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## SENATE BILL NO. 1309

Offered January 14, 2015

Prefiled January 14, 2015

A *BILL to amend and reenact §§ 2.2-107, 2.2-2455, 2.2-2456, 2.2-3705.6, 18.2-340.15, 18.2-340.16, 18.2-340.18, 18.2-340.20, 18.2-340.23, 18.2-340.24, 18.2-340.25, 18.2-340.26:1, 18.2-340.27, 18.2-340.29, 18.2-340.30, 18.2-340.31, 18.2-340.33 through 18.2-340.36, and 58.1-3 of the Code of Virginia and to amend the Code of Virginia by adding in Article 19 of Chapter 24 of Title 2.2 sections numbered 2.2-2456.1 and 2.2-2456.2, relating to charitable gaming.*

Patron—Ruff

Referred to Committee on General Laws and Technology

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

1. That §§ 2.2-107, 2.2-2455, 2.2-2456, 2.2-3705.6, 18.2-340.15, 18.2-340.16, 18.2-340.18, 18.2-340.20, 18.2-340.23, 18.2-340.24, 18.2-340.25, 18.2-340.26:1, 18.2-340.27, 18.2-340.29, 18.2-340.30, 18.2-340.31, 18.2-340.33 through 18.2-340.36, and 58.1-3 of the Code of Virginia are amended and reenacted and that the Code of Virginia is amended by adding in Article 19 of Chapter 24 of Title 2.2 sections numbered 2.2-2456.1 and 2.2-2456.2 as follows:

**§ 2.2-107. Appointment of members of commissions, boards, and other collegial bodies.**

Except as provided in the Constitution of Virginia, or where the manner of selection of members of boards and commissions is by election by the General Assembly, or as provided in Title 3.2 or, § 54.1-901, or § 2.2-2455, but notwithstanding any other provision of law to the contrary, the Governor shall appoint all members of boards, commissions, councils or other collegial bodies created by the General Assembly in the executive branch of state government to terms of office as prescribed by law. Each member appointed pursuant to this section shall be subject to confirmation by the General Assembly and shall have the professional qualifications prescribed by law.

As part of the confirmation process for each gubernatorial appointee, the Secretary of the Commonwealth shall provide copies of the resume and statement of economic interests filed pursuant to § 2.2-3117 or 2.2-3118, as appropriate, to the chairs of the House of Delegates and Senate Committees on Privileges and Elections. For the purposes of this section and § 2.2-106, there shall be a joint subcommittee of the House of Delegates and Senate Committees on Privileges and Elections consisting of five members of the House Committee and three members of the Senate Committee appointed by the respective chairs of the committees to review the resumes and statements of economic interests of gubernatorial appointees. The members of the House of Delegates shall be appointed in accordance with the principles of proportional representation contained in the Rules of the House of Delegates. No appointment confirmed by the General Assembly shall be subject to challenge by reason of a failure to comply with the provisions of this paragraph pertaining to the confirmation process.

**Article 19.****Board for Charitable Gaming Board.****§ 2.2-2455. Board for Charitable Gaming; membership; terms; quorum; compensation; staff.**

A. The *Board for Charitable Gaming Board* (the Board) is hereby established as a *policy supervisory* board within the meaning of § 2.2-2100 in the executive branch of state government. The purpose of the Board shall be to *advise direct the operations of the Office of Charitable Gaming within* the Department of Agriculture and Consumer Services on all aspects of the conduct of charitable gaming in Virginia.

B. The Board shall consist of ~~nine~~ *eight* members appointed by the Governor subject to confirmation by the General Assembly as follows: ~~one member~~ *five members* who is a ~~member~~ *are members* of a charitable ~~organization~~ *organizations* subject to the permit requirement pursuant to Article 1.1:1 (§ 18.2-340.15 et seq.) of Chapter 8 of Title 18.2 and in good standing with the ~~Department Board~~, *three of whom shall be appointed by the Governor, one of whom shall be appointed by the Speaker of the House of Delegates, and one of whom shall be appointed by the Senate Committee on Rules*; one member who is a charitable gaming supplier registered and in good standing with the ~~Department Board~~, *to be appointed by the Governor*; ~~one member who is an owner, lessor, or lessee of premises where charitable gaming is conducted~~; at least one member who is or has been a law-enforcement officer in Virginia but who is not (i) a charitable gaming supplier registered with the Department, (ii) a lessor of premises where charitable gaming is conducted, or (iii) a member of a charitable organization, or who has an interest in such supplier or charitable organization or owner, lessor, or lessee of premises where charitable gaming is conducted; and five citizens *one nonlegislative citizen member* who are is not affiliated with a charitable organization, charitable gaming supplier, or owner, lessor, or lessee of

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premises where charitable gaming is conducted, *to be appointed by the Governor; and the Secretary of Agriculture and Forestry or his designee, who shall serve ex officio without voting privileges. The members of the Board appointed by the Governor shall be subject to confirmation by the General Assembly.* To the extent practicable, the Board shall consist of individuals from different geographic regions of the Commonwealth. Each member of the Board shall have been a resident of the Commonwealth for a period of at least three years next preceding his appointment, and his continued residency shall be a condition of his tenure in office. Upon initial appointment, three members shall be appointed for four-year terms, ~~three~~ two for three-year terms, and ~~three~~ two for two-year terms. Thereafter, all members shall be appointed for four-year terms, *except that the Secretary of Agriculture and Forestry shall serve a term coincident with his term of office.* Vacancies shall be filled by the Governor in the same manner as the original appointment for the unexpired portion of the term. ~~Each Board member~~ *members* shall be eligible for reappointment for a second consecutive term at the discretion of the Governor. Persons who are first appointed to initial terms of less than four years shall thereafter be eligible for reappointment to two consecutive terms of four years each. No sitting member of the General Assembly shall be eligible for appointment to the Board. The members of the Board shall serve at the pleasure of ~~the Governor~~ *their appointing authority.*

C. The Board shall elect a chairman from among its members.

D. A quorum shall consist of ~~five~~ four members. The decision of a majority of those members present and voting shall constitute a decision of the Board.

E. For each day or part thereof spent in the performance of his duties, each member of the Board shall receive such compensation and reimbursement for his reasonable expenses as provided in § 2.2-2104.

F. The Board shall adopt rules and procedures for the conduct of its business, including a provision that Board members shall abstain or otherwise recuse themselves from voting on any matter in which they or a member of their immediate family have a personal interest in a transaction as defined in § 2.2-3101. The Board shall meet at least four times a year, and other meetings may be held at any time or place determined by the Board or upon call of the chairman or upon a written request to the chairman by any two members. Except for emergency meetings ~~and meetings governed by §- 2.2-3708 requiring a longer notice~~, all members shall be duly notified of the time and place of any regular or other meeting at least 10 days in advance of such meeting.

G. Staff to the Board shall be provided by the *Office of Charitable Gaming established within the Department of Agriculture and Consumer Services. Staff shall be subordinate to the Board and be responsible for any duty or task delegated or assigned it by the Board in accordance with § 2.2-604.*

**§ 2.2-2456. Duties of the Board for Charitable Gaming.**

The Board shall:

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

2. Advise the ~~Department of Agriculture and Consumer Services~~ Governor on the conduct of charitable gaming in Virginia and recommend changes to Article 1.1:1 (§ 18.2-340.15 et seq.) of Chapter 8 of Title 18.2; ~~and~~

3. Keep a complete and accurate record of its proceedings. A copy of such record and any other public records not exempt from disclosure under the Freedom of Information Act (§ 2.2-3700 et seq.) shall be available for public inspection and copying during regular office hours at the *Office of Charitable Gaming within the Department of Agriculture and Consumer Services;*

4. *Appoint every agent and employee required for its operations, including the appointment of any marketing or business development staff as the Board deems necessary to promote and expand charitable gaming in Virginia; require any or all of them to give bonds payable to the Commonwealth in such penalty as shall be fixed by the Board; and engage the services of experts and professionals;*

5. *Hold and conduct hearings; issue subpoenas requiring the attendance of witnesses and the production of records, memoranda, papers, and other documents before the Board or any agent of the Board; and administer oaths and take testimony thereunder. The Board may authorize any Board member or agent of the Board to hold and conduct hearings, issue subpoenas, administer oaths and take testimony thereunder, and make summary decisions, subject to final decision by the Board, on application of any party aggrieved;*

6. *Make a reasonable charge for preparing and furnishing statistical information and compilations to persons other than (i) officials, including court and police officials, of the Commonwealth and of its subdivisions if the information requested is for official use and (ii) persons who have a personal or legal interest in obtaining the information requested if such information is not to be used for commercial or trade purposes;*

7. *Grant, suspend, and revoke permits for the conduct of charitable gaming in accordance with*

Article 1.1:1 (§ 18.2-340.15 et seq.) of Chapter 8 of Title 18.2; and

8. Do all acts necessary or advisable to carry out the purposes of this article and Article 1.1:1 (§ 18.2-340.15 et seq.) of Chapter 8 of Title 18.2.

**§ 2.2-2456.1. Charitable Gaming Fund.**

There is hereby created in the state treasury a special nonreverting fund to be known as the Charitable Gaming Fund, referred to in this section as "the Fund." The Fund shall be established on the books of the Comptroller. Moneys appropriated to the Fund by the General Assembly, all permit and registration fees, and all audit and administration fees collected by the Board in accordance with Article 1.1:1 (§ 18.2-340.15 et seq.) of Chapter 8 of Title 18.2 shall be paid into the state treasury and credited to the Fund. Interest earned on moneys in the Fund shall remain in the Fund and be credited to it. Any moneys remaining in the Fund, including interest thereon, at the end of each fiscal year shall not revert to the general fund but shall remain in the Fund. Moneys in the Fund shall be used solely for (i) administering and enforcing charitable gaming laws and Board regulations in accordance with Article 1.1:1 (§ 18.2-340.15 et seq.) of Chapter 8 of Title 18.2, (ii) educating charitable organizations and players, and (iii) promoting charitable gaming in Virginia. Expenditures and disbursements from the Fund shall be made by the State Treasurer on warrants issued by the Comptroller upon written request signed by the chairman or vice-chairman of the Board.

**§ 2.2-2456.2. Board to adjust fees.**

Following the close of any biennium, when the account for the Board shows expenses allocated to it for the past biennium to be more than 10 percent greater or less than moneys collected by the Board, the Board shall revise the fees levied by it for issuing charitable gaming permits and supplier registrations, or renewal thereof, so that the fees are sufficient but not excessive to cover expenses.

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

The following records are excluded from the provisions of this chapter but may be disclosed by the custodian in his discretion, except where such disclosure is prohibited by law:

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

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

3. Confidential proprietary records, voluntarily provided by private business pursuant to a promise of confidentiality from a public body, used by the public body for business, trade and tourism development or retention; and memoranda, working papers or other records related to businesses that are considering locating or expanding in Virginia, prepared by a public body, where competition or bargaining is involved and where, if such records are made public, the financial interest of the public body would be adversely affected.

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

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

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

7. Confidential proprietary records related to inventory and sales, voluntarily provided by private energy suppliers to the Department of Mines, Minerals and Energy, used by that Department for energy contingency planning purposes or for developing consolidated statistical information on energy supplies.

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

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

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

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

b. Records provided by a private entity to a responsible public entity, affected jurisdiction, or affected local jurisdiction pursuant to the provisions of the Public-Private Transportation Act of 1995 or the Public-Private Education Facilities and Infrastructure Act of 2002, to the extent that such records contain (i) trade secrets of the private entity as defined in the Uniform Trade Secrets Act (§ 59.1-336 et seq.); (ii) financial records of the private entity, including balance sheets and financial statements, that are not generally available to the public through regulatory disclosure or otherwise; or (iii) other information submitted by the private entity, where, if the records were made public prior to the execution of an interim agreement or a comprehensive agreement, the financial interest or bargaining position of the public or private entity would be adversely affected. In order for the records specified in clauses (i), (ii), and (iii) to be excluded from the provisions of this chapter, the private entity shall make a written request to the responsible public entity:

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

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

3. Stating the reasons why protection is necessary.

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

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

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

12. Confidential proprietary information or trade secrets, not publicly available, provided by a private person or entity to the Virginia Resources Authority or to a fund administered in connection with financial assistance rendered or to be rendered by the Virginia Resources Authority where, if such information were made public, the financial interest of the private person or entity would be adversely affected, and, after June 30, 1997, where such information was provided pursuant to a promise of confidentiality.

13. Trade secrets, as defined in the Uniform Trade Secrets Act (§ 59.1-336 et seq.), or confidential proprietary records that are not generally available to the public through regulatory disclosure or otherwise, provided by a (a) bidder or applicant for a franchise or (b) franchisee under Chapter 21 (§ 15.2-2100 et seq.) of Title 15.2 to the applicable franchising authority pursuant to a promise of confidentiality from the franchising authority, to the extent the records relate to the bidder's, applicant's, or franchisee's financial capacity or provision of new services, adoption of new technologies or implementation of improvements, where such new services, technologies or improvements have not been implemented by the franchisee on a nonexperimental scale in the franchise area, and where, if such

records were made public, the competitive advantage or financial interests of the franchisee would be adversely affected.

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

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

14. Documents and other information of a proprietary nature furnished by a supplier of charitable gaming supplies to the *Board for Charitable Gaming* or the Department of Agriculture and Consumer Services pursuant to subsection E of § 18.2-340.34.

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

16. Trade secrets, as defined in the Uniform Trade Secrets Act (§ 59.1-336 et seq.) of Title 59.1, submitted by CMRS providers as defined in § 56-484.12 to the Wireless Carrier E-911 Cost Recovery Subcommittee created pursuant to § 56-484.15, relating to the provision of wireless E-911 service.

17. Records submitted as a grant or loan application, or accompanying a grant or loan application, to the Innovation and Entrepreneurship Investment Authority pursuant to Article 3 (§ 2.2-2233.1 et seq.) of Chapter 22 of Title 2.2 or to the Commonwealth Health Research Board pursuant to Chapter 22 (§ 23-277 et seq.) of Title 23 to the extent such records contain proprietary business or research-related information produced or collected by the applicant in the conduct of or as a result of study or research on medical, rehabilitative, scientific, technical, technological, or scholarly issues, when such information has not been publicly released, published, copyrighted, or patented, if the disclosure of such information would be harmful to the competitive position of the applicant.

18. Confidential proprietary records and trade secrets developed and held by a local public body (i) providing telecommunication services pursuant to § 56-265.4:4 and (ii) providing cable television services pursuant to Article 1.1 (§ 15.2-2108.2 et seq.) of Chapter 21 of Title 15.2, to the extent that disclosure of such records would be harmful to the competitive position of the locality. In order for confidential proprietary information or trade secrets to be excluded from the provisions of this chapter, the locality in writing shall (a) invoke the protections of this subdivision, (b) identify with specificity the records or portions thereof for which protection is sought, and (c) state the reasons why protection is necessary.

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

20. Trade secrets as defined in the Uniform Trade Secrets Act (§ 59.1-336 et seq.) or financial records of a business, including balance sheets and financial statements, that are not generally available to the public through regulatory disclosure or otherwise, provided to the Department of Small Business and Supplier Diversity as part of an application for (i) certification as a small, women-owned, or minority-owned business in accordance with Chapter 16.1 (§ 2.2-1603 et seq.) or (ii) a claim made by a disadvantaged business or an economically disadvantaged individual against the Capital Access Fund for Disadvantaged Businesses created pursuant to § 2.2-2311. In order for such trade secrets or financial records to be excluded from the provisions of this chapter, the business shall (a) invoke such exclusion upon submission of the data or other materials for which protection from disclosure is sought, (b) identify the data or other materials for which protection is sought, and (c) state the reasons why protection is necessary.

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

22. Trade secrets, as defined in the Uniform Trade Secrets Act (§ 59.1-336 et seq.), including, but not limited to, financial records, including balance sheets and financial statements, that are not generally available to the public through regulatory disclosure or otherwise, and revenue and cost projections supplied by a private or nongovernmental entity to the State Inspector General for the purpose of an audit, special investigation, or any study requested by the Office of the State Inspector General in accordance with law.

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

305 General:

306 1. Invoking such exclusion upon submission of the data or other materials for which protection from  
307 disclosure is sought;

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

309 3. Stating the reasons why protection is necessary.

310 The State Inspector General shall determine whether the requested exclusion from disclosure is  
311 necessary to protect the trade secrets or financial records of the private entity. The State Inspector  
312 General shall make a written determination of the nature and scope of the protection to be afforded by it  
313 under this subdivision.

314 23. Records submitted as a grant application, or accompanying a grant application, to the Virginia  
315 Tobacco Indemnification and Community Revitalization Commission to the extent such records contain  
316 (i) trade secrets as defined in the Uniform Trade Secrets Act (§ 59.1-336 et seq.), (ii) financial records  
317 of a grant applicant that is not a public body, including balance sheets and financial statements, that are  
318 not generally available to the public through regulatory disclosure or otherwise, or (iii) research-related  
319 information produced or collected by the applicant in the conduct of or as a result of study or research  
320 on medical, rehabilitative, scientific, technical, technological, or scholarly issues, when such information  
321 has not been publicly released, published, copyrighted, or patented, if the disclosure of such information  
322 would be harmful to the competitive position of the applicant; and memoranda, staff evaluations, or  
323 other records prepared by the Commission or its staff exclusively for the evaluation of grant  
324 applications. The exclusion provided by this subdivision shall apply to grants that are consistent with the  
325 powers of and in furtherance of the performance of the duties of the Commission pursuant to  
326 § 3.2-3103.

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

329 1. Invoking such exclusion upon submission of the data or other materials for which protection from  
330 disclosure is sought;

331 2. Identifying with specificity the data, records or other materials for which protection is sought; and

332 3. Stating the reasons why protection is necessary.

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

337 24. a. Records of the Commercial Space Flight Authority relating to rate structures or charges for the  
338 use of projects of, the sale of products of, or services rendered by the Authority if public disclosure  
339 would adversely affect the financial interest or bargaining position of the Authority or a private entity  
340 providing records to the Authority; or

341 b. Records provided by a private entity to the Commercial Space Flight Authority, to the extent that  
342 such records contain (i) trade secrets of the private entity as defined in the Uniform Trade Secrets Act  
343 (§ 59.1-336 et seq.); (ii) financial records of the private entity, including balance sheets and financial  
344 statements, that are not generally available to the public through regulatory disclosure or otherwise; or  
345 (iii) other information submitted by the private entity, where, if the records were made public, the  
346 financial interest or bargaining position of the Authority or private entity would be adversely affected.

347 In order for the records specified in clauses (i), (ii), and (iii) of subdivision 24 b to be excluded from  
348 the provisions of this chapter, the private entity shall make a written request to the Authority:

349 1. Invoking such exclusion upon submission of the data or other materials for which protection from  
350 disclosure is sought;

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

352 3. Stating the reasons why protection is necessary.

353 The Authority shall determine whether the requested exclusion from disclosure is necessary to protect  
354 the trade secrets or financial records of the private entity. To protect other records submitted by the  
355 private entity from disclosure, the Authority shall determine whether public disclosure would adversely  
356 affect the financial interest or bargaining position of the Authority or private entity. The Authority shall  
357 make a written determination of the nature and scope of the protection to be afforded by it under this  
358 subdivision.

359 25. Documents and other information of a proprietary nature furnished by an agricultural landowner  
360 or operator to the Department of Conservation and Recreation, the Department of Environmental  
361 Quality, the Department of Agriculture and Consumer Services or any political subdivision, agency, or  
362 board of the Commonwealth pursuant to §§ 10.1-104.7, 10.1-104.8, and 10.1-104.9, other than when  
363 required as part of a state or federal regulatory enforcement action.

364 26. Trade secrets, as defined in the Uniform Trade Secrets Act (§ 59.1-336 et seq.), provided to the  
365 Department of Environmental Quality pursuant to the provisions of § 10.1-1458. In order for such trade  
366 secrets to be excluded from the provisions of this chapter, the submitting party shall (i) invoke this

exclusion upon submission of the data or materials for which protection from disclosure is sought, (ii) identify the data or materials for which protection is sought, and (iii) state the reasons why protection is necessary.

27. Documents and other information of a proprietary nature furnished by a licensed public-use airport to the Department of Aviation for funding from programs administered by the Department of Aviation or the Virginia Aviation Board, where if the records were made public, the financial interest of the public-use airport would be adversely affected.

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

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

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

3. Stating the reasons why protection is necessary.

**§ 18.2-340.15. State control of charitable gaming.**

A. Charitable gaming as authorized herein shall be permitted in the Commonwealth as a means of funding qualified organizations but shall be conducted only in strict compliance with the provisions of this article. The ~~Department of Agriculture and Consumer Services~~ *Board for Charitable Gaming* is vested with control of all charitable gaming in the Commonwealth. The ~~Charitable Gaming~~ Board shall have the power to prescribe regulations and conditions under which such gaming shall be conducted to ensure that it is conducted in a manner consistent with the purpose for which it is permitted.

B. The conduct of any charitable gaming is a privilege that may be granted or denied by the ~~Department of Agriculture and Consumer Services Board~~ or its duly authorized representatives in its discretion in order to effectuate the purposes set forth in this article.

**§ 18.2-340.16. Definitions.**

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

"Bingo" means a specific game of chance played with (i) individual cards having randomly numbered squares ranging from one to 75, (ii) ~~Department-approved~~ *Board-approved* electronic devices that display facsimiles of bingo cards and are used for the purpose of marking and monitoring players' cards as numbers are called, or (iii) ~~Department-approved~~ *Board-approved* cards, in which prizes are awarded on the basis of designated numbers on such cards conforming to a predetermined pattern of numbers selected at random.

"Board" means the *Board for Charitable Gaming Board* created pursuant to § 2.2-2455.

"Bona fide member" means an individual who participates in activities of a qualified organization other than such organization's charitable gaming activities.

"Charitable gaming" or "charitable games" means those raffles and games of chance explicitly authorized by this article.

"Charitable gaming supplies" includes bingo cards or sheets, devices for selecting bingo numbers, instant bingo cards, pull-tab cards and seal cards, and any other equipment or product manufactured for or intended to be used in the conduct of charitable games. However for the purposes of this article, charitable gaming supplies shall not include items incidental to the conduct of charitable gaming such as markers, wands or tape.

~~"Commissioner" means the Commissioner of the Department of Agriculture and Consumer Services.~~

"Conduct" means the actions associated with the provision of a gaming operation during and immediately before or after the permitted activity, which may include, but not be limited to, (i) selling bingo cards or packs, electronic devices, instant bingo or pull-tab cards, or raffle tickets, (ii) calling bingo games, (iii) distributing prizes, and (iv) any other services provided by volunteer workers.

"Department" means the Department of Agriculture and Consumer Services.

"Fair market rental value" means the rent that a rental property will bring when offered for lease by a lessor who desires to lease the property but is not obligated to do so and leased by a lessee under no necessity of leasing.

"Gaming expenses" means prizes, supplies, costs of publicizing gaming activities, audit and administration or permit fees, and a portion of the rent, utilities, accounting and legal fees and such other reasonable and proper expenses as are directly incurred for the conduct of charitable gaming.

"Gross receipts" means the total amount of money generated by an organization from charitable gaming before the deduction of expenses, including prizes.

"Instant bingo," "pull tabs," or "seal cards" means specific games of chance played by the random selection of one or more individually prepacked cards, including ~~Department-approved~~ *Board-approved* electronic versions thereof, with winners being determined by the preprinted or predetermined appearance of concealed letters, numbers or symbols that must be exposed by the player to determine wins and losses and may include the use of a seal card which conceals one or more numbers or symbols that have been designated in advance as prize winners. Such cards may be dispensed by electronic or

428 mechanical equipment.

429 "Jackpot" means a bingo game that the organization has designated on its game program as a jackpot  
430 game in which the prize amount is greater than \$100.

431 "Landlord" means any person or his agent, firm, association, organization, partnership, or corporation,  
432 employee, or immediate family member thereof, which owns and leases, or leases any premises devoted  
433 in whole or in part to the conduct of bingo games, and any person residing in the same household as a  
434 landlord.

435 "Management" means the provision of oversight of a gaming operation, which may include, but is  
436 not limited to, the responsibilities of applying for and maintaining a permit or authorization, compiling,  
437 submitting and maintaining required records and financial reports, and ensuring that all aspects of the  
438 operation are in compliance with all applicable statutes and regulations.

439 "Network bingo" means a specific bingo game in which pari-mutuel play is permitted.

440 "Network bingo provider" means a person licensed by the ~~Department~~ Board to operate network  
441 bingo.

442 "Operation" means the activities associated with production of a charitable gaming activity, which  
443 may include, but not be limited to (i) the direct on-site supervision of the conduct of charitable gaming;  
444 (ii) coordination of volunteers; and (iii) all responsibilities of charitable gaming designated by the  
445 organization's management.

446 "Organization" means any one of the following:

447 1. A volunteer fire department or rescue squad or auxiliary unit thereof which has been recognized in  
448 accordance with § 15.2-955 by an ordinance or resolution of the political subdivision where the  
449 volunteer fire department or rescue squad is located as being a part of the safety program of such  
450 political subdivision;

451 2. An organization operated exclusively for religious, charitable, community or educational purposes;

452 3. An athletic association or booster club or a band booster club established solely to raise funds for  
453 school-sponsored athletic or band activities for a public school or private school accredited pursuant to  
454 § 22.1-19 or to provide scholarships to students attending such school;

455 4. An association of war veterans or auxiliary units thereof organized in the United States;

456 5. A fraternal association or corporation operating under the lodge system;

457 6. A local chamber of commerce; or

458 7. Any other nonprofit organization that raises funds by conducting raffles that generate annual gross  
459 receipts of \$40,000 or less, provided such gross receipts from the raffle, less expenses and prizes, are  
460 used exclusively for charitable, educational, religious or community purposes.

461 "Pari-mutuel play" means an integrated network operated by a licensee of the ~~Department~~ Board  
462 comprised of participating charitable organizations for the conduct of network bingo games in which the  
463 purchase of a network bingo card by a player automatically includes the player in a pool with all other  
464 players in the network, and where the prize to the winning player is awarded based on a percentage of  
465 the total amount of network bingo cards sold in a particular network.

466 "Qualified organization" means any organization to which a valid permit has been issued by the  
467 ~~Department~~ Board to conduct charitable gaming or any organization that is exempt pursuant to §  
468 18.2-340.23.

469 "Raffle" means a lottery in which the prize is won by (i) a random drawing of the name or  
470 prearranged number of one or more persons purchasing chances or (ii) a random contest in which the  
471 winning name or preassigned number of one or more persons purchasing chances is determined by a  
472 race involving inanimate objects floating on a body of water, commonly referred to as a "duck race."

473 "Reasonable and proper business expenses" means business expenses actually incurred by a qualified  
474 organization in the conduct of charitable gaming and not otherwise allowed under this article or under  
475 Board regulations on real estate and personal property tax payments, travel expenses, payments of  
476 utilities and trash collection services, legal and accounting fees, costs of business furniture, fixtures and  
477 office equipment and costs of acquisition, maintenance, repair or construction of an organization's real  
478 property. For the purpose of this definition, salaries and wages of employees whose primary  
479 responsibility is to provide services for the principal benefit of an organization's members shall not  
480 qualify as a business expense. However, payments made pursuant to § 51.1-1204 to the Volunteer  
481 Firefighters' and Rescue Squad Workers' Service Award Fund shall be deemed a reasonable and proper  
482 business expense.

483 "Supplier" means any person who offers to sell, sells or otherwise provides charitable gaming  
484 supplies to any qualified organization.

485 **§ 18.2-340.18. Powers and duties of the Board.**

486 The ~~Department~~ Board shall have all powers and duties necessary to carry out the provisions of this  
487 article and to exercise the control of charitable gaming as set forth in § 18.2-340.15. Such powers and  
488 duties shall include but not be limited to the following:

489 1. The ~~Department~~ Board is vested with jurisdiction and supervision over all charitable gaming



authorized under the provisions of this article and including all persons that conduct or provide goods, services or premises used in the conduct of charitable gaming. It may employ such persons as are necessary to ensure that charitable gaming is conducted in conformity with the provisions of this article and the regulations of the Board. The ~~Department~~ Board shall designate such agents and employees as it deems necessary and appropriate who shall be sworn to enforce the provisions of this article and the criminal laws of the Commonwealth and who shall be law-enforcement officers as defined in § 9.1-101.

2. The ~~Department~~ Board, its agents and employees and any law-enforcement officers charged with the enforcement of charitable gaming laws shall have free access to the offices, facilities or any other place of business of any organization, including any premises devoted in whole or in part to the conduct of charitable gaming. These individuals may enter such places or premises for the purpose of *investigating any gaming activity not specifically authorized by this article or Board regulation*, carrying out any duty imposed by this article, securing records required to be maintained by an organization, investigating complaints, or conducting audits.

3. The ~~Department~~ Board may compel the production of any books, documents, records, or memoranda of any organizations or supplier involved in the conduct of charitable gaming for the purpose of satisfying itself that this article and its regulations are strictly complied with. In addition, the ~~Department~~ Board may require the production of an annual balance sheet and operating statement of any person granted a permit pursuant to the provisions of this article and may require the production of any contract to which such person is or may be a party.

4. The ~~Department~~ Board may issue subpoenas for the attendance of witnesses before it, administer oaths, and compel production of records or other documents and testimony of such witnesses whenever, in the judgment of the ~~Department~~ Board, it is necessary to do so for the effectual discharge of its duties.

5. The ~~Department~~ Board may compel any person conducting charitable gaming to file with the ~~Department~~ Board such documents, information or data as shall appear to the ~~Department~~ Board to be necessary for the performance of its duties.

6. The ~~Department~~ Board may enter into arrangements with any governmental agency of this or any other state or any locality in the Commonwealth or any agency of the federal government for the purposes of exchanging information or performing any other act to better ensure the proper conduct of charitable gaming.

7. The ~~Department~~ Board may issue a charitable gaming permit while the permittee's tax-exempt status is pending approval by the Internal Revenue Service.

8. The ~~Department~~ Board shall report annually to the Governor and the General Assembly, which report shall include a financial statement of the operation of the ~~Department~~ Board and any recommendations for legislation applicable to charitable gaming in the Commonwealth.

9. The ~~Department~~ Board, its agents and employees may conduct such audits, in addition to those required by § 18.2-340.31, as they deem necessary and desirable.

10. The ~~Department~~ Board may limit the number of organizations for which a person may manage, operate or conduct charitable games.

11. The ~~Department~~ Board may *investigate any gaming activity not specifically authorized by this article or Board regulation and may report any alleged criminal violation of this article to the appropriate attorney for the Commonwealth for appropriate action.*

**§ 18.2-340.20. Denial, suspension or revocation of permit; hearings and appeals.**

A. The ~~Department~~ Board may deny, suspend, or revoke the permit of any organization found not to be in strict compliance with the provisions of this article and the regulations of the Board only after the proposed action by the ~~Department~~ Board has been reviewed and approved by the Board. The action of the ~~Department~~ Board in denying, suspending, or revoking any permit shall be subject to the Administrative Process Act (§ 2.2-4000 et seq.).

B. Except as provided in §§ 18.2-340.25, 18.2-340.30 and 18.2-340.36, no permit to conduct charitable gaming shall be denied, suspended, or revoked except upon notice stating the proposed basis for such action and the time and place for the hearing. At the discretion of the ~~Department~~ Board, hearings may be conducted by hearing officers who shall be selected from the list prepared by the Executive Secretary of the Supreme Court. After a hearing on the issues, the ~~Department~~ Board may refuse to issue or may suspend or revoke any such permit if it determines that the organization has not complied with the provisions of this article or the regulations of the Board.

C. Any person aggrieved by a refusal of the ~~Department~~ Board to issue any permit, the suspension or revocation of a permit, or any other action of the ~~Department~~ Board may seek review of such action in accordance with Article 4 (§ 2.2-4025 et seq.) of the Administrative Process Act.

**§ 18.2-340.23. Organizations exempt from certain permits and fees.**

A. No organization that reasonably expects, based on prior charitable gaming annual results or any other quantifiable method, to realize gross receipts of \$40,000 or less in any 12-month period shall be

551 required to (i) notify the ~~Department~~ *Board* of its intention to conduct charitable gaming, or (ii) comply  
552 with Board regulations. If any organization's actual gross receipts for the 12-month period exceed  
553 \$40,000, the ~~Department~~ *Board* may require the organization to file by a specified date the report  
554 required by § 18.2-340.30.

555 B. Any volunteer fire department or rescue squad or auxiliary unit thereof which has been recognized  
556 in accordance with § 15.2-955 by an ordinance or resolution of the political subdivision where the  
557 volunteer fire department or rescue squad is located as being part of the safety program of such political  
558 subdivision shall be exempt from the payment of application fees required by § 18.2-340.25 and the  
559 payment of audit fees required by § 18.2-340.31. Nothing in this subsection shall be construed as  
560 exempting volunteer fire departments and rescue squads from any other provisions of this article or  
561 other Board regulations.

562 C. Nothing in this section shall prevent the ~~Department~~ *Board* from conducting any investigation or  
563 audit it deems appropriate to ensure an organization's compliance with the provisions of this article and,  
564 to the extent applicable, Board regulations *or from investigating any gaming activity not specifically*  
565 *authorized by this article or Board regulation.*

566 **§ 18.2-340.24. Eligibility for permit; exceptions; where valid.**

567 A. To be eligible for a permit to conduct charitable gaming, an organization shall:

568 1. Have been in existence and met on a regular basis in the Commonwealth for a period of at least  
569 three years immediately prior to applying for a permit.

570 The three-year residency requirement shall not apply (i) to any lodge or chapter of a national or  
571 international fraternal order or of a national or international civic organization which is exempt under  
572 § 501(c) of the United States Internal Revenue Code and which has a lodge or chapter holding a  
573 charitable gaming permit issued under the provisions of this article anywhere within the Commonwealth;  
574 (ii) to booster clubs which have been operating for less than three years and which have been  
575 established solely to raise funds for school-sponsored activities in public schools or private schools  
576 accredited pursuant to § 22.1-19; (iii) to recently established volunteer fire and rescue companies or  
577 departments, after county, city or town approval; or (iv) to an organization which relocates its meeting  
578 place on a permanent basis from one jurisdiction to another, complies with the requirements of  
579 subdivision 2 of this section, and was the holder of a valid permit at the time of its relocation.

580 2. Be operating currently and have always been operated as a nonprofit organization.

581 3. Have at least 50 percent of its membership consist of residents of the Commonwealth; however, if  
582 an organization (i) does not consist of bona fide members and (ii) is exempt under § 501(c)(3) of the  
583 United States Internal Revenue Code, the Board shall exempt such organizations from the requirements  
584 of this subdivision.

585 B. Any organization whose gross receipts from all charitable gaming exceeds or can be expected to  
586 exceed \$40,000 in any calendar year shall have been granted tax-exempt status pursuant to § 501(c) of  
587 the United States Internal Revenue Code. At the same time tax-exempt status is sought from the Internal  
588 Revenue Service, the same documentation may be filed with the ~~Department~~ *Board* in conjunction with  
589 an application for a charitable gaming permit. If such documentation is filed, the ~~Department~~ *Board*  
590 may, after reviewing such documentation it deems necessary, issue a charitable gaming permit.

591 C. A permit shall be valid only for the locations, dates, and times designated in the permit.

592 **§ 18.2-340.25. Permit required; application fee; form of application.**

593 A. Except as provided for in § 18.2-340.23, prior to the commencement of any charitable game, an  
594 organization shall obtain a permit from the ~~Department~~ *Board*.

595 B. All complete applications for a permit shall be acted upon by the ~~Department~~ *Board* within 45  
596 days from the filing thereof. Upon compliance by the applicant with the provisions of this article, and at  
597 the discretion of the ~~Department~~ *Board*, a permit may be issued. All permits when issued shall be valid  
598 for the period specified in the permit unless it is sooner suspended or revoked. No permit shall be valid  
599 for longer than two years. The application shall be a matter of public record.

600 All permits shall be subject to regulation by the ~~Department~~ *Board* to ensure the public safety and  
601 welfare in the operation of charitable games. The permit shall only be granted after a reasonable  
602 investigation has been conducted by the ~~Department~~ *Board*. The ~~Department~~ *Board* may require any  
603 prospective employee, permit holder or applicant to submit to fingerprinting and to provide personal  
604 descriptive information to be forwarded along with employee's, licensee's or applicant's fingerprints  
605 through the Central Criminal Records Exchange to the Federal Bureau of Investigation for the purposes  
606 of obtaining criminal history record information regarding such prospective employee, permit holder or  
607 applicant. The Central Criminal Records Exchange upon receipt of a prospective employee, licensee or  
608 applicant record or notification that no record exists, shall forward the report to the *Board or the*  
609 *Commissioner of the Department or his designee, who shall belong to a governmental entity.* However,  
610 nothing in this subsection shall be construed to require the routine fingerprinting of volunteer bingo  
611 workers.

612 C. In no case shall an organization receive more than one permit allowing it to conduct charitable

gaming; however, nothing in this section shall be construed to prohibit granting special permits pursuant to § 18.2-340.27.

D. Application for a charitable gaming permit shall be made on forms prescribed by the ~~Department Board~~ and shall be accompanied by payment of the fee for processing the application.

E. Applications for renewal of permits shall be made in accordance with Board Regulations. If a complete renewal application is received 45 days or more prior to the expiration of the permit, the permit shall continue to be effective until such time as the ~~Department Board~~ has taken final action. Otherwise, the permit shall expire at the end of its term.

F. The failure to meet any of the requirements of § 18.2-340.24 shall cause the automatic denial of the permit, and no organization shall conduct any charitable gaming until the requirements are met and a permit is obtained.

**§ 18.2-340.26:1. Sale of instant bingo, pull tabs or seal cards; proceeds not counted as gross receipts.**

A. Instant bingo, pull tabs or seal cards may be sold only upon the premises owned or exclusively leased by the organization and at such times as the portion of the premises in which the instant bingo, pull tabs or seal cards are sold is open only to members and their guests, *provided any such organization has obtained a separate permit from the Board in accordance with § 18.2-340.25, the provisions of § 18.2-340.23 notwithstanding.*

Nothing in this article shall be construed to prohibit the conduct of games of chance involving the sale of pull tabs or seal cards, commonly known as last sale games, conducted in accordance with this section.

B. The proceeds from instant bingo, pull tabs or seal cards shall not be included in determining the gross receipts for a qualified organization provided the gaming (i) is limited exclusively to members of the organization and their guests, (ii) is not open to the general public, and (iii) there is no public solicitation or advertisement made regarding such gaming.

**§ 18.2-340.27. Conduct of bingo games; special permits.**

A. A qualified organization shall accept only cash or, at its option, checks or debit cards in payment of any charges or assessments for players to participate in bingo games. However, no such organization shall accept postdated checks in payment of any charges or assessments for players to participate in bingo games.

B. No qualified organization or any person on the premises shall extend lines of credit or accept any credit or other electronic fund transfer other than debit cards in payment of any charges or assessments for players to participate in bingo games.

C. Bingo games may be held by qualified organizations no more frequently than two calendar days in any calendar week, except in accordance with subsection E.

D. No more than two sessions of bingo games may be held by qualified organizations in any calendar day, nor shall there be more than 55 bingo games per session.

E. A special permit may be granted a qualified organization which entitles it to conduct more frequent operations of bingo games during carnivals, fairs and state, federal or religious holidays, which shall be designated in the permit.

F. Any organization may conduct bingo games only in the county, city or town or in any adjoining county, city or town in which they regularly have been in existence or met. The ~~Department Board~~ may approve exceptions to this requirement where there is a special circumstance or documented need.

**§ 18.2-340.29. Joint operation of bingo games; written reports; joint permit required.**

A. Any two or more qualified organizations may jointly organize and conduct bingo games provided both have fully complied with all other provisions of this article.

B. Any two or more qualified organizations jointly conducting such games shall be (i) subject to the same restrictions and prohibitions contained in this article that would apply to a single organization conducting bingo games and (ii) required to furnish to the ~~Department Board~~ a written report setting forth the location where such games will be held, the division of manpower, costs, and proceeds for each game to be jointly conducted.

Upon a finding that the division of manpower and costs for each game bears a reasonable relationship to the division of proceeds, the ~~Department Board~~ shall issue a joint permit.

C. No bingo game shall be jointly conducted until the joint permit issued pursuant to subsection B is obtained by the organizations.

**§ 18.2-340.30. Reports of gross receipts and disbursements required; form of reports; failure to file.**

A. Each qualified organization shall keep a complete record of all inventory of charitable gaming supplies purchased, all receipts from its charitable gaming operation, and all disbursements related to such operation. Except as provided in § 18.2-340.23, each qualified organization shall file at least annually, on a form prescribed by the ~~Department Board~~, a report of all such receipts and

disbursements, the amount of money on hand attributable to charitable gaming as of the end of the period covered by the report and any other information related to its charitable gaming operation that the ~~Department Board~~ may require. In addition, the Board, by regulation, may require any qualified organization whose net receipts exceed a specified amount during any three-month period to file a report of its receipts and disbursements for such period. All reports filed pursuant to this section shall be a matter of public record.

B. All reports required by this section shall be filed on or before the date prescribed by the ~~Department Board~~. The Board, by regulation, shall establish a schedule of late fees to be assessed for any organization that fails to submit required reports by the due date.

C. Except as provided in § 18.2-340.23, each qualified organization shall designate or compensate an outside individual or group who shall be responsible for filing an annual, and, if required, quarterly, financial report if the organization goes out of business or otherwise ceases to conduct charitable gaming activities. The ~~Department Board~~ shall require such reports as it deems necessary until all proceeds of any charitable gaming have been used for the purposes specified in § 18.2-340.19 or have been disbursed in a manner approved by the ~~Department Board~~.

D. Each qualified organization shall maintain for three years a complete written record of (i) all charitable gaming sessions using ~~Department Board~~ prescribed forms or reasonable facsimiles thereof approved by the ~~Department Board~~; (ii) the name and address of each individual to whom is awarded any charitable gaming prize or jackpot that meets or exceeds the requirements of Internal Revenue Service Publication 3079, as well as the amount of the award; and (iii) an itemized record of all receipts and disbursements, including operating costs and use of proceeds incurred in operating bingo games.

E. The failure to file reports within 30 days of the time such reports are due shall cause the automatic revocation of the permit, and no organization shall conduct any bingo game or raffle thereafter until the report is properly filed and a new permit is obtained. However, the ~~Department Board~~ may grant an extension of time for filing such reports for a period not to exceed 45 days if requested by an organization, provided the organization requests an extension within 15 days of the time such reports are due and all projected fees are paid. For the term of any such extension, the organization's permit shall not be automatically revoked, such organization may continue to conduct charitable gaming, and no new permit shall be required.

#### **§ 18.2-340.31. Audit of reports; exemption; audit and administration fee.**

A. All reports filed pursuant to § 18.2-340.30 shall be subject to audit by the ~~Department Board~~ in accordance with Board regulations. The ~~Department Board~~ may engage the services of independent certified public accountants to perform any audits deemed necessary to fulfill the ~~Department's Board's~~ responsibilities under this article.

B. The ~~Department Board~~ shall prescribe a reasonable audit and administration fee to be paid by any organization conducting charitable gaming under a permit issued by the ~~Department Board~~ unless the organization is exempt from such fee pursuant to § 18.2-340.23. Such fee shall not exceed one and one-quarter percent of the gross receipts which an organization reports pursuant to § 18.2-340.30. The audit and administration fee shall accompany each report for each calendar quarter.

C. The audit and administration fee shall be payable to the Treasurer of Virginia. All such fees received by the Treasurer of Virginia shall be separately accounted for and shall be used only by the ~~Department Board~~ for the purposes of auditing and regulating charitable gaming.

#### **§ 18.2-340.33. Prohibited practices.**

In addition to those other practices prohibited by this article, the following acts or practices are prohibited:

1. No part of the gross receipts derived by a qualified organization may be used for any purpose other than (i) reasonable and proper gaming expenses, (ii) reasonable and proper business expenses, (iii) those lawful religious, charitable, community or educational purposes for which the organization is specifically chartered or organized, and (iv) expenses relating to the acquisition, construction, maintenance, or repair of any interest in the real property involved in the operation of the organization and used for lawful religious, charitable, community or educational purposes. For the purposes of clause (iv), such expenses may include the expenses of a corporation formed for the purpose of serving as the real estate holding entity of a qualified organization, provided (a) such holding entity is qualified as a tax exempt organization under § 501(c) of the Internal Revenue Code and (b) the membership of the qualified organization is identical to such holding entity.

2. Except as provided in § 18.2-340.34:1, no qualified organization shall enter into a contract with or otherwise employ for compensation any person for the purpose of organizing, managing, or conducting any charitable games. However, organizations composed of or for deaf or blind persons may use a part of their gross receipts for costs associated with providing clerical assistance in the management and operation but not the conduct of charitable gaming.

The provisions of this subdivision shall not prohibit the joint operation of bingo games held in accordance with § 18.2-340.29.

3. No person shall pay or receive for use of any premises devoted, in whole or in part, to the conduct of any charitable games, any consideration in excess of the current fair market rental value of such property. Fair market rental value consideration shall not be based upon or determined by reference to a percentage of the proceeds derived from the operation of any charitable games or to the number of people in attendance at such charitable games.

4. No building or other premises shall be utilized in whole or in part for the purpose of conducting charitable gaming more frequently than two calendar days in any one calendar week. However, no building or other premises owned by (i) a qualified organization which is exempt from taxation pursuant to § 501(c) of the Internal Revenue Code or (ii) any county, city or town shall be utilized in whole or in part for the purpose of conducting bingo games more frequently than four calendar days in any one calendar week.

The provisions of this subdivision shall not apply to the playing of bingo games pursuant to a special permit issued in accordance with § 18.2-340.27.

5. No person shall participate in the management or operation of any charitable game unless such person is and, for a period of at least 30 days immediately preceding such participation, has been a bona fide member of the organization. For any organization that is not composed of members, a person who is not a bona fide member may volunteer in the conduct of a charitable game as long as that person is directly supervised by a bona fide official member of the organization.

The provisions of this subdivision shall not apply to (i) persons employed as clerical assistants by qualified organizations composed of or for deaf or blind persons; (ii) employees of a corporate sponsor of a qualified organization, provided such employees' participation is limited to the management, operation or conduct of no more than one raffle per year; (iii) the spouse or family member of any such bona fide member of a qualified organization provided at least one bona fide member is present; or (iv) persons employed by a qualified organization authorized to sell pull tabs or seal cards in accordance with § 18.2-340.16, provided (a) such sales are conducted by no more than two on-duty employees, (b) such employees receive no compensation for or based on the sale of the pull tabs or seal cards, and (c) such sales are conducted in the private social quarters of the organization.

6. No person shall receive any remuneration for participating in the management, operation or conduct of any charitable game, except that:

a. Persons employed by organizations composed of or for deaf or blind persons may receive remuneration not to exceed \$30 per event for providing clerical assistance in the management and operation but not the conduct of charitable games only for such organizations;

b. Persons under the age of 19 who sell raffle tickets for a qualified organization to raise funds for youth activities in which they participate may receive nonmonetary incentive awards or prizes from the organization;

c. Remuneration may be paid to off-duty law-enforcement officers from the jurisdiction in which such bingo games are played for providing uniformed security for such bingo games even if such officer is a member of the sponsoring organization, provided the remuneration paid to such member is in accordance with off-duty law-enforcement personnel work policies approved by the local law-enforcement official and further provided that such member is not otherwise engaged in the management, operation or conduct of the bingo games of that organization, or to private security services businesses licensed pursuant to § 9.1-139 providing uniformed security for such bingo games, provided that employees of such businesses shall not otherwise be involved in the management, operation, or conduct of the bingo games of that organization;

d. A member of a qualified organization lawfully participating in the management, operation or conduct of a bingo game may be provided food and nonalcoholic beverages by such organization for on-premises consumption during the bingo game provided the food and beverages are provided in accordance with Board regulations; and

e. Remuneration may be paid to bingo managers or callers who have a current registration certificate issued by the ~~Department~~ Board in accordance with § 18.2-340.34:1, or who are exempt from such registration requirement. Such remuneration shall not exceed \$100 per session.

7. No landlord shall, at bingo games conducted on the landlord's premises, (i) participate in the conduct, management, or operation of any bingo games; (ii) sell, lease or otherwise provide for consideration any bingo supplies, including, but not limited to, bingo cards, instant bingo cards, or other game pieces; or (iii) require as a condition of the lease or by contract that a particular manufacturer, distributor or supplier of bingo supplies or equipment be used by the organization.

The provisions of this subdivision shall not apply to any qualified organization conducting bingo games on its own behalf at premises owned by it.

8. No qualified organization shall enter into any contract with or otherwise employ or compensate any member of the organization on account of the sale of bingo supplies or equipment.

9. No organization shall award any bingo prize money or any merchandise valued in excess of the

797 following amounts:

798 a. No bingo door prize shall exceed \$50 for a single door prize or \$250 in cumulative door prizes in  
799 any one session;

800 b. No regular bingo or special bingo game prize shall exceed \$100;

801 c. No instant bingo, pull tab, or seal card prize for a single card shall exceed \$1,000;

802 d. Except as provided in subdivision 9, no bingo jackpot of any nature whatsoever shall exceed  
803 \$1,000, nor shall the total amount of bingo jackpot prizes awarded in any one session exceed \$1,000.  
804 Proceeds from the sale of bingo cards and the sheets used for bingo jackpot games shall be accounted  
805 for separately from the bingo cards or sheets used for any other bingo games; and

806 e. No single network bingo prize shall exceed \$25,000. Proceeds from the sale of network bingo  
807 cards shall be accounted for separately from bingo cards and sheets used for any other bingo game.

808 10. The provisions of subdivision 9 shall not apply to:

809 Any progressive bingo game, in which (a) a regular or special prize, not to exceed \$100, is awarded  
810 on the basis of predetermined numbers or patterns selected at random and (b) a progressive prize, not to  
811 exceed \$500 for the initial progressive prize and \$5,000 for the maximum progressive prize, is awarded  
812 if the predetermined numbers or patterns are covered when a certain number of numbers is called,  
813 provided (i) there are no more than six such games per session per organization, (ii) the amount of  
814 increase of the progressive prize per session is no more than \$100, (iii) the bingo cards or sheets used in  
815 such games are sold separately from the bingo cards or sheets used for any other bingo games, (iv) the  
816 organization separately accounts for the proceeds from such sale, and (v) such games are otherwise  
817 operated in accordance with the ~~Department~~ Board's rules of play.

818 11. No organization shall award any raffle prize valued at more than \$100,000.

819 The provisions of this subdivision shall not apply to a raffle conducted no more than once per  
820 calendar year by a qualified organization qualified as a tax-exempt organization pursuant to § 501(c) of  
821 the Internal Revenue Code for a prize consisting of a lot improved by a residential dwelling where 100  
822 percent of the moneys received from such a raffle, less deductions for the fair market value for the cost  
823 of acquisition of the land and materials, are donated to lawful religious, charitable, community, or  
824 educational organizations specifically chartered or organized under the laws of the Commonwealth and  
825 qualified as a § 501(c) tax-exempt organization.

826 12. No qualified organization composed of or for deaf or blind persons which employs a person not  
827 a member to provide clerical assistance in the management and operation but not the conduct of any  
828 charitable games shall conduct such games unless it has in force fidelity insurance, as defined in §  
829 38.2-120, written by an insurer licensed to do business in the Commonwealth.

830 13. No person shall participate in the management or operation of any charitable game if he has ever  
831 been convicted of any felony or if he has been convicted of any misdemeanor involving fraud, theft, or  
832 financial crimes within the preceding five years. No person shall participate in the conduct of any  
833 charitable game if, within the preceding 10 years, he has been convicted of any felony or if, within the  
834 preceding five years he has been convicted of any misdemeanor involving fraud, theft, or financial  
835 crimes. In addition, no person shall participate in the management, operation or conduct of any  
836 charitable game if that person, within the preceding five years, has participated in the management,  
837 operation, or conduct of any charitable game which was found by the ~~Department~~ Board or a court of  
838 competent jurisdiction to have been operated in violation of state law, local ordinance or Board  
839 regulation.

840 14. Qualified organizations jointly conducting bingo games pursuant to § 18.2-340.29 shall not  
841 circumvent any restrictions and prohibitions which would otherwise apply if a single organization were  
842 conducting such games. These restrictions and prohibitions shall include, but not be limited to, the  
843 frequency with which bingo games may be held, the value of merchandise or money awarded as prizes,  
844 or any other practice prohibited under this section.

845 15. A qualified organization shall not purchase any charitable gaming supplies for use in the  
846 Commonwealth from any person who is not currently registered with the ~~Department~~ Board as a  
847 supplier pursuant to § 18.2-340.34.

848 16. Unless otherwise permitted in this article, no part of an organization's charitable gaming gross  
849 receipts shall be used for an organization's social or recreational activities.

850 **§ 18.2-340.34. Suppliers of charitable gaming supplies; manufacturers of electronic games of**  
851 **chance systems; permit; qualification; suspension, revocation or refusal to renew certificate;**  
852 **maintenance, production, and release of records.**

853 A. No person shall offer to sell, sell or otherwise provide charitable gaming supplies to any qualified  
854 organization and no manufacturer shall distribute electronic games of chance systems for charitable  
855 gaming in the Commonwealth unless and until such person has made application for and has been  
856 issued a permit by the ~~Department~~ Board. An application for permit shall be made on forms prescribed  
857 by the ~~Department~~ Board and shall be accompanied by a fee in the amount of \$1,000. Each permit shall  
858 remain valid for a period of one year from the date of issuance. Application for renewal of a permit

shall be accompanied by a fee in the amount of \$1,000 and shall be made on forms prescribed by the ~~Department Board~~.

B. The Board shall have authority to prescribe by regulation reasonable criteria consistent with the provisions of this article for the registration of suppliers and manufacturers of electronic games of chance systems for charitable gaming. The ~~Department Board~~ may refuse to issue a permit to any supplier or manufacturer who has, or which has any officer, director, partner, or owner who has (i) been convicted of or pleaded nolo contendere to a felony in any state or federal court or has been convicted of any offense which, if committed in the Commonwealth, would be a felony; (ii) been convicted of or pleaded nolo contendere to a crime involving gambling; (iii) had any license, permit, certificate or other authority related to activities defined as charitable gaming in the Commonwealth suspended or revoked in the Commonwealth or in any other jurisdiction; (iv) failed to file or has been delinquent in excess of one year in the filing of any tax returns or the payment of any taxes due the Commonwealth; or (v) failed to establish a registered office or registered agent in the Commonwealth if so required by § 13.1-634 or 13.1-763.

C. The ~~Department Board~~ may suspend, revoke or refuse to renew the permit of any supplier or manufacturer for any conduct described in subsection B or for any violation of this article or regulation of the Board. Before taking any such action, the ~~Department Board~~ shall give the supplier or manufacturer a written statement of the grounds upon which it proposes to take such action and an opportunity to be heard. Every hearing in a contested case shall be conducted in accordance with the Administrative Process Act (§ 2.2-4000 et seq.).

D. Each supplier shall document each sale of charitable gaming supplies, including electronic games of chance systems, and other items incidental to the conduct of charitable gaming, such as markers, wands or tape, to a qualified organization on an invoice which clearly shows (i) the name and address of the qualified organization to which such supplies or items were sold; (ii) the date of the sale; (iii) the name or form and serial number of each deal of instant bingo cards and pull-tab raffle cards, the quantity of deals sold and the price per deal paid by the qualified organization; (iv) the serial number of the top sheet in each packet of bingo paper, the serial number for each series of uncollated bingo paper, and the cut, color and quantity of bingo paper sold; and (v) any other information with respect to charitable gaming supplies, including electronic games of chance systems, or other items incidental to the conduct of charitable gaming as the Board may prescribe by regulation. A legible copy of the invoice shall accompany the charitable gaming supplies when delivered to the qualified organization.

Each manufacturer of electronic games of chance systems shall document each distribution of such systems to a qualified organization or supplier on an invoice which clearly shows (i) the name and address of the qualified organization or supplier to which such systems were distributed; (ii) the date of distribution; (iii) the serial number of each such system; and (iv) any other information with respect to electronic games of chance systems as the Board may prescribe by regulation. A legible copy of the invoice shall accompany the electronic games of chance systems when delivered to the qualified organization or supplier.

E. Each supplier and manufacturer shall maintain a legible copy of each invoice required by subsection D for a period of three years from the date of sale. Each supplier and manufacturer shall make such documents immediately available for inspection and copying to any agent or employee of the ~~Department Board~~ upon request made during normal business hours. This subsection shall not limit the right of the ~~Department Board~~ to require the production of any other documents in the possession of the supplier or manufacturer which relate to its transactions with qualified organizations. All documents and other information of a proprietary nature furnished to the ~~Department Board~~ in accordance with this subsection shall not be a matter of public record and shall be exempt from disclosure under the provisions of the Freedom of Information Act (§ 2.2-3700 et seq.).

**§ 18.2-340.34:1. Bingo managers and callers; remuneration; registration; qualification; suspension, revocation or refusal to renew certificate; exceptions.**

A. No person shall receive remuneration as a bingo manager or caller from any qualified organization unless and until such person has made application for and has been issued a registration certificate by the ~~Department Board~~. Application for registration shall be made on forms prescribed by the ~~Department Board~~ and shall be accompanied by a fee in the amount of \$75. Each registration certificate shall remain valid for a period of one year from the date of issuance. Application for renewal of a registration certificate shall be accompanied by a fee in the amount of \$75 and shall be made on forms prescribed by the ~~Department Board~~.

B. As a condition of registration as a bingo manager, the applicant shall (i) have been a bona fide member of the qualified organization for at least 12 consecutive months prior to making application for registration and (ii) be required to complete a reasonable training course developed and conducted by the ~~Department Board~~.

As a condition of registration as a bingo caller, the applicant shall be required to complete a

reasonable training course developed and conducted by the ~~Department~~ Board.

The ~~Department~~ Board may refuse to register any bingo manager or caller who has (a) been convicted of or pleaded nolo contendere to a felony in any state or federal court or has been convicted of any offense which, if committed in the Commonwealth, would be a felony; (b) been convicted of or pleaded nolo contendere to a crime involving gambling; (c) had any license, permit, certificate, or other authority related to activities defined as charitable gaming in the Commonwealth suspended or revoked in the Commonwealth or in any other jurisdiction; or (d) failed to file or has been delinquent in excess of one year in the filing of any tax returns or the payment of any taxes due the Commonwealth.

C. The ~~Department~~ Board may suspend, revoke, or refuse to renew the registration certificate of any bingo manager or caller for any conduct described in subsection B or for any violation of this article or regulations of the Board. Before taking any such action, the ~~Department~~ Board shall give the bingo manager or caller a written statement of the grounds upon which it proposes to take such action and an opportunity to be heard. Every hearing in a contested case shall be conducted in accordance with the Administrative Process Act (§ 2.2-4000 et seq.).

D. The provisions of subsection A requiring registration for bingo callers with the ~~Department~~ Board shall not apply to a bingo caller for a volunteer fire department or rescue squad or auxiliary unit thereof that has been recognized in accordance with § 15.2-955 by an ordinance or resolution of the political subdivision where the volunteer fire department or rescue squad is located as being a part of the safety program of such political subdivision.

**§ 18.2-340.34:2. Licensing of network bingo providers; qualification; suspension, revocation, or refusal to renew license; maintenance, production, and release of records.**

A. No person shall sell or offer to sell or otherwise provide access to a network bingo network to any qualified organization unless and until such person has made application for and has been issued a license by the ~~Department~~ Board. An application for license shall be made on forms prescribed by the ~~Department~~ Board and shall be accompanied by a fee in the amount of \$500. Each license shall remain valid for a period of two years from the date of issuance. Application for renewal of a license shall be accompanied by a fee in the amount of \$500 and shall be made on forms prescribed by the ~~Department~~ Board.

B. The Board shall have authority to prescribe by regulation reasonable criteria consistent with the provisions of this article for the licensure of network bingo providers. The ~~Department~~ Board may refuse to issue a license to any network bingo provider that has any officer, director, partner, or owner who has (i) been convicted of or pleaded nolo contendere to a felony in any state or federal court or has been convicted of any offense that, if committed in the Commonwealth, would be a felony; (ii) been convicted of or pleaded nolo contendere to a crime involving gambling; (iii) had any license, permit, certificate, or other authority related to activities defined as charitable gaming in the Commonwealth suspended or revoked in the Commonwealth or in any other jurisdiction; (iv) failed to file or been delinquent in excess of one year in the filing of any tax returns or the payment of any taxes due the Commonwealth; or (v) failed to establish a registered office or registered agent in the Commonwealth if so required by § 13.1-634 or 13.1-763.

C. The ~~Department~~ Board may suspend, revoke, or refuse to renew the license of any network bingo provider for any conduct described in subsection B or for any violation of this article or regulation of the Board. Before taking any such action, the ~~Department~~ Board shall give the network bingo provider a written statement of the grounds upon which it proposes to take such action and an opportunity to be heard. Every hearing in a contested case shall be conducted in accordance with the Administrative Process Act (§ 2.2-4000 et seq.).

D. The ~~Department~~ Board by regulation shall require network bingo providers to have onsite independent supervision of network bingo games as the numbers are called.

E. Each network bingo provider shall document each sale of network bingo supplies and other items incidental to the conduct of network bingo to a qualified organization on an invoice that clearly shows (i) the name and address of the qualified organization to which such supplies or items were sold; (ii) the date of the sale; (iii) the name or form and serial number of each network bingo card, the quantity of cards sold, and the price per card paid by the qualified organization; and (iv) any other information required by the ~~Department~~ Board. A legible copy of the invoice shall accompany the network bingo supplies when delivered to the qualified organization.

F. Each network bingo provider shall maintain a legible copy of each invoice required by subsection E for a period of three years from the date of sale. Each network bingo provider shall make such documents immediately available for inspection and copying to any agent or employee of the Department upon request made during normal business hours. This subsection shall not limit the right of the Department to require the production of any other documents in the possession of the network bingo provider that relate to its transactions with qualified organizations. All documents and other information of a proprietary nature furnished to the Board or the Department in accordance with this subsection shall be exempt from disclosure under the provisions of the Freedom of Information Act (§ 2.2-3700 et



seq.).

**§ 18.2-340.35. Assistance from Department of State Police.**

The Department of the State Police, upon request of the *Board or the Department*, shall assist in the conduct of investigations by the Department, *including investigations of any gaming activity in the Commonwealth not specifically authorized by this article or Board regulation.*

**§ 18.2-340.36. Suspension of permit.**

A. When any officer charged with the enforcement of the charitable gaming laws of the Commonwealth has reasonable cause to believe that the conduct of charitable gaming is being conducted by an organization in violation of this article or the regulations of the Board, he may apply to any judge, magistrate, or other person having authority to issue criminal warrants for the immediate suspension of the permit of the organization conducting the bingo game or raffle. If the judge, magistrate, or person to whom such application is presented is satisfied that probable cause exists to suspend the permit, he shall suspend the permit. Immediately upon such suspension, the officer shall notify the organization in writing of such suspension.

B. Written notice specifying the particular basis for the immediate suspension shall be provided by the officer to the organization within one business day of the suspension and a hearing held thereon by the ~~Department~~ Board or its designated hearing officer within 10 days of the suspension unless the organization consents to a later date. No charitable gaming shall be conducted by the organization until the suspension has been lifted by the ~~Department~~ Board or a court of competent jurisdiction.

**§ 58.1-3. Secrecy of information; penalties.**

A. Except in accordance with a proper judicial order or as otherwise provided by law, the Tax Commissioner or agent, clerk, commissioner of the revenue, treasurer, or any other state or local tax or revenue officer or employee, or any person to whom tax information is divulged pursuant to § 58.1-512 or 58.1-2712.2, or any former officer or employee of any of the aforementioned offices shall not divulge any information acquired by him in the performance of his duties with respect to the transactions, property, including personal property, income or business of any person, firm or corporation. Such prohibition specifically includes any copy of a federal return or federal return information required by Virginia law to be attached to or included in the Virginia return. This prohibition shall apply to any reports, returns, financial documents or other information filed with the Attorney General pursuant to the provisions of Article 3 (§ 3.2-4204 et seq.) of Chapter 42 of Title 3.2. Any person violating the provisions of this section is guilty of a Class 1 misdemeanor. The provisions of this subsection shall not be applicable, however, to:

1. Matters required by law to be entered on any public assessment roll or book;
2. Acts performed or words spoken, published, or shared with another agency or subdivision of the Commonwealth in the line of duty under state law;
3. Inquiries and investigations to obtain information as to the process of real estate assessments by a duly constituted committee of the General Assembly, or when such inquiry or investigation is relevant to its study, provided that any such information obtained shall be privileged;
4. The sales price, date of construction, physical dimensions or characteristics of real property, or any information required for building permits;
5. Copies of or information contained in an estate's probate tax return, filed with the clerk of court pursuant to § 58.1-1714, when requested by a beneficiary of the estate or an heir at law of the decedent;
6. Information regarding nonprofit entities exempt from sales and use tax under § 58.1-609.11, when requested by the General Assembly or any duly constituted committee of the General Assembly;
7. Reports or information filed with the Attorney General by a Stamping Agent pursuant to the provisions of Article 3 (§ 3.2-4204 et seq.), when such reports or information are provided by the Attorney General to a tobacco products manufacturer who is required to establish a qualified escrow fund pursuant to § 3.2-4201 and are limited to the brand families of that manufacturer as listed in the Tobacco Directory established pursuant to § 3.2-4206 and are limited to the current or previous two calendar years or in any year in which the Attorney General receives Stamping Agent information that potentially alters the required escrow deposit of the manufacturer. The information shall only be provided in the following manner: the manufacturer may make a written request, on a quarterly or yearly basis or when the manufacturer is notified by the Attorney General of a potential change in the amount of a required escrow deposit, to the Attorney General for a list of the Stamping Agents who reported stamping or selling its products and the amount reported. The Attorney General shall provide the list within 15 days of receipt of the request. If the manufacturer wishes to obtain actual copies of the reports the Stamping Agents filed with the Attorney General, it must first request them from the Stamping Agents pursuant to subsection C of § 3.2-4209. If the manufacturer does not receive the reports pursuant to subsection C of § 3.2-4209, the manufacturer may make a written request to the Attorney General, including a copy of the prior written request to the Stamping Agent and any response received, for copies of any reports not received. The Attorney General shall provide copies of the

1043 reports within 45 days of receipt of the request.

1044 B. Nothing contained in this section shall be construed to prohibit the publication of statistics so  
1045 classified as to prevent the identification of particular reports or returns and the items thereof or the  
1046 publication of delinquent lists showing the names of taxpayers who are currently delinquent, together  
1047 with any relevant information which in the opinion of the Department may assist in the collection of  
1048 such delinquent taxes. Notwithstanding any other provision of this section or other law, the Department,  
1049 upon request by the General Assembly or any duly constituted committee of the General Assembly,  
1050 shall disclose the total aggregate amount of an income tax deduction or credit taken by all taxpayers,  
1051 regardless of (i) how few taxpayers took the deduction or credit or (ii) any other circumstances. This  
1052 section shall not be construed to prohibit a local tax official from disclosing whether a person, firm or  
1053 corporation is licensed to do business in that locality and divulging, upon written request, the name and  
1054 address of any person, firm or corporation transacting business under a fictitious name. Additionally,  
1055 notwithstanding any other provision of law, the commissioner of revenue is authorized to provide, upon  
1056 written request stating the reason for such request, the Tax Commissioner with information obtained  
1057 from local tax returns and other information pertaining to the income, sales and property of any person,  
1058 firm or corporation licensed to do business in that locality.

1059 C. Notwithstanding the provisions of subsection A or B or any other provision of this title, the Tax  
1060 Commissioner is authorized to: (i) divulge tax information to any commissioner of the revenue, director  
1061 of finance or other similar collector of county, city or town taxes who, for the performance of his  
1062 official duties, requests the same in writing setting forth the reasons for such request; (ii) provide to the  
1063 Commissioner of the Department of Social Services, upon written request, information on the amount of  
1064 income, filing status, number and type of dependents, and whether a federal earned income tax credit  
1065 has been claimed as reported by persons on their state income tax returns who have applied for public  
1066 assistance or social services benefits as defined in § 63.2-100; (iii) provide to the chief executive officer  
1067 of the designated student loan guarantor for the Commonwealth of Virginia, upon written request, the  
1068 names and home addresses of those persons identified by the designated guarantor as having delinquent  
1069 loans guaranteed by the designated guarantor; (iv) provide current address information upon request to  
1070 state agencies and institutions for their confidential use in facilitating the collection of accounts  
1071 receivable, and to the clerk of a circuit or district court for their confidential use in facilitating the  
1072 collection of fines, penalties and costs imposed in a proceeding in that court; (v) provide to the  
1073 Commissioner of the Virginia Employment Commission, after entering into a written agreement, such  
1074 tax information as may be necessary to facilitate the collection of unemployment taxes and overpaid  
1075 benefits; (vi) provide to the Alcoholic Beverage Control Board, upon entering into a written agreement,  
1076 such tax information as may be necessary to facilitate the collection of state and local taxes and the  
1077 administration of the alcoholic beverage control laws; (vii) provide to the Director of the Virginia  
1078 Lottery such tax information as may be necessary to identify those lottery ticket retailers who owe  
1079 delinquent taxes; (viii) provide to the Department of the Treasury for its confidential use such tax  
1080 information as may be necessary to facilitate the location of owners and holders of unclaimed property,  
1081 as defined in § 55-210.2; (ix) provide to the State Corporation Commission, upon entering into a written  
1082 agreement, such tax information as may be necessary to facilitate the collection of taxes and fees  
1083 administered by the Commission; (x) provide to the Executive Director of the Potomac and  
1084 Rappahannock Transportation Commission for his confidential use such tax information as may be  
1085 necessary to facilitate the collection of the motor vehicle fuel sales tax; (xi) provide to the *Board for*  
1086 *Charitable Gaming or the* Commissioner of the Department of Agriculture and Consumer Services such  
1087 tax information as may be necessary to identify those applicants for registration as a supplier of  
1088 charitable gaming supplies who have not filed required returns or who owe delinquent taxes; (xii)  
1089 provide to the Department of Housing and Community Development for its confidential use such tax  
1090 information as may be necessary to facilitate the administration of the remaining effective provisions of  
1091 the Enterprise Zone Act (§ 59.1-270 et seq.), and the Enterprise Zone Grant Program (§ 59.1-538 et  
1092 seq.); (xiii) provide current name and address information to private collectors entering into a written  
1093 agreement with the Tax Commissioner, for their confidential use when acting on behalf of the  
1094 Commonwealth or any of its political subdivisions; however, the Tax Commissioner is not authorized to  
1095 provide such information to a private collector who has used or disseminated in an unauthorized or  
1096 prohibited manner any such information previously provided to such collector; (xiv) provide current  
1097 name and address information as to the identity of the wholesale or retail dealer that affixed a tax stamp  
1098 to a package of cigarettes to any person who manufactures or sells at retail or wholesale cigarettes and  
1099 who may bring an action for injunction or other equitable relief for violation of Chapter 10.1,  
1100 Enforcement of Illegal Sale or Distribution of Cigarettes Act; (xv) provide to the Commissioner of  
1101 Labor and Industry, upon entering into a written agreement, such tax information as may be necessary to  
1102 facilitate the collection of unpaid wages under § 40.1-29; (xvi) provide to the Director of the Department  
1103 of Human Resource Management, upon entering into a written agreement, such tax information as may  
1104 be necessary to identify persons receiving workers' compensation indemnity benefits who have failed to

report earnings as required by § 65.2-712; (xvii) provide to any commissioner of the revenue, director of finance, or any other officer of any county, city, or town performing any or all of the duties of a commissioner of the revenue and to any dealer registered for the collection of the Communications Sales and Use Tax, a list of the names, business addresses, and dates of registration of all dealers registered for such tax; (xviii) provide to the Executive Director of the Northern Virginia Transportation Commission for his confidential use such tax information as may be necessary to facilitate the collection of the motor vehicle fuel sales tax; and (xix) provide to the Commissioner of Agriculture and Consumer Services the name and address of the taxpayer businesses licensed by the Commonwealth that identify themselves as subject to regulation by the Board of Agriculture and Consumer Services pursuant to § 3.2-5130. The Tax Commissioner is further authorized to enter into written agreements with duly constituted tax officials of other states and of the United States for the inspection of tax returns, the making of audits, and the exchange of information relating to any tax administered by the Department of Taxation. Any person to whom tax information is divulged pursuant to this section shall be subject to the prohibitions and penalties prescribed herein as though he were a tax official.

D. Notwithstanding the provisions of subsection A or B or any other provision of this title, the commissioner of revenue or other assessing official is authorized to (i) provide, upon written request stating the reason for such request, the chief executive officer of any county or city with information furnished to the commissioner of revenue by the Tax Commissioner relating to the name and address of any dealer located within the county or city who paid sales and use tax, for the purpose of verifying the local sales and use tax revenues payable to the county or city; (ii) provide to the Department of Professional and Occupational Regulation for its confidential use the name, address, and amount of gross receipts of any person, firm or entity subject to a criminal investigation of an unlawful practice of a profession or occupation administered by the Department of Professional and Occupational Regulation, only after the Department of Professional and Occupational Regulation exhausts all other means of obtaining such information; and (iii) provide to any representative of a condominium unit owners' association, property owners' association or real estate cooperative association, or to the owner of property governed by any such association, the names and addresses of parties having a security interest in real property governed by any such association; however, such information shall be released only upon written request stating the reason for such request, which reason shall be limited to proposing or opposing changes to the governing documents of the association, and any information received by any person under this subsection shall be used only for the reason stated in the written request. The treasurer or other local assessing official may require any person requesting information pursuant to clause (iii) of this subsection to pay the reasonable cost of providing such information. Any person to whom tax information is divulged pursuant to this subsection shall be subject to the prohibitions and penalties prescribed herein as though he were a tax official.

Notwithstanding the provisions of subsection A or B or any other provisions of this title, the treasurer or other collector of taxes for a county, city or town is authorized to provide information relating to any motor vehicle, trailer or semitrailer obtained by such treasurer or collector in the course of performing his duties to the commissioner of the revenue or other assessing official for such jurisdiction for use by such commissioner or other official in performing assessments.

This section shall not be construed to prohibit a local tax official from imprinting or displaying on a motor vehicle local license decal the year, make, and model and any other legal identification information about the particular motor vehicle for which that local license decal is assigned.

E. Notwithstanding any other provisions of law, state agencies and any other administrative or regulatory unit of state government shall divulge to the Tax Commissioner or his authorized agent, upon written request, the name, address, and social security number of a taxpayer, necessary for the performance of the Commissioner's official duties regarding the administration and enforcement of laws within the jurisdiction of the Department of Taxation. The receipt of information by the Tax Commissioner or his agent which may be deemed taxpayer information shall not relieve the Commissioner of the obligations under this section.

F. Additionally, it shall be unlawful for any person to disseminate, publish, or cause to be published any confidential tax document which he knows or has reason to know is a confidential tax document. A confidential tax document is any correspondence, document, or tax return that is prohibited from being divulged by subsection A, B, C, or D and includes any document containing information on the transactions, property, income, or business of any person, firm, or corporation that is required to be filed with any state official by § 58.1-512. This prohibition shall not apply if such confidential tax document has been divulged or disseminated pursuant to a provision of law authorizing disclosure. Any person violating the provisions of this subsection is guilty of a Class 1 misdemeanor.

**2. That this act shall not be construed to affect existing appointments to the Charitable Gaming Board for the terms that have not expired. However, any new appointments made after July 1, 2015, shall be made in accordance with this act. No members of the Charitable Gaming Board**

1166 whose terms expire on or after July 1, 2015, shall be eligible for reappointment.

1167 3. That any regulations adopted by the Department of Agriculture and Consumer Services that are  
1168 in effect as of July 1, 2015, and that pertain to the subject of this act shall remain in full force  
1169 and effect until altered, amended, or rescinded by the Board for Charitable Gaming as established  
1170 by this act.

1171 4. That the Department of Agriculture and Consumer Services shall create an Office of Charitable  
1172 Gaming within the Department of Agriculture and Consumer Services to support the work of the  
1173 Board for Charitable Gaming in the administration and enforcement of charitable gaming law in  
1174 the Commonwealth in accordance with Article 1.1:1 (§ 18.2-340.15 et seq.) of Chapter 8 of Title  
1175 18.2 of the Code of Virginia.