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HOUSE BILL NO. 1944

Offered January 13, 2021

Prefiled January 11, 2021

A BILL to amend and reenact § 58.1-4110 of the Code of Virginia, relating to casino gaming; requirements for issuance of operator's license; human trafficking training.

Patrons—Simonds, Convirs-Fowler, Delaney, Aird, Hurst, Krizek, Lopez and Miyares; Senator: Boysko

Referred to Committee on General Laws

Be it enacted by the General Assembly of Virginia:

1. That § 58.1-4110 of the Code of Virginia is amended and reenacted as follows:

§ 58.1-4110. Issuance of operator's license to preferred casino gaming operator; standards for licensure; temporary casino gaming allowed under certain conditions.

A. If a preferred casino gaming operator, as certified by the applicable eligible host city, submits an application that meets the standards for licensure set forth in this article, the Board shall issue an operator's license to such preferred casino gaming operator. The Board shall not consider an application from any applicant that has not been certified as a preferred casino gaming operator by an eligible host city.

B. The Board may issue an operator's license to an applicant only if it finds that:

1. The applicant submits a plan for addressing responsible gaming issues, including the goals of the plan, procedures, and deadlines for implementation of the plan;

2. *The applicant has established a policy requiring all license and permit holders who interact directly with the public in the casino gaming establishment to complete a training course acceptable to the Department in how to recognize and report suspected human trafficking;*

3. 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;

~~3.~~ *4.* The city 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;

~~4.~~ *5.* 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;

~~5.~~ *6.* 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;

~~6.~~ *7.* 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;

~~7.~~ *8.* 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 C;

~~8.~~ *9.* The applicant meets any other criteria established by this chapter and the Board's regulations for the granting of an operator's license;

~~9.~~ *10.* The applicant is qualified to do business in Virginia or is subject to the jurisdiction of the courts of the Commonwealth; and

~~10.~~ *11.* The applicant has not previously been denied a license pursuant to subsection C.

C. 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 Department regulation;

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

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

cured such default; or

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

D. The Board shall make a determination regarding whether to issue the operator's license within 12 months of the receipt of a completed application.

E. The Board shall be limited to the issuance of one operator's license for each eligible host city.

F. The Department may authorize casino gaming to occur on a temporary basis for a period of one year under the following conditions:

1. The request to authorize casino gaming is made by a preferred casino gaming operator that has been issued a license pursuant to this section.

2. The preferred casino gaming operator has submitted as a part of its application for licensure a construction schedule for a casino gaming establishment that has been approved by the eligible host city and the Department.

3. The temporary casino gaming is to be conducted at the same site referenced in the referendum held pursuant to § 58.1-4123.

4. The preferred casino gaming operator has secured suppliers and employees holding the appropriate permits required by this chapter and sufficient for the routine operation of the site where the temporary casino gaming is authorized.

5. A performance bond is posted in an amount acceptable to the Board.

G. No portion of any facility developed with the assistance of any grants or loans provided by a redevelopment and housing authority created pursuant to § 36-4 shall be used as a casino gaming establishment.

The Department may renew the authorization to conduct temporary casino gaming for an additional year if it determines that the preferred casino gaming operator has made a good faith effort to comply with the approved construction schedule.