

21102510D

**HOUSE BILL NO. 1880**

Offered January 13, 2021

Prefiled January 8, 2021

*A BILL to amend and reenact the ninth enactment of Chapter 1217 and the ninth enactment of Chapter 1277 of the Acts of Assembly of 2020 and to amend the Code of Virginia by adding a section numbered 18.2-334.7, relating to illegal gambling; skill games; temporary exemption for truck stops and alcoholic beverage control retail licensees.*

Patrons—Krizek and Webert

Referred to Committee on General Laws

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

**1. That the Code of Virginia is amended by adding a section numbered 18.2-334.7 as follows:**

**§ 18.2-334.7. Temporary exemption; skill games offered at truck stops and ABC retail licensees.**

*A. For purposes of this section:*

*"ABC retail licensee" means a person licensed by the Virginia Alcoholic Beverage Control Authority pursuant to Title 4.1.*

*"Authority" means the Virginia Alcoholic Beverage Control Authority.*

*"Department" means the Virginia Department of Taxation.*

*"Distributor" means any person that (i) manufactures and sells skill games, including software and hardware, and distributes such devices to an ABC retail licensee or a truck stop or (ii) purchases or leases skill games from a manufacturer and provides such devices to an ABC retail licensee or a truck stop, and who otherwise maintains such games and is otherwise responsible for onsite data collection and accounting.*

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

*B. Notwithstanding the provisions of § 18.2-325, (i) a person operating a truck stop may make available for play no more than 20 skill games and (ii) an ABC retail licensee may make available for play no more than six skill games. Only those skill games that were provided by a distributor and available for play in truck stops and ABC retail licensees on June 30, 2020, may operate in Virginia. The total number of machines provided for play in Virginia by a distributor shall not exceed 90 percent of the total number of machines previously reported by that distributor to the Authority on July 1, 2020.*

*C. Distributors shall remit a monthly tax to the Department of \$1,200 for each skill game that such distributor provided for play in Virginia during the previous month. From the tax revenue collected pursuant to this section, the Department shall allocate (i) one percent to the Problem Gambling Treatment and Support Fund established pursuant to § 37.2-314.2; (ii) three percent to the Authority for the purposes of implementing this section; (iii) 33 percent to the localities in which the skill games are located; (iv) one percent to the Family and Children's Trust Fund established pursuant to § 63.2-2100; (v) two percent to the Virginia Breeders Fund established pursuant to § 59.1-372; and (vi) 60 percent to the Commonwealth Transportation Fund established pursuant to § 33.2-1524. Allocation of funds by the Department pursuant to this section shall occur no later than 60 days after such funds are collected. Notwithstanding the provisions of § 58.1-3, the Department shall be permitted to disclose information to the Authority regarding the tax remitted by any distributor pursuant to this section.*

*D. Distributors shall provide a monthly report to the Authority, in such form as required by the Authority, detailing (i) the total number of skill games provided for play in Virginia by the distributor, (ii) the address of each location where skill games are provided for play in Virginia by the distributor, (iii) the total number of skill games provided for play by the distributor at each respective location, (iv) the total amount wagered during the previous month on each skill game provided for play in Virginia by the distributor at each respective location where the skill game was provided, and (v) the total amount of prizes or winnings awarded during the previous month on each skill game provided for play in Virginia by the distributor at each respective location where the skill game was provided. The Authority shall aggregate information collected pursuant to this section and report it to the Governor, the Chairman of the Senate Committee on Finance and Appropriations, and the Chairmen of the House Committees on Appropriations and Finance on a monthly basis.*

INTRODUCED

HB1880

59 *E. No person who is younger than 21 years of age shall be permitted to play such skill games or*  
60 *redeem evidence of winnings therefor.*

61 *F. Any distributor found by the Authority to be in violation of this section shall be subject to a civil*  
62 *penalty of not less than \$25,000 and not more than \$50,000 per incident. Civil penalties collected*  
63 *pursuant to this section shall be paid to the Authority and remitted by the Board to the COVID-19*  
64 *Relief Fund established pursuant to § 2.2-115.1.*

65 **2. That the ninth enactment of Chapter 1217 and the ninth enactment of Chapter 1277 of the Acts**  
66 **of Assembly of 2020 are amended and reenacted as follows:**

67 **9. That the provisions of the first enactment of this act amending the Code of Virginia by**  
68 **adding a section numbered 2.2-115.1 shall become effective on July 1, 2020, and that the**  
69 **remaining provisions of the first enactment of this act shall become effective on July 1, 2021 2022.**

70 **3. That the Virginia Alcoholic Beverage Control Authority shall promulgate regulations to**  
71 **implement the provisions of this act.**

72 **4. That the Virginia Alcoholic Beverage Control Authority shall have the authority to enforce all**  
73 **provisions of this act concerning both Virginia Alcoholic Beverage Control Authority retail**  
74 **licensees and truck stops.**

75 **5. That the provisions of the first enactment of this act shall expire on July 1, 2022.**