

HOUSE BILL NO. 1373

AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the House Committee on General Laws

on _____)

(Patron Prior to Substitute--Delegate Taylor)

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

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;

and

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

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

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

- 39 1. The potential benefit and prospective revenues of the proposed casino gaming establishment.
- 40 2. The total value of the proposed casino gaming establishment.
- 41 3. The proposed capital investment and the financial health of the proposer and any proposed
42 development partners.
- 43 4. The experience of the proposer and any development partners in the operation of a casino
44 gaming establishment.
- 45 5. Security plans for the proposed casino gaming establishment.
- 46 6. The economic development value of the proposed casino gaming establishment and the potential
47 for community reinvestment and redevelopment in an area in need of such.
- 48 7. Availability of city-owned assets and privately owned assets, such as real property, including
49 where there is only one location practicably available or land under a development agreement between a
50 potential operator and the city, incorporated in the proposal.
- 51 8. The best financial interest of the city.

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

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

59 D. The eligible host city described in subdivision A 4 shall provide substantial and preferred
60 consideration to a proposer who is a Virginia Indian tribe recognized in House Joint Resolution No. 54
61 (1983) and acknowledged by the Assistant Secretary-Indian Affairs for the U.S. Department of the Interior
62 as an Indian tribe within the meaning of federal law that has the authority to conduct gaming activities as
63 a matter of claimed inherent authority or under the authority of the Indian Gaming Regulatory Act (25
64 U.S.C. § 2701 et seq.).

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

71 F. An eligible host city shall promptly submit its preferred casino gaming operator to the
72 Department for review prior to scheduling the referendum required by § 58.1-4123. An eligible host city
73 shall include with the submission any written or electronic documentation considered as part of the criteria
74 in subsection B, including any memorandums of understanding, incentives, development agreements, land
75 purchase agreements, or local infrastructure agreements. The Department shall conduct a preliminary
76 review of the financial status and ability of the preferred casino gaming operator to operate and properly
77 support ongoing operations in an eligible host city, as well as current casino operations in other states and
78 territories. The Department shall conduct such review within 45 days of receipt of the submission by the

79 eligible host city. An eligible host city and preferred casino gaming operator shall fully cooperate with all
80 necessary requests by the Department in that regard. Upon successful preliminary review, the Department
81 shall certify approval for the eligible host city to proceed to the referendum required by § 58.1-4123. The
82 Department shall develop guidelines establishing procedures and criteria for conducting the preliminary
83 review required by this subsection. Certification by the Department to proceed to referendum shall in no
84 way entitle the preferred casino gaming operator to approval of any application to operate a casino gaming
85 establishment.

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