard against the use of this chapter and the regulations promulgated ~~hereunder~~ *pursuant to this*
 1451 *chapter* as a subterfuge for organized crime and illegal gambling.

1452 4. Ensure that this law and the regulations of the Board are in such form and are so administered as to
 1453 serve the true purpose of this chapter.

1454 C. The Board shall make a continuous study and investigation of (i) the operation and the administration
 1455 of similar laws that may be in effect in other states or countries; (ii) any literature on the subject that may be
 1456 published or available; (iii) any federal laws that may affect the operation of the lottery ~~and~~, sports betting,
 1457 *casino gaming, and electronic skill gaming devices*; and (iv) the reaction of Virginia citizens to the potential
 1458 features of the lottery ~~and~~, sports betting, *casino gaming, and electronic skill gaming devices* with a view to
 1459 recommending or effecting changes that will serve the purpose of this chapter.

1460 D. The Board shall hear and decide an appeal of any ~~denial~~:

1461 1. *Denial* by the Director of the licensing or revocation of a license of a lottery agent pursuant to
 1462 subdivision A 10 of this section and subdivision B 5 of § 58.1-4006: ~~The Board shall hear and decide an~~
 1463 ~~appeal of any penalty;~~

1464 2. *Penalty, denial of a permit or renewal, or suspension or revocation of a permit imposed by the Director*
 1465 *pursuant to Article 2 (§ 58.1-4030 et seq.);*

1466 3. *Penalty, denial of a permit or license or renewal, or suspension or revocation of a permit or license*
 1467 *imposed by the Director pursuant to Chapter 41 (§ 58.1-4100 et seq.); and*

1468 4. *Penalty, denial by the Director of a license or renewal, or suspension or revocation of a license*
 1469 *imposed by the Director pursuant to Chapter 42 (§ 58.1-4200 et seq.).*

1470 E. The Board shall have the authority to initiate procedures for the planning, acquisition, and construction
 1471 of capital projects as set forth in Article 4 (§ 2.2-1129 et seq.) of Chapter 11 and Article 3 (§ 2.2-1819 et seq.)
 1472 of Chapter 18 of Title 2.2.

1473 F. The Board may adjust the percentage of uncollectible gaming receivables allowed to be subtracted from
 1474 adjusted gross revenue, as defined in § 58.1-4030, if it determines that a different percentage is reasonable
 1475 and customary in the sports betting industry.

1476 **§ 58.1-4015.1. Voluntary exclusion program.**

1477 A. The Board shall adopt regulations to establish and implement a voluntary exclusion program.

1478 B. The regulations shall include the following provisions:

1479 1. Except as provided by regulation of the Board, a person who participates in the voluntary exclusion
 1480 program agrees to refrain from (i) playing any account-based lottery game authorized under the provisions of
 1481 this article; (ii) participating in sports betting, as defined in § 58.1-4030; (iii) engaging in any form of casino
 1482 gaming that may be allowed under the laws of the Commonwealth; (iv) *playing any electronic skill gaming*
 1483 *device authorized pursuant to Chapter 42 (§ 58.1-4200 et seq.);* (v) participating in charitable gaming, as
 1484 defined in § 18.2-340.16; ~~(vi)~~ (vi) participating in fantasy contests, as defined in § 59.1-556; or ~~(vii)~~ (vii)

1485 wagering on horse racing, as defined in § 59.1-365. Any state agency, at the request of the Department, shall
 1486 assist in administering the voluntary exclusion program pursuant to the provisions of this section.

1487 2. A person who participates in the voluntary exclusion program may choose an exclusion period of two
 1488 years, five years, or lifetime.

1489 3. Except as provided by regulation of the Board, a person who participates in the voluntary exclusion
 1490 program may not petition the Board for removal from the program for the duration of his exclusion period.

1491 4. The name of a person participating in the program shall be included on a list of excluded persons. The
 1492 list of persons entering the voluntary exclusion program and the personal information of the participants shall
 1493 be confidential, with dissemination by the Department limited to sales agents and permit holders, as defined
 1494 in § 58.1-4030, and any other parties the Department deems necessary for purposes of enforcement. The list
 1495 and the personal information of participants in the voluntary exclusion program shall not be subject to
 1496 disclosure under the Virginia Freedom of Information Act (§ 2.2-3700 et seq.). In addition, the Board may
 1497 disseminate the list to other parties upon request by the participant and agreement by the Board.

1498 5. Sales agents and permit holders shall make all reasonable attempts as determined by the Board to cease
 1499 all direct marketing efforts to a person participating in the program. The voluntary exclusion program shall
 1500 not preclude sales agents and permit holders from seeking the payment of a debt incurred by a person before
 1501 entering the program. In addition, a permit holder may share the names of individuals who self-exclude
 1502 across its corporate enterprise, including sharing such information with any of its affiliates.

1503 **§ 58.1-4048. Gaming Regulatory Fund.**

1504 There is hereby created in the state treasury a special nonreverting fund to be known as the Gaming
 1505 Regulatory Fund, referred to in this section as "the Fund." The Fund shall be established on the books of the
 1506 Comptroller. All funds appropriated for such purpose and any gifts, donations, grants, bequests, and other
 1507 funds received on its behalf shall be paid into the state treasury and credited to the Fund. Interest earned on
 1508 moneys in the Fund shall remain in the Fund and be credited to it. Any moneys remaining in the Fund,
 1509 including interest thereon, at the end of each fiscal year shall not revert to the general fund but shall remain in
 1510 the Fund. Moneys in the Fund shall be used solely to offset the Department's costs associated with (i) the
 1511 conduct of investigations required by § 58.1-4032, 58.1-4043, 58.1-4104, 58.1-4109, 58.1-4116, 58.1-4120,
 1512 or 58.1-4121 or any other provision of this article or Chapter 41 (§ 58.1-4100 et seq.), or Chapter 42
 1513 (§ 58.1-4200 et seq.) and (ii) the enforcement of regulations promulgated by the Virginia Lottery Board
 1514 pursuant to subdivisions A 14 and 15 of § 58.1-4007, subdivision 2 of § 58.1-4102, and §§ 58.1-4103,
 1515 58.1-4202, and 58.1-4204. Expenditures and disbursements from the Fund shall be made by the State
 1516 Treasurer on warrants issued by the Comptroller upon written request signed by the Director.

1517 **§ 58.1-4103. Voluntary exclusion program.**

1518 A. The Board shall adopt regulations to establish and implement a voluntary exclusion program.

1519 B. The regulations shall include the following provisions:

1520 1. Except as provided by regulation of the Board, a person who participates in the voluntary exclusion
 1521 program agrees to refrain from (i) playing any account-based lottery game authorized under the provisions of
 1522 this chapter or Chapter 40 (§ 58.1-4000 et seq.); (ii) participating in sports betting as such activity is regulated
 1523 by the Board; (iii) engaging in any form of casino gaming authorized under the provisions of this chapter; (iv)
 1524 *playing any electronic skill gaming device authorized pursuant to Chapter 42 (§ 58.1-4200 et seq.);* (v)
 1525 participating in charitable gaming, as defined in § 18.2-340.16; ~~(v)~~ (vi) participating in fantasy contests, as
 1526 defined in § 59.1-556; or ~~(vi)~~ (vii) wagering on horse racing, as defined in § 59.1-365. Any state agency, at
 1527 the request of the Department, shall assist in administering the voluntary exclusion program pursuant to the
 1528 provisions of this section.

1529 2. A person who participates in the voluntary exclusion program may choose an exclusion period of two
 1530 years, five years, or lifetime.

1531 3. Except as provided by regulation of the Board, a person who participates in the voluntary exclusion
 1532 program may not petition the Board for removal from the program for the duration of his exclusion period.

1533 4. The name of a person participating in the program shall be included on a list of excluded persons. The
 1534 list of persons entering the voluntary exclusion program and the personal information of the participants shall
 1535 be confidential, with dissemination by the Department limited to lottery sales agents licensed under Chapter
 1536 40 (§ 58.1-4000 et seq.), owners and operators of casino gaming establishments, and any other parties the
 1537 Department deems necessary for purposes of enforcement. The list and the personal information of
 1538 participants in the voluntary exclusion program shall not be subject to disclosure under the Virginia Freedom
 1539 of Information Act (§ 2.2-3700 et seq.). In addition, the Board may disseminate the list to other parties upon
 1540 request by the participant and agreement by the Board.

1541 5. Lottery sales agents and owners and operators of casino gaming establishments shall make all
 1542 reasonable attempts as determined by the Board to cease all direct marketing efforts to a person participating
 1543 in the program. The voluntary exclusion program shall not preclude lottery sales agents and owners and
 1544 operators of casino gaming establishments from seeking the payment of a debt incurred by a person before
 1545 entering the program. In addition, the owner or operator of a casino gaming establishment may share the
 1546 names of individuals who self-exclude across its corporate enterprise, including sharing such information

1547 with any of its affiliates.

1548 **CHAPTER 42.**

1549 **ELECTRONIC SKILL GAMING DEVICES.**

1550 **Article 1.**

1551 **General Provisions.**

1552 **§ 58.1-4200. Definitions.**

1553 *As used in this chapter, unless the context requires a different meaning:*

1554 *"Board" means the Virginia Lottery Board established in the Virginia Lottery Law (§ 58.1-4000 et seq.).*

1555 *"Category" means the type of license granted by the Department, to include a manufacturer, distributor,*
1556 *operator, or host location license.*

1557 *"Commercial motor vehicle" means the same as that term is defined in § 46.2-341.4.*

1558 *"Department" means the independent agency responsible for the administration of the Virginia Lottery*
1559 *pursuant to Article 1 (§ 58.1-4000 et seq.) of Chapter 40 and the regulation of sports betting pursuant to*
1560 *Article 2 (§ 58.1-4030 et seq.) of Chapter 40, casino gaming pursuant to Chapter 41 (§ 58.1-4100 et seq.),*
1561 *and electronic skill gaming devices pursuant to this chapter.*

1562 *"Director" means the Director of the Virginia Lottery.*

1563 *"Distributor" means any person registered with the Board that sells, leases, offers, or provides and*
1564 *distributes electronic skill gaming devices to an operator for use or play in the Commonwealth, and buys or*
1565 *leases electronic skill gaming devices from a manufacturer licensee. No distributor shall contract directly*
1566 *with a host location.*

1567 *"Electronic skill gaming device" means a physical terminal, machine, or other device, including*
1568 *electronic or computerized devices, that requires consideration to play by means other than through the*
1569 *insertion of a coin, currency, ticket, token, or similar object to operate, activate, or play a game, the outcome*
1570 *of which shall be determined predominantly by the skill of the player, and that may deliver or entitle the*
1571 *person playing or operating the device to receive cash in excess of the cost of operating, activating, or*
1572 *playing the game. "Electronic skill gaming device" does not include any amusement device, as defined in*
1573 *§ 18.2-334.6, any mobile telephone device, charitable games authorized pursuant to Article 1.1:1*
1574 *(§ 18.2-340.15 et seq.) of Chapter 8 of Title 18.2, sports betting authorized under Article 2 (§ 58.1-4030 et*
1575 *seq.) of Chapter 40, casino gaming authorized under Chapter 41 (§ 58.1-4100 et seq.), or historical horse*
1576 *racing authorized pursuant to Chapter 29 (§ 59.1-364 et seq.) of Title 59.1.*

1577 *"Gaming tax" means the tax imposed on gross profits.*

1578 *"Gross profits" means all revenue generated from the play of electronic skill gaming devices minus prizes*
1579 *or cash winnings paid out to successful players.*

1580 *"Host location" means a business establishment at which electronic skill gaming devices are placed,*
1581 *operated, and offered to the public for play by an operator licensee. "Host location" includes truck stops, as*
1582 *defined in this chapter.*

1583 *"Independent testing laboratory" means a laboratory selected by the Director with a national reputation*
1584 *for honesty, independence, and timeliness that is demonstrably competent and qualified to scientifically test*
1585 *and evaluate electronic skill gaming devices for compliance with this chapter and to otherwise perform the*
1586 *functions assigned to it by this chapter. No manufacturer, operator, distributor, or host location licensee*
1587 *shall have any ownership interest in any independent testing laboratory approved by the Director.*

1588 *"Individual" means a natural person.*

1589 *"Inducement" means anything of value offered, given, transferred, or paid, directly or indirectly, by a*
1590 *manufacturer, distributor, procurement agent, operator, or any employee, agent, contractor, or other person*
1591 *acting on behalf of any manufacturer, distributor, operator, or procurement agent to any host location*
1592 *licensee or any applicant for a host location license pursuant to this chapter, or to any employee, investor,*
1593 *owner, or officer of a host location licensee or applicant for a host location license as an enticement to*
1594 *solicit, enter into, grant, execute, renew, extend, or maintain a use agreement by and between a host location*
1595 *licensee and a distributor licensee, including any cash, incentive, marketing or advertising cost, gift, food,*
1596 *beverage, loan, financing arrangement, prepayment of gross revenue, or any other contribution payment that*
1597 *offsets a host location licensee's capital or operational costs, or as otherwise determined by the Board.*
1598 *"Inducement" does not include costs paid by a distributor or operator licensee related to any requirement*
1599 *established by the Board regarding minimum standards for the operation of electronic skill gaming devices*
1600 *or ticket redemption terminals that the Board determines may be paid for, in whole or in part, by the*
1601 *distributor or operator licensee.*

1602 *"Licensee" or "license holder" means any person holding a manufacturer, distributor, operator, or host*
1603 *location license pursuant to Article 2 (§ 58.1-4205 et seq.).*

1604 *"Locality" means a county, city, or town, as those terms are defined in § 15.2-102.*

1605 *"Lottery" means the lottery or lotteries established and operated pursuant to Chapter 40 (§ 58.1-4000 et*
1606 *seq.).*

1607 *"Manufacturer" means any person that manufactures and sells or leases electronic skill gaming devices*
1608 *or software and hardware for electronic skill gaming devices to distributors.*

1609 "Operator" means a person registered with the Board to place or service electronic skill gaming devices
 1610 at the premises of a host location by (i) purchasing or leasing electronic skill gaming devices from a licensed
 1611 distributor; (ii) providing the placement, repair, maintenance, replacement, or removal of electronic skill
 1612 gaming devices to host locations; (iii) maintaining and servicing such devices; and (iv) facilitating data
 1613 collection and data and financial reporting as required by this chapter and as determined by the Board.

1614 "Person" means any individual, group of individuals, firm, company, corporation, partnership, business,
 1615 trust, association, or other legal entity.

1616 "Player" means an individual who plays an electronic skill gaming device.

1617 "Predominantly by the skill of the player" means the game outcome is determined primarily by the skill of
 1618 the player.

1619 "Procurement agent" means a person licensed by the Board that acts as an agent, either as an employee
 1620 or as an independent contractor of a manufacturer or manufacturers, distributor or distributors, operator or
 1621 operators, and shares in the gross profits, is paid a commission, or is otherwise compensated for the purpose
 1622 of soliciting or procuring a use agreement among two or more licensees in different categories.

1623 "Profits after taxes" means the gross profit minus the tax imposed upon all gross profits generated from
 1624 the play of electronic skill gaming devices pursuant to §§ 58.1-4217 and 59.1-603.

1625 "Regulation" means any statement of general application having the force of law, affecting the rights or
 1626 conduct of any person, adopted by the Board in accordance with the authority conferred on it by applicable
 1627 laws.

1628 "Single play" means the period beginning when a player activates and pays for the interactive gameplay
 1629 function of an electronic skill gaming device and ending at the time when the gameplay function or series of
 1630 free subgames thereunder will not continue without payment by the player of additional consideration.

1631 "Successful player" means an individual who wins a payout on one or more plays of an electronic skill
 1632 gaming device.

1633 "Ticket redemption terminal" means a terminal where a voucher dispensed by an electronic skill gaming
 1634 device may be redeemed for cash or a cash equivalent.

1635 "Truck stop" means an establishment that (i) is equipped with diesel fuel islands used for fueling
 1636 commercial motor vehicles and has sold, on average, at least 50,000 gallons of diesel or biodiesel fuel each
 1637 month for the previous 12 months, or is projected to sell an average of at least 50,000 gallons of diesel or
 1638 biodiesel fuel each month for the next 12 months; (ii) has a convenience store; (iii) is situated on not less
 1639 than three acres of land that the establishment owns or leases; and (iv) has parking spaces dedicated to
 1640 commercial motor vehicles.

1641 "Use agreement" means a written agreement conforming to the regulations established by the Board and
 1642 those minimum requirements set forth in this chapter among two or more licensees in different categories.

1643 "Voluntary exclusion program" means a program established by the Board pursuant to § 58.1-4204 that
 1644 allows individuals to voluntarily exclude themselves from engaging in the activities described in subdivision
 1645 B 1 of § 58.1-4204 by placing their names on a voluntary exclusion list and following the procedures set forth
 1646 by the Board.

1647 **§ 58.1-4201. Powers and duties of the Director related to electronic skill gaming devices; reporting.**

1648 A. The Director shall have the following powers and duties related to the regulation of electronic skill
 1649 gaming devices:

1650 1. Issue licenses under Article 2 (§ 58.1-4205 et seq.) and supervise all activities licensed under the
 1651 provisions of this chapter, including the manufacture, distribution, operation, hosting, and playing of
 1652 electronic skill gaming devices;

1653 2. Suspend, revoke, or refuse to renew any license issued pursuant to Article 2 (§ 58.1-4205 et seq.) or the
 1654 rules and regulations adopted pursuant to this chapter;

1655 3. Inspect, investigate, and have free access to the offices, facilities, or other places of business of any
 1656 licensee and compel the production of any books, documents, records, or memoranda of any licensee for the
 1657 purpose of satisfying himself that this chapter and Board regulations are strictly complied with;

1658 4. Order such audits and inspections as deemed necessary;

1659 5. Certify monthly to the State Comptroller and the Board a full and complete statement of electronic skill
 1660 gaming device revenues for the previous month;

1661 6. Assess and collect civil penalties for violations of this chapter and Board regulations;

1662 7. Report monthly to the Governor, the Secretary of Finance, and the Chairs of the Senate Committee on
 1663 Finance and Appropriations, House Committee on Finance, and House Committee on Appropriations the
 1664 total electronic skill gaming device revenues and expenses for the previous month and make an annual
 1665 report, which shall include a full and complete statement of electronic skill gaming device revenues and
 1666 expenses and a list of all licensees licensed pursuant to this chapter, to the Governor and the General
 1667 Assembly, including recommendations for changes in this chapter as the Director and Board deem prudent;

1668 8. Require training for host location licensees and the employees of any host location licensee as
 1669 necessary on any topic the Director deems appropriate, including technical operations, security, problem
 1670 gambling identification measures, and age verification procedures;

1671 9. Establish monthly reporting requirements for each electronic skill gaming device on the amounts
1672 wagered and amounts awarded on the last 500 plays and the last 100 plays for each electronic skill gaming
1673 device; and

1674 10. Do all acts necessary and advisable to carry out the purposes and provisions of this chapter.

1675 B. Upon request by the assessing official of a locality, the Director shall provide to such assessing official
1676 of such locality a statement of the amount of the gaming tax collected in such locality pursuant to Article 4
1677 (§ 58.1-4217 et seq.) from each electronic skill gaming device, from each host location, and from all
1678 electronic skill gaming devices and host locations in the aggregate.

1679 **§ 58.1-4202. Powers and duties of the Board related to electronic skill gaming devices.**

1680 In addition to the regulations adopted pursuant to § 58.1-4007, the Board shall promulgate regulations
1681 related to electronic skill gaming devices that:

1682 1. Develop such forms, licenses, identification cards, and applications as are necessary or convenient for
1683 the administration of this chapter;

1684 2. Establish requirements for all licensees under this chapter for the form, content, and retention of all
1685 records and accounts;

1686 3. Establish procedures for the collection of all fees levied pursuant to this chapter and set due dates for
1687 the payment of such fees;

1688 4. Establish a process for the approval or disapproval of electronic skill gaming devices and games
1689 offered on such devices;

1690 5. Establish cash handling procedures for operator and host location licensees that require such licensees
1691 to keep separate accounts for gaming and nongaming transactions;

1692 6. Establish standard terms between licensees in different categories;

1693 7. Establish rules and regulations that ensure transparency with respect to operational, transactional,
1694 and financial information provided to licensees that allow such licensees to be able to verify appropriate
1695 distributions of profits after taxes pursuant to the user agreement among any such licensees;

1696 8. Establish rules and regulations to ensure public safety and protocols to deter criminal activity within
1697 and around the host location's premises;

1698 9. Promulgate regulations that establish limitations on excessive automated teller machine (ATM) fees for
1699 players in host locations;

1700 10. Establish rules and regulations for the licensing of procurement agents;

1701 11. Require inspections of all licensees at a frequency determined by the Board;

1702 12. Require appropriate and reasonable security equipment to monitor the electronic skill gaming devices
1703 and related equipment;

1704 13. Establish a program of periodic testing and inspection for all electronic skill gaming devices;

1705 14. Require host location licensees to post at least one sign in a conspicuous location at the entrance or
1706 by electronic skill gaming devices on the premises of its establishment. Such sign shall include (i) language
1707 that makes it clear that only individuals 21 years of age or older may play an electronic skill gaming device;
1708 (ii) a toll-free telephone number for problem gambling assistance that has been approved by the Virginia
1709 Council on Problem Gambling or another organization that provides assistance to problem gamblers; and
1710 (iii) the toll-free telephone number and website for the illegal gaming tip line established by the Office of the
1711 Gaming Enforcement Coordinator in the Department of State Police for members of the public to report
1712 concerns about, or suspected instances of, illegal gaming activities. The Board shall also distribute written
1713 guidance to host location licensees that shall be used to educate host location employees on how to recognize
1714 intoxicated individuals;

1715 15. Issue a decal for each electronic skill gaming device registered pursuant to this chapter bearing the
1716 seal of the Commonwealth that includes the words "Certified Electronic Skill Gaming Device" and the
1717 effective dates of registration. Such decal shall be affixed by the operator licensee to each registered
1718 electronic skill gaming device provided to each host location for play; and

1719 16. Provide guidelines and recommendations necessary and advisable to carry out the purposes and
1720 provisions of this chapter.

1721 **§ 58.1-4203. Adoption of referendum allowed.**

1722 A. For purposes of this section, "locality" means any county, city, or town.

1723 B. The governing body of a locality may hold a referendum on the question of whether electronic skill
1724 gaming devices shall be prohibited in the locality.

1725 C. A referendum may be called for either by resolution of the governing body of a locality or upon a
1726 petition of qualified voters equal in number to at least 2.5 percent of the number registered in the jurisdiction
1727 on January 1 preceding its filing or by at least 5,000 qualified voters in the jurisdiction, whichever is less.
1728 Upon the filing of a petition or passage of a resolution by the local governing body, the court shall order the
1729 election officials of the locality on the date fixed in the order to conduct a referendum on the question. The
1730 clerk of the circuit court shall publish notice of the referendum in a newspaper of general circulation in the
1731 locality once a week for three consecutive weeks prior to the referendum.

1732 The regular election officers of such locality shall open the polls at the various voting places in such

1733 locality on the date specified in such order and conduct such election in the manner provided by law. The
 1734 election shall be by ballot, which shall be prepared by the electoral board of the locality and on which shall
 1735 be printed the following question:

1736 "Shall electronic skill gaming devices, also known as "skill games" be prohibited at retailers licensed by
 1737 the Virginia Lottery and retailers licensed by the Virginia Alcoholic Beverage Control Authority, which may
 1738 include restaurants, convenience stores, gas stations, truck stops, and other locations in _____
 1739 (name of locality) as may be authorized by the Virginia Lottery?

1740 [] Yes

1741 [] No"

1742 In the blank shall be inserted the name of the locality in which such election is held. Any voter desiring to
 1743 vote "Yes" shall mark in the square provided for such purpose immediately preceding the word "Yes," leaving
 1744 the square immediately preceding the word "No" unmarked. Any voter desiring to vote "No" shall mark in the
 1745 square provided such purpose immediately preceding the word "No," leaving the square immediately
 1746 preceding the word "Yes" unmarked.

1747 The ballots shall be counted, the returns made and canvassed as in other elections, and the results
 1748 certified by the electoral board to the court ordering such election. Thereupon, such court shall enter an
 1749 order proclaiming the results of such election and a duly certified copy of such order shall be transmitted to
 1750 the Department and to the governing body of such locality.

1751 D. No license requirement, license fee, permit fee, sticker fee, or tax shall be imposed by any locality upon
 1752 an electronic skill gaming device manufacturer, distributor, operator, or host location relating to the
 1753 ownership, placement, use, or operation of electronic skill gaming devices or associated equipment.

1754 E. Any governing body that holds a local referendum pursuant to this section that subsequently fails shall
 1755 be prohibited from holding another local referendum on the same question for a period of three years from
 1756 the date of the last referendum.

1757 **§ 58.1-4204. Voluntary exclusion program.**

1758 A. The Board shall adopt regulations to establish and implement a voluntary exclusion program.

1759 B. The regulations shall include the following provisions:

1760 1. Except as provided by regulation of the Board, a person who participates in the voluntary exclusion
 1761 program agrees to refrain from (i) playing any account-based lottery game authorized under the provisions
 1762 of Chapter 40 (§ 58.1-4000 et seq.) or 41 (§ 58.1-4100 et seq.); (ii) participating in sports betting, as defined
 1763 in § 58.1-4030; (iii) engaging in any form of casino gaming authorized under the provisions of Chapter 41
 1764 (§ 58.1-4100 et seq.); (iv) playing any electronic skill gaming device authorized under the provisions of this
 1765 chapter; (v) participating in charitable gaming, as defined in § 18.2-340.16; (vi) participating in fantasy
 1766 contests, as defined in § 59.1-556; or (vii) wagering on horse racing, as defined in § 59.1-365. Any state
 1767 agency, at the request of the Department, shall assist in administering the voluntary exclusion program
 1768 pursuant to the provisions of this section.

1769 2. A person who participates in the voluntary exclusion program may choose an exclusion period of two
 1770 years, five years, or lifetime.

1771 3. Except as provided by regulation of the Board, a person who participates in the voluntary exclusion
 1772 program may not petition the Board for removal from the program for the duration of his exclusion period.

1773 4. The name of a person participating in the program shall be included on a list of excluded persons. The
 1774 list of persons entering the voluntary exclusion program and the personal information of the participants
 1775 shall be confidential, except that dissemination of such information by the Department to the entity that
 1776 manages its central monitoring system established pursuant to § 58.1-4216 and any other parties the
 1777 Department deems necessary for purposes of enforcement shall be allowed. The list and the personal
 1778 information of participants in the voluntary exclusion program shall not be subject to disclosure under the
 1779 Virginia Freedom of Information Act (§ 2.2-3700 et seq.). In addition, the Board may disseminate the list to
 1780 other parties upon request by the participant and agreement by the Board.

1781 Article 2.

1782 Licenses and Requirements of Licensees.

1783 **§ 58.1-4205. Licenses that may be granted by the Director; fees.**

1784 A. The Director may grant the following four license categories of industry licenses:

1785 1. Manufacturer license, which shall authorize the licensee to manufacture and sell or lease to a
 1786 distributor licensee electronic skill gaming devices, software and hardware for electronic skill gaming
 1787 devices, and all tools and components necessary for the operation, repair, and maintenance of any such
 1788 electronic skill gaming device.

1789 2. Distributor license, which shall authorize the licensee to (i) buy or lease electronic skill gaming devices
 1790 from a manufacturer licensee and (ii) sell or lease such devices to operator licensees.

1791 3. Operator license, which shall authorize the licensee to (i) place or service electronic skill gaming
 1792 devices at host locations, (ii) buy or lease electronic skill gaming devices from a manufacturer or distributor
 1793 licensee, (iii) provide electronic skill gaming devices to host location licensees, (iv) maintain and service
 1794 such devices, and (v) facilitate the data requirements and data reporting as required by this chapter.

1795 4. Host location license, which shall authorize the licensee to allow the placement and offering for play of
1796 electronic skill gaming devices at such licensee's establishment.

1797 B. An applicant for a manufacturer, distributor, operator, or host location license shall submit an
1798 application to the Director on forms provided by the Director. All distributor, operator, and host location
1799 applicants shall be required to submit a copy of a valid use agreement as a condition of continued licensure.
1800 The Board shall have the discretion to determine which license category applies to an applicant and the
1801 corresponding fees that apply to the applicant when such applicant meets the criteria for multiple licenses.
1802 Each host location premises shall be separately licensed.

1803 C. A nonrefundable fee of \$250,000 shall be paid by an applicant for a manufacturer license to the
1804 Department upon issuance of such license, and annually thereafter as a condition of licensure renewal or
1805 continued licensure.

1806 A nonrefundable fee of \$250,000 shall be paid by an applicant for a distributor license to the Department
1807 upon issuance of such license.

1808 A nonrefundable fee of \$25,000 shall be paid by an applicant for an operator license to the Department
1809 upon issuance of such license, and annually thereafter as a condition of licensure renewal or continued
1810 licensure.

1811 A nonrefundable fee of \$1,000 shall be paid by an applicant for a host location license that does not meet
1812 the definition of a "truck stop" as defined in § 58.1-4200 to the Department upon issuance of such license,
1813 and annually thereafter as a condition of licensure renewal or continued licensure.

1814 A nonrefundable fee of \$2,500 shall be paid by an applicant for a host location license that meets the
1815 definition of a "truck stop" as defined in § 58.1-4200 to the Department upon issuance of such license, and
1816 annually thereafter as a condition of licensure renewal or continued licensure.

1817 All fees collected by the Department pursuant to this subsection shall be deposited into the Gaming
1818 Regulatory Fund established pursuant to § 58.1-4048.

1819 **§ 58.1-4206. General licensing requirements; penalty.**

1820 A. 1. Except as provided in subdivision 2, the Department, in conjunction with an approved outside
1821 vendor or accredited law-enforcement agency, shall conduct a background investigation, including a
1822 criminal history records check and fingerprinting, of the following individuals: (i) every individual applying
1823 for a license pursuant to this article; (ii) every individual who is an officer, director, board member, owner of
1824 at least a 10 percent interest in any licensee, or principal of a licensee or applicant for a license and any
1825 employee of the licensee, as determined by the Board, who is directly involved with a licensee; (iii) all
1826 security personnel of any licensee; and (iv) any individual conducting cash handling, maintenance, or service
1827 on any electronic skill gaming device. Each such individual shall submit his fingerprints and personal
1828 descriptive information to the Central Criminal Records Exchange to be forwarded to the Federal Bureau of
1829 Investigation for a national criminal records search and to the Department of State Police for a Virginia
1830 criminal history records check. The results of the background check and national and state criminal records
1831 check shall be returned to the Department. This subsection shall not apply to employees of host location
1832 licensees.

1833 2. The Department shall not be required to conduct a background investigation on any individual who has
1834 undergone a background investigation conducted by the Department within the preceding five years.

1835 B. The Director shall refuse to grant a license or shall suspend, revoke, or refuse to renew a license
1836 issued pursuant to this chapter to any person who has been (i) convicted of a crime involving moral
1837 turpitude, (ii) convicted of bookmaking or other forms of illegal gambling, (iii) found guilty of any fraud or
1838 misrepresentation in any connection, or (iv) convicted of a felony.

1839 C. The Director shall refuse to grant a license or shall suspend, revoke, or refuse to renew a license
1840 issued pursuant to this article to a partnership or corporation if he determines that any general or limited
1841 partner, or officer or director of such partnership or corporation, has been (i) convicted of a crime involving
1842 moral turpitude, (ii) convicted of bookmaking or other forms of illegal gambling, (iii) found guilty of any
1843 fraud or misrepresentation in any connection, or (iv) convicted of a felony.

1844 D. The Director may also refuse to grant a license pursuant to this article if:

1845 1. The Director reasonably believes that the applicant's prior activities, criminal record, reputation, or
1846 associations are likely to either (i) pose a threat to the public interest, (ii) impede the regulation of electronic
1847 skill gaming devices, or (iii) promote unfair or illegal activities in the conduct of electronic skill gaming
1848 devices;

1849 2. The applicant or any general or limited partner or any officer or director of such applicant knowingly
1850 makes a false statement of material fact or deliberately fails to disclose information requested by the
1851 Director;

1852 3. The applicant or any general or limited partner or any officer or director of such applicant knowingly
1853 fails to comply with the provisions of this chapter or any requirements of the Director;

1854 4. The applicant's license to manufacture, distribute, operate, or offer to the public for play an electronic
1855 skill gaming device issued by any other jurisdiction has been suspended or revoked; or

1856 5. The applicant's application is incomplete.

1857 E. Any person who knowingly and willfully falsifies, conceals, or misrepresents a material fact or
 1858 knowingly or willfully makes a false, fictitious, or fraudulent statement or representation in any application
 1859 pursuant to this article is guilty of a Class 1 misdemeanor. The Director shall revoke the license of a licensee
 1860 if, subsequent to the issuance of the license, the Director determines that the licensee knowingly or recklessly
 1861 made a false statement of material fact to the Director in applying for the license.

1862 **§ 58.1-4207. Distributor and operator licensees.**

1863 A. No distributor licensee shall place an electronic skill gaming device on a host location licensee's
 1864 premises unless such device (i) is approved by the Director, (ii) has been manufactured by a manufacturer
 1865 licensee, and (iii) is purchased from a manufacturer licensee or distributor licensee.

1866 B. No operator licensee shall place or maintain an electronic skill gaming device at any establishment
 1867 where it is offered to the public for play for a charge, directly or indirectly, unless such establishment is a
 1868 host location licensee and has an agreement with standard terms.

1869 C. No manufacturer licensee or distributor licensee shall place or maintain more than one-half of the
 1870 electronic gaming devices owned by such manufacturer licensee or owned or leased by such distributor
 1871 licensee in a low-income geographic area, as that term is defined in § 56-576.

1872 **§ 58.1-4208. Host location licensees; civil penalty.**

1873 A. Only the following locations are eligible to receive a host location license:

1874 1. Host locations that do not meet the definition of a "truck stop" and that hold a retail license issued by
 1875 the Virginia Alcoholic Beverage Control Authority to sell alcoholic beverages;

1876 2. Host locations that meet the definition of "truck stop" and that (i) hold a retail license issued by the
 1877 Virginia Alcoholic Beverage Control Authority to sell alcoholic beverages or (ii) are licensed as an agent to
 1878 sell lottery tickets or shares pursuant to Article 1 (§ 58.1-4000 et seq.) of Chapter 40; and

1879 3. Organizations that are qualified as social organizations and that hold a valid charitable gaming permit
 1880 pursuant to Article 1.1:1 (§ 18.2-340.15 et seq.) of Chapter 8 of Title 18.2.

1881 B. No more than (i) three electronic skill gaming devices may be located in a host location listed in
 1882 subdivision A 1 that only has off-premises retail privileges; (ii) four electronic skill gaming devices may be
 1883 located in a host location listed in subdivision A 1 that has on-premises retail privileges; (iii) seven electronic
 1884 skill gaming devices may be located in a host location listed in subdivision A 2; and (iv) two electronic skill
 1885 gaming devices may be located in a host location listed in subdivision A 3.

1886 C. No host location licensee shall allow an electronic skill gaming device to be placed upon the premises
 1887 of such licensee's establishment unless such device is owned or leased, placed, and maintained by an
 1888 operator licensee. The primary business of a host location licensee shall not be the offering for play of
 1889 electronic skill gaming devices.

1890 D. No host location licensee shall use the term "casino" in its entity name, in any advertisement in
 1891 association with its product or service, or in any manner prohibited by Board regulation. Any host location
 1892 licensee that violates the provisions of this subsection shall be subject to a civil penalty established by the
 1893 Board. The Director shall enforce the provisions of this subsection. All penalties collected pursuant to this
 1894 subsection shall accrue to the Literary Fund.

1895 E. In an effort to promote responsible gaming by players, host location licensees shall:

1896 1. Affix to a clearly visible and conspicuous location on each electronic skill gaming device a label that
 1897 bears a toll-free number for problem gambling assistance that has been approved by the Virginia Council on
 1898 Problem Gambling or other organizations that provide assistance to problem gamblers;

1899 2. Provide informational leaflets or other similar materials within two feet of each electronic skill gaming
 1900 device on the dangers associated with problem gambling; and

1901 3. Comply with, and require its employees to comply with, any applicable Board regulations, including
 1902 regulations regarding player self-exclusion programs, player identification, and player age verification. A
 1903 host location licensee or an employee of such licensee shall verify an individual's age in accordance with
 1904 § 58.1-4220 prior to allowing such individual to operate an electronic skill gaming device and prior to
 1905 allowing any such player to redeem any winning voucher for cash.

1906 Nothing contained in this subsection shall be construed to create any cause of action against the Board or
 1907 Department for the failure of a host location licensee to comply with the requirements of this section.

1908 F. All host location licensees shall comply with the provisions of this chapter and regulations adopted by
 1909 the Board.

1910 **§ 58.1-4209. License posting; expiration.**

1911 A. Each license granted by the Director shall designate the physical location where the business of the
 1912 licensee will be carried out.

1913 B. Each license shall be posted in a location conspicuous to the public at the place where the licensee
 1914 carries out the business for which the license is granted.

1915 C. The privileges conferred by any initial license application approved by the Director shall continue
 1916 until the last day of the twelfth month after the effective date of such license. Upon completion of the first year
 1917 of licensure, licenses shall be renewed until the next June 30 based upon the payment of a prorated renewal
 1918 fee. Annually thereafter, licenses shall be renewed on July 1 and include payment of the renewal fee. A

1919 license may be sooner terminated for any cause for which the Director would be entitled to refuse to grant a
1920 license or by operation of law, voluntary surrender, or order of the Director.

1921 D. The Director may grant licenses for one year.

1922 E. Sixty days before the expiration of a license, the license holder may submit a renewal application on
1923 forms prescribed by the Board. The Director may deny a license renewal if he finds grounds for denial as
1924 described in § 58.1-4206.

1925 **§ 58.1-4210. Prohibition against the issuance of multiple licenses.**

1926 A. For purposes of this section, "interest" means the direct or indirect ownership of any equity ownership
1927 interest or a partial equity ownership interest or any other type of financial interest, including being an
1928 investor, shareholder, member, lender, or employee.

1929 B. No licensee that has been issued a manufacturer license, distributor license, or operator license shall
1930 be issued a host location license or have any interest in a host location licensee.

1931 C. No licensee that has been issued a manufacturer license, distributor license, or host location license
1932 shall be issued an operator license or have any interest in an operator licensee.

1933 D. No licensee that has been issued a host location license shall be issued a manufacturer license or
1934 distributor license or have any interest in a manufacturer licensee or distributor licensee.

1935 E. A licensee that has been issued a manufacturer license may also be issued a distributor licensee or
1936 have an interest in a distributor licensee.

1937 F. A licensee that has been issued a distributor license may also be issued a manufacturer license or have
1938 an interest in a manufacturer licensee.

1939 G. Host location applicants with interest in multiple host locations shall submit a separate application for
1940 each individual host location premises.

1941 **§ 58.1-4211. Prohibition against transferring licenses or interests.**

1942 No licensee shall transfer its license or assign responsibility for compliance with the conditions of its
1943 license to any party, including a transfer of effective control of the licensee. No distributor licensee shall
1944 transfer any electronic skill gaming device or any interest in a use agreement without approval by the Board.

1945 **§ 58.1-4212. Suspension and revocation of licenses; civil penalties; hearing and appeal.**

1946 A. If the Director determines that any provision of this chapter or any regulation or condition of the
1947 Board has not been complied with or has been violated by a licensee, he may, with at least 15 days' notice
1948 and a hearing, (i) assess a civil penalty against the licensee as provided for in this section and (ii) suspend or
1949 revoke the license holder's license. If any license is suspended or revoked, the Director shall state his reasons
1950 for doing so, which shall be entered of record. Any civil penalties collected pursuant to this section shall be
1951 paid into the state treasury and credited to the Literary Fund.

1952 B. Any person aggrieved by a refusal of the Director to issue any license, the suspension or revocation of
1953 a license, the imposition of a fine, or any other action of the Director may seek review of such action in
1954 accordance with Board regulations and Article 3 (§ 2.2-4018 et seq.) of the Administrative Process Act in the
1955 Circuit Court of the City of Richmond. Further appeals shall also be in accordance with Article 5 (§ 2.2-4025
1956 et seq.) of the Administrative Process Act.

1957 C. Any person or employee of such person who knowingly violates any provision of this chapter shall be
1958 liable for a civil penalty of not more than \$25,000 for each such violation. Such amount shall be recovered in
1959 a civil action brought by the Director and paid into the state treasury and credited to the Literary Fund. In
1960 the event that a law-enforcement agency or the Director makes a determination that, other than as expressly
1961 provided for in this chapter or allowed by law, any other electronic skill gaming device is placed, exists, or is
1962 in operation in any establishment in violation of this chapter, including the operation or more than the
1963 maximum number of electronic skill gaming devices authorized pursuant to § 58.1-4208, such law-
1964 enforcement agency or the Director may seize any such electronic skill gaming device pursuant to
1965 § 18.2-331.1, and the applicable licensee shall be subject to a civil penalty of not less than \$25,000 nor more
1966 than \$100,000 per electronic skill gaming device. In addition, all money used in connection with any
1967 activities that are in violation of this chapter that is lawfully seized by any law-enforcement officer or that
1968 shall lawfully come into his custody, shall be forfeited to the Commonwealth in accordance with the
1969 procedures contained in Chapter 22.1 (§ 19.2-386.1 et seq.) of Title 19.2.

1970 D. Suspension or revocation of a license by the Director for any violation shall not preclude criminal
1971 liability for such violation.

1972 **§ 58.1-4213. Minimum requirements for use agreements among two or more categories of licensees;
1973 division of revenue.**

1974 A. The Board shall promulgate regulations determining the minimum requirements and terms for use
1975 agreements among licensees, including timelines for submitting use agreements to the Department.

1976 B. A copy of the use agreement shall be maintained in the business office of both the operator and the host
1977 location and shall be available at all times for inspection by the Director. An operator shall file a copy of any
1978 such use agreement with the Director within 30 days after the execution of such agreement.

1979 C. No person shall receive any portion of gross profits generated from electronic skill gaming devices
1980 located at a host location's premises except for the manufacturer, distributor, operator, and host location that

1981 *are parties to the use agreement, except as approved by the Director in compliance with applicable rules and*
 1982 *regulations adopted by the Board.*

1983 *D. The use agreement between the operator and the host location shall provide that (i) the operator*
 1984 *provide the host location licensee with the cash to pay to any successful player either at the host location's*
 1985 *ticket redemption terminal or by the host location licensee and (ii) the host location licensee shall receive 40*
 1986 *percent of the gross profits received from the play of electronic skill gaming devices placed at its location,*
 1987 *less the host location licensee's pro-rata share of the gaming tax to be paid by the distributor.*

1988 *Article 3.*

Authorization of Electronic Skill Gaming Devices.

1990 **§ 58.1-4214. Approval of electronic skill gaming devices by the Director; minimum requirements.**

1991 *A. No electronic skill gaming device shall be offered for play by the public in the Commonwealth unless*
 1992 *such electronic skill gaming device has first been approved by the Director. The Director, in consultation*
 1993 *with the Board, shall not approve more than 25,000 electronic skill gaming devices in the aggregate, as*
 1994 *measured by electronic skill gaming devices approved for host location licensees for operation at any one*
 1995 *time in the Commonwealth.*

1996 *B. No electronic skill gaming device shall be approved for operation at a host location within 10 miles of*
 1997 *a casino gaming establishment licensed to operate in the eligible host cities described in subdivision A 2 or 3*
 1998 *of § 58.1-4107. No electronic skill gaming device shall be approved to be located with respect to any public,*
 1999 *private, or parochial primary or secondary school such that the operation of such electronic skill gaming*
 2000 *device will adversely affect or interfere with the normal, orderly conduct of the affairs of any such school.*

2001 *C. Before selling or otherwise providing an electronic skill gaming device to a distributor, a manufacturer*
 2002 *shall provide a prototype or production sample of such electronic skill gaming device to an independent*
 2003 *testing laboratory that has been approved by the Director, which shall evaluate and certify whether such*
 2004 *electronic skill gaming device meets the definition of electronic skill gaming device under § 58.1-4200, the*
 2005 *requirements of § 58.1-4215, and any other requirements established in Board regulations.*

2006 *A prototype or production sample of each type, version, or model of electronic skill gaming device being*
 2007 *operated in the Commonwealth shall be tested by an independent testing laboratory approved by the Director*
 2008 *to ensure its integrity, level of skill required, and proper working order. This evaluation shall include a*
 2009 *review of installed software periodically within a timeframe established by the Director.*

2010 *The independent testing laboratory's software may be embedded within the game software, utilize an*
 2011 *interface port to communicate with the device, or require the removal of device media for external*
 2012 *verification.*

2013 *D. Along with the prototype or production sample of the electronic skill gaming device, the manufacturer*
 2014 *shall provide the following information concerning the electronic skill gaming device to the independent*
 2015 *testing laboratory:*

- 2016 *1. The available wagering denominations;*
- 2017 *2. The minimum wager amount;*
- 2018 *3. The maximum wager amount per play, which shall not exceed \$5;*
- 2019 *4. The method of calculating winning payouts, including skill level achieved; and*
- 2020 *5. Payout calculations set forth in sufficient detail to audit a payout through manual calculation.*

2021 *E. The report of the independent testing laboratory shall be submitted by the manufacturer to the Board.*
 2022 *In its report, the independent testing laboratory shall certify that the electronic skill gaming device software*
 2023 *and system is one in which:*

2024 *1. The skill of the player rather than an element of chance is the predominant factor affecting outcomes of*
 2025 *each such game;*

2026 *2. The game requires the prize outcome for the single play and over a session of gameplay to be such that*
 2027 *without the player exercising skill during the main phases of gameplay, it would be impossible to win the*
 2028 *prize offered. Likewise, after a player pays to begin gameplay, the player is afforded the opportunity to earn*
 2029 *more than the amount paid to commence play;*

2030 *3. There is no hard-coded minimum or maximum payout percentage for such game;*

2031 *4. The game software does not incorporate any reflexive, adaptive play or compensating algorithm*
 2032 *making the game more difficult when it detects a highly skilled player or when the skill video game's payout*
 2033 *percentage exceeds 100 percent;*

2034 *5. An average player can learn to score and win effectively on the game;*

2035 *6. The game displays to a player the criteria used in selecting winners and the rules of play are available*
 2036 *for viewing at any time prior to or following the time during which the game is in play;*

2037 *7. The amusement game software and system records and maintains accurate records of (i) a minimum of*
 2038 *a 10-game outcome recall and (ii) a minimum of a 10-voucher recall of prize payouts from the game;*

2039 *8. The game is equipped with accounting meters displaying at least eight digits with six digits to the left of*
 2040 *the decimal;*

2041 *9. The game is programmed so that a maximum cost to play is \$5 and the maximum prize paid for a single*
 2042 *game is \$4,000; and*

2043 10. The game is equipped to display in an easily identifiable manner the software version and hardware
2044 components of the approved terminal.

2045 The Board shall rely on this report in evaluating whether the electronic skill gaming device shall be
2046 approved pursuant to the provisions of this chapter.

2047 F. If at any time a manufacturer makes a substantive change to game play for any electronic skill gaming
2048 device that has previously been approved by the Director, such manufacturer shall resubmit the electronic
2049 skill gaming device to the Director in a manner prescribed by Board regulation.

2050 G. The manufacturer licensee shall pay the cost of the independent testing laboratory's review and testing,
2051 and the reports of the same shall be delivered to the licensee and the Director.

2052 **§ 58.1-4215. Minimum requirements of electronic skill gaming devices.**

2053 In addition to meeting the definition of electronic skill gaming device established in § 58.1-4200,
2054 electronic skill gaming devices shall:

2055 1. Show the rules of play for each game in a way that adequately describes or displays such information
2056 so that a reasonable person could understand the game prior to playing a game;

2057 2. Accept only cash wagers or tickets generated from electronic skill gaming devices that may be
2058 redeemed for play at another electronic skill gaming device located on the same premises;

2059 3. Prohibit the modification of the software or rules of play for a game, including the probability and
2060 award of a game outcome, once a game is initiated;

2061 4. Prohibit the remote modification or manipulation of games, except as required or approved by the
2062 Director pursuant to the provisions of this chapter;

2063 5. Allow for a single payout of no more than \$1,199;

2064 6. Have an identification badge affixed to the exterior of the device by the manufacturer that is not
2065 removable without leaving evidence of tampering;

2066 7. Make payments to successful players by issuing a voucher that can be redeemed for cash at the host
2067 location's ticket redemption terminal or by the host location licensee;

2068 8. Have the ability to allow for an independent integrity check by an independent testing laboratory
2069 approved by the Director of all software that may affect the integrity of the game;

2070 9. Be connected to the central monitoring system established and operated by the Department under the
2071 provisions of § 58.1-4216;

2072 10. Conform to all requirements of federal law and regulations, including the Federal Communications
2073 Commission's Class A emissions standards;

2074 11. Have the ability to detect and display the device's complete play history and winnings for the previous
2075 100 games;

2076 12. Contain a non-resettable meter, which shall be located in a locked area of the device that is accessible
2077 only by a key;

2078 13. Have the capability of storing the meter information for a minimum of 180 days after a power loss to
2079 the device; and

2080 14. Comply with such other requirements as adopted by the Board.

2081 **§ 58.1-4216. Requirement for central monitoring system.**

2082 A. Each electronic skill gaming device and ticket redemption terminal being operated in the
2083 Commonwealth shall be connected to a central monitoring system established and operated by the
2084 Department. All electronic gaming devices shall automatically disable upon being disconnected from the
2085 central monitoring system.

2086 The central monitoring system shall, at a minimum, collect the following information from each device: (i)
2087 cash in; (ii) payouts; (iii) points, credits, or amounts played; (iv) points, credits, or amounts won; (v) gross
2088 profit; (vi) the number of plays of the game; (vii) the amounts paid to play the game; (viii) the amount of
2089 gaming tax accrued; (ix) door openings; (x) power failures, disconnections from the central monitoring
2090 system, and malfunctions; (xi) remote activations and disabling; and (xii) any other information required by
2091 Board regulations.

2092 The central monitoring system shall not provide for the monitoring or reading of personal or financial
2093 information concerning players of electronic skill gaming devices.

2094 Article 4.

2095 Taxation.

2096 **§ 58.1-4217. Gaming tax on gross profits; required audit.**

2097 A. 1. A gaming tax equal to 25 percent shall be imposed upon all gross profits generated from the play of
2098 electronic skill gaming devices.

2099 2. The gaming tax imposed pursuant to this section shall not apply to any activity regulated under Article
2100 2 (§ 58.1-4030 et seq.) of Chapter 40 or Chapter 41 (§ 58.1-4100 et seq.).

2101 B. All gaming taxes collected pursuant to the provisions of this section shall accrue to the Virginia
2102 Gaming Commerce and Development Fund and be allocated as provided in subsection B of § 58.1-4218.

2103 C. The distributor licensee shall be responsible for remitting the required tax on a monthly basis. The
2104 gaming tax and gross profits collected pursuant to this section shall be collected by the Department at a

2105 frequency established by Board regulations and shall be accompanied by forms and returns prescribed by the
 2106 Board. The Director may suspend or revoke a license for willful failure to submit any such payments or
 2107 associated returns within the specified time.

2108 D. Within 90 days after the end of each fiscal year, each licensee in the category of licensee responsible
 2109 for the remittance of the gaming tax, as determined by the Board, shall submit to the Director a third-party,
 2110 independent audit of the financial transactions and condition of such licensee's total operations. All audits
 2111 required by this subsection shall conform to Board regulations.

2112 **§ 58.1-4218. Virginia Gaming Commerce and Development Fund.**

2113 A. There is hereby created in the state treasury a special nonreverting fund to be known as the Virginia
 2114 Gaming Commerce and Development Fund, referred to in this section as the "Fund." The Fund shall be
 2115 established on the books of the Comptroller. All moneys required to be deposited into the Fund pursuant to
 2116 § 58.1-4217 shall be paid into the state treasury and credited to the Fund and interest earned on moneys in
 2117 the Fund shall remain in the Fund and be credited to it.

2118 B. Revenues from the Fund shall be apportioned by the Comptroller as follows:

2119 1. Fifteen percent to the Department of Taxation for distribution to the locality in which the host location
 2120 operates;

2121 2. Six and one-half percent to the Department to cover the costs incurred in administering and
 2122 implementing the provisions of this chapter;

2123 3. Two and one-half percent to the Problem Gambling Treatment and Support Fund established pursuant
 2124 to § 37.2-314.2;

2125 4. One percent to the Department of State Police to be used by the Office of the Gaming Enforcement
 2126 Coordinator established pursuant to § 52-54; and

2127 5. The remainder to the general fund.

2128 C. Allocation of funds pursuant to this section shall occur no later than 60 days after such funds are
 2129 collected and only after the Department has verified the accuracy of the collected balances.

2130 Article 5.

2131 Prohibited Acts; Penalties, Etc.

2132 **§ 58.1-4219. Illegal manufacture, distribution, or hosting; penalty.**

2133 A. No person shall:

2134 1. Manufacture, sell, or lease to any person electronic skill gaming devices or major components or parts,
 2135 including software and hardware, for electronic skill gaming devices without a manufacturer license issued
 2136 by the Director.

2137 2. Distribute, sell, or lease to any person electronic skill gaming devices or major components or parts,
 2138 including software or hardware, for electronic skill gaming devices, or purchase, own, operate, possess, or
 2139 place in the Commonwealth electronic skill gaming devices, or maintain and service such devices without a
 2140 distributor license issued by the Director.

2141 3. Operate an establishment where one or more electronic skill gaming devices are made available for
 2142 play by the public without a host location license issued by the Director.

2143 4. Solicit, offer, or enter into any contract or agreement for the placement of an electronic skill gaming
 2144 device until the distributor, operator, host location, and procurement agent, if applicable, are all issued a
 2145 license by the Director pursuant to this chapter.

2146 B. A violation of this section is a Class 6 felony.

2147 **§ 58.1-4220. Underage play prohibited; penalty.**

2148 A. No person younger than 21 years of age shall be eligible to operate an electronic skill gaming device
 2149 regulated pursuant to this chapter. A person shall present a valid government-issued photo identification to
 2150 the host location licensee or employee of such licensee before (i) operating an electronic skill gaming device
 2151 and (ii) redeeming any winning voucher for cash. A distributor licensee shall adhere to the front of all
 2152 electronic skill gaming devices a notice in 16-point Times New Roman bold font that states the following:
 2153 "No person shall play any electronic skill gaming device unless such person is 21 years of age or older."

2154 B. No person shall redeem any evidence of winnings from any person who is not 21 years of age or older.

2155 C. A violation of this section is a Class 1 misdemeanor.

2156 **§ 58.1-4221. Prohibited acts by host location licensees; penalty.**

2157 A. No host location licensee or its employees or agents shall:

2158 1. Knowingly permit any person younger than 21 years of age to play any electronic skill gaming device;

2159 2. Give any reward for the play of an electronic skill gaming device that is not authorized by this chapter;

2160 3. Give any reward for the play of an electronic skill gaming device that is redeemable at a location other
 2161 than the host location's ticket redemption terminal or by an employee at a host location;

2162 4. Accept any inducement from a distributor licensee; or

2163 5. Extend credit to any person for the purpose of playing any electronic skill gaming device, including
 2164 accepting a credit card as payment in order for a player to operate an electronic skill gaming device.

2165 B. A violation of this section is a Class 1 misdemeanor.

2166 **§ 58.1-4222. Illegal tampering with electronic skill gaming devices; penalty.**

2167 *No person other than an operator licensee shall possess or use any key or device designed for the purpose*
 2168 *of opening, entering, or affecting the operation of an electronic skill gaming device or otherwise tamper with*
 2169 *an electronic skill gaming device. A violation of this section is a Class 6 felony.*

2170 **§ 58.1-4223. Conspiracies and attempts to commit violations; penalty.**

2171 *A. Any person who conspires, confederates, or combines with another, either within or outside of the*
 2172 *Commonwealth, to commit a felony prohibited by this chapter is guilty of a Class 6 felony.*

2173 *B. Any person who attempts to commit any act prohibited by this chapter is guilty of a criminal offense*
 2174 *and shall be punished as provided in § 18.2-26, 18.2-27, or 18.2-28, as appropriate.*

2175 **§ 58.1-4224. Operating, placing, or possessing an electronic skill gaming device in an unregulated**
 2176 **location; penalties.**

2177 *A. It is unlawful for any person to (i) operate, place, or possess an electronic skill gaming device in any*
 2178 *unregulated location; (ii) offer for play in any location any unregistered electronic skill gaming device; or*
 2179 *(iii) offer for play, in a single location, an electronic skill gaming device that is in excess of the limits*
 2180 *prescribed in § 58.1-4208 regardless of whether such electronic skill gaming device is properly registered.*

2181 *B. Any electronic skill gaming device operated, placed, or possessed in violation of subsection A may be*
 2182 *inferred, subject to rebuttal, to be in violation of this section and is subject to immediate seizure by law*
 2183 *enforcement and may be forfeited to the Commonwealth pursuant to § 19.2-386.30:1 and governed by the*
 2184 *procedures contained in Chapter 22.1 (§ 19.2-386.1 et seq.) of Title 19.2.*

2185 *C. Any person violating this section is guilty of a Class 1 misdemeanor.*

2186 *D. Any person who is convicted of a third or subsequent offense under this section, and it is alleged in the*
 2187 *warrant, indictment, or information that such person has been before convicted of two or more offenses*
 2188 *under this section and such prior convictions occurred before the date of the offense alleged in the warrant,*
 2189 *indictment, or information, is guilty of a Class 6 felony.*

2190 *E. Any person who is convicted of (i) a felony offense under this section shall have his license issued*
 2191 *pursuant to § 58.1-4205 suspended for a period of two years; (ii) a second felony offense under this section*
 2192 *shall have his license issued pursuant to § 58.1-4205 suspended for a period of 10 years; and (iii) a third or*
 2193 *subsequent felony offense shall have his license issued pursuant to § 58.1-4205 permanently suspended. The*
 2194 *court shall order the suspension of such license upon conviction.*

2195 **§ 58.1-4225. Exclusion from the applicability of this chapter.**

2196 *This chapter shall not apply to sports betting authorized under Article 2 (§ 58.1-4030 et seq.) of Chapter*
 2197 *40 or casino gaming authorized under Chapter 41 (§ 58.1-4100 et seq.).*

2198 **§ 58.1-4226. Certain provisions in Article 1 (§ 58.1-4000 et seq.) of Chapter 40 to apply mutatis**
 2199 **mutandis.**

2200 *Except as provided in this chapter, the provisions of Article 1 (§ 58.1-4000 et seq.) of Chapter 40 shall*
 2201 *apply mutatis mutandis to electronic skill gaming devices under this chapter. The Board shall promulgate*
 2202 *regulations to interpret and clarify the applicability of Article 1 to this chapter.*

2203 **2. That the Virginia Lottery Board (the Board) shall adopt regulations necessary to implement the**
 2204 **provisions of this act. The Board's initial adoption of such regulations shall be exempt from the**
 2205 **Administrative Process Act (§ 2.2-4000 et seq. of the Code of Virginia), provided that, prior to the final**
 2206 **adoption of such regulations, the Board publishes in the Virginia Register of Regulations and posts on**
 2207 **the Virginia Regulatory Town Hall an action that provides (i) a 30-day comment period; (ii) a**
 2208 **summary of the proposed regulations, the text of the proposed regulations, and the name, address,**
 2209 **email address, and telephone number of the agency contact person responsible for receiving public**
 2210 **comments; and (iii) the statutory authority to promulgate the regulations.**

2211 **3. That the initial procurement by the Virginia Lottery of the central monitoring system for electronic**
 2212 **skill gaming devices required by § 58.1-4216 of the Code of Virginia, as created by this act, shall be**
 2213 **exempt from the departmental procurement regulations promulgated by the Virginia Lottery Board**
 2214 **pursuant to § 58.1-4007 of the Code of Virginia, as amended by this act.**

2215 **4. That prior to its procurement of a central monitoring system, the Virginia Lottery (the Department)**
 2216 **is authorized to begin accepting applications for licensure in accordance with the provisions of Chapter**
 2217 **42 (§ 58.1-4200 et seq.) of Title 58.1 of the Code of Virginia, as created by this act, as of July 1, 2026.**
 2218 **Any applicant that has submitted a completed application to the Department on or after July 1, 2026,**
 2219 **but before August 1, 2026, shall be authorized to begin manufacturing, distributing, placing, or**
 2220 **operating electronic skill gaming devices immediately after the effective date of this act, even if such**
 2221 **applicant's application for licensure with the Department is still pending. If, after review of an**
 2222 **application, the Department fails to grant a license to an applicant, such applicant shall immediately**
 2223 **cease all electronic skill gaming device operations in the Commonwealth. During such period, each**
 2224 **distributor shall be responsible for remitting monthly to the Department by the 20th day of each**
 2225 **month the gaming tax due for the preceding month. Notwithstanding the provisions of § 58.1-4205 of**
 2226 **the Code of Virginia, as created by this act, the Department may, for an amount of time to be**
 2227 **determined by the Virginia Lottery Board, require an applicant for licensure to pay all application fees**
 2228 **at the time the applicant submits its application to the Department. Any applicant that, during such**

2229 period, submits an application and accompanying fee but is not granted a license by the Department
2230 shall be reimbursed.

2231 5. Notwithstanding the provisions of § 58.1-4216 of the Code of Virginia, as created by this act, that
2232 require each electronic skill gaming device and ticket redemption terminal operated in the
2233 Commonwealth be connected to a central monitoring system established and operated by the Virginia
2234 Lottery (the Department), the Department shall not enforce this requirement until 45 days after the
2235 Department has obtained and placed into operation a central monitoring system.

2236 6. That the Virginia Lottery (the Department) and the Virginia Alcoholic Beverage Control Authority
2237 shall enter into a memorandum of understanding (i) allowing the Department to access any licensing
2238 records necessary to verify that any applicant for a host location license, in accordance with the
2239 provisions of subdivisions A 1 and 2 of § 58.1-4208 of the Code of Virginia, as created by this act, has a
2240 valid retail license to sell alcoholic beverages and (ii) to cooperate in the mutual enforcement of the
2241 provisions of this act relating to electronic skill gaming devices in ABC-licensed establishments.

2242 7. That the Virginia Lottery (the Department) and the Department of Agriculture and Consumer
2243 Services shall enter into a memorandum of understanding allowing the Department to access any
2244 records necessary to verify whether an applicant for a host location license, in accordance with the
2245 provisions of subdivision A 3 of § 58.1-4208 of the Code of Virginia, as created by this act, has a valid
2246 charitable gaming permit.

2247 8. That the Virginia Lottery (the Department) shall collect data regarding the compliance of licensees
2248 with the provisions of Chapter 42 (§ 58.1-4200 et seq.) of Title 58.1 of the Code of Virginia, as created
2249 by this act, including an estimate of the number of unlawful electronic skill gaming devices located in
2250 the Commonwealth and the number of such gaming devices that have been seized by law enforcement
2251 or are otherwise unavailable for play. The Department shall submit an annual report containing such
2252 data on or before March 1 of each year to the Chairs of the House Committee on General Laws and the
2253 Senate Committee on Rehabilitation and Social Services.

2254 9. That the provisions of this act may result in a net increase in periods of imprisonment or
2255 commitment. Pursuant to § 30-19.1:4 of the Code of Virginia, the estimated amount of the necessary
2256 appropriation cannot be determined for periods of imprisonment in state adult correctional facilities;
2257 therefore, Chapter 725 of the Acts of Assembly of 2025 requires the Virginia Criminal Sentencing
2258 Commission to assign a minimum fiscal impact of \$50,000. Pursuant to § 30-19.1:4 of the Code of
2259 Virginia, the estimated amount of the necessary appropriation cannot be determined for periods of
2260 commitment to the custody of the Department of Juvenile Justice.