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HOUSE BILL NO. 1812

Offered January 13, 2021

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A BILL to amend and reenact §§ 2.2-3711, 58.1-4100, 58.1-4109, 58.1-4110, 58.1-4114, 58.1-4122, 58.1-4124, and 58.1-4125 of the Code of Virginia, relating to casino gaming; technical amendments.

Patrons—Krizek and Knight

Referred to Committee on General Laws

Be it enacted by the General Assembly of Virginia:

1. That §§ 2.2-3711, 58.1-4100, 58.1-4109, 58.1-4110, 58.1-4114, 58.1-4122, 58.1-4124, and 58.1-4125 of the Code of Virginia are amended and reenacted 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 matters requiring the provision of legal advice by such counsel. 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.

9. Discussion or consideration by governing boards of public institutions of higher education of matters relating to gifts, bequests and fund-raising activities, and of grants and contracts for services or work to be performed by such institution. However, the terms and conditions of any such gifts, bequests, grants, and contracts made by a foreign government, a foreign legal entity, or a foreign person and accepted by a public institution of higher education in the Commonwealth shall be subject to public

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59 disclosure upon written request to the appropriate board of visitors. For the purpose of this subdivision,
60 (i) "foreign government" means any government other than the United States government or the
61 government of a state or a political subdivision thereof, (ii) "foreign legal entity" means any legal entity
62 (a) created under the laws of the United States or of any state thereof if a majority of the ownership of
63 the stock of such legal entity is owned by foreign governments or foreign persons or if a majority of the
64 membership of any such entity is composed of foreign persons or foreign legal entities or (b) created
65 under the laws of a foreign government, and (iii) "foreign person" means any individual who is not a
66 citizen or national of the United States or a trust territory or protectorate thereof.

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

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

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

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

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

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

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

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

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

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

107 20. Discussion by the Board of the Virginia Retirement System, acting pursuant to § 51.1-124.30, or
108 of any local retirement system, acting pursuant to § 51.1-803, or by a local finance board or board of
109 trustees of a trust established by one or more local public bodies to invest funds for postemployment
110 benefits other than pensions, acting pursuant to Article 8 (§ 15.2-1544 et seq.) of Chapter 15 of Title
111 15.2, or by the board of visitors of the University of Virginia, acting pursuant to § 23.1-2210, or by the
112 Board of the Virginia College Savings Plan, acting pursuant to § 23.1-706, regarding the acquisition,
113 holding or disposition of a security or other ownership interest in an entity, where such security or
114 ownership interest is not traded on a governmentally regulated securities exchange, to the extent that
115 such discussion (i) concerns confidential analyses prepared for the board of visitors of the University of
116 Virginia, prepared by the retirement system, or a local finance board or board of trustees, or the Virginia
117 College Savings Plan or provided to the retirement system, a local finance board or board of trustees, or
118 the Virginia College Savings Plan under a promise of confidentiality, of the future value of such
119 ownership interest or the future financial performance of the entity, and (ii) would have an adverse
120 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, those portions of meetings in which individual death cases are discussed by overdose fatality review teams established pursuant to § 32.1-283.7, those portions of meetings in which individual maternal death cases are discussed by the Maternal Mortality Review Team pursuant to § 32.1-283.8, and those portions of meetings in which individual death cases of persons with developmental disabilities are discussed by the Developmental Disabilities Mortality Review Committee established pursuant to § 37.2-314.1.

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 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 the responsible public entity concerning such records.

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

182 the public body.

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

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

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

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

196 34. Discussion or consideration by the State Board of Elections or local electoral boards of voting
197 security matters made confidential pursuant to § 24.2-410.2 or 24.2-625.1.

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

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

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

209 38. Discussion or consideration by the Board of Trustees of the Virginia Retirement System acting
210 pursuant to § 51.1-124.30, by the Investment Advisory Committee appointed pursuant to § 51.1-124.26,
211 by any local retirement system, acting pursuant to § 51.1-803, by the Board of the Virginia College
212 Savings Plan acting pursuant to § 23.1-706, or by the Virginia College Savings Plan's Investment
213 Advisory Committee appointed pursuant to § 23.1-702 of information subject to the exclusion in
214 subdivision 24 of § 2.2-3705.7.

215 39. Discussion or consideration of information subject to the exclusion in subdivision 3 of
216 § 2.2-3705.6 related to economic development.

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

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

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

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

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

235 45. Discussion or consideration of personal and proprietary information related to the resource
236 management plan program and subject to the exclusion in (i) subdivision 25 of § 2.2-3705.6 or (ii)
237 subsection E of § 10.1-104.7. This exclusion shall not apply to the discussion or consideration of
238 records that contain information that has been certified for release by the person who is the subject of
239 the information or transformed into a statistical or aggregate form that does not allow identification of
240 the person who supplied, or is the subject of, the information.

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

47. Discussion or consideration of grant, loan, or investment application records subject to the exclusion in subdivision 28 of § 2.2-3705.6 for a grant, loan, or investment pursuant to Article 11 (§ 2.2-2351 et seq.) of Chapter 22.

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 response team established pursuant to § 15.2-1627.4, (ii) individual child abuse or neglect cases or sex offenses involving a child by a child sexual abuse response team established pursuant to § 15.2-1627.5, or (iii) individual cases involving abuse, neglect, or exploitation of adults as defined in § 63.2-1603 pursuant to §§ 15.2-1627.5 and 63.2-1605.

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

53. 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, *or the refusal to issue, suspension of, or revocation of any license or permit related to casino gaming*, and discussion, consideration, or review of matters related to investigations ~~exempt from disclosure~~ *excluded from mandatory disclosure* under subdivision 1 of § 2.2-3705.3.

54. Deliberations of the Virginia Lottery Board in an appeal conducted pursuant to § 58.1-4007 regarding the denial of, revocation of, suspension of, or refusal to renew a *any license or* permit related to sports betting and any discussion, consideration, or review of matters related to investigations excluded from mandatory 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.

§ 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, roulette wheels, Klondike tables, punchboards, faro 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" or "game" includes on-premises mobile casino gaming.

"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.

305 "Casino gaming operator" means any person issued a license by the Board to operate a casino
306 gaming establishment.

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

310 "Department" means the independent agency responsible for the administration of the Virginia
311 Lottery created in the Virginia Lottery Law (§ 58.1-4000 et seq.).

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

313 "Eligible host city" means any city described in § 58.1-4107 in which a casino gaming establishment
314 is authorized to be located.

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

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

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

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

323 "Individual" means a natural person.

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

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

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

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

335 "Preferred casino gaming operator" means the proposed casino gaming establishment and operator
336 thereof submitted by an eligible host city to the Board as an applicant for licensure.

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

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

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

347 "Sports betting" means placing wagers on sporting events as such activity is regulated by the Board
348 the same as such term is defined in § 58.1-4030.

349 "Sports betting facility" means an area, kiosk, or device located inside a casino gaming
350 establishment licensed pursuant to this chapter that is designated for sports betting.

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

353 "Voluntary exclusion program" means a program established by the Board pursuant to § 58.1-4103
354 that allows individuals to voluntarily exclude themselves from engaging in the activities described in
355 subdivision B 1 of § 58.1-4103 by placing their names on a voluntary exclusion list and following the
356 procedures set forth by the Board.

357 **§ 58.1-4109. Submission of preferred casino gaming operator by eligible host city; application**
358 **for operator's license; penalty.**

359 A. If a majority of those voting in a referendum held pursuant to § 58.1-4123 vote in the affirmative,
360 the eligible host city shall certify its preferred casino gaming operator and submit such certification to
361 the Department within 30 days.

362 B. Any preferred casino gaming operator desiring to operate a casino gaming establishment shall file
363 with the Department an application for an operator's license. Such application shall be filed at the place
364 prescribed by the Department and shall be in such form and contain such information as prescribed by
365 the Department, including but not limited to the following:

366 1. The name and address of such person; if a corporation, the state of its incorporation, the full name

and address of each officer and director thereof, and, if a foreign corporation, whether it is qualified to do business in the Commonwealth; if a partnership or joint venture, the name and address of each general partner thereof; if a limited liability company, the name and address of each manager thereof; or, if another entity, the name and address of each person performing duties similar to those of officers, directors, and general partners;

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

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

4. A description of the casino gaming establishment in which such gaming operations are to be conducted, the city where such casino gaming establishment will be located, and the applicant's capital investment plan for the site. The Board shall require such information about a casino gaming establishment and its location as it deems necessary and appropriate to determine whether it complies with the minimum standards provided in this chapter and whether gaming operations at such location will be in furtherance of the purposes of this chapter;

5. Such information relating to the financial responsibility of the applicant and the applicant's ability to perform under its license as the Department 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 city 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. Such information necessary to enable the Department to review the application based upon the best financial interests of the Commonwealth; ~~and~~

9. *Such information necessary to enable the Department to authorize on-premises mobile casino gaming pursuant to Article 11 (§ 58.1-4131 et seq.); and*

10. Any other information that the Department in its discretion considers appropriate.

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

D. Any license application from an Indian tribe as described in subsection D of § 58.1-4107 shall certify that the material terms of the relevant development agreements between the Indian tribe and any development partner have been determined in the opinion of the Office of General Counsel of the National Indian Gaming Commission after review not to deprive the Indian tribe of the sole proprietor interest in the gaming operations for purposes of federal Indian gaming law.

E. 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.

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

G. *The Department may use or rely on any application, supporting documentation, or information submitted pursuant to § 58.1-4032, in reviewing and verifying an application submitted pursuant to this chapter.*

§ 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 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. The city where the casino gaming establishment will be located certifies that the proposed project

428 complies with all applicable land use ordinances pursuant to Chapter 22 (§ 15.2-2200 et seq.) of Title
429 15.2;

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

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

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

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

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

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

444 10. The applicant has not previously been denied a license pursuant to subsection C.

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

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

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

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

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

458 5. Has defaulted in the payment of any obligation or debt due to the Commonwealth and has not
459 cured such default; or

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

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

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

465 F. *If, at the time of application, the applicant has not satisfied the capital investment requirement of*
466 *at least \$300 million pursuant to subsection B of § 58.1-4108 but otherwise meets the standards for*
467 *licensure set forth in this article, the Department shall issue the operator's license, which, prior to*
468 *satisfying the capital investment requirement, may not be used to conduct gaming other than temporary*
469 *casino gaming pursuant to subsection G.*

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

472 1. The request to authorize casino gaming is made by a preferred casino gaming operator that has
473 been issued a license ~~pursuant to~~ *consistent with* this section.

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

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

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

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

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

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

489 I. An operator issued a license under this chapter shall not be precluded from operating a sports

betting facility for individuals to participate in sports betting activities in a casino gaming establishment, which may include in-person sports betting where the bettor places a bet directly with an employee of the casino or the sports betting permit holder, or through a kiosk or device.

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

A. The Board may issue a supplier's permit to any person upon application and payment of a nonrefundable application fee set by the Board, a determination by the Board that the applicant is eligible for a supplier's permit, and payment of a \$5,000 initial permit fee. A supplier's permit shall be renewed annually at a fee to be determined by the Department, not to exceed \$5,000 per year of licensure. The Board shall prescribe by regulation the criteria for the issuance, duration, and renewal of supplier's permits.

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

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

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

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

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

3. The person is a Board member, employee of the Department, or a member of the immediate household of a Board member or Department employee;

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

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

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

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

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 Department for the purpose of training enrollees in a school operated by the licensee to train individuals who desire to become qualified for employment or promotion in gaming operations. The Board may promulgate regulations for the conduct of any such schools.

G. Each holder of an operator's license under this chapter shall file an annual report with the Department 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.

§ 58.1-4122. 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 Department regulations.

2. Agents of the Department, 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 Department 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.

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

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

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

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

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

563 B. Casino gaming wagers shall be conducted only with tokens, chips, or electronic cards purchased
564 from a licensed casino gaming operator. Such tokens, chips, or electronic cards may be used only for
565 the purpose of (i) making wagers on games or (ii) making a donation to a charitable entity granted
566 tax-exempt status under § 501(c)(3) of the Internal Revenue Code, provided that the donated tokens,
567 chips, or electronic cards are redeemed by the same charitable entity accepting the donation. *This*
568 *provisions of this subsection shall not apply to sports betting in a sports betting facility, which may be*
569 *conducted using cash.*

570 **§ 58.1-4124. Tax rate on adjusted gross receipts.**

571 A. A tax on the adjusted gross receipts of each licensed operator received from games authorized
572 under this chapter shall be imposed as follows:

573 1. On the first \$200 million of adjusted gross receipts of an operator *each calendar year*, a rate of 18
574 percent.

575 2. On the adjusted gross receipts of an operator that exceed \$200 million but do not exceed \$400
576 million *each calendar year*, a rate of 23 percent.

577 3. On the adjusted gross receipts of an operator that exceed \$400 million *each calendar year*, a rate
578 of 30 percent.

579 B. All tax revenues collected pursuant to the provisions of this section shall accrue to the Gaming
580 Proceeds Fund and be allocated as provided in § 58.1-4125.

581 C. The taxes imposed by this section shall be paid by the licensed operator to the Department no
582 later than the close of the fifth day of each month for the preceding month when the adjusted gross
583 receipts were received and shall be accompanied by forms and returns prescribed by the Board.
584 Revenues collected pursuant to this section shall be credited to the Gaming Proceeds Fund to be
585 appropriated as set forth in § 58.1-4125. The Department may suspend or revoke the license of an
586 operator for willful failure to submit the wagering tax payment or the return within the specified time.

587 D. *The tax imposed under this section shall not apply to the receipts of a licensed operator from*
588 *sports betting, whether such receipts were generated from a sports betting facility or sports betting*
589 *platform; instead, such receipts shall be taxable under § 58.1-4037.*

590 **§ 58.1-4125. Gaming Proceeds Fund.**

591 A. There is hereby created in the state treasury a special nonreverting fund to be known as the
592 Gaming Proceeds Fund, referred to in this section as "the Fund." The Fund shall be established on the
593 books of the Comptroller. All moneys required to be deposited into the Fund pursuant to this chapter
594 shall be paid into the state treasury and credited to the Fund. Any moneys remaining in the Fund,
595 including interest thereon, at the end of each fiscal year shall not revert to the general fund but shall
596 remain in the Fund.

597 B. Revenues from the Fund shall be appropriated by the General Assembly as follows:

598 1. The following amounts shall be appropriated to the city in which they were collected:

599 a. An amount equal to a six percent tax on the first \$200 million of adjusted gross receipts;

600 b. An amount equal to a seven percent tax on the adjusted gross receipts that exceed \$200 million
601 but do not exceed \$400 million; and

602 c. An amount equal to an eight percent tax on the adjusted gross receipts that exceed \$400 million.

603 2. For any casino gaming establishment operated by a Virginia Indian tribe recognized in House
604 Joint Resolution No. 54 (1983) and acknowledged by the Assistant Secretary-Indian Affairs of the U.S.
605 Department of the Interior as an Indian tribe within the meaning of federal law that has the authority to
606 conduct gaming activities as a matter of claimed inherent authority or under the authority of the Indian
607 Gaming Regulatory Act (25 U.S.C. § 2701 et seq.), an amount equal to a tax of one percent on the
608 adjusted gross receipts of such establishment shall be deposited in the Virginia Indigenous People's Trust
609 Fund established pursuant to § 2.2-401.01.

610 3. Eight-tenths of one percent of the Fund shall be appropriated to the Problem Gambling Treatment
611 and Support Fund established pursuant to § 37.2-314.2.

612 4. Two-tenths of one percent of the Fund shall be appropriated to the Family and Children's Trust

613 Fund established pursuant to § 63.2-2100.

614 5. Any remaining revenues not appropriated pursuant to subdivisions B 1 through B 4 shall remain
615 in the Fund until appropriated by the General Assembly for programs established to address public
616 school construction, renovations, or upgrades.

617 *C. As provided in the general appropriation act, funds appropriated pursuant to subdivision B 1*
618 *shall be distributed to cities on a quarterly basis.*

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