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**SENATE BILL NO. 628**

Offered January 10, 2024

Prefiled January 10, 2024

*A BILL to amend and reenact § 58.1-4107 of the Code of Virginia, relating to casino gaming; eligible host cities.*

Patrons—Aird, Lucas, Reeves and Favola

Referred to Committee on General Laws and Technology

**Be it enacted by the General Assembly of Virginia:****1. That § 58.1-4107 of the Code of Virginia is amended and reenacted as follows:****§ 58.1-4107. Eligible host city; certification of preferred casino gaming operator.**

A. The conduct of casino gaming shall be limited to the following eligible host cities:

1. Any city (i) in which at least 40 percent of the assessed value of all real estate in such city is exempt from local property taxation, according to the Virginia Department of Taxation Annual Report for Fiscal Year 2018, and (ii) that experienced a population decrease of at least seven percent from 1990 to 2016, according to data provided by the U.S. Census Bureau;

2. Any city that had (i) an annual unemployment rate of at least five percent in 2018, according to data provided by the U.S. Bureau of Labor Statistics; (ii) an annual poverty rate of at least 20 percent in 2017, according to data provided by the U.S. Census Bureau; and (iii) a population decrease of at least 20 percent from 1990 to 2016, according to data provided by the U.S. Census Bureau;

3. Any city that (i) had an annual unemployment rate of at least 3.6 percent in 2018, according to data provided by the U.S. Bureau of Labor Statistics; (ii) had an annual poverty rate of at least 20 percent in 2017, according to data provided by the U.S. Census Bureau; (iii) experienced a population decrease of at least four percent from 1990 to 2016, according to data provided by the U.S. Census Bureau; and (iv) is located adjacent to a state that has adopted a Border Region Retail Tourism Development District Act;

4. Any city (i) with a population greater than 200,000 according to the 2018 population estimates from the Weldon Cooper Center for Public Service of the University of Virginia; (ii) in which at least 24 percent of the assessed value of all real estate in such city is exempt from local property taxation, according to the Virginia Department of Taxation Annual Report for Fiscal Year 2018; and (iii) that experienced a population decrease of at least five percent from 1990 to 2016, according to data provided by the U.S. Census Bureau; and

5. Any city (i) ~~with a population greater than 200,000 according to the 2018 population estimates from the Weldon Cooper Center for Public Service of the University of Virginia;~~ (ii) in which at least 24 17 percent of the assessed value of all real estate in such city is exempt from local property taxation, according to the Virginia Department of Taxation Annual Report for Fiscal Year 2018 2016; ~~and (iii) (ii) that had a poverty rate of at least 24 21 percent in 2017 2019, according to data provided by the U.S. Census Bureau; and (iii) that had an annual unemployment rate of at least 13 percent in 2020, according to data provided by the U.S. Bureau of Labor Statistics.~~

B. In selecting a preferred casino gaming operator, an eligible host city shall have considered and given substantial weight to factors such as:

1. The potential benefit and prospective revenues of the proposed casino gaming establishment.

2. The total value of the proposed casino gaming establishment.

3. The proposed capital investment and the financial health of the proposer and any proposed development partners.

4. The experience of the proposer and any development partners in the operation of a casino gaming establishment.

5. Security plans for the proposed casino gaming establishment.

6. The economic development value of the proposed casino gaming establishment and the potential for community reinvestment and redevelopment in an area in need of such.

7. Availability of city-owned assets and privately owned assets, such as real property, including where there is only one location practicably available or land under a development agreement between a potential operator and the city, incorporated in the proposal.

8. The best financial interest of the city.

9. The proposer's status as a minority-owned business as defined in § 2.2-1604 or the proposer's commitment to solicit equity investment in the proposed casino gaming establishment from one or more minority-owned businesses and the proposer's commitment to solicit contracts with minority-owned

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59 businesses for the purchase of goods and services.

60 C. The Department shall, upon request of any eligible host city, provide a list of resources that may  
61 be of assistance in evaluating the technical merits of any proposal submitted pursuant to this section,  
62 provided that selection of the preferred casino gaming operator shall be at the city's sole discretion.

63 D. The eligible host city described in subdivision A 4 shall provide substantial and preferred  
64 consideration to a proposer who is a Virginia Indian tribe recognized in House Joint Resolution No. 54  
65 (1983) and acknowledged by the Assistant Secretary-Indian Affairs for the U.S. Department of the  
66 Interior as an Indian tribe within the meaning of federal law that has the authority to conduct gaming  
67 activities as a matter of claimed inherent authority or under the authority of the Indian Gaming  
68 Regulatory Act (25 U.S.C. § 2701 et seq.).

69 E. The eligible host city described in subdivision A 5 may provide preferred consideration to a  
70 proposer who is a Virginia Indian tribe recognized in House Joint Resolution No. 54 (1983) and  
71 acknowledged by the Assistant Secretary-Indian Affairs for the U.S. Department of the Interior as an  
72 Indian tribe within the meaning of federal law that has the authority to conduct gaming activities as a  
73 matter of claimed inherent authority or under the authority of the Indian Gaming Regulatory Act (25  
74 U.S.C. § 2701 et seq.).

75 F. An eligible host city shall promptly submit its preferred casino gaming operator to the Department  
76 for review prior to scheduling the referendum required by § 58.1-4123. An eligible host city shall  
77 include with the submission any written or electronic documentation considered as part of the criteria in  
78 subsection B, including any memorandums of understanding, incentives, development agreements, land  
79 purchase agreements, or local infrastructure agreements. The Department shall conduct a preliminary  
80 review of the financial status and ability of the preferred casino gaming operator to operate and properly  
81 support ongoing operations in an eligible host city, as well as current casino operations in other states  
82 and territories. The Department shall conduct such review within 45 days of receipt of the submission  
83 by the eligible host city. An eligible host city and preferred casino gaming operator shall fully cooperate  
84 with all necessary requests by the Department in that regard. Upon successful preliminary review, the  
85 Department shall certify approval for the eligible host city to proceed to the referendum required by  
86 § 58.1-4123. The Department shall develop guidelines establishing procedures and criteria for conducting  
87 the preliminary review required by this subsection. Certification by the Department to proceed to  
88 referendum shall in no way entitle the preferred casino gaming operator to approval of any application  
89 to operate a casino gaming establishment.