

SENATE BILL NO. 307

AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the Senate Committee on General Laws and Technology

on _____)

(Patron Prior to Substitute--Senator McPike)

A BILL to amend and reenact §§ 2.2-3711, as it is currently effective and as it may become effective, 18.2-325, 18.2-334, 18.2-334.3, 19.2-389, 37.2-314.2, 58.1-4002, 58.1-4003, 58.1-4006, 58.1-4007, 58.1-4012, 58.1-4015.1, 58.1-4019.1, 58.1-4027, and 58.1-4103 of the Code of Virginia and to amend the Code of Virginia by adding in Chapter 3 of Title 11 a section numbered 11-16.3 and by adding in Chapter 40 of Title 58.1 an article numbered 3, consisting of sections numbered 58.1-4049 through 58.1-4064, and an article numbered 4, consisting of sections numbered 58.1-4065 through 58.1-4092, relating to the Virginia Lottery; regulation of electronic gaming devices; penalties.

Be it enacted by the General Assembly of Virginia:

1. That §§ 18.2-325, 18.2-334, 18.2-334.3, 37.2-314.2, 58.1-4002, 58.1-4003, and 58.1-4006 of the Code of Virginia are amended and reenacted and that the Code of Virginia is amended by adding in Chapter 3 of Title 11 a section numbered 11-16.3 and by adding in Chapter 40 of Title 58.1 an article numbered 3, consisting of sections numbered 58.1-4049 through 58.1-4064, as follows:

§ 11-16.3. Exemption; play of authorized electronic gaming devices.

This chapter shall not apply to the play of electronic gaming devices or related activity that is lawful under Article 3 (§ 58.1-4049 et seq.) of Chapter 40 of Title 58.1 or to any contract, conduct, or transaction arising from conduct lawful thereunder.

§ 18.2-325. Definitions.

As used in this article, unless the context requires a different meaning:

"Gambling device" includes:

26 1. Any device, machine, paraphernalia, equipment, or other thing, including books, records, and
27 other papers, which are actually used in an illegal gambling operation or activity;

28 2. Any machine, apparatus, implement, instrument, contrivance, board, or other thing, or electronic
29 or video versions thereof, including but not limited to those dependent upon the insertion of a coin or other
30 object for their operation, which operates, either completely automatically or with the aid of some physical
31 act by the player or operator, in such a manner that, depending upon elements of chance, it may eject
32 something of value or determine the prize or other thing of value to which the player is entitled, provided,
33 however, that the return to the user of nothing more than additional chances or the right to use such
34 machine is not deemed something of value within the meaning of this subdivision; and provided further,
35 that machines that only sell, or entitle the user to, items of merchandise of equivalent value that may differ
36 from each other in composition, size, shape, or color, shall not be deemed gambling devices within the
37 meaning of this subdivision; and

38 3. Skill games.

39 Such devices are no less gambling devices if they indicate beforehand the definite result of one or
40 more operations but not all the operations. Nor are they any less a gambling device because, apart from
41 their use or adaptability as such, they may also sell or deliver something of value on a basis other than
42 chance.

43 "Gambling device" does not include an electronic gaming device authorized pursuant to the
44 provisions of Article 3 (§ 58.1-4049 et seq.) of Chapter 40 of Title 58.1.

45 "Illegal gambling" means the making, placing, or receipt of any bet or wager in the Commonwealth
46 of money or other consideration or thing of value, made in exchange for a chance to win a prize, stake, or
47 other consideration or thing of value, dependent upon the result of any game, contest, or any other event
48 the outcome of which is uncertain or a matter of chance, whether such game, contest, or event occurs or
49 is to occur inside or outside the limits of the Commonwealth.

50 For the purposes of this ~~subdivision~~ definition and notwithstanding any provision in this section
51 to the contrary, the making, placing, or receipt of any bet or wager of money or other consideration or
52 thing of value shall include the purchase of a product, Internet access, or other thing made in exchange for

53 a chance to win a prize, stake, or other consideration or thing of value by means of the operation of a
54 gambling device as described in subdivision ~~3-b~~, 2 of the definition of "gambling device," regardless of
55 whether the chance to win such prize, stake, or other consideration or thing of value may be offered in the
56 absence of a purchase.

57 "Illegal gambling" also means the playing or offering for play of any skill game.

58 ~~2-~~ "Illegal gambling" does not include the playing or offering for play of any electronic gaming
59 device authorized pursuant to the provisions of Article 3 (§ 58.1-4049 et seq.) of Chapter 40 of Title 58.1.

60 "Interstate gambling" means the conduct of an enterprise for profit that engages in the purchase or
61 sale within the Commonwealth of any interest in a lottery of another state or country whether or not such
62 interest is an actual lottery ticket, receipt, contingent promise to pay, order to purchase, or other record of
63 such interest.

64 ~~3-~~ "Gambling device" includes:

65 a. ~~Any device, machine, paraphernalia, equipment, or other thing, including books, records, and~~
66 ~~other papers, which are actually used in an illegal gambling operation or activity;~~

67 b. ~~Any machine, apparatus, implement, instrument, contrivance, board, or other thing, or electronic~~
68 ~~or video versions thereof, including but not limited to those dependent upon the insertion of a coin or other~~
69 ~~object for their operation, which operates, either completely automatically or with the aid of some physical~~
70 ~~act by the player or operator, in such a manner that, depending upon elements of chance, it may eject~~
71 ~~something of value or determine the prize or other thing of value to which the player is entitled, provided,~~
72 ~~however, that the return to the user of nothing more than additional chances or the right to use such~~
73 ~~machine is not deemed something of value within the meaning of this subsection; and provided further,~~
74 ~~that machines that only sell, or entitle the user to, items of merchandise of equivalent value that may differ~~
75 ~~from each other in composition, size, shape, or color, shall not be deemed gambling devices within the~~
76 ~~meaning of this subsection; and~~

77 c. ~~Skill games.~~

78 ~~Such devices are no less gambling devices if they indicate beforehand the definite result of one or~~
79 ~~more operations but not all the operations. Nor are they any less a gambling device because, apart from~~

80 ~~their use or adaptability as such, they may also sell or deliver something of value on a basis other than~~
81 ~~chance.~~

82 4-"Operator" includes any person, firm, or association of persons, who conducts, finances,
83 manages, supervises, directs, or owns all or part of an illegal gambling enterprise, activity, or operation.

84 5-"Skill" means the knowledge, dexterity, or any other ability or expertise of a natural person.

85 6-"Skill game" means an electronic, computerized, or mechanical contrivance, terminal, machine,
86 or other device that requires the insertion of a coin, currency, ticket, token, or similar object to operate,
87 activate, or play a game, the outcome of which is determined by any element of skill of the player and that
88 may deliver or entitle the person playing or operating the device to receive cash or cash equivalents, gift
89 cards, vouchers, billets, tickets, tokens, or electronic credits to be exchanged for cash or cash equivalents
90 whether the payoff is made automatically from the device or manually. "Skill game" includes (i) a device
91 that contains a meter or measurement device that records the number of free games or portions of games
92 that are rewarded and (ii) a device designed or adapted to enable a person using the device to increase the
93 chances of winning free games or portions of games by paying more than the amount that is ordinarily
94 required to play the game. "Skill game" does not include any amusement device, as defined in § 18.2-
95 334.6.

96 7-"Unregulated location" means any location that is not regulated or operated by the Virginia
97 Lottery or the Virginia Lottery Board, the Department of Agriculture and Consumer Services, the Virginia
98 Alcoholic Beverage Control Authority, or the Virginia Racing Commission.

99 **§ 18.2-334. Exception to article; private residences.**

100 Nothing in this article shall be construed to make it illegal to participate in a game of chance
101 conducted in a private residence, provided such private residence is not commonly used for such games
102 of chance and there is no operator as defined in ~~subsection 4 of~~ § 18.2-325.

103 **§ 18.2-334.3. Exemptions to article; state lottery; sports betting.**

104 Nothing in this article shall apply to:

- 105 1. Any lottery conducted by the Commonwealth of Virginia pursuant to Article 1 (§ 58.1-4000 et
106 seq.) of Chapter 40 of Title 58.1; ~~or~~

107 2. Any sports betting or related activity that is lawful under Article 2 (§ 58.1-4030 et seq.) of
108 Chapter 40 of Title 58.1; or

109 3. The play of any electronic gaming device or related activity that is lawful under Article 3 (§
110 58.1-4049 et seq.) of Chapter 40 of Title 58.1.

111 **§ 37.2-314.2. Problem Gambling Treatment and Support Fund.**

112 A. As used in this section:

113 "Compulsive gambling" means persistent and recurrent problem gambling behavior leading to
114 clinically significant impairment or distress, as indicated by an individual exhibiting four or more of the
115 criteria as defined by the Diagnostic Statistical Manual of Mental Disorders in a 12-month period and
116 where the behavior is not better explained by a manic episode.

117 "Problem gambling" means a gambling behavior that causes disruptions in any major area of life,
118 including the psychological, social, or vocational areas of life, but does not fulfill the criteria for diagnosis
119 as a gambling disorder.

120 B. There is hereby created in the state treasury a special nonreverting fund to be known as the
121 Problem Gambling Treatment and Support Fund, referred to in this section as "the Fund." The Fund shall
122 be established on the books of the Comptroller. All revenue accruing to the Fund pursuant to subsection
123 A of § 58.1-4038, moneys required to be deposited into the Fund pursuant to subsection A of § 58.1-4057,
124 and moneys required to be deposited into the Fund pursuant to Chapter 41 (§ 58.1-4100 et seq.) of Title
125 58.1 shall be paid into the state treasury and credited to the Fund. Interest earned on moneys in the Fund
126 shall remain in the Fund and be credited to it. Any moneys remaining in the Fund, including interest
127 thereon, at the end of each fiscal year shall not revert to the general fund but shall remain in the Fund.
128 Moneys in the Fund shall be used solely for the purposes of (i) providing counseling and other support
129 services for compulsive and problem gamblers, (ii) developing and implementing compulsive and problem
130 gambling treatment and prevention programs, and (iii) providing grants to support organizations that
131 provide assistance to compulsive and problem gamblers. Expenditures and disbursements from the Fund
132 shall be made by the State Treasurer on warrants issued by the Comptroller upon written request signed
133 by the Commissioner.

134 § 58.1-4002. Definitions.

135 As used in this chapter, unless the context requires a different meaning:

136 "Board" means the Virginia Lottery Board established by this chapter.

137 "Casino gaming" or "game" means baccarat, blackjack, twenty-one, poker, craps, dice, slot
138 machines, roulette wheels, Klondike tables, punchboards, faro layouts, numbers tickets, push cards, jar
139 tickets, or pull tabs and any other activity that is authorized by the Board as a wagering game or device
140 under Chapter 41 (§ 58.1-4100 et seq.). "Casino gaming" or "game" includes on-premises mobile casino
141 gaming.

142 "Department" means the independent agency responsible for the administration of the Virginia
143 Lottery pursuant to this article ~~and, the regulation of~~ sports betting pursuant to Article 2 (§ 58.1-4030 et
144 seq.), and the regulation of electronic gaming devices pursuant to Article 3 (§ 58.1-4049 et seq.).

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

146 "Lottery" or "state lottery" means the lottery or lotteries established and operated pursuant to this
147 ~~chapter~~ article.

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

154 "Sports betting" means placing wagers on sporting events as such activity is regulated by the
155 Board.

156 "Ticket courier service" means a service operated for the purpose of purchasing ~~Virginia Lottery~~
157 lottery tickets on behalf of individuals located within or outside the Commonwealth and delivering or
158 transmitting such tickets, or electronic images thereof, to such individuals as a business-for-profit delivery
159 service.

160 "Voluntary exclusion program" means a program established by the Board pursuant to § 58.1-
161 4015.1 that allows individuals to voluntarily exclude themselves from engaging in the activities described
162 in subdivision B 1 of § 58.1-4015.1 by placing their name on a voluntary exclusion list and following the
163 procedures set forth by the Board.

164 **§ 58.1-4003. Virginia Lottery established.**

165 Notwithstanding the provisions of Article 1 (§ 18.2-325 et seq.) of Chapter 8 of Title 18.2 or any
166 other provision of law, there is hereby established as an independent agency of the Commonwealth,
167 exclusive of the legislative, executive, or judicial branches of government, the Virginia Lottery, which
168 shall include a Director and ~~a~~ the Virginia Lottery Board for the ~~purpose~~ purposes of operating a state
169 lottery and regulating electronic gaming devices pursuant to Article 3 (§ 58.1-4049 et seq.).

170 **§ 58.1-4006. Powers of the Director.**

171 A. The Director shall supervise and administer:

- 172 1. The operation of the lottery in accordance with the provisions of this chapter and with the rules
173 and regulations promulgated ~~hereunder~~ pursuant to this chapter; ~~and~~
174 2. The regulation of casino gaming in accordance with Chapter 41 (§ 58.1-4100 et seq.); and
175 3. The regulation of electronic gaming devices in accordance with Article 3 (§ 58.1-4049 et seq.)
176 and with the rules and regulations promulgated pursuant to this chapter.

177 B. The Director shall also:

- 178 1. Employ such deputy directors, professional, technical, and clerical assistants, and other
179 employees as may be required to carry out the functions and duties of the Department.
- 180 2. Act as secretary and executive officer of the Board.
- 181 3. Require bond or other surety satisfactory to the Director from licensed agents as provided in
182 subsection E of § 58.1-4009 and Department employees with access to Department funds or lottery funds,
183 in such amount as provided in the rules and regulations of the Board. The Director may also require bond
184 from other employees as he deems necessary.
- 185 4. Confer regularly, but not less than four times each year, with the Board on the operation and
186 administration of the lottery ~~and~~, the regulation of casino gaming, and the regulation of electronic gaming

187 devices; make available for inspection by the Board, upon request, all books, records, files, and other
188 information and documents of the Department; and advise the Board and recommend such matters as he
189 deems necessary and advisable to improve the operation and administration of the lottery ~~and~~ the
190 regulation of casino gaming, and the regulation of electronic gaming devices.

191 5. Suspend, revoke, or refuse to renew any license issued pursuant to this chapter or the rules and
192 regulations adopted ~~hereunder~~ pursuant to this chapter.

193 6. Suspend, revoke, or refuse to renew any license or permit issued pursuant to Chapter 41 (§ 58.1-
194 4100 et seq.).

195 7. Eject or exclude from a casino gaming establishment any person, whether or not he possesses a
196 license or permit, whose conduct or reputation is such that his presence may, in the opinion of the Director,
197 reflect negatively on the honesty and integrity of casino gaming or interfere with the orderly gaming
198 operations.

199 8. Immediately upon the receipt of a credible complaint of an alleged criminal violation of Chapter
200 41 (§ 58.1-4100 et seq.), report the complaint to the Attorney General and the State Police for appropriate
201 action.

202 9. Inspect and investigate, and have free access to, the offices, facilities, or other places of business
203 of any licensee or permit holder and may compel the production of any of the books, documents, records,
204 or memoranda of any licensee or permit holder for the purpose of ensuring compliance with Chapter 41
205 (§ 58.1-4100 et seq.) and Department regulations.

206 10. Compel any person holding a license or permit pursuant to Chapter 41 (§ 58.1-4100 et seq.) to
207 file with the Department such information as shall appear to the Director to be necessary for the
208 performance of the Department's functions, including financial statements and information relative to
209 principals and all others with any pecuniary interest in such person.

210 11. Impose a fine or penalty not to exceed \$1 million upon any person determined, in proceedings
211 commenced pursuant to § 58.1-4105, to have violated any of the provisions of Chapter 41 (§ 58.1-4100 et
212 seq.) or regulations promulgated by the Board.

213 12. Enter into arrangements with any foreign or domestic governmental agency for the purposes
214 of exchanging information or performing any other act to better ensure the proper conduct of casino
215 gaming operations or the efficient conduct of the Director's duties.

216 13. Enter into contracts for the operation of the lottery, or any part thereof, for the promotion of
217 the lottery and into interstate lottery contracts with other states. A contract awarded or entered into by the
218 Director shall not be assigned by the holder thereof except by specific approval of the Director.

219 14. Certify monthly to the State Comptroller and the Board a full and complete statement of lottery
220 revenues, prize disbursements, and other expenses for the preceding month.

221 15. Report monthly to the Governor, the Secretary of Finance, and the Chairmen of the Senate
222 Committee on Finance and Appropriations, House Committee on Finance, and House Committee on
223 Appropriations the total lottery revenues, prize disbursements, and other expenses for the preceding month
224 and make an annual report, which shall include a full and complete statement of lottery revenues, prize
225 disbursements, and other expenses, as well as a separate financial statement of the expenses incurred in
226 the regulation of casino gaming operations as defined in § 58.1-4100, to the Governor and the General
227 Assembly. Such annual report shall also include such recommendations for changes in this chapter and
228 Chapter 41 (§ 58.1-4100 et seq.) as the Director and Board deem necessary or desirable.

229 16. Report immediately to the Governor and the General Assembly any matters that require
230 immediate changes in the laws of the Commonwealth in order to prevent abuses and evasions of this
231 chapter and Chapter 41 (§ 58.1-4100 et seq.) or the rules and regulations adopted ~~hereunder~~ pursuant to
232 this chapter or to rectify undesirable conditions in connection with the administration or operation of the
233 lottery or the regulation of electronic gaming devices.

234 17. Notify prize winners and appropriate state and federal agencies of the payment of prizes in
235 excess of \$600 in the manner required by the lottery rules and regulations.

236 18. Provide for the withholding of the applicable amount of state and federal income tax of persons
237 claiming a prize for a winning ticket in excess of \$5,001.

238 19. Participate in the Problem Gambling Treatment and Support Advisory Committee established
239 pursuant to § 37.2-304 by the Department of Behavioral Health and Developmental Services to enable

240 collaboration among prevention and treatment providers and operators of legal gaming in the
241 Commonwealth on efforts to reduce the negative effects of problem gambling.

242 C. The Director and the director of security or investigators appointed by the Director shall be
243 vested with the powers of sheriff and sworn to enforce the statutes and regulations pertaining to the
244 Department and to investigate violations of the statutes and regulations that the Director is required to
245 enforce.

246 D. The Director may authorize temporary bonus or incentive programs for payments to licensed
247 sales agents that he determines will be cost effective and support increased sales of lottery products.

248 Article 3.

249 Electronic Gaming Devices.

250 **§ 58.1-4049. Definitions.**

251 "ABC retail licensee" means a person that possesses a valid retail license issued by the Board of
252 Directors of the Virginia Alcoholic Beverage Control Authority pursuant to Chapter 2 (§ 4.1-200 et seq.)
253 of Title 4.1.

254 "Coin-operated amusement games" means games that do not deliver or entitle the person playing
255 or operating the game to receive (i) cash; (ii) cash equivalents, including gift cards, vouchers, billets,
256 tickets, tokens, or electronic credits to be exchanged for cash; or (iii) merchandise or anything of value.

257 "Distributor" means any person that (i) manufactures and sells electronic gaming devices,
258 including software and hardware, and distributes such devices to an ABC retail licensee or truck stop or
259 (ii) purchases or leases electronic gaming devices from a manufacturer and provides such devices to an
260 ABC retail licensee or a truck stop, or that otherwise maintains such games and is otherwise responsible
261 for onsite data collection and accounting.

262 "Electronic gaming device" means a physical terminal, machine, or other device, including
263 electronic or computerized devices, that requires the insertion of a coin, currency, ticket, token, or similar
264 object to operate, activate, or play a game, the outcome of which may be determined in whole or in part
265 by chance through the use of a random number generator or by the skill of the player, and that may deliver
266 or entitle the person playing or operating the device to receive cash in excess of the cost of operating.

267 activating, or playing the game. "Electronic gaming device" does not include any mobile telephone device,
268 charitable games authorized pursuant to Article 1.1:1 (§ 18.2-340.15 et seq.) of Chapter 8 of Title 18.2,
269 sports betting authorized under Article 2 (§ 58.1-4030 et seq.), casino gaming authorized under Chapter
270 41 (§ 58.1-4100 et seq.), or historical horse racing authorized pursuant to Chapter 29 (§ 59.1-364 et seq.)
271 of Title 59.1.

272 "Family entertainment center" means an establishment that (i) is located in a building that is
273 owned, leased, or occupied by the establishment for the primary purpose of providing amusement and
274 entertainment to the public; (ii) offers coin-operated amusement games and electronic gaming devices
275 pursuant to § 58.1-4050; and (iii) markets its business to families with children.

276 "Gambling device" means the same as that term is defined in § 18.2-325.

277 "Qualified location" means an ABC retail licensee establishment or truck stop properly registered
278 pursuant to the provisions of this article.

279 "Truck stop" means an establishment that (i) is equipped with fuel islands or electrical recharging
280 stations used for the operation of commercial motor vehicles, (ii) has a convenience store, and (iii) is
281 situated on not less than two acres of land that the establishment owns or leases.

282 **§ 58.1-4050. Exclusions from article.**

283 The provisions of this article shall not apply to coin-operated amusement games located in family
284 entertainment centers operated in accordance with § 18.2-334.5, nor shall such coin-operated amusement
285 games be considered a gambling device or otherwise unlawful pursuant to § 18.2-325.

286 **§ 58.1-4051. Applicability of article.**

287 The provisions of this article shall only apply to (i) ABC retail licensees in good standing that
288 possess a valid retail license issued by the Board of Directors of the Virginia Alcoholic Beverage Control
289 Authority pursuant to Chapter 2 (§ 4.1-200 et seq.) of Title 4.1 and the regulations applicable to any such
290 retail license and (ii) truck stops, as defined in § 58.1-4049. For purposes of this section, an ABC retail
291 licensee is no longer in good standing if the licensee's license has been suspended or is inactive for any
292 reason.

293 **§ 58.1-4052. Distribution registration and requirements; monthly reporting; civil penalty.**

294 A. No distributor or combination of distributors shall locate more than five electronic gaming
295 devices at any ABC retail licensee establishment or more than 10 electronic gaming devices at any truck
296 stop. No ABC retail licensee or truck stop shall exceed this maximum number of electronic gaming
297 devices.

298 B. Each distributor shall file a registration statement with the Department on such form that may
299 be prescribed by the Department. The registration statement shall include all electronic gaming devices
300 that are available for play by the distributor filing the registration statement. The registration statement
301 shall include such information as may be prescribed by the Department. The registration statement shall
302 include (i) the total number of electronic gaming devices provided for play in the Commonwealth by the
303 distributor; (ii) the address of each location where electronic gaming devices are provided for play in the
304 Commonwealth by the distributor; (iii) the total number of electronic gaming devices provided for play
305 by the distributor at each respective location; (iv) the total amount wagered during the previous month on
306 each electronic gaming device provided for play in the Commonwealth by the distributor at each
307 respective location where the electronic gaming device was provided; (v) the total amount of prizes or
308 winnings awarded during the previous month on each electronic gaming device provided for play in the
309 Commonwealth by the distributor at each respective location where the electronic gaming device was
310 provided; and (vi) the name, address, and contact information of the individual person responsible for full
311 and total compliance with this article and a statement that such individual shall be responsible for any
312 penalty assessed for violations of this article applicable to the distributor of any electronic gaming device.
313 Such individual shall certify that the initial registration is a true and accurate accounting of the information
314 provided in the initial registration statement.

315 Failure to file a registration statement with the Department, shall result in the barring of any such
316 electronic gaming devices not registered. Any such electronic gaming device not included in the
317 registration statement shall be considered an illegal gambling device.

318 C. Each distributor shall, no later than the twentieth day of the succeeding month, file with the
319 Department on such form prescribed by the Department the following requisite information:

320 1. The total number of electronic gaming devices provided for play in the Commonwealth by the
321 distributor.

322 2. The address of each location where electronic gaming devices are provided for play in the
323 Commonwealth by the distributor.

324 3. The total number of electronic gaming devices provided for play by the distributor at each
325 respective location.

326 4. The total amount wagered during the previous month on each electronic gaming device provided
327 for play in the Commonwealth by the distributor at each respective location where the electronic gaming
328 device was provided.

329 5. The total amount of prizes or winnings awarded during the previous month on each electronic
330 gaming device provided for play in the Commonwealth by the distributor at each respective location where
331 the electronic gaming device was provided.

332 6. The name, address, and contact information of the individual person responsible for full and
333 total compliance with this article and a statement that such individual shall be responsible for any penalty
334 assessed for violations of this article applicable to the distributor of any electronic gaming device. Such
335 individual shall certify that the monthly report is a true and accurate accounting of the information
336 provided in the monthly report.

337 D. Failure to file such form by the twentieth of the succeeding month shall result in a civil penalty
338 of no less than \$25,000 per incident. Each incident of noncompliance shall constitute a separate offense.

339 **§ 58.1-4053. Labeling of electronic gaming devices.**

340 The distributor of each electronic gaming device placed in an ABC retail licensee establishment
341 or truck stop that the distributor has registered pursuant to § 58.1-4052 shall cause to be adhered to each
342 electronic gaming device a label as prescribed by the Department. The Department shall provide the
343 required labels. All labels shall be adhered on the side of all electronic gaming devices in a conspicuous
344 and visible location to the Department, law-enforcement agents, and players of the game. Any electronic
345 gaming device without the requisite label adhered to the electronic gaming device, shall be in violation of
346 this article.

347 § 58.1-4054. Total number of electronic gaming devices by any single distributor; civil
348 penalty.

349 A. The total number of electronic gaming devices provided for play in ABC retail licensee
350 establishments and truck stops shall not exceed the total number of such devices reported by a distributor
351 to the Department in its registration statement filed pursuant to § 58.1-4052.

352 B. Any exceedance of the number of electronic gaming devices determined by the Department
353 shall result in a civil penalty of no less than \$25,000 per electronic gaming device exceeding the total
354 number of registered electronic gaming devices. Each day the violation continues shall constitute a
355 separate offense. In addition, any electronic gaming device (i) in excess of the registered number of
356 devices or (ii) not bearing the required label shall be deemed an illegal gambling device and shall be a
357 violation of this article.

358 § 58.1-4055. Relocation of electronic gaming devices from one establishment to another.

359 A. No electronic gaming device may be relocated from one qualified location to another qualified
360 location or warehoused and subsequently placed in any qualified location without written approval from
361 the Department.

362 B. Prior to being relocated pursuant to subsection A, the distributor shall provide notice, including
363 a photograph with a clearly visible numeric identifier of the obliterated label of the malfunctioning
364 machine to the Department. Such notice shall be provided at least 10 days prior to the relocation date. No
365 electronic gaming device shall be relocated prior to approval by the Department. Upon receipt of such
366 notice and evidence and approval, the Department may issue a new label to the distributor for the
367 replacement electronic gaming device. The new label shall be adhered to the replacement electronic
368 gaming device in accordance with § 58.1-4053 prior to such replacement device being enabled for play.

369 C. Notwithstanding subsections A and B, a distributor may provide routine maintenance on any
370 electronic gaming device located in a qualified location.

371 § 58.1-4056. Taxation.

372 A. Each distributor shall remit a monthly tax of \$1,200 to the Department of Taxation for each
373 electronic gaming device located and registered pursuant to § 58.1-4052 that such distributor provided for

374 play in the Commonwealth during the previous month. Initial returns and payment vouchers shall be
375 remitted to the Department of Taxation no later than August 20, 2024.

376 B. Returns and payment vouchers shall be due on September 20, 2024, and each month following,
377 through July 20, 2025, and shall be remitted to the Department of Taxation based on the number of
378 electronic gaming devices provided for play at ABC retail licensee establishments or truck stops.
379 Electronic gaming devices placed in a warehouse for subsequent placement at a qualified location shall
380 not be subject to such tax until such time as the electronic gaming device is relocated to a qualified
381 location. Electronic gaming devices placed in a warehouse for subsequent placement at a qualified location
382 shall be subject to taxation for all calendar months during which such devices were in play for any portion
383 of any day during the month.

384 C. A distributor shall be subject to taxation for any single day of any calendar month during which
385 an electronic gaming device is provided for play by such distributor at a qualified location. Proration of
386 the monthly tax is prohibited.

387 **§ 58.1-4057. Allocation of taxes.**

388 A. The Department of Taxation shall allocate the monthly tax collected pursuant to § 58.1-4056
389 as follows:

390 1. Two percent to the Problem Gambling Treatment and Support Fund, established pursuant to §
391 37.2-314.2;

392 2. Six percent to the Department for the purposes of implementing the provisions of this article;

393 3. Fifteen percent to the localities in which the electronic gaming devices are located;

394 4. Two percent to the Department of State Police to be used by the Office of the Gaming
395 Enforcement Coordinator, established pursuant to § 52-54;

396 5. Ten percent to the School Construction Fund, established pursuant to § 22.1-140.1;

397 6. Ten percent appropriated to provide additional basic aid funding for public schools, which shall
398 be apportioned to local school boards pursuant to Article 1 (§ 22.1-88 et seq.) of Chapter 8 of Title 22.1;
399 and

400 7. Fifty-five percent to the general fund.

401 B. Allocation of funds by the Department of Taxation pursuant to this section shall occur no later
402 than 60 days after such funds are collected.

403 **§ 58.1-4058. Bond required.**

404 Each distributor of an electronic gaming device shall post a surety bond naming the Department
405 as beneficiary. The Department may call the bond for any violation of this article regulating electronic
406 gaming devices. The bond shall be in the following amounts and shall remain in effect for 14 months
407 following issuance:

<u>a</u>	<u>Number of Electronic Gaming Devices</u>	<u>Amount of Bond</u>
b	<u>1–50</u>	<u>\$50,000</u>
c	<u>51–500</u>	<u>\$250,000</u>
d	<u>501–1,000</u>	<u>\$500,000</u>
e	<u>1,001 or more</u>	<u>\$1 million</u>

408 **§ 58.1-4059. Records to be kept by distributors.**

409 A. All distributors shall keep complete, accurate, and separate records. The records shall be
410 available for inspection and copying by the Director during reasonable hours. The Director shall be
411 allowed free access during reasonable hours to every place in the Commonwealth where electronic gaming
412 devices are manufactured, sold, stored, offered for play, or played for the purpose of examining and
413 inspecting all records, invoices, and accounts therein. For the purposes of this subsection, "reasonable
414 hours" means all business hours of operation and any other time at which there exists any indication of
415 activity upon the premises.

416 B. At a minimum, each distributor shall retain and maintain the following records: (i) the
417 manufacturer, game name, model, and serial number of each electronic gaming device sold or otherwise
418 provided for use and (ii) the name, address, and phone number of each entity to which the electronic
419 gaming device was sold or otherwise provided.

420 C. Records may be retained at an electronic gaming device distributor's principal place of business,
421 provided that records maintained at a location outside the Commonwealth are preserved in such a manner
422 as to allow for the electronic transmission of records to the Director within a reasonable time.

423 D. All such records shall be maintained for a period of at least the 12 months next following July
424 1, 2025.

425 **§ 58.1-4060. Underage play prohibited; consumer protection.**

426 No person younger than 21 years of age shall be eligible to play any electronic gaming device.
427 Any person playing an electronic gaming device may have consumer protection rights. It shall be the
428 responsibility of the distributor to provide notice of such age eligibility to the proprietor of the
429 establishment prior to the placement of any electronic gaming device in any ABC retail licensee
430 establishment or truck stop. The distributor shall adhere to the front of any electronic gaming device a
431 notice in Times New Roman bold font, 16 point, as follows: "It is unlawful for any person under the age
432 of 21 to play this game. The outcome of this game is not regulated by the state."

433 **§ 58.1-4061. Referral to attorney for the Commonwealth.**

434 In the event that the Department determines that an electronic gaming device is located in an ABC
435 retail licensee establishment or truck stop in violation of the provisions of this article, such electronic
436 gaming device shall be deemed a gambling device, as defined in § 18.2-325, and the possession of such
437 gaming device may constitute illegal possession of a gambling device pursuant to § 18.2-331. The
438 Department may refer any such violation to the attorney for the Commonwealth for the jurisdiction in
439 which the electronic gaming device is located.

440 **§ 58.1-4062. Civil penalty.**

441 Any distributor found by the Department to be in violation of this article shall be subject to a civil
442 penalty of not less than \$25,000 and not more than \$50,000 per incident. All civil penalties shall be paid
443 to the Department and remitted by the Department to the state treasury to be credited to the Literary Fund.

444 **§ 58.1-4063. Public records.**

445 Any information received as the result of required monthly reports shall be determined public
446 information and subject to the provisions of the Virginia Freedom of Information Act (§ 2.2-3700 et seq.)
447 without exclusions.

448 **§ 58.1-4064. Effect of expiration.**

449 A. The expiration of this article on July 1, 2025, does not relieve a distributor from filing the
 450 required monthly report for June 2025. The required report shall be filed not later than July 20, 2025.
 451 Distributors shall maintain such records in accordance with § 58.1-4059.

452 B. Any investigation or proceedings related to an alleged violation of this article, ongoing on July
 453 1, 2025, or commenced prior to July 1, 2026, shall continue until such time as an agreed-upon resolution
 454 is achieved or a final nonappealable order has been issued by a court of competent jurisdiction.

455 **2. That §§ 2.2-3711, as it is currently effective and as it may become effective, 18.2-325, 18.2-334.3,**
 456 **19.2-389, 37.2-314.2, 58.1-4002, 58.1-4003, 58.1-4006, 58.1-4007, 58.1-4012, 58.1-4015.1, 58.1-4019.1,**
 457 **58.1-4027, and 58.1-4103 of the Code of Virginia are amended and reenacted and that the Code of**
 458 **Virginia is amended by adding in Chapter 3 of Title 11 a section numbered 11-16.3 and by adding**
 459 **in Chapter 40 of Title 58.1 an article numbered 4, consisting of sections numbered 58.1-4065**
 460 **through 58.1-4092, as follows:**

461 **§ 2.2-3711. (Effective until date pursuant to Acts 2023, cc. 756 and 778, cl. 5) Closed meetings**
 462 **authorized for certain limited purposes.**

463 A. Public bodies may hold closed meetings only for the following purposes:

464 1. Discussion, consideration, or interviews of prospective candidates for employment; assignment,
 465 appointment, promotion, performance, demotion, salaries, disciplining, or resignation of specific public
 466 officers, appointees, or employees of any public body; and evaluation of performance of departments or
 467 schools of public institutions of higher education where such evaluation will necessarily involve
 468 discussion of the performance of specific individuals. Any teacher shall be permitted to be present during
 469 a closed meeting in which there is a discussion or consideration of a disciplinary matter that involves the
 470 teacher and some student and the student involved in the matter is present, provided the teacher makes a
 471 written request to be present to the presiding officer of the appropriate board. Nothing in this subdivision,
 472 however, shall be construed to authorize a closed meeting by a local governing body or an elected school
 473 board to discuss compensation matters that affect the membership of such body or board collectively.

474 2. Discussion or consideration of admission or disciplinary matters or any other matters that would
 475 involve the disclosure of information contained in a scholastic record concerning any student of any public

476 institution of higher education in the Commonwealth or any state school system. However, any such
477 student, legal counsel and, if the student is a minor, the student's parents or legal guardians shall be
478 permitted to be present during the taking of testimony or presentation of evidence at a closed meeting, if
479 such student, parents, or guardians so request in writing and such request is submitted to the presiding
480 officer of the appropriate board.

481 3. Discussion or consideration of the acquisition of real property for a public purpose, or of the
482 disposition of publicly held real property, where discussion in an open meeting would adversely affect the
483 bargaining position or negotiating strategy of the public body.

484 4. The protection of the privacy of individuals in personal matters not related to public business.

485 5. Discussion concerning a prospective business or industry or the expansion of an existing
486 business or industry where no previous announcement has been made of the business' or industry's interest
487 in locating or expanding its facilities in the community.

488 6. Discussion or consideration of the investment of public funds where competition or bargaining
489 is involved, where, if made public initially, the financial interest of the governmental unit would be
490 adversely affected.

491 7. Consultation with legal counsel and briefings by staff members or consultants pertaining to
492 actual or probable litigation, where such consultation or briefing in open meeting would adversely affect
493 the negotiating or litigating posture of the public body. For the purposes of this subdivision, "probable
494 litigation" means litigation that has been specifically threatened or on which the public body or its legal
495 counsel has a reasonable basis to believe will be commenced by or against a known party. Nothing in this
496 subdivision shall be construed to permit the closure of a meeting merely because an attorney representing
497 the public body is in attendance or is consulted on a matter.

498 8. Consultation with legal counsel employed or retained by a public body regarding specific legal
499 matters requiring the provision of legal advice by such counsel. Nothing in this subdivision shall be
500 construed to permit the closure of a meeting merely because an attorney representing the public body is
501 in attendance or is consulted on a matter.

502 9. Discussion or consideration by governing boards of public institutions of higher education of
503 matters relating to gifts, bequests and fund-raising activities, and of grants and contracts for services or
504 work to be performed by such institution. However, the terms and conditions of any such gifts, bequests,
505 grants, and contracts made by a foreign government, a foreign legal entity, or a foreign person and
506 accepted by a public institution of higher education in the Commonwealth shall be subject to public
507 disclosure upon written request to the appropriate board of visitors. For the purpose of this subdivision,
508 (i) "foreign government" means any government other than the United States government or the
509 government of a state or a political subdivision thereof, (ii) "foreign legal entity" means any legal entity
510 (a) created under the laws of the United States or of any state thereof if a majority of the ownership of the
511 stock of such legal entity is owned by foreign governments or foreign persons or if a majority of the
512 membership of any such entity is composed of foreign persons or foreign legal entities or (b) created under
513 the laws of a foreign government, and (iii) "foreign person" means any individual who is not a citizen or
514 national of the United States or a trust territory or protectorate thereof.

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

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

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

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

526 14. Discussion of strategy with respect to the negotiation of a hazardous waste siting agreement or
527 to consider the terms, conditions, and provisions of a hazardous waste siting agreement if the governing
528 body in open meeting finds that an open meeting will have an adverse effect upon the negotiating position

529 of the governing body or the establishment of the terms, conditions and provisions of the siting agreement,
530 or both. All discussions with the applicant or its representatives may be conducted in a closed meeting.

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

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

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

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

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

553 20. Discussion by the Board of the Virginia Retirement System, acting pursuant to § 51.1-124.30,
554 or of any local retirement system, acting pursuant to § 51.1-803, or by a local finance board or board of
555 trustees of a trust established by one or more local public bodies to invest funds for postemployment

556 benefits other than pensions, acting pursuant to Article 8 (§ 15.2-1544 et seq.) of Chapter 15 of Title 15.2,
557 or by the board of visitors of the University of Virginia, acting pursuant to § 23.1-2210, or by the Board
558 of the Virginia College Savings Plan, acting pursuant to § 23.1-706, regarding the acquisition, holding, or
559 disposition of a security or other ownership interest in an entity, where such security or ownership interest
560 is not traded on a governmentally regulated securities exchange, to the extent that such discussion (i)
561 concerns confidential analyses prepared for the board of visitors of the University of Virginia, prepared
562 by the retirement system, or a local finance board or board of trustees, or the Virginia College Savings
563 Plan or provided to the retirement system, a local finance board or board of trustees, or the Virginia
564 College Savings Plan under a promise of confidentiality, of the future value of such ownership interest or
565 the future financial performance of the entity, and (ii) would have an adverse effect on the value of the
566 investment to be acquired, held, or disposed of by the retirement system, a local finance board or board of
567 trustees, the board of visitors of the University of Virginia, or the Virginia College Savings Plan. Nothing
568 in this subdivision shall be construed to prevent the disclosure of information relating to the identity of
569 any investment held, the amount invested, or the present value of such investment.

570 21. Those portions of meetings in which individual child death cases are discussed by the State
571 Child Fatality Review Team established pursuant to § 32.1-283.1, those portions of meetings in which
572 individual child death cases are discussed by a regional or local child fatality review team established
573 pursuant to § 32.1-283.2, those portions of meetings in which individual death cases are discussed by
574 family violence fatality review teams established pursuant to § 32.1-283.3, those portions of meetings in
575 which individual adult death cases are discussed by the state Adult Fatality Review Team established
576 pursuant to § 32.1-283.5, those portions of meetings in which individual adult death cases are discussed
577 by a local or regional adult fatality review team established pursuant to § 32.1-283.6, those portions of
578 meetings in which individual death cases are discussed by overdose fatality review teams established
579 pursuant to § 32.1-283.7, those portions of meetings in which individual maternal death cases are
580 discussed by the Maternal Mortality Review Team pursuant to § 32.1-283.8, and those portions of
581 meetings in which individual death cases of persons with developmental disabilities are discussed by the
582 Developmental Disabilities Mortality Review Committee established pursuant to § 37.2-314.1.

583 22. Those portions of meetings of the board of visitors of the University of Virginia or the Eastern
584 Virginia Medical School Board of Visitors, as the case may be, and those portions of meetings of any
585 persons to whom management responsibilities for the University of Virginia Medical Center or Eastern
586 Virginia Medical School, as the case may be, have been delegated, in which there is discussed proprietary,
587 business-related information pertaining to the operations of the University of Virginia Medical Center or
588 Eastern Virginia Medical School, as the case may be, including business development or marketing
589 strategies and activities with existing or future joint venturers, partners, or other parties with whom the
590 University of Virginia Medical Center or Eastern Virginia Medical School, as the case may be, has formed,
591 or forms, any arrangement for the delivery of health care, if disclosure of such information would
592 adversely affect the competitive position of the Medical Center or Eastern Virginia Medical School, as
593 the case may be.

594 23. Discussion or consideration by the Virginia Commonwealth University Health System
595 Authority or the board of visitors of Virginia Commonwealth University of any of the following: the
596 acquisition or disposition by the Authority of real property, equipment, or technology software or
597 hardware and related goods or services, where disclosure would adversely affect the bargaining position
598 or negotiating strategy of the Authority; matters relating to gifts or bequests to, and fund-raising activities
599 of, the Authority; grants and contracts for services or work to be performed by the Authority; marketing
600 or operational strategies plans of the Authority where disclosure of such strategies or plans would
601 adversely affect the competitive position of the Authority; and members of the Authority's medical and
602 teaching staffs and qualifications for appointments thereto.

603 24. Those portions of the meetings of the Health Practitioners' Monitoring Program Committee
604 within the Department of Health Professions to the extent such discussions identify any practitioner who
605 may be, or who actually is, impaired pursuant to Chapter 25.1 (§ 54.1-2515 et seq.) of Title 54.1.

606 25. Meetings or portions of meetings of the Board of the Virginia College Savings Plan wherein
607 personal information, as defined in § 2.2-3801, which has been provided to the Board or its employees by
608 or on behalf of individuals who have requested information about, applied for, or entered into prepaid

609 tuition contracts or savings trust account agreements pursuant to Chapter 7 (§ 23.1-700 et seq.) of Title
610 23.1 is discussed.

611 26. Discussion or consideration, by the former Wireless Carrier E-911 Cost Recovery
612 Subcommittee created pursuant to former § 56-484.15, of trade secrets submitted by CMRS providers, as
613 defined in § 56-484.12, related to the provision of wireless E-911 service.

614 27. Those portions of disciplinary proceedings by any regulatory board within the Department of
615 Professional and Occupational Regulation, Department of Health Professions, or the Board of
616 Accountancy conducted pursuant to § 2.2-4019 or 2.2-4020 during which the board deliberates to reach a
617 decision or meetings of health regulatory boards or conference committees of such boards to consider
618 settlement proposals in pending disciplinary actions or modifications to previously issued board orders as
619 requested by either of the parties.

620 28. Discussion or consideration of information subject to the exclusion in subdivision 11 of § 2.2-
621 3705.6 by a responsible public entity or an affected locality or public entity, as those terms are defined in
622 § 33.2-1800, or any independent review panel appointed to review information and advise the responsible
623 public entity concerning such records.

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

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

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

633 32. Discussion or consideration of confidential proprietary information and trade secrets developed
634 and held by a local public body providing certain telecommunication services or cable television services
635 and subject to the exclusion in subdivision 18 of § 2.2-3705.6. However, the exemption provided by this

636 subdivision shall not apply to any authority created pursuant to the BVU Authority Act (§ 15.2-7200 et
637 seq.).

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

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

643 35. Discussion or consideration by the Forensic Science Board or the Scientific Advisory
644 Committee created pursuant to Article 2 (§ 9.1-1109 et seq.) of Chapter 11 of Title 9.1 of criminal
645 investigative files.

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

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

654 38. Discussion or consideration by the Board of Trustees of the Virginia Retirement System acting
655 pursuant to § 51.1-124.30, by the Investment Advisory Committee appointed pursuant to § 51.1-124.26,
656 by any local retirement system, acting pursuant to § 51.1-803, by the Board of the Virginia College
657 Savings Plan acting pursuant to § 23.1-706, or by the Virginia College Savings Plan's Investment Advisory
658 Committee appointed pursuant to § 23.1-702 of information subject to the exclusion in subdivision 24 of
659 § 2.2-3705.7.

660 39. Discussion or consideration of information subject to the exclusion in subdivision 3 of § 2.2-
661 3705.6 related to economic development.

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

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

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

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

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

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

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

689 47. Discussion or consideration of grant, loan, or investment application records subject to the
690 exclusion in subdivision 28 of § 2.2-3705.6 for a grant, loan, or investment pursuant to Article 11 (§ 2.2-
691 2351 et seq.) of Chapter 22.

692 48. Discussion or development of grant proposals by a regional council established pursuant to
693 Article 26 (§ 2.2-2484 et seq.) of Chapter 24 to be submitted for consideration to the Virginia Growth and
694 Opportunity Board.

695 49. Discussion or consideration of (i) individual sexual assault cases by a sexual assault response
696 team established pursuant to § 15.2-1627.4, (ii) individual child abuse or neglect cases or sex offenses
697 involving a child by a child sexual abuse response team established pursuant to § 15.2-1627.5, or (iii)
698 individual cases involving abuse, neglect, or exploitation of adults as defined in § 63.2-1603 pursuant to
699 §§ 15.2-1627.5 and 63.2-1605.

700 50. Discussion or consideration by the Board of the Virginia Economic Development Partnership
701 Authority, the Joint Legislative Audit and Review Commission, or any subcommittees thereof, of the
702 portions of the strategic plan, marketing plan, or operational plan exempt from disclosure pursuant to
703 subdivision 33 of § 2.2-3705.7.

704 51. Those portions of meetings of the subcommittee of the Board of the Virginia Economic
705 Development Partnership Authority established pursuant to subsection F of § 2.2-2237.3 to review and
706 discuss information received from the Virginia Employment Commission pursuant to subdivision C 2 of
707 § 60.2-114 and the Department of Workforce Development and Advancement pursuant to subsection B
708 of § 2.2-2040.

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

712 53. Deliberations of the Virginia Lottery Board conducted pursuant to § 58.1-4105 regarding the
713 denial or revocation of a license of a casino gaming operator, or the refusal to issue, suspension of, or
714 revocation of any license or permit related to casino gaming, and discussion, consideration, or review of
715 matters related to investigations excluded from mandatory disclosure under subdivision 1 of § 2.2-3705.3.

716 54. Deliberations of the Virginia Lottery Board in an appeal conducted pursuant to § 58.1-4007
717 regarding the denial of, revocation of, suspension of, or refusal to renew any license or permit related to
718 sports betting and any discussion, consideration, or review of matters related to investigations excluded
719 from mandatory disclosure under subdivision 1 of § 2.2-3705.3.

720 55. Deliberations of the Virginia Lottery Board in an appeal conducted pursuant to § 58.1-4007
721 regarding the denial of, revocation of, suspension of, or refusal to renew any license related to electronic
722 gaming devices and any discussion, consideration, or review of matters related to investigations excluded
723 from mandatory disclosure under subdivision 1 of § 2.2-3705.3.

724 B. No resolution, ordinance, rule, contract, regulation, or motion adopted, passed, or agreed to in
725 a closed meeting shall become effective unless the public body, following the meeting, reconvenes in open
726 meeting and takes a vote of the membership on such resolution, ordinance, rule, contract, regulation, or
727 motion that shall have its substance reasonably identified in the open meeting.

728 C. Public officers improperly selected due to the failure of the public body to comply with the
729 other provisions of this section shall be de facto officers and, as such, their official actions are valid until
730 they obtain notice of the legal defect in their election.

731 D. Nothing in this section shall be construed to prevent the holding of conferences between two or
732 more public bodies, or their representatives, but these conferences shall be subject to the same procedures
733 for holding closed meetings as are applicable to any other public body.

734 E. This section shall not be construed to (i) require the disclosure of any contract between the
735 Department of Health Professions and an impaired practitioner entered into pursuant to Chapter 25.1 (§
736 54.1-2515 et seq.) of Title 54.1 or (ii) require the board of directors of any authority created pursuant to
737 the Industrial Development and Revenue Bond Act (§ 15.2-4900 et seq.), or any public body empowered
738 to issue industrial revenue bonds by general or special law, to identify a business or industry to which
739 subdivision A 5 applies. However, such business or industry shall be identified as a matter of public record
740 at least 30 days prior to the actual date of the board's authorization of the sale or issuance of such bonds.

741 **§ 2.2-3711. (Effective pursuant to Acts 2023, cc. 756 and 778, cl. 5) Closed meetings**
742 **authorized for certain limited purposes.**

743 A. Public bodies may hold closed meetings only for the following purposes:

744 1. Discussion, consideration, or interviews of prospective candidates for employment; assignment,
745 appointment, promotion, performance, demotion, salaries, disciplining, or resignation of specific public
746 officers, appointees, or employees of any public body; and evaluation of performance of departments or
747 schools of public institutions of higher education where such evaluation will necessarily involve
748 discussion of the performance of specific individuals. Any teacher shall be permitted to be present during
749 a closed meeting in which there is a discussion or consideration of a disciplinary matter that involves the
750 teacher and some student and the student involved in the matter is present, provided that the teacher makes
751 a written request to be present to the presiding officer of the appropriate board. Nothing in this subdivision,
752 however, shall be construed to authorize a closed meeting by a local governing body or an elected school
753 board to discuss compensation matters that affect the membership of such body or board collectively.

754 2. Discussion or consideration of admission or disciplinary matters or any other matters that would
755 involve the disclosure of information contained in a scholastic record concerning any student of any public
756 institution of higher education in the Commonwealth or any state school system. However, any such
757 student, legal counsel and, if the student is a minor, the student's parents or legal guardians shall be
758 permitted to be present during the taking of testimony or presentation of evidence at a closed meeting, if
759 such student, parents, or guardians so request in writing and such request is submitted to the presiding
760 officer of the appropriate board.

761 3. Discussion or consideration of the acquisition of real property for a public purpose, or of the
762 disposition of publicly held real property, where discussion in an open meeting would adversely affect the
763 bargaining position or negotiating strategy of the public body.

764 4. The protection of the privacy of individuals in personal matters not related to public business.

765 5. Discussion concerning a prospective business or industry or the expansion of an existing
766 business or industry where no previous announcement has been made of the business' or industry's interest
767 in locating or expanding its facilities in the community.

768 6. Discussion or consideration of the investment of public funds where competition or bargaining
769 is involved, where, if made public initially, the financial interest of the governmental unit would be
770 adversely affected.

771 7. Consultation with legal counsel and briefings by staff members or consultants pertaining to
772 actual or probable litigation, where such consultation or briefing in open meeting would adversely affect
773 the negotiating or litigating posture of the public body. For the purposes of this subdivision, "probable
774 litigation" means litigation that has been specifically threatened or on which the public body or its legal
775 counsel has a reasonable basis to believe will be commenced by or against a known party. Nothing in this
776 subdivision shall be construed to permit the closure of a meeting merely because an attorney representing
777 the public body is in attendance or is consulted on a matter.

778 8. Consultation with legal counsel employed or retained by a public body regarding specific legal
779 matters requiring the provision of legal advice by such counsel. Nothing in this subdivision shall be
780 construed to permit the closure of a meeting merely because an attorney representing the public body is
781 in attendance or is consulted on a matter.

782 9. Discussion or consideration by governing boards of public institutions of higher education of
783 matters relating to gifts, bequests and fund-raising activities, and of grants and contracts for services or
784 work to be performed by such institution. However, the terms and conditions of any such gifts, bequests,
785 grants, and contracts made by a foreign government, a foreign legal entity, or a foreign person and
786 accepted by a public institution of higher education in the Commonwealth shall be subject to public
787 disclosure upon written request to the appropriate board of visitors. For the purpose of this subdivision,
788 (i) "foreign government" means any government other than the United States government or the
789 government of a state or a political subdivision thereof, (ii) "foreign legal entity" means any legal entity
790 (a) created under the laws of the United States or of any state thereof if a majority of the ownership of the
791 stock of such legal entity is owned by foreign governments or foreign persons or if a majority of the
792 membership of any such entity is composed of foreign persons or foreign legal entities or (b) created under
793 the laws of a foreign government, and (iii) "foreign person" means any individual who is not a citizen or
794 national of the United States or a trust territory or protectorate thereof.

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

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

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

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

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

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

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

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

820 18. Those portions of meetings in which the State Board of Local and Regional Jails discusses or
821 discloses the identity of, or information tending to identify, any prisoner who (i) provides information

822 about crimes or criminal activities, (ii) renders assistance in preventing the escape of another prisoner or
823 in the apprehension of an escaped prisoner, or (iii) voluntarily or at the instance of a prison official renders
824 other extraordinary services, the disclosure of which is likely to jeopardize the prisoner's life or safety.

825 19. Discussion of plans to protect public safety as it relates to terrorist activity or specific
826 cybersecurity threats or vulnerabilities and briefings by staff members, legal counsel, or law-enforcement
827 or emergency service officials concerning actions taken to respond to such matters or a related threat to
828 public safety; discussion of information subject to the exclusion in subdivision 2 or 14 of § 2.2-3705.2,
829 where discussion in an open meeting would jeopardize the safety of any person or the security of any
830 facility, building, structure, information technology system, or software program; or discussion of reports
831 or plans related to the security of any governmental facility, building₂ or structure, or the safety of persons
832 using such facility, building₂ or structure.

833 20. Discussion by the Board of the Virginia Retirement System, acting pursuant to § 51.1-124.30,
834 or of any local retirement system, acting pursuant to § 51.1-803, or by a local finance board or board of
835 trustees of a trust established by one or more local public bodies to invest funds for postemployment
836 benefits other than pensions, acting pursuant to Article 8 (§ 15.2-1544 et seq.) of Chapter 15 of Title 15.2,
837 or by the board of visitors of the University of Virginia, acting pursuant to § 23.1-2210, or by the Board
838 of the Virginia College Savings Plan, acting pursuant to § 23.1-706, regarding the acquisition, holding₂ or
839 disposition of a security or other ownership interest in an entity, where such security or ownership interest
840 is not traded on a governmentally regulated securities exchange, to the extent that such discussion (i)
841 concerns confidential analyses prepared for the board of visitors of the University of Virginia, prepared
842 by the retirement system, or a local finance board or board of trustees, or the Virginia College Savings
843 Plan or provided to the retirement system, a local finance board or board of trustees, or the Virginia
844 College Savings Plan under a promise of confidentiality, of the future value of such ownership interest or
845 the future financial performance of the entity, and (ii) would have an adverse effect on the value of the
846 investment to be acquired, held, or disposed of by the retirement system, a local finance board or board of
847 trustees, the board of visitors of the University of Virginia, or the Virginia College Savings Plan. Nothing

848 in this subdivision shall be construed to prevent the disclosure of information relating to the identity of
849 any investment held, the amount invested, or the present value of such investment.

850 21. Those portions of meetings in which individual child death cases are discussed by the State
851 Child Fatality Review Team established pursuant to § 32.1-283.1, those portions of meetings in which
852 individual child death cases are discussed by a regional or local child fatality review team established
853 pursuant to § 32.1-283.2, those portions of meetings in which individual death cases are discussed by
854 family violence fatality review teams established pursuant to § 32.1-283.3, those portions of meetings in
855 which individual adult death cases are discussed by the state Adult Fatality Review Team established
856 pursuant to § 32.1-283.5, those portions of meetings in which individual adult death cases are discussed
857 by a local or regional adult fatality review team established pursuant to § 32.1-283.6, those portions of
858 meetings in which individual death cases are discussed by overdose fatality review teams established
859 pursuant to § 32.1-283.7, those portions of meetings in which individual maternal death cases are
860 discussed by the Maternal Mortality Review Team pursuant to § 32.1-283.8, and those portions of
861 meetings in which individual death cases of persons with developmental disabilities are discussed by the
862 Developmental Disabilities Mortality Review Committee established pursuant to § 37.2-314.1.

863 22. Those portions of meetings of the board of visitors of the University of Virginia or Old
864 Dominion University, as the case may be, and those portions of meetings of any persons to whom
865 management responsibilities for the University of Virginia Medical Center or the Eastern Virginia Health
866 Sciences Center at Old Dominion University, as the case may be, have been delegated, in which there is
867 discussed proprietary, business-related information pertaining to the operations of the University of
868 Virginia Medical Center or the Eastern Virginia Health Sciences Center at Old Dominion University, as
869 the case may be, including business development or marketing strategies and activities with existing or
870 future joint venturers, partners, or other parties with whom the University of Virginia Medical Center or
871 the Eastern Virginia Health Sciences Center at Old Dominion University, as the case may be, has formed,
872 or forms, any arrangement for the delivery of health care, if disclosure of such information would
873 adversely affect the competitive position of the University of Virginia Medical Center or the Eastern
874 Virginia Health Sciences Center at Old Dominion University, as the case may be.

875 23. Discussion or consideration by the Virginia Commonwealth University Health System
876 Authority or the board of visitors of Virginia Commonwealth University of any of the following: the
877 acquisition or disposition by the Authority of real property, equipment, or technology software or
878 hardware and related goods or services, where disclosure would adversely affect the bargaining position
879 or negotiating strategy of the Authority; matters relating to gifts or bequests to, and fund-raising activities
880 of, the Authority; grants and contracts for services or work to be performed by the Authority; marketing
881 or operational strategies plans of the Authority where disclosure of such strategies or plans would
882 adversely affect the competitive position of the Authority; and members of the Authority's medical and
883 teaching staffs and qualifications for appointments thereto.

884 24. Those portions of the meetings of the Health Practitioners' Monitoring Program Committee
885 within the Department of Health Professions to the extent such discussions identify any practitioner who
886 may be, or who actually is, impaired pursuant to Chapter 25.1 (§ 54.1-2515 et seq.) of Title 54.1.

887 25. Meetings or portions of meetings of the Board of the Virginia College Savings Plan wherein
888 personal information, as defined in § 2.2-3801, which has been provided to the Board or its employees by
889 or on behalf of individuals who have requested information about, applied for, or entered into prepaid
890 tuition contracts or savings trust account agreements pursuant to Chapter 7 (§ 23.1-700 et seq.) of Title
891 23.1 is discussed.

892 26. Discussion or consideration, by the former Wireless Carrier E-911 Cost Recovery
893 Subcommittee created pursuant to former § 56-484.15, of trade secrets submitted by CMRS providers, as
894 defined in § 56-484.12, related to the provision of wireless E-911 service.

895 27. Those portions of disciplinary proceedings by any regulatory board within the Department of
896 Professional and Occupational Regulation, Department of Health Professions, or the Board of
897 Accountancy conducted pursuant to § 2.2-4019 or 2.2-4020 during which the board deliberates to reach a
898 decision or meetings of health regulatory boards or conference committees of such boards to consider
899 settlement proposals in pending disciplinary actions or modifications to previously issued board orders as
900 requested by either of the parties.

901 28. Discussion or consideration of information subject to the exclusion in subdivision 11 of § 2.2-
902 3705.6 by a responsible public entity or an affected locality or public entity, as those terms are defined in
903 § 33.2-1800, or any independent review panel appointed to review information and advise the responsible
904 public entity concerning such records.

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

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

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

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

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

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

924 35. Discussion or consideration by the Forensic Science Board or the Scientific Advisory
925 Committee created pursuant to Article 2 (§ 9.1-1109 et seq.) of Chapter 11 of Title 9.1 of criminal
926 investigative files.

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

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

935 38. Discussion or consideration by the Board of Trustees of the Virginia Retirement System acting
936 pursuant to § 51.1-124.30, by the Investment Advisory Committee appointed pursuant to § 51.1-124.26,
937 by any local retirement system, acting pursuant to § 51.1-803, by the Board of the Virginia College
938 Savings Plan acting pursuant to § 23.1-706, or by the Virginia College Savings Plan's Investment Advisory
939 Committee appointed pursuant to § 23.1-702 of information subject to the exclusion in subdivision 24 of
940 § 2.2-3705.7.

941 39. Discussion or consideration of information subject to the exclusion in subdivision 3 of § 2.2-
942 3705.6 related to economic development.

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

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

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

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

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

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

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

970 47. Discussion or consideration of grant, loan, or investment application records subject to the
971 exclusion in subdivision 28 of § 2.2-3705.6 for a grant, loan, or investment pursuant to Article 11 (§ 2.2-
972 2351 et seq.) of Chapter 22.

973 48. Discussion or development of grant proposals by a regional council established pursuant to
974 Article 26 (§ 2.2-2484 et seq.) of Chapter 24 to be submitted for consideration to the Virginia Growth and
975 Opportunity Board.

976 49. Discussion or consideration of (i) individual sexual assault cases by a sexual assault response
977 team established pursuant to § 15.2-1627.4, (ii) individual child abuse or neglect cases or sex offenses
978 involving a child by a child sexual abuse response team established pursuant to § 15.2-1627.5, or (iii)
979 individual cases involving abuse, neglect, or exploitation of adults as defined in § 63.2-1603 pursuant to
980 §§ 15.2-1627.5 and 63.2-1605.

981 50. Discussion or consideration by the Board of the Virginia Economic Development Partnership
982 Authority, the Joint Legislative Audit and Review Commission, or any subcommittees thereof, of the
983 portions of the strategic plan, marketing plan, or operational plan exempt from disclosure pursuant to
984 subdivision 33 of § 2.2-3705.7.

985 51. Those portions of meetings of the subcommittee of the Board of the Virginia Economic
986 Development Partnership Authority established pursuant to subsection F of § 2.2-2237.3 to review and
987 discuss information received from the Virginia Employment Commission pursuant to subdivision C 2 of
988 § 60.2-114 and the Department of Workforce Development and Advancement pursuant to subsection B
989 of § 2.2-2040.

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

993 53. Deliberations of the Virginia Lottery Board conducted pursuant to § 58.1-4105 regarding the
994 denial or revocation of a license of a casino gaming operator, or the refusal to issue, suspension of, or
995 revocation of any license or permit related to casino gaming, and discussion, consideration, or review of
996 matters related to investigations excluded from mandatory disclosure under subdivision 1 of § 2.2-3705.3.

997 54. Deliberations of the Virginia Lottery Board in an appeal conducted pursuant to § 58.1-4007
998 regarding the denial of, revocation of, suspension of, or refusal to renew any license or permit related to
999 sports betting and any discussion, consideration, or review of matters related to investigations excluded
1000 from mandatory disclosure under subdivision 1 of § 2.2-3705.3.

1001 55. Deliberations of the Virginia Lottery Board in an appeal conducted pursuant to § 58.1-4007
1002 regarding the denial of, revocation of, suspension of, or refusal to renew any license related to electronic
1003 gaming devices and any discussion, consideration, or review of matters related to investigations excluded
1004 from mandatory disclosure under subdivision 1 of § 2.2-3705.3.

1005 B. No resolution, ordinance, rule, contract, regulation, or motion adopted, passed, or agreed to in
1006 a closed meeting shall become effective unless the public body, following the meeting, reconvenes in open

1007 meeting and takes a vote of the membership on such resolution, ordinance, rule, contract, regulation, or
1008 motion that shall have its substance reasonably identified in the open meeting.

1009 C. Public officers improperly selected due to the failure of the public body to comply with the
1010 other provisions of this section shall be de facto officers and, as such, their official actions are valid until
1011 they obtain notice of the legal defect in their election.

1012 D. Nothing in this section shall be construed to prevent the holding of conferences between two or
1013 more public bodies, or their representatives, but these conferences shall be subject to the same procedures
1014 for holding closed meetings as are applicable to any other public body.

1015 E. This section shall not be construed to (i) require the disclosure of any contract between the
1016 Department of Health Professions and an impaired practitioner entered into pursuant to Chapter 25.1 (§
1017 54.1-2515 et seq.) of Title 54.1 or (ii) require the board of directors of any authority created pursuant to
1018 the Industrial Development and Revenue Bond Act (§ 15.2-4900 et seq.), or any public body empowered
1019 to issue industrial revenue bonds by general or special law, to identify a business or industry to which
1020 subdivision A 5 applies. However, such business or industry shall be identified as a matter of public record
1021 at least 30 days prior to the actual date of the board's authorization of the sale or issuance of such bonds.

1022 **§ 11-16.3. Exemption; play of authorized electronic gaming devices.**

1023 This chapter shall not apply to the play of electronic gaming devices or related activity that is
1024 lawful under Article 4 (§ 58.1-4065 et seq.) of Chapter 40 of Title 58.1 or to any contract, conduct, or
1025 transaction arising from conduct lawful thereunder.

1026 **§ 18.2-325. Definitions.**

1027 ~~As used in this article, unless the context requires a different meaning:~~

1028 "Gambling device" includes:

1029 1. Any device, machine, paraphernalia, equipment, or other thing, including books, records, and
1030 other papers, which are actually used in an illegal gambling operation or activity;

1031 2. Any machine, apparatus, implement, instrument, contrivance, board, or other thing, or electronic
1032 or video versions thereof, including but not limited to those dependent upon the insertion of a coin or other
1033 object for their operation, which operates, either completely automatically or with the aid of some physical

1034 act by the player or operator, in such a manner that, depending upon elements of chance, it may eject
1035 something of value or determine the prize or other thing of value to which the player is entitled, provided,
1036 however, that the return to the user of nothing more than additional chances or the right to use such
1037 machine is not deemed something of value within the meaning of this subdivision; and provided further,
1038 that machines that only sell, or entitle the user to, items of merchandise of equivalent value that may differ
1039 from each other in composition, size, shape, or color, shall not be deemed gambling devices within the
1040 meaning of this subdivision; and

1041 3. Skill games.

1042 Such devices are no less gambling devices if they indicate beforehand the definite result of one or
1043 more operations but not all the operations. Nor are they any less a gambling device because, apart from
1044 their use or adaptability as such, they may also sell or deliver something of value on a basis other than
1045 chance.

1046 "Gambling device" does not include an electronic gaming device authorized pursuant to the
1047 provisions of Article 4 (§ 58.1-4065 et seq.) of Chapter 40 of Title 58.1.

1048 "Illegal gambling" means the making, placing, or receipt of any bet or wager in the Commonwealth
1049 of money or other consideration or thing of value, made in exchange for a chance to win a prize, stake, or
1050 other consideration or thing of value, dependent upon the result of any game, contest, or any other event
1051 the outcome of which is uncertain or a matter of chance, whether such game, contest, or event occurs or
1052 is to occur inside or outside the limits of the Commonwealth.

1053 For the purposes of this ~~subdivision~~ definition and notwithstanding any provision in this section
1054 to the contrary, the making, placing, or receipt of any bet or wager of money or other consideration or
1055 thing of value shall include the purchase of a product, Internet access, or other thing made in exchange for
1056 a chance to win a prize, stake, or other consideration or thing of value by means of the operation of a
1057 gambling device as described in ~~subdivision 3-b,~~ 2 of the definition of "gambling device," regardless of
1058 whether the chance to win such prize, stake, or other consideration or thing of value may be offered in the
1059 absence of a purchase.

1060 "Illegal gambling" also means the playing or offering for play of any skill game.

1061 ~~2. "Illegal gambling" does not include the playing or offering for play of any electronic gaming~~
1062 ~~device authorized pursuant to the provisions of Article 4 (§ 58.1-4065 et seq.) of Chapter 40 of Title 58.1.~~

1063 "Interstate gambling" means the conduct of an enterprise for profit that engages in the purchase or
1064 sale within the Commonwealth of any interest in a lottery of another state or country whether or not such
1065 interest is an actual lottery ticket, receipt, contingent promise to pay, order to purchase, or other record of
1066 such interest.

1067 ~~3. "Gambling device" includes:~~

1068 ~~a. Any device, machine, paraphernalia, equipment, or other thing, including books, records, and~~
1069 ~~other papers, which are actually used in an illegal gambling operation or activity;~~

1070 ~~b. Any machine, apparatus, implement, instrument, contrivance, board, or other thing, or electronic~~
1071 ~~or video versions thereof, including but not limited to those dependent upon the insertion of a coin or other~~
1072 ~~object for their operation, which operates, either completely automatically or with the aid of some physical~~
1073 ~~act by the player or operator, in such a manner that, depending upon elements of chance, it may eject~~
1074 ~~something of value or determine the prize or other thing of value to which the player is entitled, provided,~~
1075 ~~however, that the return to the user of nothing more than additional chances or the right to use such~~
1076 ~~machine is not deemed something of value within the meaning of this subsection; and provided further,~~
1077 ~~that machines that only sell, or entitle the user to, items of merchandise of equivalent value that may differ~~
1078 ~~from each other in composition, size, shape, or color, shall not be deemed gambling devices within the~~
1079 ~~meaning of this subsection; and~~

1080 ~~c. Skill games.~~

1081 ~~Such devices are no less gambling devices if they indicate beforehand the definite result of one or~~
1082 ~~more operations but not all the operations. Nor are they any less a gambling device because, apart from~~
1083 ~~their use or adaptability as such, they may also sell or deliver something of value on a basis other than~~
1084 ~~chance.~~

1085 ~~4. "Operator" includes any person, firm, or association of persons, who conducts, finances,~~
1086 ~~manages, supervises, directs, or owns all or part of an illegal gambling enterprise, activity, or operation.~~

1087 ~~5. "Skill" means the knowledge, dexterity, or any other ability or expertise of a natural person.~~

1088 ~~6-~~"Skill game" means an electronic, computerized, or mechanical contrivance, terminal, machine,
1089 or other device that requires the insertion of a coin, currency, ticket, token, or similar object to operate,
1090 activate, or play a game, the outcome of which is determined by any element of skill of the player and that
1091 may deliver or entitle the person playing or operating the device to receive cash or cash equivalents, gift
1092 cards, vouchers, billets, tickets, tokens, or electronic credits to be exchanged for cash or cash equivalents
1093 whether the payoff is made automatically from the device or manually. "Skill game" includes (i) a device
1094 that contains a meter or measurement device that records the number of free games or portions of games
1095 that are rewarded and (ii) a device designed or adapted to enable a person using the device to increase the
1096 chances of winning free games or portions of games by paying more than the amount that is ordinarily
1097 required to play the game. "Skill game" does not include any amusement device, as defined in § 18.2-
1098 334.6.

1099 ~~7-~~"Unregulated location" means any location that is not regulated or operated by the Virginia
1100 Lottery or the Virginia Lottery Board, the Department of Agriculture and Consumer Services, the Virginia
1101 Alcoholic Beverage Control Authority, or the Virginia Racing Commission.

1102 **§ 18.2-334.3. Exemptions to article.**

1103 Nothing in this article shall apply to:

1104 1. Any lottery conducted by the Commonwealth of Virginia pursuant to Article 1 (§ 58.1-4000 et
1105 seq.) of Chapter 40 of Title 58.1;~~or~~

1106 2. Any sports betting or related activity that is lawful under Article 2 (§ 58.1-4030 et seq.) of
1107 Chapter 40 of Title 58.1; or

1108 3. The play of any electronic gaming device or related activity that is lawful under Article 4 (§
1109 58.1-4065 et seq.) of Chapter 40 of Title 58.1.

1110 **§ 19.2-389. Dissemination of criminal history record information.**

1111 A. Criminal history record information shall be disseminated, whether directly or through an
1112 intermediary, only to:

1113 1. Authorized officers or employees of criminal justice agencies, as defined by § 9.1-101, for
1114 purposes of the administration of criminal justice and the screening of an employment application or

1115 review of employment by a criminal justice agency with respect to its own employees or applicants, and
1116 dissemination to the Virginia Parole Board, pursuant to this subdivision, of such information on all state-
1117 responsible inmates for the purpose of making parole determinations pursuant to subdivisions 1, 2, 3, 4,
1118 and 6 of § 53.1-136 shall include collective dissemination by electronic means every 30 days. For purposes
1119 of this subdivision, criminal history record information includes information sent to the Central Criminal
1120 Records Exchange pursuant to §§ 37.2-819 and 64.2-2014 when disseminated to any full-time or part-
1121 time employee of the State Police, a police department or sheriff's office that is a part of or administered
1122 by the Commonwealth or any political subdivision thereof, and who is responsible for the prevention and
1123 detection of crime and the enforcement of the penal, traffic, or highway laws of the Commonwealth for
1124 the purposes of the administration of criminal justice;

1125 2. Such other individuals and agencies that require criminal history record information to
1126 implement a state or federal statute or executive order of the President of the United States or Governor
1127 that expressly refers to criminal conduct and contains requirements or exclusions expressly based upon
1128 such conduct, except that information concerning the arrest of an individual may not be disseminated to a
1129 noncriminal justice agency or individual if an interval of one year has elapsed from the date of the arrest
1130 and no disposition of the charge has been recorded and no active prosecution of the charge is pending;

1131 3. Individuals and agencies pursuant to a specific agreement with a criminal justice agency to
1132 provide services required for the administration of criminal justice pursuant to that agreement which shall
1133 specifically authorize access to data, limit the use of data to purposes for which given, and ensure the
1134 security and confidentiality of the data;

1135 4. Individuals and agencies for the express purpose of research, evaluative, or statistical activities
1136 pursuant to an agreement with a criminal justice agency that shall specifically authorize access to data,
1137 limit the use of data to research, evaluative, or statistical purposes, and ensure the confidentiality and
1138 security of the data;

1139 5. Agencies of state or federal government that are authorized by state or federal statute or
1140 executive order of the President of the United States or Governor to conduct investigations determining
1141 employment suitability or eligibility for security clearances allowing access to classified information;

1142 6. Individuals and agencies where authorized by court order or court rule;

1143 7. Agencies of any political subdivision of the Commonwealth, public transportation companies
1144 owned, operated, or controlled by any political subdivision, and any public service corporation that
1145 operates a public transit system owned by a local government for the conduct of investigations of
1146 applicants for employment, permit, or license whenever, in the interest of public welfare or safety, it is
1147 necessary to determine under a duly enacted ordinance if the past criminal conduct of a person with a
1148 conviction record would be compatible with the nature of the employment, permit, or license under
1149 consideration;

1150 7a. Commissions created pursuant to the Transportation District Act of 1964 (§ 33.2-1900 et seq.)
1151 of Title 33.2 and their contractors, for the conduct of investigations of individuals who have been offered
1152 a position of employment whenever, in the interest of public welfare or safety and as authorized in the
1153 Transportation District Act of 1964, it is necessary to determine if the past criminal conduct of a person
1154 with a conviction record would be compatible with the nature of the employment under consideration;

1155 8. Public or private agencies when authorized or required by federal or state law or interstate
1156 compact to investigate (i) applicants for foster or adoptive parenthood or (ii) any individual, and the adult
1157 members of that individual's household, with whom the agency is considering placing a child or from
1158 whom the agency is considering removing a child due to abuse or neglect, on an emergency, temporary,
1159 or permanent basis pursuant to §§ 63.2-901.1 and 63.2-1505, subject to the restriction that the data shall
1160 not be further disseminated to any party other than a federal or state authority or court as may be required
1161 to comply with an express requirement of law;

1162 9. To the extent permitted by federal law or regulation, public service companies as defined in §
1163 56-1, for the conduct of investigations of applicants for employment when such employment involves
1164 personal contact with the public or when past criminal conduct of an applicant would be incompatible
1165 with the nature of the employment under consideration;

1166 10. The appropriate authority for purposes of granting citizenship and for purposes of international
1167 travel, including, but not limited to, issuing visas and passports;

1168 11. A person requesting a copy of his own criminal history record information as defined in § 9.1-
1169 101 at his cost, except that criminal history record information shall be supplied at no charge to a person
1170 who has applied to be a volunteer with (i) a Virginia affiliate of Big Brothers/Big Sisters of America; (ii)
1171 a volunteer fire company; (iii) the Volunteer Emergency Families for Children; (iv) any affiliate of Prevent
1172 Child Abuse, Virginia; (v) any Virginia affiliate of Compeer; or (vi) any board member or any individual
1173 who has been offered membership on the board of a Crime Stoppers, Crime Solvers, or Crime Line
1174 program as defined in § 15.2-1713.1;

1175 12. Administrators and board presidents of and applicants for licensure or registration as a child
1176 welfare agency as defined in § 63.2-100 for dissemination to the Commissioner of Social Services'
1177 representative pursuant to § 63.2-1702 for the conduct of investigations with respect to employees of and
1178 volunteers at such facilities, caretakers, and foster and adoptive parent applicants of private child-placing
1179 agencies, pursuant to §§ 63.2-1719, 63.2-1720, and 63.2-1721, subject to the restriction that the data shall
1180 not be further disseminated by the facility or agency to any party other than the data subject, the
1181 Commissioner of Social Services' representative or a federal or state authority or court as may be required
1182 to comply with an express requirement of law for such further dissemination; however, nothing in this
1183 subdivision shall be construed to prohibit the Commissioner of Social Services' representative from
1184 issuing written certifications regarding the results of a background check that was conducted before July
1185 1, 2021, in accordance with subsection J of § 22.1-289.035 or § 22.1-289.039;

1186 13. The school boards of the Commonwealth for the purpose of screening individuals who are
1187 offered or who accept public school employment and those current school board employees for whom a
1188 report of arrest has been made pursuant to § 19.2-83.1;

1189 14. The Virginia Lottery for the conduct of investigations as set forth in the Virginia Lottery Law
1190 (§ 58.1-4000 et seq.), electronic gaming devices as set forth in Article 4 (§ 58.1-4065 et seq.) of Chapter
1191 40 of Title 58.1, and casino gaming as set forth in Chapter 41 (§ 58.1-4100 et seq.) of Title 58.1, and the
1192 Department of Agriculture and Consumer Services for the conduct of investigations as set forth in Article
1193 1.1:1 (§ 18.2-340.15 et seq.) of Chapter 8 of Title 18.2;

1194 15. Licensed nursing homes, hospitals, and home care organizations for the conduct of
1195 investigations of applicants for compensated employment in licensed nursing homes pursuant to § 32.1-
1196 126.01, hospital pharmacies pursuant to § 32.1-126.02, and home care organizations pursuant to § 32.1-
1197 162.9:1, subject to the limitations set out in subsection E;

1198 16. Licensed assisted living facilities and licensed adult day care centers for the conduct of
1199 investigations of applicants for compensated employment in licensed assisted living facilities and licensed
1200 adult day care centers pursuant to § 63.2-1720, subject to the limitations set out in subsection F;

1201 17. The Virginia Alcoholic Beverage Control Authority for the conduct of investigations as set
1202 forth in § 4.1-103.1;

1203 18. The State Board of Elections and authorized officers and employees thereof and general
1204 registrars appointed pursuant to § 24.2-110 in the course of conducting necessary investigations with
1205 respect to voter registration, limited to any record of felony convictions;

1206 19. The Commissioner of Behavioral Health and Developmental Services (the Commissioner) or
1207 his designees for individuals who are committed to the custody of or being evaluated by the Commissioner
1208 pursuant to §§ 19.2-168.1, 19.2-169.1, 19.2-169.2, 19.2-169.5, 19.2-169.6, 19.2-182.2, 19.2-182.3, 19.2-
1209 182.8, and 19.2-182.9 where such information may be beneficial for the purpose of placement, evaluation,
1210 treatment, or discharge planning;

1211 20. Any alcohol safety action program certified by the Commission on the Virginia Alcohol Safety
1212 Action Program for (i) interventions with first offenders under § 18.2-251 or (ii) services to offenders
1213 under § 18.2-51.4, 18.2-266, or 18.2-266.1;

1214 21. Residential facilities for juveniles regulated or operated by the Department of Social Services,
1215 the Department of Education, or the Department of Behavioral Health and Developmental Services for
1216 the purpose of determining applicants' fitness for employment or for providing volunteer or contractual
1217 services;

1218 22. The Department of Behavioral Health and Developmental Services and facilities operated by
1219 the Department for the purpose of determining an individual's fitness for employment pursuant to
1220 departmental instructions;

1221 23. Pursuant to § 22.1-296.3, the governing boards or administrators of private elementary or
1222 secondary schools which are accredited pursuant to § 22.1-19 or a private organization coordinating such
1223 records information on behalf of such governing boards or administrators pursuant to a written agreement
1224 with the Department of State Police;

1225 24. Public institutions of higher education and nonprofit private institutions of higher education
1226 for the purpose of screening individuals who are offered or accept employment;

1227 25. Members of a threat assessment team established by a local school board pursuant to § 22.1-
1228 79.4, by a public institution of higher education pursuant to § 23.1-805, or by a private nonprofit institution
1229 of higher education, for the purpose of assessing or intervening with an individual whose behavior may
1230 present a threat to safety; however, no member of a threat assessment team shall redisclose any criminal
1231 history record information obtained pursuant to this section or otherwise use any record of an individual
1232 beyond the purpose that such disclosure was made to the threat assessment team;

1233 26. Executive directors of community services boards or the personnel director serving the
1234 community services board for the purpose of determining an individual's fitness for employment, approval
1235 as a sponsored residential service provider, permission to enter into a shared living arrangement with a
1236 person receiving medical assistance services pursuant to a waiver, or permission for any person under
1237 contract with the community services board to serve in a direct care position on behalf of the community
1238 services board pursuant to §§ 37.2-506, 37.2-506.1, and 37.2-607;

1239 27. Executive directors of behavioral health authorities as defined in § 37.2-600 for the purpose of
1240 determining an individual's fitness for employment, approval as a sponsored residential service provider,
1241 permission to enter into a shared living arrangement with a person receiving medical assistance services
1242 pursuant to a waiver, or permission for any person under contract with the behavioral health authority to
1243 serve in a direct care position on behalf of the behavioral health authority pursuant to §§ 37.2-506, 37.2-
1244 506.1, and 37.2-607;

1245 28. The Commissioner of Social Services for the purpose of locating persons who owe child
1246 support or who are alleged in a pending paternity proceeding to be a putative father, provided that only
1247 the name, address, demographics, and social security number of the data subject shall be released;

1248 29. Authorized officers or directors of agencies licensed pursuant to Article 2 (§ 37.2-403 et seq.)
1249 of Chapter 4 of Title 37.2 by the Department of Behavioral Health and Developmental Services for the
1250 purpose of determining if any applicant who accepts employment in any direct care position or requests
1251 approval as a sponsored residential service provider, permission to enter into a shared living arrangement
1252 with a person receiving medical assistance services pursuant to a waiver, or permission for any person
1253 under contract with the provider to serve in a direct care position has been convicted of a crime that affects
1254 his fitness to have responsibility for the safety and well-being of individuals with mental illness,
1255 intellectual disability, or substance abuse pursuant to §§ 37.2-416, 37.2-416.1, 37.2-506, 37.2-506.1, and
1256 37.2-607;

1257 30. The Commissioner of the Department of Motor Vehicles, for the purpose of evaluating
1258 applicants for and holders of a motor carrier certificate or license subject to the provisions of Chapters 20
1259 (§ 46.2-2000 et seq.) and 21 (§ 46.2-2100 et seq.) of Title 46.2;

1260 31. The Chairman of the Senate Committee on the Judiciary or the Chairman of the House
1261 Committee for Courts of Justice for the purpose of determining if any person being considered for election
1262 to any judgeship has been convicted of a crime;

1263 32. Heads of state agencies in which positions have been identified as sensitive for the purpose of
1264 determining an individual's fitness for employment in positions designated as sensitive under Department
1265 of Human Resource Management policies developed pursuant to § 2.2-1201.1;

1266 33. The Office of the Attorney General, for all criminal justice activities otherwise permitted under
1267 subdivision ~~A~~ 1 and for purposes of performing duties required by the Civil Commitment of Sexually
1268 Violent Predators Act (§ 37.2-900 et seq.);

1269 34. Shipyards, to the extent permitted by federal law or regulation, engaged in the design,
1270 construction, overhaul, or repair of nuclear vessels for the United States Navy, including their subsidiary
1271 companies, for the conduct of investigations of applications for employment or for access to facilities, by
1272 contractors, leased laborers, and other visitors;

1273 35. Any employer of individuals whose employment requires that they enter the homes of others,
1274 for the purpose of screening individuals who apply for, are offered, or have accepted such employment;

1275 36. Public agencies when and as required by federal or state law to investigate (i) applicants as
1276 providers of adult foster care and home-based services or (ii) any individual with whom the agency is
1277 considering placing an adult on an emergency, temporary, or permanent basis pursuant to § 63.2-1601.1,
1278 subject to the restriction that the data shall not be further disseminated by the agency to any party other
1279 than a federal or state authority or court as may be required to comply with an express requirement of law
1280 for such further dissemination, subject to limitations set out in subsection G;

1281 37. The Department of Medical Assistance Services, or its designee, for the purpose of screening
1282 individuals who, through contracts, subcontracts, or direct employment, volunteer, apply for, are offered,
1283 or have accepted a position related to the provision of transportation services to enrollees in the Medicaid
1284 Program or the Family Access to Medical Insurance Security (FAMIS) Program, or any other program
1285 administered by the Department of Medical Assistance Services;

1286 38. The State Corporation Commission for the purpose of investigating individuals who are current
1287 or proposed members, senior officers, directors, and principals of an applicant or person licensed under
1288 Chapter 16 (§ 6.2-1600 et seq.), Chapter 19 (§ 6.2-1900 et seq.), or Chapter 26 (§ 6.2-2600 et seq.) of Title
1289 6.2. Notwithstanding any other provision of law, if an application is denied based in whole or in part on
1290 information obtained from the Central Criminal Records Exchange pursuant to Chapter 16, 19, or 26 of
1291 Title 6.2, the Commissioner of Financial Institutions or his designee may disclose such information to the
1292 applicant or its designee;

1293 39. The Department of Professional and Occupational Regulation for the purpose of investigating
1294 individuals for initial licensure pursuant to § 54.1-2106.1;

1295 40. The Department for Aging and Rehabilitative Services and the Department for the Blind and
1296 Vision Impaired for the purpose of evaluating an individual's fitness for various types of employment and
1297 for the purpose of delivering comprehensive vocational rehabilitation services pursuant to Article 11 (§
1298 51.5-170 et seq.) of Chapter 14 of Title 51.5 that will assist the individual in obtaining employment;

1299 41. Bail bondsmen, in accordance with the provisions of § 19.2-120;

1300 42. The State Treasurer for the purpose of determining whether a person receiving compensation
1301 for wrongful incarceration meets the conditions for continued compensation under § 8.01-195.12;

1302 43. The Department of Education or its agents or designees for the purpose of screening individuals
1303 seeking to enter into a contract with the Department of Education or its agents or designees for the
1304 provision of child care services for which child care subsidy payments may be provided;

1305 44. The Department of Juvenile Justice to investigate any parent, guardian, or other adult members
1306 of a juvenile's household when completing a predispositional or postdispositional report required by §
1307 16.1-273 or a Board of Juvenile Justice regulation promulgated pursuant to § 16.1-233;

1308 45. The State Corporation Commission, for the purpose of screening applicants for insurance
1309 licensure under Chapter 18 (§ 38.2-1800 et seq.) of Title 38.2;

1310 46. Administrators and board presidents of and applicants for licensure or registration as a child
1311 day program or family day system, as such terms are defined in § 22.1-289.02, for dissemination to the
1312 Superintendent of Public Instruction's representative pursuant to § 22.1-289.013 for the conduct of
1313 investigations with respect to employees of and volunteers at such facilities pursuant to §§ 22.1-289.034
1314 through 22.1-289.037, subject to the restriction that the data shall not be further disseminated by the
1315 facility or agency to any party other than the data subject, the Superintendent of Public Instruction's
1316 representative, or a federal or state authority or court as may be required to comply with an express
1317 requirement of law for such further dissemination; however, nothing in this subdivision shall be construed
1318 to prohibit the Superintendent of Public Instruction's representative from issuing written certifications
1319 regarding the results of prior background checks in accordance with subsection J of § 22.1-289.035 or §
1320 22.1-289.039;

1321 47. The National Center for Missing and Exploited Children for the purpose of screening
1322 individuals who are offered or accept employment or will be providing volunteer or contractual services
1323 with the National Center for Missing and Exploited Children; and

1324 48. Other entities as otherwise provided by law.

1325 Upon an ex parte motion of a defendant in a felony case and upon the showing that the records
1326 requested may be relevant to such case, the court shall enter an order requiring the Central Criminal
1327 Records Exchange to furnish the defendant, as soon as practicable, copies of any records of persons
1328 designated in the order on whom a report has been made under the provisions of this chapter.

1329 Notwithstanding any other provision of this chapter to the contrary, upon a written request sworn
1330 to before an officer authorized to take acknowledgments, the Central Criminal Records Exchange, or the
1331 criminal justice agency in cases of offenses not required to be reported to the Exchange, shall furnish a
1332 copy of conviction data covering the person named in the request to the person making the request;
1333 however, such person on whom the data is being obtained shall consent in writing, under oath, to the
1334 making of such request. A person receiving a copy of his own conviction data may utilize or further
1335 disseminate that data as he deems appropriate. In the event no conviction data is maintained on the data
1336 subject, the person making the request shall be furnished at his cost a certification to that effect.

1337 B. Use of criminal history record information disseminated to noncriminal justice agencies under
1338 this section shall be limited to the purposes for which it was given and may not be disseminated further,
1339 except as otherwise provided in subdivision A 46.

1340 C. No criminal justice agency or person shall confirm the existence or nonexistence of criminal
1341 history record information for employment or licensing inquiries except as provided by law.

1342 D. Criminal justice agencies shall establish procedures to query the Central Criminal Records
1343 Exchange prior to dissemination of any criminal history record information on offenses required to be
1344 reported to the Central Criminal Records Exchange to ensure that the most up-to-date disposition data is
1345 being used. Inquiries of the Exchange shall be made prior to any dissemination except in those cases where
1346 time is of the essence and the normal response time of the Exchange would exceed the necessary time
1347 period. A criminal justice agency to whom a request has been made for the dissemination of criminal
1348 history record information that is required to be reported to the Central Criminal Records Exchange may
1349 direct the inquirer to the Central Criminal Records Exchange for such dissemination. Dissemination of
1350 information regarding offenses not required to be reported to the Exchange shall be made by the criminal
1351 justice agency maintaining the record as required by § 15.2-1722.

1352 E. Criminal history information provided to licensed nursing homes, hospitals and to home care
1353 organizations pursuant to subdivision A 15 shall be limited to the convictions on file with the Exchange
1354 for any offense specified in §§ 32.1-126.01, 32.1-126.02, and 32.1-162.9:1.

1355 F. Criminal history information provided to licensed assisted living facilities and licensed adult
1356 day care centers pursuant to subdivision A 16 shall be limited to the convictions on file with the Exchange
1357 for any offense specified in § 63.2-1720.

1358 G. Criminal history information provided to public agencies pursuant to subdivision A 36 shall be
1359 limited to the convictions on file with the Exchange for any offense set forth in clause (i) of the definition
1360 of barrier crime in § 19.2-392.02.

1361 H. Upon receipt of a written request from an employer or prospective employer, the Central
1362 Criminal Records Exchange, or the criminal justice agency in cases of offenses not required to be reported
1363 to the Exchange, shall furnish at the employer's cost a copy of conviction data covering the person named
1364 in the request to the employer or prospective employer making the request, provided that the person on
1365 whom the data is being obtained has consented in writing to the making of such request and has presented
1366 a photo-identification to the employer or prospective employer. In the event no conviction data is
1367 maintained on the person named in the request, the requesting employer or prospective employer shall be
1368 furnished at his cost a certification to that effect. The criminal history record search shall be conducted on
1369 forms provided by the Exchange.

1370 I. Nothing in this section shall preclude the dissemination of a person's criminal history record
1371 information pursuant to the rules of court for obtaining discovery or for review by the court.

1372 **§ 37.2-314.2. Problem Gambling Treatment and Support Fund.**

1373 A. As used in this section:

1374 "Compulsive gambling" means persistent and recurrent problem gambling behavior leading to
1375 clinically significant impairment or distress, as indicated by an individual exhibiting four or more of the
1376 criteria as defined by the Diagnostic Statistical Manual of Mental Disorders in a 12-month period and
1377 where the behavior is not better explained by a manic episode.

1378 "Problem gambling" means a gambling behavior that causes disruptions in any major area of life,
1379 including the psychological, social, or vocational areas of life, but does not fulfill the criteria for diagnosis
1380 as a gambling disorder.

1381 B. There is hereby created in the state treasury a special nonreverting fund to be known as the
1382 Problem Gambling Treatment and Support Fund, referred to in this section as "the Fund." The Fund shall
1383 be established on the books of the Comptroller. All revenue accruing to the Fund pursuant to subsection
1384 A of § 58.1-4038, moneys required to be deposited into the Fund pursuant to subsection A of § 58.1-4085,
1385 and moneys required to be deposited into the Fund pursuant to Chapter 41 (§ 58.1-4100 et seq.) of Title
1386 58.1 shall be paid into the state treasury and credited to the Fund. Interest earned on moneys in the Fund
1387 shall remain in the Fund and be credited to it. Any moneys remaining in the Fund, including interest
1388 thereon, at the end of each fiscal year shall not revert to the general fund but shall remain in the Fund.
1389 Moneys in the Fund shall be used solely for the purposes of (i) providing counseling and other support
1390 services for compulsive and problem gamblers, (ii) developing and implementing compulsive and problem
1391 gambling treatment and prevention programs, and (iii) providing grants to support organizations that
1392 provide assistance to compulsive and problem gamblers. Expenditures and disbursements from the Fund
1393 shall be made by the State Treasurer on warrants issued by the Comptroller upon written request signed
1394 by the Commissioner.

1395 **§ 58.1-4002. Definitions.**

1396 As used in this chapter, unless the context requires a different meaning:

1397 "Board" means the Virginia Lottery Board established by this chapter.

1398 "Casino gaming" or "game" means baccarat, blackjack, twenty-one, poker, craps, dice, slot
1399 machines, roulette wheels, Klondike tables, punchboards, faro layouts, numbers tickets, push cards, jar
1400 tickets, or pull tabs and any other activity that is authorized by the Board as a wagering game or device
1401 under Chapter 41 (§ 58.1-4100 et seq.). "Casino gaming" or "game" includes on-premises mobile casino
1402 gaming.

1403 "Department" means the independent agency responsible for the administration of the Virginia
1404 Lottery pursuant to this article ~~and~~, the regulation of sports betting pursuant to Article 2 (§ 58.1-4030 et
1405 seq.), and the regulation of electronic gaming devices pursuant to Article 4 (§ 58.1-4065 et seq.).

1406 "Director" means the Director of the Virginia Lottery.

1407 "Lottery" or "state lottery" means the lottery or lotteries established and operated pursuant to this
1408 ~~chapter~~ article.

1409 "On-premises mobile casino gaming" means casino gaming offered by a casino gaming operator
1410 at a casino gaming establishment using a computer network of both federal and nonfederal interoperable
1411 packet-switched data networks through which the casino gaming operator may offer casino gaming to
1412 individuals who have established an on-premises mobile casino gaming account with the casino gaming
1413 operator and who are physically present on the premises of the casino gaming establishment, as authorized
1414 by regulations promulgated by the Board.

1415 "Sports betting" means placing wagers on sporting events as such activity is regulated by the
1416 Board.

1417 "Ticket courier service" means a service operated for the purpose of purchasing ~~Virginia Lottery~~
1418 lottery tickets on behalf of individuals located within or outside the Commonwealth and delivering or
1419 transmitting such tickets, or electronic images thereof, to such individuals as a business-for-profit delivery
1420 service.

1421 "Voluntary exclusion program" means a program established by the Board pursuant to § 58.1-
1422 4015.1 that allows individuals to voluntarily exclude themselves from engaging in the activities described
1423 in subdivision B 1 of § 58.1-4015.1 by placing their name on a voluntary exclusion list and following the
1424 procedures set forth by the Board.

1425 **§ 58.1-4003. Virginia Lottery established.**

1426 Notwithstanding the provisions of Article 1 (§ 18.2-325 et seq.) of Chapter 8 of Title 18.2 or any
1427 other provision of law, there is hereby established as an independent agency of the Commonwealth,
1428 exclusive of the legislative, executive, or judicial branches of government, the Virginia Lottery, which
1429 shall include a Director and ~~a~~ the Virginia Lottery Board for the ~~purpose~~ purposes of operating a state
1430 lottery and regulating electronic gaming devices pursuant to Article 4 (§ 58.1-4065 et seq.).

1431 **§ 58.1-4006. Powers of the Director.**

1432 A. The Director shall supervise and administer:

1433 1. The operation of the lottery in accordance with the provisions of this chapter and with the rules
1434 and regulations promulgated ~~hereunder~~ pursuant to this chapter; ~~and~~
1435 2. The regulation of casino gaming in accordance with Chapter 41 (§ 58.1-4100 et seq.); and
1436 3. The regulation of electronic gaming devices in accordance with Article 4 (§ 58.1-4065 et seq.)
1437 and with the rules and regulations promulgated pursuant to this chapter.

1438 B. The Director shall also:

1439 1. Employ such deputy directors, professional, technical, and clerical assistants, and other
1440 employees as may be required to carry out the functions and duties of the Department.

1441 2. Act as secretary and executive officer of the Board.

1442 3. Require bond or other surety satisfactory to the Director from licensed agents as provided in
1443 subsection E of § 58.1-4009 and Department employees with access to Department funds or lottery funds,
1444 in such amount as provided in the rules and regulations of the Board. The Director may also require bond
1445 from other employees as he deems necessary.

1446 4. Confer regularly, but not less than four times each year, with the Board on the operation and
1447 administration of the lottery ~~and~~, the regulation of casino gaming, and the regulation of electronic gaming
1448 devices; make available for inspection by the Board, upon request, all books, records, files, and other
1449 information and documents of the Department; and advise the Board and recommend such matters as he
1450 deems necessary and advisable to improve the operation and administration of the lottery ~~and~~, the
1451 regulation of casino gaming, and the regulation of electronic gaming devices.

1452 5. Suspend, revoke, or refuse to renew any license issued pursuant to this chapter or the rules and
1453 regulations adopted ~~hereunder~~ pursuant to this chapter.

1454 6. Suspend, revoke, or refuse to renew any license or permit issued pursuant to Chapter 41 (§ 58.1-
1455 4100 et seq.).

1456 7. Eject or exclude from a casino gaming establishment any person, whether or not he possesses a
1457 license or permit, whose conduct or reputation is such that his presence may, in the opinion of the Director,
1458 reflect negatively on the honesty and integrity of casino gaming or interfere with the orderly gaming
1459 operations.

1460 8. Immediately upon the receipt of a credible complaint of an alleged criminal violation of Chapter
1461 41 (§ 58.1-4100 et seq.), report the complaint to the Attorney General and the State Police for appropriate
1462 action.

1463 9. Inspect and investigate, and have free access to, the offices, facilities, or other places of business
1464 of any licensee or permit holder and may compel the production of any of the books, documents, records,
1465 or memoranda of any licensee or permit holder for the purpose of ensuring compliance with Chapter 41
1466 (§ 58.1-4100 et seq.) and Department regulations.

1467 10. Compel any person holding a license or permit pursuant to Chapter 41 (§ 58.1-4100 et seq.) to
1468 file with the Department such information as shall appear to the Director to be necessary for the
1469 performance of the Department's functions, including financial statements and information relative to
1470 principals and all others with any pecuniary interest in such person.

1471 11. Impose a fine or penalty not to exceed \$1 million upon any person determined, in proceedings
1472 commenced pursuant to § 58.1-4105, to have violated any of the provisions of Chapter 41 (§ 58.1-4100 et
1473 seq.) or regulations promulgated by the Board.

1474 12. Enter into arrangements with any foreign or domestic governmental agency for the purposes
1475 of exchanging information or performing any other act to better ensure the proper conduct of casino
1476 gaming operations or the efficient conduct of the Director's duties.

1477 13. Enter into contracts for the operation of the lottery, or any part thereof, for the promotion of
1478 the lottery and into interstate lottery contracts with other states. A contract awarded or entered into by the
1479 Director shall not be assigned by the holder thereof except by specific approval of the Director.

1480 14. Certify monthly to the State Comptroller and the Board a full and complete statement of lottery
1481 revenues, prize disbursements, and other expenses for the preceding month.

1482 15. Report monthly to the Governor, the Secretary of Finance, and the Chairmen of the Senate
1483 Committee on Finance and Appropriations, House Committee on Finance, and House Committee on
1484 Appropriations the total lottery revenues, prize disbursements, and other expenses for the preceding month
1485 and make an annual report, which shall include a full and complete statement of lottery revenues, prize
1486 disbursements, and other expenses, as well as a separate financial statement of the expenses incurred in

1487 the regulation of casino gaming operations as defined in § 58.1-4100, to the Governor and the General
1488 Assembly. Such annual report shall also include such recommendations for changes in this chapter and
1489 Chapter 41 (§ 58.1-4100 et seq.) as the Director and Board deem necessary or desirable.

1490 16. Report immediately to the Governor and the General Assembly any matters that require
1491 immediate changes in the laws of the Commonwealth in order to prevent abuses and evasions of this
1492 chapter and Chapter 41 (§ 58.1-4100 et seq.) or the rules and regulations adopted ~~hereunder~~ pursuant to
1493 this chapter or to rectify undesirable conditions in connection with the administration or operation of the
1494 lottery or the regulation of electronic gaming devices.

1495 17. Notify prize winners and appropriate state and federal agencies of the payment of prizes in
1496 excess of \$600 in the manner required by the lottery rules and regulations.

1497 18. Provide for the withholding of the applicable amount of state and federal income tax of persons
1498 claiming a prize for a winning ticket in excess of \$5,001.

1499 19. Participate in the Problem Gambling Treatment and Support Advisory Committee established
1500 pursuant to § 37.2-304 by the Department of Behavioral Health and Developmental Services to enable
1501 collaboration among prevention and treatment providers and operators of legal gaming in the
1502 Commonwealth on efforts to reduce the negative effects of problem gambling.

1503 C. The Director and the director of security or investigators appointed by the Director shall be
1504 vested with the powers of sheriff and sworn to enforce the statutes and regulations pertaining to the
1505 Department and to investigate violations of the statutes and regulations that the Director is required to
1506 enforce.

1507 D. The Director may authorize temporary bonus or incentive programs for payments to licensed
1508 sales agents that he determines will be cost effective and support increased sales of lottery products.

1509 **§ 58.1-4007. Powers of the Board.**

1510 A. The Board shall have the power to adopt regulations governing the establishment and operation
1511 of a lottery pursuant to this article ~~and~~, sports betting pursuant to Article 2 (§ 58.1-4030 et seq.), and
1512 electronic gaming devices pursuant to Article 4 (§ 58.1-4065 et seq.). The regulations governing the
1513 establishment and operation of the lottery ~~and~~, sports betting, and electronic gaming devices shall be

1514 promulgated by the Board after consultation with the Director. Such regulations shall be in accordance
1515 with the Administrative Process Act (§ 2.2-4000 et seq.). The regulations shall provide for all matters
1516 necessary or desirable for the efficient, honest, and economical operation and administration of the lottery
1517 ~~and~~, sports betting, and electronic gaming devices and for the convenience of the purchasers of tickets or
1518 shares, the holders of winning tickets or shares, ~~and sports bettors,~~ and the players of electronic gaming
1519 devices. The regulations, which may be amended, repealed, or supplemented as necessary, shall include
1520 the following:

- 1521 1. The type or types of lottery or game to be conducted in accordance with § 58.1-4001.
- 1522 2. The price or prices of tickets or shares in the lottery.
- 1523 3. The numbers and sizes of the prizes on the winning tickets or shares, including informing the
1524 public of the approximate odds of winning and the proportion of lottery revenues (i) disbursed as prizes
1525 and (ii) returned to the Commonwealth as net revenues.
- 1526 4. The manner of selecting the winning tickets or shares.
- 1527 5. The manner of payment of prizes to the holders of winning tickets or shares.
- 1528 6. The frequency of the drawings or selections of winning tickets or shares without limitation.
- 1529 7. Without limitation as to number, the type or types of locations at which tickets or shares may
1530 be sold.
- 1531 8. The method to be used in selling tickets or shares, including the sale of tickets or shares over
1532 the Internet.
- 1533 9. The advertisement of the lottery in accordance with the provisions of subsection E of § 58.1-
1534 4022.
- 1535 10. The licensing of agents to sell tickets or shares who will best serve the public convenience and
1536 promote the sale of tickets or shares. No person under the age of 18 shall be licensed as an agent. A
1537 licensed agent may employ a person who is 16 years of age or older to sell or otherwise vend tickets at
1538 the agent's place of business so long as the employee is supervised in the selling or vending of tickets by
1539 the manager or supervisor in charge at the location where the tickets are being sold. Employment of such
1540 person shall be in compliance with Chapter 5 (§ 40.1-78 et seq.) of Title 40.1.

1541 11. The manner and amount of compensation, if any, to be paid licensed sales agents necessary to
1542 provide for the adequate availability of tickets or shares to prospective buyers and for the convenience of
1543 the public. Notwithstanding the provisions of this subdivision, the Board shall not be required to approve
1544 temporary bonus or incentive programs for payments to licensed sales agents.

1545 12. Apportionment of the total revenues accruing from the sale of tickets or shares and from all
1546 other sources and establishment of the amount of the special reserve fund as provided in § 58.1-4022.

1547 13. Such other matters necessary or desirable for the efficient and economical operation and
1548 administration of the lottery.

1549 14. The operation of sports betting pursuant to Article 2 (§ 58.1-4030 et seq.). In adopting such
1550 regulations, the Board shall establish a consumer protection program and publish a consumer protection
1551 bill of rights. Such program and bill of rights shall include measures to protect sports bettors, as defined
1552 in § 58.1-4030, with respect to identity, funds and accounts, consumer complaints, self-exclusion, and any
1553 other consumer protection measure the Board determines to be reasonable.

1554 15. The administration of a voluntary exclusion program as provided in § 58.1-4015.1.

1555 The Department shall not be subject to the provisions of ~~Chapter 43~~ the Virginia Public
1556 Procurement Act (§ 2.2-4300 et seq.) ~~of Title 2.2~~; however, the Board shall promulgate regulations, after
1557 consultation with the Director, relative to departmental procurement which include standards of ethics for
1558 procurement consistent with the provisions of Article 6 (§ 2.2-4367 et seq.) of the Virginia Public
1559 Procurement Act and which ensure that departmental procurement will be based on competitive principles.

1560 The Board shall have the power to advise and recommend; but shall have no power to veto or
1561 modify administrative decisions of the Director. However, the Board shall have the power to accept,
1562 modify, or reject any revenue projections before such projections are forwarded to the Governor.

1563 B. The Board shall carry on a continuous study and investigation of the lottery ~~and~~, sports betting,
1564 and electronic gaming devices throughout the Commonwealth to:

1565 1. Ascertain any defects of this chapter or the regulations issued ~~hereunder which~~ pursuant to this
1566 chapter that cause abuses in the administration and operation of the lottery ~~and~~, sports betting ~~and~~, or
1567 electronic gaming devices or any evasions of such provisions.

1568 2. Formulate, with the Director, recommendations for changes in this chapter and the regulations
1569 promulgated ~~hereunder~~ pursuant to this chapter to prevent such abuses and evasions.

1570 3. Guard against the use of this chapter and the regulations promulgated ~~hereunder~~ pursuant to this
1571 chapter as a subterfuge for organized crime and illegal gambling.

1572 4. Ensure that this law and the regulations of the Board are in such form and are so administered
1573 as to serve the true purpose of this chapter.

1574 C. The Board shall make a continuous study and investigation of (i) the operation and the
1575 administration of similar laws that may be in effect in other states or countries; (ii) any literature on the
1576 subject that may be published or available; (iii) any federal laws that may affect the operation of the
1577 lottery ~~and~~, sports betting, and electronic gaming devices; and (iv) the reaction of Virginia citizens to the
1578 potential features of the lottery ~~and~~, sports betting, and electronic gaming devices with a view to
1579 recommending or effecting changes that will serve the purpose of this chapter.

1580 D. The Board shall hear and decide an appeal of any ~~denial~~:

1581 1. Denial by the Director of the licensing or revocation of a license of a lottery agent pursuant to
1582 subdivision A 10 of this section and subdivision B 5 of § 58.1-4006. ~~The Board shall hear and decide an~~
1583 ~~appeal of any penalty~~;

1584 2. Penalty, denial of a permit or renewal, or suspension or revocation of a permit imposed by the
1585 Director pursuant to Article 2 (§ 58.1-4030 et seq.); and

1586 3. Penalty, denial by the Director of a license or renewal, or suspension or revocation of a license
1587 imposed by the Director pursuant to Article 4 (§ 58.1-4065 et seq.).

1588 E. The Board shall have the authority to initiate procedures for the planning, acquisition, and
1589 construction of capital projects as set forth in Article 4 (§ 2.2-1129 et seq.) of Chapter 11 and Article 3 (§
1590 2.2-1819 et seq.) of Chapter 18 of Title 2.2.

1591 F. The Board may adjust the percentage of uncollectible gaming receivables allowed to be
1592 subtracted from adjusted gross revenue, as defined in § 58.1-4030, if it determines that a different
1593 percentage is reasonable and customary in the sports betting industry.

1594 **§ 58.1-4012. Suspension and revocation of licenses.**

1595 The Director may suspend, revoke, or refuse to renew, after notice and a hearing, any license issued
1596 pursuant to this chapter. Such license may, however, be temporarily suspended by the Director without
1597 prior notice, pending any prosecution, hearing or investigation, whether by a third party or by the Director.
1598 A license may be suspended, revoked, or refused renewal by the Director for one or more of the following
1599 reasons:

1600 1. Failure to properly account for lottery tickets received or the proceeds of the sale of lottery
1601 tickets;

1602 2. Failure to file a bond if required by the Director or to comply with instructions and rules and
1603 regulations of the Department concerning the licensed activity, especially with regard to the prompt
1604 payment of claims;

1605 3. Conviction of any offense referenced in subsection C of § 58.1-4009 subsequent to licensure;

1606 4. Failure to file any return or report, to keep records, or to pay any fees or other charges required
1607 by this chapter;

1608 5. Any act of fraud, deceit, misrepresentation, or conduct prejudicial to public confidence in the
1609 Commonwealth lottery or the administration and regulation of electronic gaming devices;

1610 6. If the number of lottery tickets sold by the lottery sales agent is insufficient to meet
1611 administrative costs and public convenience is adequately served by other licensees;

1612 7. A material change, since issuance of the license, with respect to any matters required to be
1613 considered by the Director under this chapter; or

1614 8. Other factors established by Department regulation.

1615 **§ 58.1-4015.1. Voluntary exclusion program.**

1616 A. The Board shall adopt regulations to establish and implement a voluntary exclusion program.

1617 B. The regulations shall include the following provisions:

1618 1. Except as provided by regulation of the Board, a person who participates in the voluntary
1619 exclusion program agrees to refrain from (i) playing any account-based lottery game authorized under the
1620 provisions of this article; (ii) participating in sports betting, as defined in § 58.1-4030; (iii) engaging in
1621 any form of casino gaming that may be allowed under the laws of the Commonwealth; (iv) playing any

1622 electronic gaming devices authorized under the provisions of Article 4 (§ 58.1-4065 et seq.); (v)
1623 participating in charitable gaming, as defined in § 18.2-340.16; ~~(v)~~ (vi) participating in fantasy contests,
1624 as defined in § 59.1-556; or ~~(vi)~~ (vii) wagering on horse racing, as defined in § 59.1-365. Any state agency,
1625 at the request of the Department, shall assist in administering the voluntary exclusion program pursuant
1626 to the provisions of this section.

1627 2. A person who participates in the voluntary exclusion program may choose an exclusion period
1628 of two years, five years, or lifetime.

1629 3. Except as provided by regulation of the Board, a person who participates in the voluntary
1630 exclusion program may not petition the Board for removal from the program for the duration of his
1631 exclusion period.

1632 4. The name of a person participating in the program shall be included on a list of excluded persons.
1633 The list of persons entering the voluntary exclusion program and the personal information of the
1634 participants shall be confidential, with dissemination by the Department limited to sales agents and permit
1635 holders, as defined in § 58.1-4030, and any other parties the Department deems necessary for purposes of
1636 enforcement. The list and the personal information of participants in the voluntary exclusion program shall
1637 not be subject to disclosure under the Virginia Freedom of Information Act (§ 2.2-3700 et seq.). In
1638 addition, the Board may disseminate the list to other parties upon request by the participant and agreement
1639 by the Board.

1640 5. Sales agents and permit holders shall make all reasonable attempts as determined by the Board
1641 to cease all direct marketing efforts to a person participating in the program. The voluntary exclusion
1642 program shall not preclude sales agents and permit holders from seeking the payment of a debt incurred
1643 by a person before entering the program. In addition, a permit holder may share the names of individuals
1644 who self-exclude across its corporate enterprise, including sharing such information with any of its
1645 affiliates.

1646 **§ 58.1-4019.1. License required for "instant ticket" games or contests.**

1647 No person who owns or is employed by any retail establishment in the Commonwealth shall use
1648 any "instant ticket" game or contest for the purpose of promoting or furthering the sale of any product

1676 "Electronic gaming device" means a physical terminal, machine, or other device, including
1677 electronic or computerized devices, that requires the insertion of a coin, currency, ticket, token, or similar
1678 object to operate, activate, or play a game, the outcome of which may be determined in whole or in part
1679 by chance through the use of a random number generator or by the skill of the player, and that may deliver
1680 or entitle the person playing or operating the device to receive cash in excess of the cost of operating,
1681 activating, or playing the game. "Electronic gaming device" does not include any mobile telephone device,
1682 charitable games authorized pursuant to Article 1.1:1 (§ 18.2-340.15 et seq.) of Chapter 8 of Title 18.2,
1683 sports betting authorized under Article 2 (§ 58.1-4030 et seq.), casino gaming authorized under Chapter
1684 41 (§ 58.1-4100 et seq.), or historical horse racing authorized pursuant to Chapter 29 (§ 59.1-364 et seq.)
1685 of Title 59.1.

1686 "Gaming area" means the area of the host location identified by the operator licensee and approved
1687 by the Director in accordance with regulations promulgated by the Board for the placement and operation
1688 of electronic gaming devices. The gaming area may (i) be a separate, enclosed space constructed from
1689 modular walls or other similar materials where all electronic gaming devices, ticket redemption terminals,
1690 and ancillary equipment necessary for the operation of the electronic gaming devices are located or (ii)
1691 provide for a restricted entrance with necessary electronic identification equipment capable of restricting
1692 access to the gaming area by persons under 21 years of age.

1693 "Gaming tax" means the tax imposed on gross profits.

1694 "Gross profits" means all revenue generated from the play of electronic gaming devices minus
1695 prizes or cash winnings paid out to successful players.

1696 "Host location" means a business establishment at which electronic gaming devices are placed,
1697 operated, and offered to the public for play in the gaming area by an operator licensee.

1698 "Independent testing laboratory" means a laboratory selected by the Board with a national
1699 reputation for honesty, independence, and timeliness that is demonstrably competent and qualified to
1700 scientifically test and evaluate electronic gaming devices for compliance with this article and to otherwise
1701 perform the functions assigned to it by this article. No independent testing laboratory shall be owned or
1702 controlled by a manufacturer, distributor, operator, or host location licensee or by the Commonwealth.

1703 "Individual" means a natural person.

1704 "Inducement" means anything of value offered, given, transferred, or paid, directly or indirectly,
1705 by a manufacturer, supplier, operator, procurement agent, or any employee, agent, contractor, or other
1706 person acting on behalf of any manufacturer, supplier, operator, or procurement agent to any host location
1707 licensee or any applicant for a host location license pursuant to this article, or to any employee, investor,
1708 owner, or officer of a host location licensee or applicant for a host location license as an enticement to
1709 solicit, enter into, grant, execute, renew, extend, or maintain a use agreement by and between an operator
1710 licensee and a host location licensee, including any cash, incentive, marketing or advertising cost, gift,
1711 food, beverage, loan, financing arrangement, prepayment of gross revenue, or any other contribution
1712 payment that offsets a host location licensee's capital or operational costs, or as otherwise determined by
1713 the Board.

1714 "Inducement" does not include costs paid by an operator licensee related to:

1715 1. Costs for structural changes or modular materials or equipment used to segregate the gaming
1716 area and to meet minimum standards for the gaming area as required by the Board or to maintain the
1717 security of the gaming area, the electronic gaming devices, and ticket redemption terminals, provided,
1718 however, that any changes costing in excess of \$5,000 may be shared equally between the operator
1719 licensee and the host location licensee or the applicant for a host location license.

1720 2. Surveillance equipment, alarm systems, and similar equipment or systems intended to monitor
1721 and secure the electronic gaming devices, the ticket redemption terminals, and the gaming area and the
1722 perimeter of the host location licensee's establishment, and any means of ingress and egress thereto.

1723 3. Any wiring or rewiring of the gaming area necessary to operate electronic gaming devices, ticket
1724 redemption terminals, or ancillary equipment.

1725 4. Any software updates to the electronic gaming devices or ticket redemption terminals or ongoing
1726 maintenance of electronic gaming devices, ticket redemption terminals, network connections, site
1727 controllers, chairs, tables, supports, or other ancillary equipment necessary to operate the electronic
1728 gaming devices and the ticket redemption terminals in the gaming area.

1729 5. Any requirement established by the Board regarding minimum standards for the operation of
1730 electronic gaming devices, ticket redemption terminals, or the gaming area that the Board determines may
1731 be paid for, in whole or in part, by the operator licensee.

1732 "Institutional investor" means a retirement fund administered by a public agency for the exclusive
1733 benefit of federal, state, or local public employees, an investment company registered under the federal
1734 Investment Company Act of 1940 (54 Stat. 789, 15 U.S.C. § 80a-1 et seq.), a collective investment trust
1735 organized by banks under Part Nine of the Rules of the Comptroller of the Currency, a closed-end
1736 investment trust, a chartered or licensed life insurance company or property and casualty insurance
1737 company, a banking or other chartered or licensed lending institution, an investment advisor registered
1738 under the federal Investment Advisers Act of 1940 (54 Stat. 847, 15 U.S.C. § 80b-1 et seq.), and any such
1739 other person as the Board may determine is consistent with this definition.

1740 "Licensee" or "license holder" means any person holding a manufacturer, distributor, operator, or
1741 host location license under this article.

1742 "Manufacturer" means any person that manufactures and sells or leases major components or parts,
1743 including software and hardware, for electronic gaming devices to distributors or operators.

1744 "Operator" means any person that leases or owns electronic gaming devices and operates,
1745 maintains, and places such devices at host locations.

1746 "Person" means any individual, group of individuals, firm, company, corporation, partnership,
1747 business, trust, association, or other legal entity.

1748 "Player" means an individual who plays an electronic gaming device.

1749 "Procurement agent" means a person licensed by the Board that acts as an agent, either as an
1750 employee or as an independent contractor of an operator or operators and shares in the gross profits, is
1751 paid a commission, or is otherwise compensated for the purpose of soliciting or procuring a use agreement
1752 between an operator licensee and a host location licensee for the placement of an electronic gaming device
1753 by the operator at the host location.

1754 "Publicly traded corporation" means a person, other than an individual, that (i) has a class or series
1755 of securities registered under the federal Securities Exchange Act of 1934 (48 Stat. 881, 15 U.S.C. § 78a

1756 et seq.), (ii) is a registered management company under the federal Investment Company Act of 1940 (54
1757 Stat. 789, 15 U.S.C. § 80a-1 et seq.), or (iii) is subject to the reporting obligations imposed by § 15(d) of
1758 the federal Securities Exchange Act of 1934 by reason of having filed a registration statement that has
1759 become effective under the federal Securities Act of 1933 (48 Stat. 74, 15 U.S.C. § 77a et seq.).

1760 "Single play" means the period beginning when a player activates and pays for the interactive
1761 gameplay function of an electronic gaming device and ending at the time when the gameplay function or
1762 series of free subgames thereunder will not continue without payment by the player of additional
1763 consideration.

1764 "Subsidiary" means a person, other than an individual, including (i) a corporation, a significant
1765 part of whose outstanding equity securities are owned, subject to a power or right of control or held with
1766 power to vote, by a holding company or an intermediary company; (ii) a significant interest in a person,
1767 other than an individual, that is owned, subject to a power or right of control or held with power to vote,
1768 by a holding company or an intermediary company; or (iii) a person deemed to be a subsidiary by the
1769 Board.

1770 "Successful player" means an individual who wins on one or more plays of an electronic gaming
1771 device.

1772 "Ticket redemption terminal" means a terminal where a voucher dispensed by an electronic gaming
1773 device may be redeemed for cash or a cash equivalent.

1774 "Truck stop" means an establishment that (i) is equipped with fuel islands or electrical recharging
1775 stations used for the operation of commercial motor vehicles, (ii) has a convenience store, and (iii) is
1776 situated on not less than two acres of land that the establishment owns or leases.

1777 "Use agreement" means a written agreement conforming to the regulations established by the
1778 Board and those minimum requirements set forth in this article between the operator and host location of
1779 the placement, operation, and maintenance of electronic gaming devices at the host location.

1780 "Voluntary exclusion program" means a program established by the Board pursuant to § 58.1-4082
1781 that allows individuals to voluntarily exclude themselves from engaging in the activities described in

1782 subdivision B 1 of § 58.1-4082 by placing their names on a voluntary exclusion list and following the
1783 procedures set forth by the Board.

1784 **§ 58.1-4066. Powers and duties of the Director related to electronic gaming devices;**
1785 **reporting.**

1786 A. The Director shall have the following powers and duties related to the regulation of electronic
1787 gaming devices:

1788 1. Issue licenses under this article and supervise all activities licensed under the provisions of this
1789 article, including the manufacture, distribution, operation, hosting, and playing of electronic gaming
1790 devices;

1791 2. Suspend, revoke, or refuse to renew any license issued pursuant to this article or the rules and
1792 regulations adopted pursuant to this article;

1793 3. Inspect, investigate, and have free access to the offices, facilities, or other places of business of
1794 any licensee and compel the production of any books, documents, records, or memoranda of any licensee
1795 for the purpose of satisfying himself that this article and Board regulations are strictly complied with;

1796 4. Order such audits as deemed necessary;

1797 5. Certify monthly to the State Comptroller and the Board a full and complete statement of
1798 electronic gaming device revenues and expenses for the previous month;

1799 6. Assess and collect civil penalties for violations of this article and Board regulations;

1800 7. Report monthly to the Governor, the Secretary of Finance, and the Chairmen of the Senate
1801 Committee on Finance and Appropriations, House Committee on Finance, and House Committee on
1802 Appropriations the total electronic gaming device revenues and expenses for the previous month and make
1803 an annual report, which shall include a full and complete statement of electronic gaming device revenues
1804 and expenses, to the Governor and the General Assembly, including recommendations for changes in this
1805 article as the Director and Board deem prudent; and

1806 8. Do all acts necessary and advisable to carry out the purposes of this article.

1807 B. Upon request by the assessing official of a locality, the Director shall provide to such assessing
1808 official of such locality a statement of the amount of the gaming tax collected in such locality pursuant to

1809 this article from each electronic gaming device, from each host location, and from all electronic gaming
1810 devices and host locations in the aggregate.

1811 **§ 58.1-4067. Powers and duties of the Board related to electronic gaming devices.**

1812 In addition to the regulations adopted pursuant to § 58.1-4007, the Board shall promulgate
1813 regulations related to electronic gaming devices that:

1814 1. Develop such forms, licenses, identification cards, and applications as are necessary or
1815 convenient for the administration of this article;

1816 2. Provide a schedule of application, license, and renewal fees that shall be sufficient to cover the
1817 costs of the administration and regulation of electronic gaming devices pursuant to this article;

1818 3. Establish requirements for all licensees under this article for the form, content, and retention of
1819 all records and accounts;

1820 4. Establish a process for the approval or disapproval of electronic gaming devices and games
1821 offered on such devices;

1822 5. Establish cash handling procedures for operator and host location licensees that require such
1823 licensees to keep separate accounts for gaming and nongaming transactions;

1824 6. Require inspections of all licensees at a frequency determined by the Board;

1825 7. Establish a program of periodic testing and inspection for all electronic gaming devices; and

1826 8. Prohibit licensees and their affiliates from advertising or marketing their products and services
1827 related to electronic gaming devices. However, (i) licensees shall be allowed to describe their products
1828 and services on a website operated and maintained by the licensee and (ii) host location licensees shall be
1829 allowed to advertise on one sign located at the host location, provided such sign is no larger than three
1830 feet in height by three feet in width.

1831 **§ 58.1-4068. Licenses that may be granted by the Director.**

1832 A. The Director may grant the following licenses:

1833 1. Manufacturer license, which shall authorize the licensee to manufacture and sell or lease to
1834 distributors and operators major components or parts, including software and hardware, for electronic
1835 gaming devices.

1836 2. Distributor license, which shall authorize the licensee to lease or buy electronic gaming devices
1837 from a manufacturer and lease, sell, or otherwise distribute them to operators.

1838 3. Operator license, which shall authorize the licensee to (i) buy or lease electronic gaming devices
1839 from a manufacturer or distributor, (ii) supply such devices to host locations, and (iii) maintain and service
1840 such devices.

1841 4. Host location license, which shall authorize the licensee to allow the placement and offering for
1842 play by the public of electronic gaming devices at such licensee's establishment.

1843 B. Notwithstanding the provisions of subsection A, no application or license shall be required by
1844 the Director for an institutional investor if the institutional investor holds less than 10 percent of the
1845 securities or other ownership interests referred to in a licensee, the securities or interests are publicly
1846 traded securities, and its holdings of the securities were purchased for investment purposes only. No
1847 application or license shall be required for an institutional investor that holds more than 10 percent of the
1848 securities or other ownership interests, so long as such institutional investor files with the Director a
1849 certified statement to the effect that it has no intention of influencing or affecting, directly or indirectly,
1850 the affairs of the licensee, provided, however, that such institutional investor shall be permitted to vote on
1851 matters put to the vote of the outstanding security holders.

1852 **§ 58.1-4069. General licensing requirements; penalty.**

1853 A. An applicant for a manufacturer, distributor, operator, or host location license shall submit an
1854 application to the Director on forms provided by the Director, accompanied by any fees required by the
1855 Board.

1856 B. The chief security officer of the Department shall conduct a background investigation, to
1857 include a Virginia criminal history records search and fingerprinting, that shall be submitted to the Federal
1858 Bureau of Investigation if the Director deems a national criminal history records search is necessary, on
1859 applicants for licensure pursuant to this article.

1860 C. The Director shall refuse to grant a license or shall suspend, revoke, or refuse to renew a license
1861 issued pursuant to this article to any person who has been (i) convicted of a crime involving moral
1862 turpitude, (ii) convicted of bookmaking or other forms of illegal gambling, (iii) found guilty of any fraud

1863 or misrepresentation in any connection, (iv) convicted of a felony, or (v) found to have engaged in conduct
1864 prejudicial to public confidence in electronic gaming devices.

1865 D. The Director shall refuse to grant a license or shall suspend, revoke, or refuse to renew a license
1866 issued pursuant to this article to a partnership or corporation if he determines that any general or limited
1867 partner, or officer or director of such partnership or corporation, has been (i) convicted of a crime
1868 involving moral turpitude, (ii) convicted of bookmaking or other forms of illegal gambling, (iii) found
1869 guilty of any fraud or misrepresentation in any connection, (iv) convicted of a felony, or (v) found to have
1870 engaged in conduct prejudicial to public confidence in electronic gaming devices.

1871 E. The Director may also refuse to grant a license pursuant to this article if:

1872 1. The Director reasonably believes that the applicant or any general or limited partner, or officer
1873 or director of such applicant lacks good character, honesty, or integrity;

1874 2. The Director reasonably believes that the applicant's prior activities, criminal record, reputation,
1875 or associations are likely to either (i) pose a threat to the public interest, (ii) impede the regulation of
1876 electronic gaming devices, or (iii) promote unfair or illegal activities in the conduct of electronic gaming
1877 devices;

1878 3. The applicant or any general or limited partner or any officer, or director of such applicant
1879 knowingly makes a false statement of material fact or deliberately fails to disclose information requested
1880 by the Director;

1881 4. The applicant or any general or limited partner or any officer or director of such applicant
1882 knowingly fails to comply with the provisions of this article or any requirements of the Director;

1883 5. The applicant's license to manufacture, distribute, operate, or offer to the public for play an
1884 electronic gaming device issued by any other jurisdiction has been suspended or revoked;

1885 6. The applicant defaults in payment of any obligation or debt due to the Commonwealth; or

1886 7. The applicant's application is incomplete.

1887 F. Any person who knowingly and willfully falsifies, conceals, or misrepresents a material fact or
1888 knowingly and willfully makes a false, fictitious, or fraudulent statement or representation in any
1889 application pursuant to this article is guilty of a Class 1 misdemeanor. The Director shall revoke the license

1890 of a licensee if, subsequent to the issuance of the license, the Director determines that the licensee
1891 knowingly or recklessly made a false statement of material fact to the Director in applying for the license.

1892 **§ 58.1-4070. License posting; expiration.**

1893 A. Each license granted by the Director shall designate the place where the business of the licensee
1894 will be carried out.

1895 B. Each license shall be posted in a location conspicuous to the public at the place where the
1896 licensee carries out the business for which the license is granted.

1897 C. The privileges conferred by any license granted by the Director shall continue until the last day
1898 of the twelfth month next ensuing or the last day of the designated month and year of expiration, except
1899 that the license may be sooner terminated for any cause for which the Director would be entitled to refuse
1900 to grant a license or by operation of law, voluntary surrender, or order of the Director.

1901 D. The Director may grant licenses for one year or for multiple years, not to exceed five years.
1902 Qualifications for a multiyear license shall be determined on the basis of criteria established by the
1903 Director. Fees for multiyear licenses shall not be refundable.

1904 E. Sixty days before the expiration of a license, the license holder may submit a renewal application
1905 on forms prescribed by the Director. The Director may deny a license renewal if he finds grounds for
1906 denial as described in § 58.1-4069.

1907 **§ 58.1-4071. Prohibition against the issuance of multiple licenses to one person.**

1908 A. For purposes of this section, "interest" means the direct or indirect ownership of any equity
1909 ownership interest or a partial equity ownership interest or any other type of financial interest, including
1910 being an investor, shareholder, member, lender, or employee.

1911 B. No licensee that has been issued a manufacturer license or a distributor license shall be issued
1912 an operator license or host location license or have any interest in an operator licensee or a host location
1913 licensee.

1914 C. A licensee that has been issued a manufacturer license may also be issued a distributor license
1915 or have an interest in a distributor licensee. A licensee that has been issued a distributor license may also
1916 be issued a manufacturer license or have an interest in a manufacturer licensee.

1917 D. No licensee that has been issued an operator license shall be issued a manufacturer license,
1918 distributor license, or host location license or have any interest in a manufacturer licensee, distributor
1919 licensee, or host location licensee.

1920 E. No licensee that has been issued a host location license shall be issued a manufacturer license,
1921 distributor license, or operator license or have any interest in a manufacturer licensee, distributor licensee,
1922 or operator licensee.

1923 **§ 58.1-4072. Prohibition against transferring licenses without approval by Director.**

1924 No licensee shall transfer its license or assign responsibility for compliance with the conditions of
1925 its license to any party, including a transfer of effective control of the licensee, without approval by the
1926 Director. No operator licensee shall transfer any electronic gaming device or any interest in a use
1927 agreement without approval of the Director.

1928 **§ 58.1-4073. Suspension and revocation of licenses; civil penalties; hearing and appeal.**

1929 A. If the Director determines that any provision of this article or any regulation or condition of the
1930 Board has not been complied with or has been violated by a licensee, he may, with at least 15 days' notice
1931 and a hearing, (i) assess a civil penalty against the holder thereof in a sum not to exceed \$100,000 and (ii)
1932 suspend or revoke the license holder's license. If any license is suspended or revoked, the Director shall
1933 state his reasons for doing so, which shall be entered of record.

1934 B. Any person aggrieved by a refusal of the Director to issue any license, the suspension or
1935 revocation of a license, the imposition of a fine, or any other action of the Director may seek review of
1936 such action in accordance with Article 5 (§ 2.2-4025 et seq.) of the Administrative Process Act in the
1937 Circuit Court of the City of Richmond. Further appeals shall also be in accordance with Article 5 of the
1938 Administrative Process Act.

1939 C. Suspension or revocation of a license by the Director for any violation shall not preclude
1940 criminal liability for such violation.

1941 **§ 58.1-4074. Minimum requirements for use agreements between operator licensee and host**
1942 **location licensee; division of revenue; sales agents.**

1943 A. No operator licensee may place, operate, or maintain an electronic gaming device on the
1944 premises of a host location licensee unless the operator licensee and the host location licensee have entered
1945 into a use agreement that sets forth the terms and conditions for the placement, operation, and maintenance
1946 of such devices in compliance with this article and the regulations adopted by the Board.

1947 B. A copy of the use agreement shall be maintained in the business office of both the operator
1948 licensee and the host location licensee and shall be available at all times for inspection by the Director.
1949 An operator licensee shall file a copy of any such use agreement with the Director within 30 days after
1950 the execution of such agreement.

1951 C. The use agreement shall be exclusive between one operator licensee and one host location
1952 licensee.

1953 D. The use agreement shall be valid for a term of not less than five years, and not more than 10
1954 years, and shall not contain an automatic renewal clause or any clause requiring the host location licensee
1955 to provide notice of such host location licensee's intent to renew or not renew such use agreement.

1956 E. The use agreement shall provide that the amount of gross profit remaining after remittance of
1957 the gaming tax to the Director by the operator shall be divided equally between the host location licensee
1958 and the operator licensee.

1959 F. No person shall receive any portion of gross profits generated from a host location licensee's
1960 premises except for the operator licensee and host location licensee that are parties to the use agreement,
1961 except as approved by the Director in compliance with applicable regulations adopted by the Board.

1962 G. Pursuant to a written commission agreement approved by the Board in accordance with
1963 regulations adopted by the Board, a procurement agent may be paid a commission for the solicitation and
1964 procurement of a use agreement in an amount not to exceed \$5,000 per use agreement for each year that
1965 the use agreement is in place between the operator licensee and the host location licensee. The Director is
1966 authorized to increase or decrease the amount of such commission by regulation adopted by the Board.

1967 H. No use agreement or any other agreement, contract, or similar instrument regarding the
1968 placement, operation, or maintenance of an electronic gaming device shall be valid if entered into or
1969 executed by the operator licensee or the host location licensee prior to July 1, 2025.

1970 I. No use agreement regarding the placement, operation, or maintenance of an electronic gaming
1971 device shall be valid if entered into and executed by the operator licensee or the host location licensee
1972 more than one year before the issuance of a license to the host location.

1973 J. Any provision in a rental agreement between an operator licensee and host location licensee for
1974 the placement and operation of electronic gaming devices that directly or indirectly links the rental amount
1975 to the amount of gross profit generated by a device or to the play of or amount of revenue generated from
1976 a device shall be void and unenforceable.

1977 K. No operator or any affiliate of any operator shall lease real property to a host location licensee.

1978 **§ 58.1-4075. Approval of electronic gaming devices by the Director.**

1979 A. No electronic gaming device shall be offered for play by the public in the Commonwealth
1980 unless such electronic gaming device has first been approved by the Director.

1981 B. Before selling, leasing, or otherwise providing an electronic gaming device to an operator, a
1982 manufacturer shall provide a prototype or production sample of such electronic gaming device to an
1983 independent testing laboratory that has been approved by the Director, which shall evaluate and certify
1984 whether such electronic gaming device meets the definition of electronic gaming device under § 58.1-
1985 4065, the requirements of § 58.1-4076, and any other requirements established in Board regulations.

1986 Along with the prototype or production sample of the electronic gaming device, the manufacturer
1987 shall provide the following information concerning the electronic gaming device to the independent testing
1988 laboratory:

- 1989 1. The method of determining the game outcome;
- 1990 2. The available wagering denominations;
- 1991 3. The minimum wager amount;
- 1992 4. The maximum wager amount per play, which shall not exceed \$5;
- 1993 5. The amount of payout for each wager;
- 1994 6. The method of calculating winning payouts;
- 1995 7. Payout calculations set forth in sufficient detail to audit a payout through manual calculation;
- 1996 8. The minimum payouts and the method of guaranteeing minimum payouts; and

1997 9. Any other information requested by the independent testing laboratory or required by the Board
1998 for use in the testing of the electronic gaming device.

1999 C. The report of the independent testing laboratory shall be submitted by the manufacturer to the
2000 Director. The Director shall use the report in evaluating whether the electronic gaming device shall be
2001 approved under this article.

2002 D. If at any time a manufacturer makes a substantive change to any electronic gaming device that
2003 has previously been approved by the Director, such manufacturer shall resubmit the electronic gaming
2004 device to the Director in a manner prescribed by Board regulation.

2005 **§ 58.1-4076. Requirements of electronic gaming devices.**

2006 In addition to meeting the definition of electronic gaming device established in § 58.1-4065,
2007 electronic gaming devices shall:

2008 1. Show the rules of play for each game in a way that adequately describes or displays such
2009 information so that a reasonable person could understand the game prior to placing a wager;

2010 2. Accept only cash wagers or tickets generated from electronic gaming devices that may be
2011 redeemed for play at another electronic gaming device located on the same premises;

2012 3. Prohibit the modification of the rules of play for a game, including the probability and award of
2013 a game outcome, once a game is initiated;

2014 4. Prohibit the remote modification or manipulation of games, except as required or approved by
2015 the Director pursuant to the provisions of this article;

2016 5. Pay out no more than \$1,199 in winnings for a single play of a game, or the maximum amount
2017 allowed by federal law;

2018 6. Have a payout percentage of at least 85 percent;

2019 7. Have a power switch that is located inside of the device to prevent power from being switched
2020 off from outside of the device;

2021 8. Be designed such that power and data cables into and out of the device are routed so that they
2022 are not accessible by the general public;

- 2023 9. Have an identification badge affixed to the exterior of the device by the manufacturer that is not
2024 removable without leaving evidence of tampering. Such badge shall include the following information:
- 2025 a. The name of the manufacturer;
2026 b. A unique serial number;
2027 c. The device model number; and
2028 d. The date of manufacture;
- 2029 10. Be constructed of materials that are designed to allow only authorized access to the interior of
2030 the device. Such materials shall be designed to show evidence of tampering if unauthorized access occurs;
- 2031 11. Have seals between the device and the doors of a locked area that are designed to resist the use
2032 of tools or other objects used to breach the locked area by physical force;
- 2033 12. Have external doors that are locked and monitored by door access sensors;
- 2034 13. Have a currency storage area that is secured by two locks before the currency can be removed
2035 and that is only accessible by the operator licensee;
- 2036 14. Make payments to successful players by issuing a voucher that can be redeemed for cash at the
2037 host location's ticket redemption terminal;
- 2038 15. Have the ability to allow for an independent integrity check by an independent testing
2039 laboratory approved by the Director of all software that may affect the integrity of the game;
- 2040 16. Be connected to the central control system established and operated by the Department under
2041 the provisions of § 58.1-4078; and
- 2042 17. Comply with such other requirements as adopted by the Board.
- 2043 **§ 58.1-4077. Independent integrity checks of electronic gaming devices.**
- 2044 A prototype or production sample of each type, version, or model of electronic gaming device
2045 being operated in the Commonwealth shall be tested by an independent testing laboratory approved by
2046 the Director to ensure its integrity and proper working order. This evaluation shall include a review of
2047 installed software periodically within a timeframe established by the Director.

2048 The independent testing laboratory's software may be embedded within the game software, utilize
2049 an interface port to communicate with the device, or require the removal of device media for external
2050 verification.

2051 The manufacturer licensee shall pay the cost of the independent testing laboratory's review and
2052 testing, and the reports of the same shall be delivered to the licensee and the Director.

2053 **§ 58.1-4078. Requirement for central control system.**

2054 Each electronic gaming device and ticket redemption terminal being operated in the
2055 Commonwealth shall be connected to a central control system established and operated by the Department.
2056 All electronic gaming devices shall automatically disable upon being disconnected from the central control
2057 system.

2058 The central control system shall, at a minimum, collect the following information from each
2059 device: (i) cash in; (ii) payouts; (iii) points, credits, or amounts played; (iv) points, credits, or amounts
2060 won; (v) gross profit; (vi) the number of plays of the game; (vii) the amounts paid to play the game; (viii)
2061 the amount of gaming tax accrued; (ix) door openings; (x) power failures, disconnections from the central
2062 control system, and malfunctions; (xi) remote activations and disabling; and (xii) any other information
2063 required by Board regulations.

2064 **§ 58.1-4079. Requirements of operator licensees.**

2065 A. No operator licensee shall own, place, or operate an electronic gaming device unless such device
2066 is approved by the Director and has been manufactured by and purchased or leased from a manufacturer
2067 licensee or distributor licensee. No contract between a distributor licensee and a manufacturer licensee or
2068 between an operator licensee and a manufacturer licensee shall grant the distributor licensee or operator
2069 licensee exclusive rights to own, maintain, or place a type, model, or brand of electronic gaming device
2070 or ticket redemption terminal in the Commonwealth.

2071 B. No operator licensee shall place or maintain an electronic gaming device at any establishment
2072 where it is offered to the public for play for a charge, directly or indirectly, unless such establishment is a
2073 host location licensee.

2074 C. Any operator licensee that places an electronic gaming device at any host location licensee
2075 establishment shall also install in the gaming area on such host location licensee's premises an electronic
2076 terminal that contains facial recognition or other similar software that allows for the verification of the
2077 identity of any individual who seeks to play any such electronic gaming device on the premises. The
2078 electronic identification terminal shall require any such individual to scan a valid driver's license or state-
2079 issued photo identification card for the purpose of verifying the individual's identity, identifying the
2080 individual's legal age, and determining whether such individual is a participant in the voluntary exclusion
2081 program established pursuant to § 58.1-4082. Upon successfully verifying that such individual is 21 years
2082 of age or older and not a participant in the voluntary exclusion program, the electronic terminal shall issue
2083 such individual a player's card with a barcode or other similar feature that will allow the individual to
2084 access and play the electronic gaming devices on the premises of the host location licensee. A player's
2085 card shall contain information specific to the individual it was issued to and shall be nontransferable. The
2086 Board may promulgate additional regulations in regard to the requirements for electronic terminals and
2087 players' cards.

2088 **§ 58.1-4080. Requirements of host location licensees.**

2089 A. The following locations are eligible to receive a host location license:

2090 1. Establishments licensed to sell alcoholic beverages pursuant to Chapter 2 (§ 4.1-200 et seq.) of
2091 Title 4.1; and

2092 2. Truck stops.

2093 B. No more than five electronic gaming devices may be located in an establishment listed in
2094 subdivision A 1. No more than 10 electronic gaming devices may be located in an establishment listed in
2095 subdivision A 2.

2096 C. No host location licensee shall allow an electronic gaming device to be placed upon the premises
2097 of such licensee's establishment unless such device is owned, placed, and maintained by an operator
2098 licensee. The primary business of a host location licensee shall not be the offering for play of electronic
2099 gaming devices. No host location licensee shall derive more than 50 percent of its annual gross receipts
2100 from its share of the gross profits derived from the play of electronic gaming devices at such location.

2101 D. All host location licensees shall comply with the provisions of this article and regulations
2102 adopted by the Board.

2103 **§ 58.1-4081. Responsible gaming.**

2104 A. In an effort to promote responsible gaming by players, host location licensees shall:

2105 1. Post in the gaming area in a conspicuous place a sign that bears a toll-free number for problem
2106 gambling assistance that has been approved by the Virginia Council on Problem Gambling or other
2107 organizations that provide assistance to problem gamblers;

2108 2. Provide informational leaflets or other similar materials in the gaming area on the dangers
2109 associated with problem gambling;

2110 3. If the licensee holds a license from the Virginia Alcoholic Beverage Control Authority to serve
2111 alcoholic beverages, train its employees to identify patrons who have consumed excessive amounts of
2112 alcohol to prevent such patrons from continuing to engage in wagering activity while impaired; and

2113 4. Comply with any Board regulations regarding player self-exclusion programs.

2114 B. Nothing contained in this section shall be construed to create any cause of action against the
2115 Board or Department for the failure of a host location licensee to comply with the requirements of this
2116 section.

2117 **§ 58.1-4082. Voluntary exclusion program.**

2118 A. The Board shall adopt regulations to establish and implement a voluntary exclusion program.

2119 B. The regulations shall include the following provisions:

2120 1. Except as provided by regulation of the Board, an individual who participates in the voluntary
2121 exclusion program agrees to refrain from (i) playing any account-based lottery game authorized under the
2122 provisions of Chapter 40 (§ 58.1-4000 et seq.) or Chapter 41 (§ 58.1-4100 et seq.); (ii) participating in
2123 sports betting, as defined in § 58.1-4030; (iii) engaging in any form of casino gaming authorized under
2124 the provisions of Chapter 41 (§ 58.1-4100 et seq.); (iv) playing any electronic gaming device authorized
2125 under the provisions of this article; (v) participating in charitable gaming, as defined in § 18.2-340.16; (vi)
2126 participating in fantasy contests, as defined in § 59.1-556; or (vii) wagering on horse racing, as defined in

2127 § 59.1-365. Any state agency, at the request of the Department, shall assist in administering the voluntary
2128 exclusion program pursuant to the provisions of this section.

2129 2. A person who participates in the voluntary exclusion program may choose an exclusion period
2130 of two years, five years, or such person's lifetime.

2131 3. Except as provided by regulation of the Board, a person who participates in the voluntary
2132 exclusion program may not petition the Board for removal from the voluntary exclusion program for the
2133 duration of his exclusion period.

2134 4. The name of a person participating in the voluntary exclusion program shall be included on a
2135 list of excluded persons. The list of persons entering the voluntary exclusion program and the personal
2136 information of the participants shall be confidential, with dissemination by the Department limited to host
2137 locations and operators licensed pursuant to the provisions of this article and any other parties the
2138 Department deems necessary for purposes of enforcement. The list and the personal information of
2139 participants in the voluntary exclusion program shall not be subject to disclosure under the Virginia
2140 Freedom of Information Act (§ 2.2-3700 et seq.). In addition, the Board may disseminate a participant's
2141 name on the list to other parties upon request by the participant and agreement by the Board.

2142 5. Host location licensees and operator licensees shall make all reasonable attempts as determined
2143 by the Board to cease all direct marketing efforts to a person participating in the voluntary exclusion
2144 program. The voluntary exclusion program shall not preclude host location licensees and operator
2145 licensees from seeking the payment of a debt incurred by a person before entering the voluntary exclusion
2146 program. In addition, the owner or operator of a host location may share the names of individuals who
2147 self-exclude across its corporate enterprise, including sharing such information with any of its affiliates.

2148 **§ 58.1-4083. Local regulation of electronic gaming devices.**

2149 A. A locality may adopt and enforce a local ordinance prohibiting the manufacture, distribution,
2150 operation, hosting, or play of electronic gaming devices within such locality, provided that such ordinance
2151 is passed no later than January 1, 2026. If the locality passes such an ordinance and later chooses to allow
2152 the manufacture, distribution, operation, hosting, or play of electronic gaming devices within such locality,

2153 the locality may pass an ordinance to that effect; however, such locality shall be prohibited from once
2154 again passing an ordinance to prohibit any such activities authorized under this article.

2155 B. A locality may adopt and enforce a local ordinance prohibiting the manufacture, distribution,
2156 operation, hosting, or play of electronic gaming devices within the unincorporated area of such locality,
2157 provided that such ordinance is passed no later than January 1, 2026. If a locality passes such an ordinance
2158 and later chooses to allow the manufacture, distribution, operation, hosting, or play of electronic gaming
2159 devices within the unincorporated areas of such locality, the locality may pass an ordinance to that effect;
2160 however, such locality shall thereafter be prohibited from passing any ordinance to prohibit any activities
2161 authorized under this article.

2162 C. No license requirement, license fee, permit fee, sticker fee, or tax shall be imposed by any
2163 locality upon an electronic gaming device manufacturer, distributor, operator, or host location relating to
2164 the ownership, placement, use, or operation of electronic gaming devices or associated equipment.

2165 **§ 58.1-4084. Gaming tax on gross profits.**

2166 A. 1. A gaming tax equal to 34 percent shall be imposed upon all gross profits generated from the
2167 play of electronic gaming devices.

2168 2. The gaming tax imposed pursuant to this section shall not apply to any activity regulated under
2169 Article 2 (§ 58.1-4030 et seq.) or Chapter 41 (§ 58.1-4100 et seq.).

2170 B. The gaming tax imposed pursuant to this section shall be remitted by the operator licensee to
2171 the Department at a frequency established by Board regulations. If the operator licensee's accounting
2172 necessitates corrections to a previously remitted gaming tax, such licensee shall document such
2173 corrections when remitting the next gaming tax installment.

2174 C. The gaming taxes collected by the Department pursuant to this section shall be distributed
2175 pursuant to § 58.1-4085.

2176 D. After the remittance of the gaming tax by the operator, the remaining gross profit shall be
2177 divided equally between the operator and the host location.

2178 **§ 58.1-4085. Distribution of gaming tax revenue.**

2179 A. The Department of Taxation shall allocate the monthly tax collected pursuant to § 58.1-4084
2180 as follows:

2181 1. Two percent to the Problem Gambling Treatment and Support Fund, established pursuant to §
2182 37.2-314.2;

2183 2. Six percent to the Department for the purposes of implementing the provisions of this article;

2184 3. Fifteen percent to the localities in which the electronic gaming devices are located;

2185 4. Two percent to the Department of State Police to be used by the Office of the Gaming
2186 Enforcement Coordinator, established pursuant to § 52-54;

2187 5. Ten percent to the School Construction Fund, established pursuant to § 22.1-140.1;

2188 6. Ten percent appropriated to provide additional basic aid funding for public schools, which shall
2189 be apportioned to local school boards pursuant to Article 1 (§ 22.1-88 et seq.) of Chapter 8 of Title 22.1;

2190 and

2191 7. Fifty-five percent to the general fund.

2192 B. Allocation of funds by the Department pursuant to this section shall occur no later than 60 days
2193 after such funds are collected, and only after the Department has verified the accuracy of the collected
2194 balances.

2195 **§ 58.1-4086. Illegal manufacture, distribution, or hosting; penalty.**

2196 A. No person shall:

2197 1. Manufacture, sell, or lease to any person electronic gaming devices or major components or
2198 parts, including software and hardware, for electronic gaming devices without a manufacturer license
2199 issued by the Director.

2200 2. Distribute, sell, or lease to any person electronic gaming devices or major components or parts,
2201 including software or hardware, for electronic gaming devices without a distributor license issued by the
2202 Director.

2203 3. Purchase, own, operate, possess, or place in the Commonwealth electronic gaming devices or
2204 maintain and service such devices without an operator license issued by the Director.

2205 4. Operate an establishment where one or more electronic gaming devices are made available for
2206 play by the public without a host location license issued by the Director.

2207 5. Solicit, offer, or enter into any contract or agreement for the placement of an electronic gaming
2208 device until the operator, host location, and procurement agent, if applicable, are all issued a license by
2209 the Director pursuant to this article.

2210 B. A violation of this section is a Class 6 felony.

2211 **§ 58.1-4087. Underage play and redemption prohibited; penalty.**

2212 A. No person shall play any electronic gaming device unless such person is 21 years of age or
2213 older.

2214 B. No person shall redeem any evidence of winnings from any person who is not 21 years of age
2215 or older.

2216 C. A violation of this section is a Class 1 misdemeanor.

2217 **§ 58.1-4088. Prohibited acts by host location licensees; penalty.**

2218 A. No host location licensee shall:

2219 1. Permit any person who is not 21 years of age or older to play any electronic gaming device;

2220 2. Give any reward for the play of an electronic gaming device that is not authorized by this article;

2221 3. Give any reward for the play of an electronic gaming device that is redeemable at a location
2222 other than the host location's ticket redemption terminal; or

2223 4. Accept any inducement from an operator licensee.

2224 B. A violation of this section is a Class 1 misdemeanor.

2225 **§ 58.1-4089. Illegal tampering with electronic gaming devices; penalty.**

2226 No person other than an operator licensee shall possess or use any key or device designed for the
2227 purpose of opening, entering, or affecting the operation of an electronic gaming device or otherwise
2228 tamper with an electronic gaming device. A violation of this section is a Class 6 felony.

2229 **§ 58.1-4090. Conspiracies and attempts to commit violations; penalty.**

2230 A. Any person who conspires, confederates, or combines with another, either within or outside of
2231 the Commonwealth, to commit a felony prohibited by this article is guilty of a Class 6 felony.

2232 B. Any person who attempts to commit any act prohibited by this article is guilty of a criminal
2233 offense and shall be punished as provided in § 18.2-26, 18.2-27, or 18.2-28, as appropriate.

2234 **§ 58.1-4091. Exclusion from the applicability of this article.**

2235 This article shall not apply to sports betting authorized under Article 2 (§ 58.1-4030 et seq.) or
2236 casino gaming authorized under Chapter 41 (§ 58.1-4100 et seq.).

2237 **§ 58.1-4092. Certain provisions in Article 1 (§ 58.1-4000 et seq.) to apply mutatis mutandis.**

2238 Except as provided in this article, the provisions of Article 1 (§ 58.1-4000 et seq.) shall apply
2239 mutatis mutandis to electronic gaming devices under this article. The Board shall promulgate regulations
2240 to interpret and clarify the applicability of Article 1 to this article.

2241 **§ 58.1-4103. Voluntary exclusion program.**

2242 A. The Board shall adopt regulations to establish and implement a voluntary exclusion program.

2243 B. The regulations shall include the following provisions:

2244 1. Except as provided by regulation of the Board, a person who participates in the voluntary
2245 exclusion program agrees to refrain from (i) playing any account-based lottery game authorized under the
2246 provisions of this chapter or Chapter 40 (§ 58.1-4000 et seq.); (ii) participating in sports betting as such
2247 activity is regulated by the Board; (iii) engaging in any form of casino gaming authorized under the
2248 provisions of this chapter; (iv) playing any electronic gaming devices authorized under the provisions of
2249 Article 4 (§ 58.1-4065 et seq.) of Chapter 40; (v) participating in charitable gaming, as defined in § 18.2-
2250 340.16; ~~(v)~~ (vi) participating in fantasy contests, as defined in § 59.1-556; or ~~(vi)~~ (vii) wagering on horse
2251 racing, as defined in § 59.1-365. Any state agency, at the request of the Department, shall assist in
2252 administering the voluntary exclusion program pursuant to the provisions of this section.

2253 2. A person who participates in the voluntary exclusion program may choose an exclusion period
2254 of two years, five years, or lifetime.

2255 3. Except as provided by regulation of the Board, a person who participates in the voluntary
2256 exclusion program may not petition the Board for removal from the program for the duration of his
2257 exclusion period.

2258 4. The name of a person participating in the program shall be included on a list of excluded persons.
2259 The list of persons entering the voluntary exclusion program and the personal information of the
2260 participants shall be confidential, with dissemination by the Department limited to lottery sales agents
2261 licensed under Chapter 40 (§ 58.1-4000 et seq.), owners and operators of casino gaming establishments,
2262 and any other parties the Department deems necessary for purposes of enforcement. The list and the
2263 personal information of participants in the voluntary exclusion program shall not be subject to disclosure
2264 under the Virginia Freedom of Information Act (§ 2.2-3700 et seq.). In addition, the Board may
2265 disseminate the list to other parties upon request by the participant and agreement by the Board.

2266 5. Lottery sales agents and owners and operators of casino gaming establishments shall make all
2267 reasonable attempts as determined by the Board to cease all direct marketing efforts to a person
2268 participating in the program. The voluntary exclusion program shall not preclude lottery sales agents and
2269 owners and operators of casino gaming establishments from seeking the payment of a debt incurred by a
2270 person before entering the program. In addition, the owner or operator of a casino gaming establishment
2271 may share the names of individuals who self-exclude across its corporate enterprise, including sharing
2272 such information with any of its affiliates.

2273 **3. That the initial adoption by the Virginia Lottery Board (the Board) of regulations necessary to**
2274 **implement the provisions of the second enactment of this act shall be exempt from the**
2275 **Administrative Process Act (§ 2.2-4000 et seq. of the Code of Virginia), except that the Board shall**
2276 **provide an opportunity for public comment on the regulations prior to adoption.**

2277 **4. That the initial procurement by the Virginia Lottery of the central control system required by §**
2278 **58.1-4078 of the Code of Virginia, as created by the second enactment of this act, shall be exempt**
2279 **from the departmental procurement regulations promulgated by the Virginia Lottery Board**
2280 **pursuant to § 58.1-4007 of the Code of Virginia, as amended by this act.**

2281 **5. That Article 3 (§ 58.1-4049 et seq.) of Chapter 40 of Title 58.1 of the Code of Virginia, as created**
2282 **by the first enactment of this act, shall expire on July 1, 2025.**

2283 **6. That the second and eighth enactments of this act shall become effective on July 1, 2025.**

2284 7. That any contract, or portion of a contract, entered into prior to July 1, 2024, that does not comply
2285 with the provisions of the first enactment of this act shall be void.

2286 8. That any contract, or portion of a contract, entered into prior to July 1, 2025, that does not comply
2287 with the provisions of the second enactment of this act shall be void.

2288 9. That the provisions of this act may result in a net increase in periods of imprisonment or
2289 commitment. Pursuant to § 30-19.1:4 of the Code of Virginia, the estimated amount of the necessary
2290 appropriation is _____ for periods of imprisonment in state adult correctional facilities;
2291 therefore, Chapter 1 of the Acts of Assembly of 2023, Special Session I, requires the Virginia
2292 Criminal Sentencing Commission to assign a minimum fiscal impact of \$50,000. Pursuant to § 30-
2293 19.1:4 of the Code of Virginia, the estimated amount of the necessary appropriation is _____ for
2294 periods of commitment to the custody of the Department of Juvenile Justice.

2295 #