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## SENATE BILL NO. 1503

Offered January 9, 2019

Prefiled January 8, 2019

A *BILL to amend and reenact §§ 2.2-3711, 19.2-389, 37.2-304, 58.1-4002, 58.1-4006, and 59.1-364 of the Code of Virginia and to amend the Code of Virginia by adding in Chapter 3 of Title 11 a section numbered 11-16.1, by adding a section numbered 18.2-334.5, by adding in Article 1 of Chapter 3 of Title 37.2 a section numbered 37.2-314.1, and by adding in Title 58.1 a chapter numbered 41, containing articles numbered 1 through 9, consisting of sections numbered 58.1-4100 through 58.1-4131, relating to regulation of casino gaming by Virginia Lottery Board; penalties.*

Patron—Carrico

Referred to Committee on General Laws and Technology

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

**1. That §§ 2.2-3711, 19.2-389, 37.2-304, 58.1-4002, 58.1-4006, and 59.1-364 of the Code of Virginia are amended and reenacted and that the Code of Virginia is amended by adding in Chapter 3 of Title 11 a section numbered 11-16.1, by adding a section numbered 18.2-334.5, by adding in Article 1 of Chapter 3 of Title 37.2 a section numbered 37.2-314.1, and by adding in Title 58.1 a chapter numbered 41, containing articles numbered 1 through 9, consisting of sections numbered 58.1-4100 through 58.1-4131, as follows:**

**§ 2.2-3711. Closed meetings authorized for certain limited purposes.**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

such discussion (i) concerns confidential analyses prepared for the board of visitors of the University of Virginia, prepared by the retirement system, or a local finance board or board of trustees, or the Virginia College Savings Plan or provided to the retirement system, a local finance board or board of trustees, or the Virginia College Savings Plan under a promise of confidentiality, of the future value of such ownership interest or the future financial performance of the entity, and (ii) would have an adverse effect on the value of the investment to be acquired, held, or disposed of by the retirement system, a local finance board or board of trustees, the board of visitors of the University of Virginia, or the Virginia College Savings Plan. Nothing in this subdivision shall be construed to prevent the disclosure of information relating to the identity of any investment held, the amount invested or the present value of such investment.

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

22. Those portions of meetings of the board of visitors of the University of Virginia or the Eastern Virginia Medical School Board of Visitors, as the case may be, and those portions of meetings of any persons to whom management responsibilities for the University of Virginia Medical Center or Eastern Virginia Medical School, as the case may be, have been delegated, in which there is discussed proprietary, business-related information pertaining to the operations of the University of Virginia Medical Center or Eastern Virginia Medical School, as the case may be, including business development or marketing strategies and activities with existing or future joint venturers, partners, or other parties with whom the University of Virginia Medical Center or Eastern Virginia Medical School, as the case may be, has formed, or forms, any arrangement for the delivery of health care, if disclosure of such information would adversely affect the competitive position of the Medical Center or Eastern Virginia Medical School, as the case may be.

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

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

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

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

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

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

182 the responsible public entity concerning such records.

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

187 30. Discussion or consideration of grant or loan application information subject to the exclusion in  
188 subdivision 17 of § 2.2-3705.6 by (i) the Commonwealth Health Research Board or (ii) the Innovation  
189 and Entrepreneurship Investment Authority or the Research and Technology Investment Advisory  
190 Committee appointed to advise the Innovation and Entrepreneurship Investment Authority.

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

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

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

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

204 35. Discussion or consideration by the Forensic Science Board or the Scientific Advisory Committee  
205 created pursuant to Article 2 (§ 9.1-1109 et seq.) of Chapter 11 of Title 9.1 of criminal investigative  
206 files subject to the exclusion in subdivision B 1 of § 2.2-3706.

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

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

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

221 39. Discussion or consideration of information subject to the exclusion in subdivision 3 of  
222 § 2.2-3705.6 related to economic development.

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

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

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

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

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

241 45. Discussion or consideration of personal and proprietary information related to the resource  
242 management plan program and subject to the exclusion in (i) subdivision 25 of § 2.2-3705.6 or (ii)  
243 subsection E of § 10.1-104.7. This exclusion shall not apply to the discussion or consideration of

records that contain information that has been certified for release by the person who is the subject of the information or transformed into a statistical or aggregate form that does not allow identification of the person who supplied, or is the subject of, the information.

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

47. Discussion or consideration of grant or loan application records subject to the exclusion in subdivision 28 of § 2.2-3705.6 related to the submission of an application for an award from the Virginia Research Investment Fund pursuant to Article 8 (§ 23.1-3130 et seq.) of Chapter 31 of Title 23.1 or interviews of parties to an application by a reviewing entity pursuant to subsection D of § 23.1-3133 or by the Virginia Research Investment Committee.

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

49. Discussion or consideration of (i) individual sexual assault cases by a sexual assault team established pursuant to § 15.2-1627.4 or (ii) individual child abuse or neglect cases or sex offenses involving a child by a child abuse team established pursuant to § 15.2-1627.5.

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

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

*52. Deliberations of the Virginia Lottery Board in a licensing appeal action conducted pursuant to § 58.1-4105 regarding the denial or revocation of a license of a casino gaming operator and discussion, consideration, or review of matters related to investigations exempted from disclosure under subdivision 1 of § 2.2-3705.3.*

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

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

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

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

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

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

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

*Nothing in this article shall be construed to make it illegal to participate in any casino gaming operation conducted in accordance with Chapter 41 (§ 58.1-4100 et seq.) of Title 58.1.*

**§ 19.2-389. Dissemination of criminal history record information.**

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

1. Authorized officers or employees of criminal justice agencies, as defined by § 9.1-101, for purposes of the administration of criminal justice and the screening of an employment application or review of employment by a criminal justice agency with respect to its own employees or applicants, and dissemination to the Virginia Parole Board, pursuant to this subdivision, of such information on all

305 state-responsible inmates for the purpose of making parole determinations pursuant to subdivisions 1, 2,  
306 3, and 5 of § 53.1-136 shall include collective dissemination by electronic means every 30 days. For  
307 purposes of this subdivision, criminal history record information includes information sent to the Central  
308 Criminal Records Exchange pursuant to §§ 37.2-819 and 64.2-2014 when disseminated to any full-time  
309 or part-time employee of the State Police, a police department or sheriff's office that is a part of or  
310 administered by the Commonwealth or any political subdivision thereof, and who is responsible for the  
311 prevention and detection of crime and the enforcement of the penal, traffic or highway laws of the  
312 Commonwealth for the purposes of the administration of criminal justice;

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

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

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

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

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

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

339 7a. Commissions created pursuant to the Transportation District Act of 1964 (§ 33.2-1900 et seq.) of  
340 Title 33.2 and their contractors, for the conduct of investigations of individuals who have been offered a  
341 position of employment whenever, in the interest of public welfare or safety and as authorized in the  
342 Transportation District Act of 1964, it is necessary to determine if the past criminal conduct of a person  
343 with a conviction record would be compatible with the nature of the employment under consideration;

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

351 9. To the extent permitted by federal law or regulation, public service companies as defined in  
352 § 56-1, for the conduct of investigations of applicants for employment when such employment involves  
353 personal contact with the public or when past criminal conduct of an applicant would be incompatible  
354 with the nature of the employment under consideration;

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

357 11. A person requesting a copy of his own criminal history record information as defined in  
358 § 9.1-101 at his cost, except that criminal history record information shall be supplied at no charge to a  
359 person who has applied to be a volunteer with (i) a Virginia affiliate of Big Brothers/Big Sisters of  
360 America; (ii) a volunteer fire company; (iii) the Volunteer Emergency Families for Children; (iv) any  
361 affiliate of Prevent Child Abuse, Virginia; (v) any Virginia affiliate of Compeer; or (vi) any board  
362 member or any individual who has been offered membership on the board of a Crime Stoppers, Crime  
363 Solvers or Crime Line program as defined in § 15.2-1713.1;

364 12. Administrators and board presidents of and applicants for licensure or registration as a child  
365 welfare agency as defined in § 63.2-100 for dissemination to the Commissioner of Social Services'  
366 representative pursuant to § 63.2-1702 for the conduct of investigations with respect to employees of and

volunteers at such facilities, caretakers, and other adults living in family day homes or homes approved by family day systems, and foster and adoptive parent applicants of private child-placing agencies, pursuant to §§ 63.2-1719, 63.2-1720, 63.2-1720.1, 63.2-1721, and 63.2-1721.1, subject to the restriction that the data shall not be further disseminated by the facility or agency to any party other than the data subject, the Commissioner of Social Services' representative or a federal or state authority or court as may be required to comply with an express requirement of law for such further dissemination;

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

14. The Virginia Lottery for the conduct of investigations as set forth in the Virginia Lottery Law (§ 58.1-4000 et seq.) and casino gaming as set forth in Chapter 41 (§ 58.1-4100 et seq.) of Title 58.1, and the Department of Agriculture and Consumer Services for the conduct of investigations as set forth in Article 1.1:1 (§ 18.2-340.15 et seq.) of Chapter 8 of Title 18.2;

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

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

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

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

19. The Commissioner of Behavioral Health and Developmental Services for those individuals who are committed to the custody of the Commissioner pursuant to §§ 19.2-169.2, 19.2-169.6, 19.2-182.2, 19.2-182.3, 19.2-182.8, and 19.2-182.9 for the purpose of placement, evaluation, and treatment planning;

20. Any alcohol safety action program certified by the Commission on the Virginia Alcohol Safety Action Program for (i) assessments of habitual offenders under § 46.2-360, (ii) interventions with first offenders under § 18.2-251, or (iii) services to offenders under § 18.2-51.4, 18.2-266, or 18.2-266.1;

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

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

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

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

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

26. Executive directors of community services boards or the personnel director serving the community services board for the purpose of determining an individual's fitness for employment, approval as a sponsored residential service provider, or permission to enter into a shared living arrangement with a person receiving medical assistance services pursuant to a waiver pursuant to §§ 37.2-506 and 37.2-607;

27. Executive directors of behavioral health authorities as defined in § 37.2-600 for the purpose of determining an individual's fitness for employment, approval as a sponsored residential service provider, or permission to enter into a shared living arrangement with a person receiving medical assistance services pursuant to a waiver pursuant to §§ 37.2-506 and 37.2-607;

28. The Commissioner of Social Services for the purpose of locating persons who owe child support or who are alleged in a pending paternity proceeding to be a putative father, provided that only the

428 name, address, demographics and social security number of the data subject shall be released;

429 29. Authorized officers or directors of agencies licensed pursuant to Article 2 (§ 37.2-403 et seq.) of  
430 Chapter 4 of Title 37.2 by the Department of Behavioral Health and Developmental Services for the  
431 purpose of determining if any applicant who accepts employment in any direct care position or requests  
432 approval as a sponsored residential service provider or permission to enter into a shared living  
433 arrangement with a person receiving medical assistance services pursuant to a waiver has been convicted  
434 of a crime that affects his fitness to have responsibility for the safety and well-being of individuals with  
435 mental illness, intellectual disability, or substance abuse pursuant to §§ 37.2-416, 37.2-506, and  
436 37.2-607;

437 30. The Commissioner of the Department of Motor Vehicles, for the purpose of evaluating applicants  
438 for and holders of a motor carrier certificate or license subject to the provisions of Chapters 20  
439 (§ 46.2-2000 et seq.) and 21 (§ 46.2-2100 et seq.) of Title 46.2;

440 31. The chairmen of the Committees for Courts of Justice of the Senate or the House of Delegates  
441 for the purpose of determining if any person being considered for election to any judgeship has been  
442 convicted of a crime;

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

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

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

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

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

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

466 38. The State Corporation Commission for the purpose of investigating individuals who are current  
467 or proposed members, senior officers, directors, and principals of an applicant or person licensed under  
468 Chapter 16 (§ 6.2-1600 et seq.) or Chapter 19 (§ 6.2-1900 et seq.) of Title 6.2. Notwithstanding any  
469 other provision of law, if an application is denied based in whole or in part on information obtained  
470 from the Central Criminal Records Exchange pursuant to Chapter 16 or 19 of Title 6.2, the  
471 Commissioner of Financial Institutions or his designee may disclose such information to the applicant or  
472 its designee;

473 39. The Department of Professional and Occupational Regulation for the purpose of investigating  
474 individuals for initial licensure pursuant to § 54.1-2106.1;

475 40. The Department for Aging and Rehabilitative Services and the Department for the Blind and  
476 Vision Impaired for the purpose of evaluating an individual's fitness for various types of employment  
477 and for the purpose of delivering comprehensive vocational rehabilitation services pursuant to Article 11  
478 (§ 51.5-170 et seq.) of Chapter 14 of Title 51.5 that will assist the individual in obtaining employment;

479 41. Bail bondsmen, in accordance with the provisions of § 19.2-120;

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

482 43. The Department of Social Services and directors of local departments of social services for the  
483 purpose of screening individuals seeking to enter into a contract with the Department of Social Services  
484 or a local department of social services for the provision of child care services for which child care  
485 subsidy payments may be provided;

486 44. The Department of Juvenile Justice to investigate any parent, guardian, or other adult members of  
487 a juvenile's household when completing a predispositional or postdispositional report required by §  
488 16.1-273 or a Board of Juvenile Justice regulation promulgated pursuant to § 16.1-233; and

489 45. Other entities as otherwise provided by law.



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

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

B. Use of criminal history record information disseminated to noncriminal justice agencies under this section shall be limited to the purposes for which it was given and may not be disseminated further.

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

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

E. Criminal history information provided to licensed nursing homes, hospitals and to home care organizations pursuant to subdivision A 15 shall be limited to the convictions on file with the Exchange for any offense specified in §§ 32.1-126.01, 32.1-126.02, and 32.1-162.9:1.

F. Criminal history information provided to licensed assisted living facilities and licensed adult day care centers pursuant to subdivision A 16 shall be limited to the convictions on file with the Exchange for any offense specified in § 63.2-1720.

G. Criminal history information provided to public agencies pursuant to subdivision A 36 shall be limited to the convictions on file with the Exchange for any offense set forth in clause (i) of the definition of barrier crime in § 19.2-392.02.

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

I. Nothing in this section shall preclude the dissemination of a person's criminal history record information pursuant to the rules of court for obtaining discovery or for review by the court.

#### **§ 37.2-304. Duties of Commissioner.**

The Commissioner shall be the chief executive officer of the Department and shall have the following duties and powers:

1. To supervise and manage the Department and its state facilities.
2. To employ the personnel required to carry out the purposes of this title.
3. To make and enter into all contracts and agreements necessary or incidental to the performance of the Department's duties and the execution of its powers under this title, including contracts with the United States, other states, and agencies and governmental subdivisions of the Commonwealth, consistent with policies and regulations of the Board and applicable federal and state statutes and regulations.

4. To accept, hold, and enjoy gifts, donations, and bequests on behalf of the Department from the United States government, agencies and instrumentalities thereof, and any other source, subject to the approval of the Governor. To these ends, the Commissioner shall have the power to comply with conditions and execute agreements that may be necessary, convenient, or desirable, consistent with policies and regulations of the Board.

551 5. To accept, execute, and administer any trust in which the Department may have an interest, under  
552 the terms of the instruments creating the trust, subject to the approval of the Governor.

553 6. To transfer between state hospitals and training centers school-age individuals who have been  
554 identified as appropriate to be placed in public school programs and to negotiate with other school  
555 divisions for placements in order to ameliorate the impact on those school divisions located in a  
556 jurisdiction in which a state hospital or training center is located.

557 7. To provide to the Director of the Commonwealth's designated protection and advocacy system,  
558 established pursuant to § 51.5-39.13, a written report setting forth the known facts of (i) critical  
559 incidents, as that term is defined in § 37.2-709.1, or deaths of individuals receiving services in facilities  
560 and (ii) serious injuries, as that term is defined in regulations adopted by the Board pursuant to  
561 § 37.2-400, or deaths of individuals receiving services in programs operated or licensed by the  
562 Department within 15 working days of the critical incident, serious injury, or death.

563 8. To work with the appropriate state and federal entities to ensure that any individual who has  
564 received services in a state facility for more than one year has possession of or receives prior to  
565 discharge any of the following documents, when they are needed to obtain the services contained in his  
566 discharge plan: a Department of Motor Vehicles approved identification card that will expire 90 days  
567 from issuance, a copy of his birth certificate if the individual was born in the Commonwealth, or a  
568 social security card from the Social Security Administration. State facility directors, as part of their  
569 responsibilities pursuant to § 37.2-837, shall implement this provision when discharging individuals.

570 9. To work with the Department of Veterans Services and the Department for Aging and  
571 Rehabilitative Services to establish a program for mental health and rehabilitative services for Virginia  
572 veterans and members of the Virginia National Guard and Virginia residents in the Armed Forces  
573 Reserves not in active federal service and their family members pursuant to § 2.2-2001.1.

574 10. To establish and maintain a pharmaceutical and therapeutics committee composed of  
575 representatives of the Department of Medical Assistance Services, state facilities operated by the  
576 Department, community services boards, at least one health insurance plan, and at least one individual  
577 receiving services to develop a drug formulary for use at all community services boards, state facilities  
578 operated by the Department, and providers licensed by the Department.

579 11. To establish and maintain the Commonwealth Mental Health First Aid Program pursuant to  
580 § 37.2-312.2.

581 12. To submit a report for the preceding fiscal year by December 1 of each year to the Governor and  
582 the Chairmen of the House Appropriations and Senate Finances Committees that provides information  
583 on the operation of Virginia's publicly funded behavioral health and developmental services system. The  
584 report shall include a brief narrative and data on the number of individuals receiving state facility  
585 services or community services board services, including purchased inpatient psychiatric services; the  
586 types and amounts of services received by these individuals; and state facility and community services  
587 board service capacities, staffing, revenues, and expenditures. The annual report shall describe major  
588 new initiatives implemented during the past year and shall provide information on the accomplishment  
589 of systemic outcome and performance measures during the year.

590 13. *To administer the Problem Gambling Treatment and Support Fund established pursuant to*  
591 *§ 37.2-314.1.*

592 Unless specifically authorized by the Governor to accept or undertake activities for compensation, the  
593 Commissioner shall devote his entire time to his duties.

594 **§ 37.2-314.1. Problem Gambling Treatment and Support Fund.**

595 *There is hereby created in the state treasury a special nonreverting fund to be known as the Problem*  
596 *Gambling Treatment and Support Fund, referred to in this section as "the Fund." The Fund shall be*  
597 *established on the books of the Comptroller. All moneys required to be deposited into the Fund pursuant*  
598 *to Chapter 41 (§ 58.1-4100 et seq.) of Title 58.1 shall be paid into the state treasury and credited to the*  
599 *Fund. Interest earned on moneys in the Fund shall remain in the Fund and be credited to it. Any*  
600 *moneys remaining in the Fund, including interest thereon, at the end of each fiscal year shall not revert*  
601 *to the general fund but shall remain in the Fund. Moneys in the Fund shall be used solely for the*  
602 *purposes of (i) providing counseling and other support services for compulsive and problem gamblers,*  
603 *(ii) developing and implementing compulsive and problem gambling treatment and prevention programs,*  
604 *and (iii) providing grants to support organizations that provide assistance to compulsive and problem*  
605 *gamblers. Expenditures and disbursements from the Fund shall be made by the State Treasurer on*  
606 *warrants issued by the Comptroller upon written request signed by the Commissioner.*

607 **§ 58.1-4002. Definitions.**

608 *For the purposes of this chapter As used in this chapter, unless the context requires a different*  
609 *meaning:*

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

611 "Casino gaming" means baccarat, blackjack, twenty-one, poker, craps, dice, slot machines, sports  
612 betting, roulette wheels, Klondike tables, punchboards, faro layouts, keno layouts, numbers tickets, push

cards, jar tickets, or pull tabs and any other activity that is authorized by the Board as a wagering game or device under Chapter 41 (§ 58.1-4100 et seq.).

"Department" means the independent agency responsible for the administration of the Virginia Lottery created in this chapter.

"Director" means the Director of the Virginia Lottery.

"Lottery" or "state lottery" means the lottery or lotteries established and operated pursuant to this chapter.

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

#### § 58.1-4006. Powers of the Director.

A. The Director shall supervise and administer the:

1. The operation of the lottery in accordance with the provisions of this chapter and with the rules and regulations promulgated hereunder; and

2. The regulation of casino gaming in accordance with Chapter 41 (§ 58.1-4100 et seq.).

B. The Director shall also:

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

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

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

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

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

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

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

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

9. Report monthly to the Governor, the Secretary of Finance, and the Chairmen of the Senate Committee on Finance Committee, House Committee on Finance Committee, and House Committee on Appropriations Committee the total lottery revenues, prize disbursements, and other expenses for the preceding month; and make an annual report, which shall include a full and complete statement of lottery revenues, prize disbursements, and other expenses, to the Governor and the General Assembly. Such annual report shall also include such recommendations for changes in this chapter as the Director and Board deem necessary or desirable.

10. Report immediately to the Governor and the General Assembly any matters which that require immediate changes in the laws of this the Commonwealth in order to prevent abuses and evasions of this chapter or the rules and regulations adopted hereunder or to rectify undesirable conditions in connection with the administration or operation of the lottery or the regulation of casino gaming.

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

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

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

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

#### CHAPTER 41.

#### CASINO GAMING.

#### Article 1.

*General Provisions.***§ 58.1-4100. Definitions.**

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

*"Adjusted gross receipts" means the gross receipts from casino gaming less winnings paid to winners.*

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

*"Casino gaming" or "game" means baccarat, blackjack, twenty-one, poker, craps, dice, slot machines, sports betting, roulette wheels, Klondike tables, punchboards, faro layouts, keno layouts, numbers tickets, push cards, jar tickets, or pull tabs and any other activity that is authorized by the Board as a wagering game or device under this chapter.*

*"Casino gaming establishment" means the premises upon which lawful casino gaming is authorized and licensed as provided in this chapter. "Casino gaming establishment" does not include a riverboat or similar vessel.*

*"Cheat" means to alter the selection criteria that determine the result of a game or the amount or frequency of payment in a game for the purpose of obtaining an advantage for one or more participants in a game over other participants in a game.*

*"College Sports" means an athletic event in which at least one participant is a team from a public or private institute of higher education.*

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

*"Entity" means a person that is not a natural person.*

*"Gaming operation" means the conduct of authorized casino gaming within a casino gaming establishment.*

*"Gross receipts" means the total amount of money exchanged for the purchase of chips, tokens, or electronic cards by casino gaming patrons.*

*"Immediate family" means (i) a spouse and (ii) any other person residing in the same household as an officer or employee and who is a dependent of the officer or employee or of whom the officer or employee is a dependent.*

*"Individual" means a natural person.*

*"Licensee" or "license holder" means any person holding an operator's license under § 58.1-4111.*

*"Permit holder" means any person holding a supplier or service permit pursuant to this chapter.*

*"Person" means an individual, partnership, joint venture, association, limited liability company, stock corporation, or nonstock corporation and includes any person that directly or indirectly controls or is under common control with another person.*

*"Principal" means any individual who solely or together with his immediate family members (i) owns or controls, directly or indirectly, five percent or more of the pecuniary interest in any entity that is a licensee or (ii) has the power to vote or cause the vote of five percent or more of the voting securities or other ownership interests of such entity, and any person who manages a gaming operation on behalf of a licensee.*

*"Professional sports" means an athletic event involving at least two competing individuals who receive compensation, in excess of their expenses, for participating in such event.*

*"Security" has the same meaning as provided in § 13.1-501. If the Board finds that any obligation, stock, or other equity interest creates control of or voice in the management operations of an entity in the manner of a security, then such interest shall be considered a security.*

*"Sports betting" means placing wagers on professional sports and college sports.*

*"Supplier" means any person that sells or leases, or contracts to sell or lease, any casino gaming equipment, devices, or supplies, or provides any management services, to a licensee.*

*"Voluntary exclusion program" means a program established by the Board that allows individuals to voluntarily exclude themselves from the gaming areas of facilities under the jurisdiction of the Board by placing their name on a voluntary exclusion list and following the procedures set forth by the Board.*

*"Youth sports" means an athletic event (i) involving a participant under age 18 or (ii) in which at least one participant is a team from a public or private elementary, middle, or secondary school, regardless of where such school is located.*

**§ 58.1-4101. Regulation and control of casino gaming; limitation.**

*A. Casino gaming shall be licensed and permitted as herein provided to benefit the people of the Commonwealth. The Board is vested with control of all casino gaming in the Commonwealth, with authority to prescribe regulations and conditions under this chapter. The purposes of this chapter are to assist economic development, promote tourism, and provide for the implementation of casino gaming operations of the highest quality, honesty, and integrity and free of any corrupt, incompetent, dishonest, or unprincipled practices.*

*B. The conduct of casino gaming shall be limited to:*

*1. Any city in which at least 40 percent of the assessed value of all real estate situated in the*

locality is exempt from local property taxation pursuant to federal law or Article X, Section 6, 6-A, or 6-B of the Constitution of Virginia;

2. Any city that had (i) a rate of unemployment of at least four percentage points higher than the statewide average, (ii) a poverty rate of at least 20 percent, and (iii) a population decrease in the locality of at least 20 percent from the previous year, all computed as of November 2017; and

3. Any city that had (i) a rate of unemployment of at least four percentage points higher than the statewide average, (ii) a poverty rate of at least 22 percent, and (iii) a population decrease in the locality of at least 20 percent from the previous year, all computed as of November 2017, and that is located adjacent to a state that has adopted a Border Region Retail Tourism Development District Act.

C. The conduct of any casino gaming establishment and entrance to such establishment is a privilege that may be granted or denied by the Board or its duly authorized representatives in its discretion in order to effectuate the purposes set forth in this chapter. Any proposed site for a casino gaming establishment shall be privately owned property subject to the local land use and property taxation authority of the locality in which the casino gaming establishment is located.

**§ 58.1-4102. Powers and duties of the Board; regulations.**

A. The Board shall have the power and duty to:

1. Issue permits and licenses under this chapter and supervise all gaming operations licensed under the provisions of this chapter, including all persons conducting or participating in any gaming operation. The Board shall employ such persons to be present during gaming operations as are necessary to ensure that such gaming operations are conducted with order and the highest degree of integrity. The Board may eject or exclude from a casino gaming establishment any person, whether or not he possesses a license or permit, whose conduct or reputation is such that his presence may, in the opinion of the Board, reflect negatively on the honesty and integrity of casino gaming or interfere with the orderly gaming operations.

2. Adopt regulations regarding the conditions under which casino gaming shall be conducted in the Commonwealth and all such other regulations it deems necessary and appropriate to further the purposes of this chapter.

3. Issue an operator's license only to a person who meets the criteria of § 58.1-4111.

4. Inspect, investigate, and have free access to the offices, facilities, or other places of business of any licensee or permit holder and may compel the production of any of the books, documents, records, or memoranda of any licensee or permit holder for the purpose of satisfying itself that this chapter and Board regulations are strictly complied with.

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

6. Compel any person holding a license or permit to file with the Board such information as shall appear to the Board to be necessary for the performance of its duties, including financial statements and information relative to principals and all others with any pecuniary interest in such person. The Board may prescribe the manner in which books and records of such persons shall be kept.

7. Enter into arrangements with any foreign or domestic governmental agency for the purposes of exchanging information or performing any other act to better ensure the proper conduct of gaming operations or the efficient conduct of the Board's duties.

8. Order such audits as it deems necessary and desirable.

9. Provide for the withholding of the applicable amount of state and federal income tax of persons claiming a prize or payoff for winning a game and establish the thresholds for such withholdings.

10. Submit an annual report to the Governor and the General Assembly, including a financial statement of the operation of the Board.

B. The Board and its Director shall have the power, authority, and duties of peace officers for the purposes of enforcing the provisions of this chapter. Upon the receipt of a credible complaint of an alleged criminal violation of this chapter, the Board shall immediately report the complaint to the Attorney General and the State Police for appropriate action.

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

A. The Board shall adopt regulations to establish and implement a voluntary exclusion program in the Commonwealth.

B. The regulations shall include the following provisions:

1. Except as provided by rule of the Board, an individual who participates in the voluntary exclusion program agrees to be excluded from entering a casino gaming establishment or other facility under the jurisdiction of the Board.

2. The name of an individual participating in the program shall be included on a list of individuals excluded from all casino gaming establishments or other facilities under the jurisdiction of the Board.

3. Except as provided by rule of the Board, an individual who participates in the voluntary exclusion

797 program may not petition the Board for readmittance to any casino gaming establishment or other  
798 facility under the jurisdiction of the Board.

799 4. The list of participants in the voluntary exclusion program and the personal information of the  
800 participants shall be confidential with dissemination by the Board limited to the owner or operator of a  
801 casino gaming establishment for purposes of enforcement and to other entities, upon request by the  
802 participant and agreement by the Board.

803 5. The operator of a casino gaming establishment shall make all reasonable attempts as determined  
804 by the Board to cease all direct marketing efforts to an individual participating in the program. An  
805 individual's participation in the voluntary exclusion program shall not preclude an operator from  
806 seeking the payment of a debt accrued by such individual prior to entering the program.

807 **§ 58.1-4104. Fingerprints and background investigations.**

808 The Board shall require a background investigation, including a criminal history records check and  
809 fingerprinting, of the following individuals by a representative of a law-enforcement agency of the  
810 Commonwealth or federal government: (i) every individual applying for a license or permit pursuant to  
811 this chapter; (ii) every individual who is an officer, director, or principal of a licensee or applicant for  
812 a license and every employee of the licensee who conducts gaming operations; (iii) all security  
813 personnel of any licensee; (iv) employees of the Board; (v) all permit holders and officers, directors,  
814 principals, and employees of permit holders whose duties relate to gaming operations in Virginia; and  
815 (vi) any other individual who the Board determines actively participates in the casino gaming activities  
816 of any licensee or permit holder or applicant for a license or permit.

817 **§ 58.1-4105. Hearing and appeal.**

818 Any person aggrieved by a refusal of the Board to issue any license or permit, the suspension or  
819 revocation of a license or permit, the imposition of a fine, or any other action of the Board may seek  
820 review of such action in accordance with Article 5 (§ 2.2-4025 et seq.) of the Administrative Process Act  
821 in the Circuit Court of the City of Richmond. Further appeals shall also be in accordance with Article 5  
822 of the Administrative Process Act.

823 **§ 58.1-4106. Injunction.**

824 The Board may apply to the appropriate circuit court for an injunction against any person who has  
825 violated or may violate any provision of this chapter or any regulation or final decision of the Board.  
826 The order granting or refusing such injunction shall be subject to appeal as in other cases in equity.

827 **Article 2.**

828 **Licenses.**

829 **§ 58.1-4107. Operator's license required; license may be transferred under certain conditions.**

830 A. No person shall operate a gaming operation unless he has obtained an operator's license issued  
831 by the Board in accordance with the provisions of this chapter.

832 B. A license issued under the provisions of this chapter shall be transferrable, provided the Board  
833 has approved the proposed transfer and all licensure requirements are satisfied at the time the transfer  
834 takes effect.

835 **§ 58.1-4108. Application for operator's license; penalty.**

836 A. Any person desiring to operate a gaming operation shall file with the Board an application for an  
837 operator's license. Such application shall be filed at the place prescribed by the Board and shall be in  
838 such form and contain such information as prescribed by the Board, including but not limited to the  
839 following:

840 1. The name and address of such person; if a corporation, the state of its incorporation, the full  
841 name and address of each officer and director thereof, and, if a foreign corporation, whether it is  
842 qualified to do business in the Commonwealth; if a partnership or joint venture, the name and address  
843 of each general partner thereof; if a limited liability company, the name and address of each manager  
844 thereof; or if another entity, the name and address of each person performing duties similar to those of  
845 officers, directors, and general partners;

846 2. The name and address of each principal and of each person who has contracted to become a  
847 principal of the applicant, including providing management services with respect to any part of gaming  
848 operations; the nature and cost of such principal's interest; and the name and address of each person  
849 who has agreed to lend money to the applicant;

850 3. Such information as the Board considers appropriate regarding the character, background, and  
851 responsibility of the applicant and the principals, officers, and directors of the applicant;

852 4. A description of the casino gaming establishment in which such gaming operations are to be  
853 conducted and the city where such casino gaming establishment will be located. The Board shall require  
854 such information about a casino gaming establishment and its location as it deems necessary and  
855 appropriate to determine whether it complies with the minimum standards provided in this chapter and  
856 whether gaming operations at such location will be in furtherance of the purposes of this chapter;

857 5. Such information relating to the financial responsibility of the applicant and the applicant's ability  
858 to perform under its license as the Board considers appropriate;

6. If any of the facilities necessary for the conduct of gaming operations are to be leased, the terms of such lease;

7. Evidence of compliance by the applicant with the economic development and land use plans and design review criteria of the local governing body of the locality in which the casino gaming establishment is proposed to be located, including certification that the project complies with all applicable land use ordinances pursuant to Chapter 22 (§ 15.2-2200 et seq.) of Title 15.2;

8. A resolution adopted by the locality in which the casino gaming establishment is proposed to be located affirming support for such application; and

9. Any other information that the Board in its discretion considers appropriate.

B. A nonrefundable application fee of \$50,000 shall be paid at the time of filing to defray the costs associated with the background investigation conducted by the Board. If the reasonable costs of the investigation exceed the application fee, the applicant shall pay the additional amount to the Board. The Board may establish regulations calculating the reasonable costs to the Board in performing its functions under this chapter and allocating such costs to the applicants for licensure

C. Any application filed hereunder shall be verified by the oath or affirmation of the applicant. Any person who knowingly makes a false statement on an application is guilty of a Class 4 felony.

D. The licensed operator shall be the person primarily responsible for the gaming operations under his license and compliance of such operations with the provisions of this chapter.

**§ 58.1-4109. Notice to local government body; local impact.**

The Board shall notify the local governing body and the chief law-enforcement officer of the locality where a proposed casino gaming establishment will be located within 15 days of the filing of the application. Within 90 days of receipt of the notification from the Board, the local governing body shall submit any comments it may have in writing on the proposed casino gaming establishment and indicate whether the locality supports the proposition.

**§ 58.1-4110. Issuance of operator's license.**

A. The Board may issue an operator's license to a person only if it finds that:

1. The casino gaming establishment the applicant proposes to use on a permanent basis is or will be appropriate for gaming operations consistent with the purposes of this chapter;

2. The locality where the casino gaming establishment will be located certifies that the proposed project complies with all applicable land use ordinances pursuant to Chapter 22 (§ 15.2-2200 et seq.) of Title 15.2;

3. Any required local infrastructure or site improvements, including necessary sewerage, water, drainage facilities, or traffic flow are to be paid exclusively by the applicant without state or local financial assistance.

4. If the applicant is an entity, its securities are fully paid and, in the case of stock, nonassessable and have been subscribed and will be paid for only in cash or property to the exclusion of past services;

5. All principals meet the criteria of this subsection and have submitted to the jurisdiction of the Virginia courts, and all nonresident principals have designated the Director as their agent for receipt of process;

6. If the applicant is an entity, it has the right to purchase at fair market value the securities of, and require the resignation of, any person who is or becomes disqualified under subsection B;

7. The applicant meets any other criteria established by this chapter and the Board for the granting of an operator's license;

8. The applicant is qualified to do business in Virginia or is subject to the jurisdiction of the courts of the Commonwealth; and

9. The applicant has not previously been denied a license pursuant to subsection B.

B. The Board shall deny a license to an applicant if it finds that for any reason the issuance of a license to the applicant would reflect adversely on the honesty and integrity of the casino gaming industry in the Commonwealth or that the applicant, or any officer, principal, manager, or director of the applicant:

1. Is or has been guilty of any illegal act, conduct, or practice in connection with gaming operations in this or any other state or has been convicted of a felony;

2. Has had a license or permit to hold or conduct a gaming operation denied for cause, suspended, or revoked, in this or any other state or country, unless the license or permit was subsequently granted or reinstated;

3. Has at any time during the previous five years knowingly failed to comply with the provisions of this chapter or any Board regulation;

4. Has knowingly made a false statement of material fact to the Board or has deliberately failed to disclose any information requested by the Board;

5. Has defaulted in the payment of any obligation or debt due to the Commonwealth and has not

920 cured such default; or

921 6. Has operated or caused to be operated a casino gaming establishment for which a license is  
922 required under this chapter without obtaining such license.

923 C. The Board shall make a determination regarding whether to issue the operator's license within 60  
924 days of the receipt of a completed application.

925 **§ 58.1-4111. Duration and form of operator's license; bond.**

926 A. A license issued under this chapter shall be for the period set by the Board, which shall be no  
927 less than 10 years, but shall be reviewed no less frequently than annually to determine compliance with  
928 this chapter and Board regulations. The Board shall establish criteria and procedures for license  
929 renewal and for amending licenses to conform to changes in a licensee's gaming operations. Renewal  
930 shall not be unreasonably refused.

931 B. The Board shall require a bond with surety acceptable to it, and in an amount determined by it,  
932 to be sufficient to cover any indebtedness incurred by the licensee to the Commonwealth.

933 **§ 58.1-4112. Records to be kept; reports.**

934 A. A licensed operator shall keep his books and records so as to clearly indicate the total amount of  
935 gross receipts and adjusted gross receipts.

936 B. The licensed operator shall furnish to the Board reports and information as the Board may  
937 require with respect to its activities on forms designated and supplied for such purpose by the Board.

938 C. The books and records required under this section to be kept by a licensed operator are public  
939 records and the examination, publication, and dissemination of the books and records are governed by  
940 the provisions of the Virginia Freedom of Information Act (§ 2.2-3700 et seq.).

941 **§ 58.1-4113. Audit or financial review of licensed gaming operations.**

942 Within 90 days after the end of each year, the licensed operator shall transmit to the Board an audit  
943 or financial review of the financial transactions and condition of the licensee's total operations. All  
944 audits and financial reviews required by this section shall conform to Board regulations.

945 Article 3.

946 Supplier's Permits.

947 **§ 58.1-4114. Supplier's permits; penalty.**

948 A. The Board may issue a supplier's permit to any person upon application and payment of a  
949 nonrefundable application fee set by the Board, a determination by the Board that the applicant is  
950 eligible for a supplier's permit, and payment of a \$5,000 initial permit fee. A supplier's permit shall be  
951 renewed annually at a fee to be determined by the Board, not to exceed \$5,000, and is not transferable.

952 B. The holder of a supplier's permit may sell or lease, or contract to sell or lease, casino gaming  
953 equipment and supplies, or provide management services, to any licensee involved in the ownership or  
954 management of gaming operations to the extent provided in the permit.

955 C. Gaming equipment, devices, and supplies shall not be distributed unless such equipment, devices,  
956 and supplies conform to standards adopted by the Board.

957 D. A person is ineligible to receive a supplier's permit if:

958 1. The person has been convicted of a felony under the laws of the Commonwealth or any other state  
959 or of the United States;

960 2. The person has submitted an application for a license under this chapter that contains false  
961 information;

962 3. The person is a member or employee of the Board;

963 4. The person is an entity in which a person defined in subdivision 1, 2, or 3 is an officer, director,  
964 principal, or managerial employee;

965 5. The firm or corporation employs a person who participates in the management or operation of  
966 casino gaming authorized under this chapter; or

967 6. A prior permit issued to such person to own or operate casino gaming facilities or supply goods  
968 or services to a gaming operation under this chapter or any laws of any other jurisdiction has been  
969 revoked.

970 E. Any person that supplies any casino gaming equipment, devices, or supplies to a licensed gaming  
971 operation or manages any operation, including a computerized network, of a casino gaming  
972 establishment shall first obtain a supplier's permit. A supplier shall furnish to the Board a list of all  
973 management services, equipment, devices, and supplies offered for sale or lease in connection with the  
974 games authorized under this chapter. A supplier shall keep books and records for the furnishing of  
975 casino gaming equipment, devices, and supplies to gaming operations separate and distinct from any  
976 other business that the supplier might operate. A supplier shall file a quarterly return with the Board  
977 listing all sales and leases for which a permit is required. A supplier shall permanently affix its name to  
978 all its equipment, devices, and supplies for gaming operations. Any supplier's equipment, devices, or  
979 supplies that are used by any person in an unauthorized gaming operation shall be forfeited to the  
980 Commonwealth.

981 F. A licensed operator may operate its own equipment, devices, and supplies and may utilize casino



gaming equipment, devices, and supplies at such locations as may be approved by the Board for the purpose of training enrollees in a school operated by the licensee to train persons who desire to become qualified for employment or promotion in gaming operations. The Board may establish rules for the conduct of any such schools.

G. Each holder of an operator's license under this chapter shall file an annual report listing its inventories of casino gaming equipment, devices, and supplies related to its operations in Virginia.

H. Any person who knowingly makes a false statement on an application for a supplier's permit is guilty of a Class 4 felony.

**§ 58.1-4115. Denial of permit final.**

The denial of a supplier's permit by the Board shall be final unless appealed under § 58.1-4105. A permit may not be applied for again for a period of five years from the date of denial without the permission of the Board.

**Article 4.**

**Suspension and Revocation of Licenses and Supplier's Permits; Acquisition of Interest in Licensee or Holder of Supplier's Permit.**

**§ 58.1-4116. Suspension or revocation of license or permit.**

After a hearing, the Board may suspend or revoke any license or supplier's permit, or assess a civil penalty against the holder thereof in a sum not to exceed \$100,000, in any case where it has reason to believe that any provision of this chapter, or any regulation or condition of the Board, has not been complied with or has been violated. The Board may revoke or suspend such license or permit if it finds that facts not known by it at the time it considered the application indicate that such license or permit should not have been issued. Deliberations of the Board hereunder shall be conducted pursuant to the provisions of the Virginia Freedom of Information Act (§ 2.2-3700 et seq.). If any such license or permit is suspended or revoked, the Board shall state its reasons for doing so, which shall be entered of record. Such action shall be final unless appealed in accordance with § 58.1-4105. Suspension or revocation of a license or permit by the Board for any violation shall not preclude criminal liability for such violation.

**§ 58.1-4117. Acquisition of interest in licensee or permit holder.**

The Board shall require any person desiring to become a principal of, or other investor in, any licensee or holder of a supplier's permit to apply to the Board for approval and may demand such information of the applicant as it finds necessary. The Board shall consider such application within 60 days of its receipt and if in its judgment the acquisition by the applicant would be detrimental to the public interest, to the honesty and integrity of gaming operations, or to its reputation, the application shall be denied. All reasonable costs for review by the Board shall be borne by the applicant.

**Article 5.**

**Service Permits.**

**§ 58.1-4118. Service permit required.**

No person shall participate in any gaming operation as a casino gaming employee, concessionaire, or employee thereof or other occupation the Board considers necessary to regulate in order to ensure the integrity of casino gaming in the Commonwealth unless such person possesses a service permit to perform such occupation issued by the Board and complies with the provisions of this chapter and all Board regulations. A service permit issued under the provisions of this chapter may be transferable upon approval of the Board.

**§ 58.1-4119. Application for service permit.**

A. Any person desiring to obtain a service permit as required by this chapter shall apply on a form prescribed by the Board. The application shall be accompanied by a fee prescribed by the Board.

B. Any application filed hereunder shall be verified by the oath or affirmation of the applicant.

**§ 58.1-4120. Consideration of service permit application.**

A. The Board shall promptly consider any application for a service permit and issue or deny such service permit based on the information in the application and all other information before it, including any investigation it considers appropriate. If an application for a service permit is approved, the Board shall issue a service permit, containing such information as the Board considers appropriate. Such service permit shall be valid for one year. The Board shall establish criteria and procedures for service permit renewal.

B. The Board shall deny the application and refuse to issue the service permit, which denial shall be final unless an appeal is taken under § 58.1-4105, if it finds that the issuance of such service permit to such applicant would not be in the best interests of the Commonwealth or would reflect negatively on the honesty and integrity of casino gaming in the Commonwealth or that the applicant:

1. Has knowingly made a false statement of a material fact in the application or has deliberately failed to disclose any information requested by the Board;

2. Is or has been guilty of any corrupt or fraudulent practice or conduct in connection with gaming

operations in this or any other state;

3. Has knowingly failed to comply with the provisions of this chapter or the regulations of the Board;

4. Has had a service permit to engage in activity related to casino gaming denied for cause, suspended, or revoked in this or any other state, and such denial, suspension, or revocation is still in effect;

5. Is unqualified to perform the duties required for the service permit sought; or

6. Has been convicted of a misdemeanor or felony involving unlawful conduct of wagering, fraudulent use of a gaming credential, unlawful transmission of information, touting, bribery, embezzlement, administration or possession of drugs, or any crime considered by the Board to be detrimental to the honesty and integrity of casino gaming in the Commonwealth.

C. The Board may refuse to issue a service permit if for any reason it determines the granting of such service permit is not consistent with the provisions of this chapter or its responsibilities or any regulations promulgated by any other agency of the Commonwealth.

**§ 58.1-4121. Suspension or revocation of service permit; civil penalty.**

The Board may suspend or revoke a service permit issued under this chapter or assess a civil penalty against the holder of such permit in a sum not to exceed \$10,000, after a hearing for which proper notice has been given to the permit holder, in any case where it has reason to believe that any provision of this chapter or any regulation, order, or condition of the Board has not been complied with or has been violated. The Board may revoke or suspend such service permit, after such hearing, if it finds that facts not known by it at the time it was considering the application indicate that such permit should not have been issued. If any service permit is suspended or revoked, the Board shall state its reasons for doing so, which shall be entered of record. Such action shall be final unless an appeal is taken in accordance with § 58.1-4105. Suspension or revocation of a service permit by the Board for any violation shall not preclude criminal liability for such violation.

**Article 6.**

**Conduct of Casino Gaming.**

**§ 58.1-4122. Conduct of casino gaming.**

A. Casino gaming may be conducted by licensed operators, subject to the following:

1. Minimum and maximum wagers on games shall be set by the licensee.

2. Agents of the Board, the Department of State Police, and the local law-enforcement and fire departments may enter any casino gaming establishment and inspect such facility at any time for the purpose of determining compliance with this chapter and other applicable fire prevention and safety laws.

3. Employees of the Board shall have the right to be present in any facilities under the control of the licensee.

4. Gaming equipment, devices, and supplies customarily used in conducting casino gaming shall be purchased or leased only from suppliers holding permits for such purpose under this chapter.

5. Persons licensed under this chapter shall permit no form of wagering on games except as permitted by this chapter.

6. Wagers may be received only from a person present at the licensed casino gaming establishment. No person present at such facility shall place or attempt to place a wager on behalf of another person who is not present at the facility.

7. No person under age 21 shall be permitted to make a wager under this chapter or be present where casino gaming is being conducted.

8. No person shall place or accept a wager on youth sports.

9. No licensee or permit holder shall accept postdated checks in payment for participation in any gaming operation. No licensee or permit holder, or any person on the premises of a casino gaming establishment, shall extend lines of credit or accept any credit card or other electronic fund transfer in payment for participation in any gaming operation.

B. Casino gaming wagers shall be conducted only with tokens, chips, or electronic cards purchased from a licensed casino gaming operator. Such tokens, chips, or electronic cards may be used only for the purpose of (i) making wagers on games or (ii) donated to a charitable entity granted tax exempt status under § 501(c)(3) of the Internal Revenue Code, provided that the donated tokens, chips, or electronic cards are redeemed by the same charitable entity accepting the donation.

**Article 7.**

**Local Referendum.**

**§ 58.1-4123. Local referendum required.**

A. The Board shall not grant any initial license to operate a casino gaming operation until a referendum approving the question is held in each city in which such casino gaming operation is to be located.

B. The governing body of any city shall petition the court, by resolution, asking that a referendum be

held on the question of whether casino gaming be permitted within the city. The court, by order entered of record in accordance with Article 5 (§ 24.2-681 et seq.) of Chapter 6 of Title 24.2, shall require the regular election officials of the county to open the polls and take the sense of the voters on the question as herein provided.

C. The clerk of such court of record of such city shall publish notice of such election in a newspaper of general circulation in such city once a week for three consecutive weeks prior to such election.

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

"Shall casino gaming be permitted at a casino gaming establishment in \_\_\_\_\_ (name of city and location) as may be approved by the Virginia Lottery Board?

[ ] Yes

[ ] No"

In the blank shall be inserted the name of the city in which such election is held and the proposed location of the casino establishment. Any voter desiring to vote "Yes" shall mark in the square provided for such purpose immediately preceding the word "Yes," leaving the square immediately preceding the word "No" unmarked. Any voter desiring to vote "No" shall mark in the square provided for such purpose immediately preceding the word "No," leaving the square immediately preceding the word "Yes" unmarked.

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

F. A subsequent local referendum shall be required if a license has not been granted by the Board within five years of the court order proclaiming the results of the election.

Article 8.

Taxation.

**§ 58.1-4124. Wagering tax; rate; state and local distribution.**

A. A tax at the rate of ten percent is imposed on the adjusted gross receipts of each licensed operator received from games authorized under this chapter. The taxes imposed by this section shall be paid by the licensed operator to the Board no later than the close of the business day following the day when the adjusted gross receipts were received and shall be accompanied by forms and returns prescribed by the Board. The Board may suspend or revoke the license of an operator for willful failure to submit the wagering tax payment or the return within the specified time.

B. The proceeds from an amount equal to a five percent tax imposed pursuant to subsection A shall be deposited by the Comptroller as follows:

1. One percent shall be paid to the Problem Gambling Treatment and Support Fund established pursuant to § 37.2-314.1.

2. Fifty percent shall be paid to the Virginia Public School Construction Grants Program and Fund established in Chapter 11.1 (§ 22.1-175.1 et seq.) of Title 22.1.

3. The remainder shall be paid into the general fund. From this amount a sum sufficient shall be appropriated to fund the operations of the Board related to the administration and regulation of casino gaming pursuant to this chapter.

C. The proceeds from an amount equal to a five percent tax imposed pursuant to subsection A shall be deposited by the Comptroller to the State Local Casino Gaming Proceeds Fund established pursuant to § 58.1-4125.

**§ 58.1-4125. State Local Casino Gaming Proceeds Fund.**

There is hereby created in the state treasury a special nonreverting fund to be known as the State Local Casino Gaming Proceeds Fund, referred to in this section as "the Fund." The Fund shall be established on the books of the Comptroller. All moneys required to be deposited into the Fund pursuant to this chapter shall be paid into the state treasury and credited to the Fund. 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. Expenditures from the Fund shall be made pursuant to § 58.1-4126 in proportion to the quarterly adjusted gross receipts tax by the Comptroller no later than the twentieth day of the month immediately following the end of the calendar quarter. To facilitate such payments, the Board shall provide a written certificate to the Comptroller reporting the most recent quarterly adjusted gross receipts generated in each city not later than the tenth day of the month immediately following the end of the calendar quarter.

**§ 58.1-4126. Disbursement to localities where casino gaming establishment located; Regional Improvement Commission established.**

A. Quarterly disbursements made to any city in which a casino gaming establishment is located pursuant to subdivision B 1 of § 58.1-4101 shall be allocated as follows:

1. Twenty-five percent to the city in which a casino gaming establishment is located; and
2. Seventy-five percent to be divided equally among those localities in the transportation district created pursuant to the Transportation District Act of 1964 (§ 33.2-1900 et seq.) in which the city with casino gaming establishment is located.

B. Quarterly disbursements made to any city in which a casino gaming establishment is located pursuant to subdivision B 2 of § 58.1-4101 shall be paid directly to the locality.

C. Quarterly disbursements made to any city in which a casino gaming establishment is located pursuant to subdivision B 2 of § 58.1-4101 shall be paid to the Regional Improvement Commission established pursuant to subsection D.

D. There is hereby established the Regional Improvement Commission (the Commission). The membership of the Commission shall consist of one member appointed by the local governing body of each jurisdiction comprising the transportation district created pursuant to the Transportation District Act of 1964 (§ 33.2-1900 et seq.) in which the city with the casino gaming establishment is located. Each member shall be appointed to serve a two-year term.

The purpose of the Commission shall be to (i) receive disbursements made pursuant to subsection B; (ii) establish funding priorities for member localities related to improvements in the areas of education, transportation, and public safety; and (iii) make annual payments divided equally among the jurisdictions to fund the established priorities as determined by the Commission.

#### Article 9.

#### Prohibited Acts; Penalties.

#### § 58.1-4127. *Illegal operation; penalty.*

A. No person shall:

1. Operate casino gaming where wagering is used or to be used without a license issued by the Board.

2. Operate casino gaming where wagering is permitted other than in the manner specified by this chapter.

3. Offer, promise, or give anything of value or benefit to a person who is connected with a gaming operation, including an officer or employee of a licensed operator or permit holder, pursuant to an agreement or arrangement or with the intent that the promise or thing of value or benefit will influence the actions of the person to whom the offer, promise, or gift was made in order to affect or attempt to affect the outcome of a game, or to influence official action of a member of the Board or a local governing body.

4. Solicit or knowingly accept a promise of anything of value or benefit while the person is connected with a gaming operation, including an officer or employee of a licensed operator or permit holder, pursuant to an understanding or arrangement or with the intent that the promise or thing of value or benefit will influence the actions of the person to affect or attempt to affect the outcome of a game, or to influence official action of a member of the Board or a local governing body.

5. Use or possess with the intent to use a device to assist in:

a. Projecting the outcome of a game;

b. Keeping track of the cards played;

c. Analyzing the probability of the occurrence of an event relating to a game; or

d. Analyzing the strategy for playing or betting to be used in a game except as permitted by the Board.

6. Cheat at gaming.

7. Manufacture, sell, or distribute any card, chip, dice, game, or device that is intended to be used to violate any provision of this chapter.

8. Alter or misrepresent the outcome of a game on which wagers have been made after the outcome is made sure but before it is revealed to the players.

9. Place a bet after acquiring knowledge, not available to all players, of the outcome of the game that is the subject of the bet or to aid a person in acquiring the knowledge for the purpose of placing a bet contingent on that outcome.

10. Claim, collect, or take, or attempt to claim, collect, or take, money or anything of value in or from a game, with intent to defraud, without having made a wager contingent on winning the game or claim, collect, or take an amount of money or thing of value of greater value than the amount won.

11. Use counterfeit chips or tokens in a game.

12. Possess any key or device designed for the purpose of opening, entering, or affecting the operation of a game, drop box, or electronic or mechanical device connected with the game or for removing coins, tokens, chips, or other contents of a game. This subdivision does not apply to a casino gaming licensee or employee of a casino gaming licensee acting in furtherance of the employee's employment.

*B. Any person convicted of a violation of this section is guilty of a Class 6 felony. In addition, any person convicted of a violation of subsection A shall be barred for life from gaming operations under the jurisdiction of the Board.*

**§ 58.1-4128. Fraudulent use of credential; penalty.**

*Any person other than the lawful holder thereof who has in his possession any credential, license, or permit issued by the Board, or any person who has in his possession any forged or simulated credential, license, or permit of the Board, and who uses such credential, license, or permit for the purposes of misrepresentation, fraud, or touting is guilty of a Class 4 felony.*

*Any credential, license, or permit issued by the Board, if used by the holder thereof for a purpose other than identification and in the performance of legitimate duties in a casino gaming establishment, shall be automatically revoked.*

**§ 58.1-4129. Prohibition on persons under 21 years of age placing wagers and sports betting on youth sports; penalty.**

*A. No person shall wager on or conduct any wagering on the outcome of a game pursuant to the provisions of this chapter unless such person is 21 years of age or older. No person shall accept any wager from a person under age 21.*

*B. No person shall wager on or conduct any wagering on the outcome of a youth sports game. No person shall accept any wager from a person on a youth sports game.*

*C. Violation of this section is a Class 1 misdemeanor.*

**§ 58.1-4130. Conspiracies and attempts to commit violations; penalty.**

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

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

**§ 58.1-4131. Civil penalties.**

*Any person who conducts a gaming operation without first obtaining a license to do so, or who continues to conduct such games after revocation of his license, in addition to other penalties provided, shall be subject to a civil penalty assessed by the Board equal to the amount of gross receipts derived from wagering on games, whether unauthorized or authorized, conducted on the day as well as confiscation and forfeiture of all casino gaming equipment, devices, and supplies used in the conduct of unauthorized games. Any civil penalties collected pursuant to this section shall be payable to the State Treasurer for deposit to the general fund.*

**§ 59.1-364. Control of racing with pari-mutuel wagering.**

*A. Horse racing with pari-mutuel wagering as licensed herein shall be permitted in the Commonwealth for the promotion, sustenance and growth of a native industry, in a manner consistent with the health, safety and welfare of the people. The Virginia Racing Commission is vested with control of all horse racing with pari-mutuel wagering in the Commonwealth, with plenary power to prescribe regulations and conditions under which such racing and wagering shall be conducted, so as to maintain horse racing in the Commonwealth of the highest quality and free of any corrupt, incompetent, dishonest or unprincipled practices and to maintain in such racing complete honesty and integrity. The Virginia Racing Commission shall encourage participation by local individuals and businesses in those activities associated with horse racing.*

*B. The conduct of any horse racing with pari-mutuel wagering participation in such racing or wagering and entrance to any place where such racing or wagering is conducted is a privilege which may be granted or denied by the Commission or its duly authorized representatives in its discretion in order to effectuate the purposes set forth in this chapter.*

*C. The award of any prize money for any pari-mutuel wager placed at a racetrack or satellite facility licensed by the Commission shall not be deemed to be a part of any gaming contract within the purview of § 11-14.*

*D. This section shall not apply to any sports betting or related activity that is lawful under Chapter 41 (§ 58.1-4100 et seq.) of Title 58.1.*

**2. That the provisions of this act may result in a net increase in periods of imprisonment or commitment. Pursuant to § 30-19.1:4 of the Code of Virginia, the estimated amount of the necessary appropriation cannot be determined for periods of imprisonment in state adult correctional facilities; therefore, Chapter 2 of the Acts of Assembly of 2018, Special Session I, requires the Virginia Criminal Sentencing Commission to assign a minimum fiscal impact of \$50,000. Pursuant to § 30-19.1:4 of the Code of Virginia, the estimated amount of the necessary appropriation cannot be determined for periods of commitment to the custody of the Department of Juvenile Justice.**