

HOUSE BILL NO. 195

AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the House Committee on General Laws

on \_\_\_\_\_)

(Patron Prior to Substitute--Delegate Martinez)

A BILL to amend and reenact § 18.2-340.36:1 of the Code of Virginia and to amend the Code of Virginia by adding sections numbered 58.1-4042.1 and 59.1-404.1, relating to gaming in the Commonwealth; prohibition on use of term "casino" by non-casino gaming operators; civil penalties.

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

**1. That § 18.2-340.36:1 of the Code of Virginia is amended and reenacted and that the Code of Virginia is amended by adding sections numbered 58.1-4042.1 and 59.1-404.1 as follows:**

**§ 18.2-340.36:1. Civil penalty.**

A. Any person or organization, whether permitted or qualified pursuant to this article or not, that (i) conducts charitable gaming without first obtaining a permit to do so; (ii) continues to conduct such games after revocation or suspension of such permit; (iii) uses the term "casino" in its entity name, in any advertisement in association with its product or service, or in any manner prohibited by Department regulations; or (iv) otherwise violates any provision of this article shall, in addition to any other penalties provided, be subject to a civil penalty of not less than \$25,000 and not more than \$50,000 per incident. Any civil penalties collected pursuant to this section shall be payable to the State Treasurer for remittance to the Department.

B. Any electronic gaming manufacturer, whether permitted pursuant to this article or not, shall, in addition to any other penalties provided, be subject to the penalty identified in subsection A for any violation of any provision of this article.

**§ 58.1-4042.1. Use of "casino" in entity name, advertising, etc., prohibited; civil penalty.**

26 A. Except as provided in subsection B, no holder of a sports betting permit issued pursuant to §  
27 58.1-4032 shall use the term "casino" in its entity name, in any advertisement in association with its  
28 product or service, or in any manner prohibited by Board regulations. Any such permit holder that violates  
29 the provisions of this section shall be subject to a civil penalty of not more than \$50,000. The Director  
30 shall enforce the provisions of this section.

31 B. No entity that has satisfied the conditions set forth in subdivision D 6 of § 58.1-4032 shall be  
32 found in violation of the prohibition in subsection A.

33 C. All civil penalties collected pursuant to this section shall accrue to the general fund.

34 **§ 59.1-404.1. Use of "casino" in entity name, advertising, etc., prohibited; civil penalty.**

35 A. No person licensed pursuant to the provisions of this chapter or applicant for licensure under  
36 the provisions of this chapter shall use the term "casino" in its entity name, in any advertisement in  
37 association with its product or service, or in any manner prohibited by Commission regulations. Any such  
38 licensee or applicant that violates the provisions of this section shall be subject to a civil penalty of not  
39 more than \$50,000. The Executive Secretary shall enforce the provisions of this section.

40 B. All civil penalties collected pursuant to this section shall accrue to the State Racing Operations  
41 Fund established in § 59.1-370.1.

42 **2. That the provisions of § 58.1-4042.1 of the Code of Virginia, as created by this act, shall not apply**  
43 **to any entity that was issued a sports betting permit by the Director of the Virginia Lottery pursuant**  
44 **to § 58.1-4032 of the Code of Virginia on or before July 1, 2024.**

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