

SENATE BILL NO. 397

AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the Senate Committee on General Laws and Technology

on _____)

(Patrons Prior to Substitute--Senators Ebbin and Reeves [SB 348])

A BILL to amend and reenact §§ 18.2-340.19 and 59.1-369, as it is currently effective and as it shall become effective, of the Code of Virginia and to amend the Code of Virginia by adding a section numbered 58.1-4007.3 and by adding in Article 7 of Chapter 41 of Title 58.1 a section numbered 58.1-4122.1, relating to gaming; posting of illegal gaming tip line information.

Be it enacted by the General Assembly of Virginia:

1. That §§ 18.2-340.19 and 59.1-369, as it is currently effective and as it shall become effective, of the Code of Virginia are amended and reenacted and that the Code of Virginia is amended by adding a section numbered 58.1-4007.3 and by adding in Article 7 of Chapter 41 of Title 58.1 a section numbered 58.1-4122.1 as follows:

§ 18.2-340.19. Regulations of the Department.

A. The Department shall adopt regulations that:

1. Require, as a condition of receiving a charitable gaming permit or authorization to conduct electronic gaming, that the applicant use a predetermined percentage of its receipts for (i) those lawful religious, charitable, community, or educational purposes for which the organization is specifically chartered or organized or (ii) those expenses relating to the acquisition, construction, maintenance, or repair of any interest in real property involved in the operation of the organization and used for lawful religious, charitable, community, or educational purposes, as follows:

a. With respect to charitable gaming, other than electronic gaming, a predetermined percentage of its gross receipts.

b. With respect to electronic gaming, a predetermined percentage of its electronic gaming adjusted gross receipts.

27 2. Specify the conditions under which a complete list of the organization's members who
28 participate in the management, operation, or conduct of charitable gaming may be required in order for
29 the Department to ascertain the percentage of Virginia residents in accordance with subdivision A 3 of §
30 18.2-340.24.

31 Membership lists furnished to the Department in accordance with this subdivision shall not be a
32 matter of public record and shall be exempt from disclosure under the provisions of the Freedom of
33 Information Act (§ 2.2-3700 et seq.).

34 3. Prescribe fees for processing applications for charitable gaming permits and authorizing social
35 organizations to conduct electronic gaming. Such fees may reflect the nature and extent of the charitable
36 gaming activity proposed to be conducted.

37 4. Establish requirements for the audit of all reports required in accordance with §§ 18.2-340.30
38 and 18.2-340.30:2.

39 5. Define electronic and mechanical equipment used in the conduct of charitable gaming.
40 Department regulations shall include capacity for such equipment to provide full automatic daubing as
41 numbers are called. For the purposes of this subdivision, electronic or mechanical equipment for instant
42 bingo, pull tabs, or seal cards shall include such equipment that displays facsimiles of instant bingo, pull
43 tabs, or seal cards and are used solely for the purpose of dispensing or opening such paper or electronic
44 cards, or both; but shall not include (i) devices operated by dropping one or more coins or tokens into a
45 slot and pulling a handle or pushing a button or touchpoint on a touchscreen to activate one to three or
46 more reels marked into horizontal segments by varying symbols, where the predetermined prize amount
47 depends on how and how many of the symbols line up when the rotating reels come to rest, or (ii) other
48 similar devices that display flashing lights or illuminations, or bells, whistles, or other sounds, solely
49 intended to entice players to play. Such regulations shall not prohibit the use of multiple video monitors
50 or touchscreens on an electronic gaming device.

51 6. Prescribe the conditions under which a qualified organization may (i) provide food and
52 nonalcoholic beverages to its members who participate in the management, operation, or conduct of bingo;
53 (ii) permit members who participate in the management, operation, or conduct of bingo to play bingo; and

54 (iii) subject to the provisions of subdivision 12 of § 18.2-340.33, permit nonmembers to participate in the
55 conduct of bingo so long as the nonmembers are under the direct supervision of a bona fide member of
56 the organization during the bingo game.

57 7. Prescribe the conditions under which a qualified organization may sell raffle tickets for a raffle
58 drawing that will be held outside the Commonwealth pursuant to subsection B of § 18.2-340.26.

59 8. Prescribe the conditions under which persons who are bona fide members of a qualified
60 organization or a child, above the age of 13 years, of a bona fide member of such organization may
61 participate in the conduct or operation of bingo games.

62 9. Prescribe the conditions under which a person below the age of 18 years may play bingo,
63 provided that such person is accompanied by his parent or legal guardian.

64 10. Require all qualified organizations that are subject to Department regulations to post in a
65 conspicuous place in every place where charitable gaming is conducted a sign ~~which~~ that bears a toll-free
66 telephone number for "Gamblers Anonymous" or other organization ~~which~~ that provides assistance to
67 compulsive gamblers.

68 11. Require all qualified organizations that are subject to Department regulations to post in a
69 conspicuous place in every place where charitable gaming is conducted a sign that bears the toll-free
70 telephone number and website for the illegal gaming tip line established and administered by the Office
71 of the Gaming Enforcement Coordinator in the Department of State Police pursuant to § 52-54 for
72 members of the public to report concerns about, or suspected instances of, illegal gaming activities.

73 12. Prescribe the conditions under which a qualified organization may sell network bingo cards in
74 accordance with § 18.2-340.28:1 and establish a percentage of proceeds derived from network bingo sales
75 to be allocated to (i) prize pools, (ii) the organization conducting the network bingo, and (iii) the network
76 bingo provider. The regulations shall also establish procedures for the retainage and ultimate distribution
77 of any unclaimed prize.

78 ~~12-13.~~ Prescribe the conditions under which a qualified organization may manage, operate, or
79 contract with operators of, or conduct Texas Hold'em poker tournaments.

80 ~~13-~~14. Prescribe the conditions under which a qualified organization may lease the premises of a
81 permitted social organization for the purpose of conducting bingo, network bingo, instant bingo, pull tabs,
82 seal cards, and electronic gaming permitted under this article and establish requirements for proper
83 financial reporting of all disbursements, gross receipts, and electronic gaming adjusted gross receipts and
84 payment of all fees required under this article.

85 B. The Commissioner may, by regulation, approve variations to the card formats for bingo games,
86 provided that such variations result in bingo games that are conducted in a manner consistent with the
87 provisions of this article. Department-approved variations may include bingo games commonly referred
88 to as player selection games and 90-number bingo.

89 **§ 58.1-4007.3. Posting of illegal gaming tip line.**

90 Every licensed lottery sales agent shall post in a conspicuous place in its retail establishment a sign
91 that bears the toll-free telephone number and website for the illegal gaming tip line established and
92 administered by the Office of the Gaming Enforcement Coordinator in the Department of State Police
93 pursuant to § 52-54 for members of the public to report concerns about, or suspected instances of, illegal
94 gaming activities.

95 **§ 58.1-4122.1. Posting of illegal gaming tip line.**

96 Every casino gaming operator shall post in a conspicuous place in its casino gaming establishment
97 a sign that bears the toll-free telephone number and website for the illegal gaming tip line established and
98 administered by the Office of the Gaming Enforcement Coordinator in the Department of State Police
99 pursuant to § 52-54 for members of the public to report concerns about, or suspected instances of, illegal
100 gaming activities.

101 **§ 59.1-369. (Effective until July 1, 2024) Powers and duties of the Commission.**

102 The Commission shall have all powers and duties necessary to carry out the provisions of this
103 chapter and to exercise the control of horse racing as set forth in § 59.1-364. Such powers and duties shall
104 include ~~but not be limited to~~ the following:

- 105 1. The Commission is vested with jurisdiction and supervision over all horse racing licensed under
106 the provisions of this chapter including all persons conducting, participating in, or attending any race

107 meeting. It shall employ such persons to be present at race meetings as are necessary to ensure that they
108 are conducted with order and the highest degree of integrity. It may eject or exclude from the enclosure
109 or from any part thereof any person, whether or not he possesses a license or permit, whose conduct or
110 reputation is such that his presence may, in the opinion of the Commission, reflect on the honesty and
111 integrity of horse racing or interfere with the orderly conduct of horse racing.

112 2. The Commission, its representatives, and employees shall visit, investigate, and have free access
113 to the office, track, facilities, satellite facilities, or other places of business of any license or permit holder,
114 and may compel the production of any of the books, documents, records, or memoranda of any license or
115 permit holder for the purpose of satisfying itself that this chapter and its regulations are strictly complied
116 with. In addition, the Commission may require any person granted a permit by the Commission and shall
117 require any person licensed by the Commission, the recognized majority horsemen's group, and the
118 nonprofit industry stakeholder organization recognized by the Commission under this chapter to produce
119 an annual balance sheet and operating statement prepared by a certified public accountant approved by
120 the Commission. The Commission may require the production of any contract to which such person is or
121 may be a party.

122 3. The Commission shall promulgate regulations and conditions under which horse racing with
123 pari-mutuel wagering shall be conducted in the Commonwealth, and all such other regulations it deems
124 necessary and appropriate to effect the purposes of this chapter, including a requirement that licensees
125 post, in a conspicuous place in every place where pari-mutuel wagering is conducted, (i) a sign which that
126 bears a toll-free telephone number for "Gamblers Anonymous" or other organization which that provides
127 assistance to compulsive gamblers and (ii) a sign that bears the toll-free number and website for the illegal
128 gaming tip line established and administered by the Office of the Gaming Enforcement Coordinator in the
129 Department of State Police pursuant to § 52-54 for members of the public to report concerns about, or
130 suspected instances of, illegal gaming activities. Such regulations shall include provisions for affirmative
131 action to assure participation by minority persons in contracts granted by the Commission and its licensees.
132 Nothing in this subdivision shall be deemed to preclude private local ownership or participation in any

133 horse racetrack. Such regulations may include penalties for violations. The regulations shall be subject to
134 the Administrative Process Act (§ 2.2-4000 et seq.).

135 4. The Commission shall promulgate regulations and conditions under which simulcast horse
136 racing shall be conducted at a licensed horse racetrack or satellite facility in the Commonwealth and all
137 such other regulations it deems necessary and appropriate to effect the purposes of this chapter. Such
138 regulations shall include provisions that all simulcast horse racing shall comply with the Interstate Horse
139 Racing Act of 1978 (15 U.S.C. § 3001 et seq.) and shall require the holder of a license to schedule no
140 more than 125 live racing days in the Commonwealth each calendar year; however, the Commission shall
141 have the authority to alter the required number of live racing days based on what the Commission deems
142 to be in the best interest of the Virginia horse industry. Such regulations shall authorize up to 10 satellite
143 facilities and restrict majority ownership of satellite facilities to an entity licensed by the Commission that
144 is a significant infrastructure limited licensee, or if by August 1, 2015, there is no such licensee or a
145 pending application for such license, then the nonprofit industry stakeholder organization recognized by
146 the Commission may be granted licenses to own or operate satellite facilities. If, however, after the
147 issuance of a license to own or operate a satellite facility to such nonprofit industry stakeholder
148 organization, the Commission grants a license to a significant infrastructure limited licensee pursuant to
149 § 59.1-376, then such limited licensee may own or operate the remaining available satellite facilities
150 authorized in accordance with this subdivision. In no event shall the Commission authorize any such
151 entities to own or operate more than a combined total of 10 satellite facilities. Nothing in this subdivision
152 shall be deemed to preclude private local ownership or participation in any satellite facility. Except as
153 authorized pursuant to subdivision 5, wagering on simulcast horse racing shall take place only at a licensed
154 horse racetrack or satellite facility.

155 5. The Commission shall promulgate regulations and conditions regulating and controlling
156 advance deposit account wagering. Such regulations shall include, ~~but not be limited to,~~ (i) standards,
157 qualifications, and procedures for the issuance of a license to an entity for the operation of pari-mutuel
158 wagering in the Commonwealth; except that the Commission shall not issue a license to, and shall revoke
159 the license of, an entity that, either directly or through an entity under common control with it, withholds

160 the sale at fair market value to a licensee of simulcast horse racing signals that such entity or an entity
161 under common control with it sells to other racetracks, satellite facilities, or advance deposit account
162 wagering providers located in or outside of the Commonwealth; (ii) provisions regarding access to books,
163 records, and memoranda, and submission to investigations and audits, as authorized by subdivisions 2 and
164 10; and (iii) provisions regarding the collection of all revenues due to the Commonwealth from the placing
165 of such wagers. No pari-mutuel wager may be made on or with any computer owned or leased by the
166 Commonwealth, or any of its subdivisions, or at any public elementary or secondary school or institution
167 of higher education. The Commission also shall ensure that, except for this method of pari-mutuel
168 wagering, all wagering on simulcast horse racing shall take place only at a licensed horse racetrack or
169 satellite facility.

170 Nothing in this subdivision shall be construed to limit the Commission's authority as set forth
171 elsewhere in this section.

172 6. The Commission may issue subpoenas for the attendance of witnesses before it, administer
173 oaths, and compel production of records or other documents and testimony of such witnesses whenever,
174 in the judgment of the Commission, it is necessary to do so for the effectual discharge of its duties.

175 7. The Commission may compel any person holding a license or permit to file with the
176 Commission such data as shall appear to the Commission to be necessary for the performance of its duties
177 including ~~but not limited to~~ financial statements and information relative to stockholders and all others
178 with any pecuniary interest in such person. It may prescribe the manner in which books and records of
179 such persons shall be kept.

180 8. The Commission may enter into arrangements with any foreign or domestic government or
181 governmental agency, for the purposes of exchanging information or performing any other act to better
182 ensure the proper conduct of horse racing.

183 9. The Commission shall report annually on or before March 1 to the Governor and the General
184 Assembly, which report shall include a financial statement of the operation of the Commission.

185 10. The Commission may order such audits, in addition to those required by § 59.1-394, as it deems
186 necessary and desirable.

187 11. The Commission shall upon the receipt of a complaint of an alleged criminal violation of this
188 chapter immediately report the complaint to the Attorney General of the Commonwealth and the State
189 Police for appropriate action.

190 12. The Commission shall provide for the withholding of the applicable amount of state and federal
191 income tax of persons claiming a prize or pay-off for a winning wager and shall establish the thresholds
192 for such withholdings.

193 13. The Commission, its representatives and employees may, within the enclosure, stable, or other
194 facility related to the conduct of racing, and during regular or usual business hours, subject any (i) permit
195 holder to personal inspections, including alcohol and drug testing for illegal drugs, inspections of personal
196 property, and inspections of other property or premises under the control of such permit holder and (ii)
197 horse eligible to race at a race meeting licensed by the Commission to testing for substances foreign to the
198 natural horse within the racetrack enclosure or other place where such horse is kept. Any item, document,
199 or record indicative of a violation of any provision of this chapter or Commission regulations may be
200 seized as evidence of such violation. All permit holders consent to the searches and seizures authorized
201 by this subdivision, including breath, blood, and urine sampling for alcohol and illegal drugs, by accepting
202 the permit issued by the Commission. The Commission may revoke or suspend the permit of any person
203 who fails or refuses to comply with this subdivision or any rules of the Commission. Commission
204 regulations in effect on July 1, 1998, shall continue in full force and effect until modified by the
205 Commission in accordance with law.

206 14. The Commission shall require the existence of a contract between each licensee and the
207 recognized majority horsemen's group for that licensee. Such contract shall be subject to the approval of
208 the Commission, which shall have the power to approve or disapprove any of its items, including ~~but not~~
209 ~~limited to~~ the provisions regarding purses and prizes. Such contracts shall provide that on pools generated
210 by wagering on simulcast horse racing from outside the Commonwealth, (i) for the first \$75 million of the
211 total pari-mutuel handle for each breed, the licensee shall deposit funds at the minimum rate of five percent
212 in the horsemen's purse account, (ii) for any amount in excess of \$75 million but less than \$150 million
213 of the total pari-mutuel handle for each breed, the licensee shall deposit funds at the minimum rate of six

214 percent in the horsemen's purse account, (iii) for amounts in excess of \$150 million for each breed, the
215 licensee shall deposit funds at the minimum rate of seven percent in the horsemen's purse account. Such
216 deposits shall be made in the horsemen's purse accounts of the breed that generated the pools and such
217 deposits shall be made within five days from the date on which the licensee receives wagers. In the absence
218 of the required contract between the licensee and the recognized majority horsemen's group, the
219 Commission may permit wagering to proceed on simulcast horse racing from outside of the
220 Commonwealth, provided that the licensee deposits into the State Racing Operations Fund created
221 pursuant to § 59.1-370.1 an amount equal to the minimum percentage of the total pari-mutuel handles as
222 required in clauses (i), (ii), and (iii) or such lesser amount as the Commission may approve. The deposits
223 shall be made within five days from the date on which the licensee receives wagers. Once a contract
224 between the licensee and the recognized majority horsemen's group is executed and approved by the
225 Commission, the Commission shall transfer these funds to the licensee and the horsemen's purse accounts.

226 15. Notwithstanding the provisions of § 59.1-391, the Commission may grant provisional limited
227 licenses or provisional unlimited licenses to own or operate racetracks or satellite facilities to an applicant
228 prior to the applicant securing the approval through the local referendum required by § 59.1-391. The
229 provisional licenses issued by the Commission shall only become effective upon the approval of the
230 racetrack or satellite wagering facilities in a referendum conducted pursuant to § 59.1-391 in the
231 jurisdiction in which the racetrack or satellite wagering facility is to be located.

232 16. The Commission or its representatives shall participate in the Problem Gambling Treatment
233 and Support Advisory Committee established pursuant to § 37.2-304 by the Department of Behavioral
234 Health and Developmental Services to enable collaboration among prevention and treatment providers
235 and operators of legal gaming in the Commonwealth on efforts to reduce the negative effects of problem
236 gambling.

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240 include ~~but not be limited to~~ the following:

241 1. The Commission is vested with jurisdiction and supervision over all horse racing licensed under
242 the provisions of this chapter including all persons conducting, participating in, or attending any race
243 meeting. It shall employ such persons to be present at race meetings as are necessary to ensure that they
244 are conducted with order and the highest degree of integrity. It may eject or exclude from the enclosure
245 or from any part thereof any person, whether or not he possesses a license or permit, whose conduct or
246 reputation is such that his presence may, in the opinion of the Commission, reflect on the honesty and
247 integrity of horse racing or interfere with the orderly conduct of horse racing.

248 2. The Commission, its representatives, and employees shall visit, investigate, and have free access
249 to the office, track, facilities, satellite facilities or other places of business of any license or permit holder,
250 and may compel the production of any of the books, documents, records, or memoranda of any license or
251 permit holder for the purpose of satisfying itself that this chapter and its regulations are strictly complied
252 with. In addition, the Commission may require any person granted a permit by the Commission and shall
253 require any person licensed by the Commission, the recognized majority horsemen's group, and the
254 nonprofit industry stakeholder organization recognized by the Commission under this chapter to produce
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264 gaming tip line established and administered by the Office of the Gaming Enforcement Coordinator in the
265 Department of State Police pursuant to § 52-54 for members of the public to report concerns about, or
266 suspected instances of, illegal gaming activities. Such regulations shall include provisions for affirmative
267 action to assure participation by minority persons in contracts granted by the Commission and its licensees.

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275 Racing Act of 1978 (15 U.S.C. § 3001 et seq.) and shall require the holder of a license to schedule no
276 more than 125 live racing days in the Commonwealth each calendar year; however, the Commission shall
277 have the authority to alter the required number of live racing days in the event of force majeure. Such
278 regulations shall authorize up to 10 satellite facilities and restrict majority ownership of satellite facilities
279 to an entity licensed by the Commission that is a significant infrastructure limited licensee, or if by August
280 1, 2015, there is no such licensee or a pending application for such license, then the nonprofit industry
281 stakeholder organization recognized by the Commission may be granted licenses to own or operate
282 satellite facilities. If, however, after the issuance of a license to own or operate a satellite facility to such
283 nonprofit industry stakeholder organization, the Commission grants a license to a significant infrastructure
284 limited licensee pursuant to § 59.1-376, then such limited licensee may own or operate the remaining
285 available satellite facilities authorized in accordance with this subdivision. In no event shall the
286 Commission authorize any such entities to own or operate more than a combined total of 10 satellite
287 facilities. Nothing in this subdivision shall be deemed to preclude private local ownership or participation
288 in any satellite facility. Except as authorized pursuant to subdivision 5, wagering on simulcast horse racing
289 shall take place only at a licensed horse racetrack or satellite facility. For purposes of this subdivision,
290 "force majeure" means an event or events reasonably beyond the ability of the Commission to anticipate
291 and control. "Force majeure" includes acts of God, incidences of terrorism, war or riots, labor strikes or
292 civil disturbances, floods, earthquakes, fire, explosions, epidemics, hurricanes, tornadoes, and
293 governmental actions and restrictions.

294 5. The Commission shall promulgate regulations and conditions regulating and controlling
295 advance deposit account wagering. Such regulations shall include, ~~but not be limited to~~, (i) standards,
296 qualifications, and procedures for the issuance of a license to an entity for the operation of pari-mutuel
297 wagering in the Commonwealth; except that the Commission shall not issue a license to, and shall revoke
298 the license of, an entity that, either directly or through an entity under common control with it, withholds
299 the sale at fair market value to a licensee of simulcast horse racing signals that such entity or an entity
300 under common control with it sells to other racetracks, satellite facilities, or advance deposit account
301 wagering providers located in or outside of the Commonwealth; (ii) provisions regarding access to books,
302 records, and memoranda, and submission to investigations and audits, as authorized by subdivisions 2 and
303 10; and (iii) provisions regarding the collection of all revenues due to the Commonwealth from the placing
304 of such wagers. No pari-mutuel wager may be made on or with any computer owned or leased by the
305 Commonwealth, or any of its subdivisions, or at any public elementary or secondary school or institution
306 of higher education. The Commission also shall ensure that, except for this method of pari-mutuel
307 wagering, all wagering on simulcast horse racing shall take place only at a licensed horse racetrack or
308 satellite facility.

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312 oaths, and compel production of records or other documents and testimony of such witnesses whenever,
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315 Commission such data as shall appear to the Commission to be necessary for the performance of its duties
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317 with any pecuniary interest in such person. It may prescribe the manner in which books and records of
318 such persons shall be kept.

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320 governmental agency, for the purposes of exchanging information or performing any other act to better
321 ensure the proper conduct of horse racing.

322 9. The Commission shall report annually on or before March 1 to the Governor and the General
323 Assembly, which report shall include a financial statement of the operation of the Commission.

324 10. The Commission may order such audits, in addition to those required by § 59.1-394, as it deems
325 necessary and desirable.

326 11. The Commission shall upon the receipt of a complaint of an alleged criminal violation of this
327 chapter immediately report the complaint to the Attorney General of the Commonwealth and the State
328 Police for appropriate action.

329 12. The Commission shall provide for the withholding of the applicable amount of state and federal
330 income tax of persons claiming a prize or pay-off for a winning wager and shall establish the thresholds
331 for such withholdings.

332 13. The Commission, its representatives and employees may, within the enclosure, stable, or other
333 facility related to the conduct of racing, and during regular or usual business hours, subject any (i) permit
334 holder to personal inspections, including alcohol and drug testing for illegal drugs, inspections of personal
335 property, and inspections of other property or premises under the control of such permit holder and (ii)
336 horse eligible to race at a race meeting licensed by the Commission to testing for substances foreign to the
337 natural horse within the racetrack enclosure or other place where such horse is kept. Any item, document
338 or record indicative of a violation of any provision of this chapter or Commission regulations may be
339 seized as evidence of such violation. All permit holders consent to the searches and seizures authorized
340 by this subdivision, including breath, blood and urine sampling for alcohol and illegal drugs, by accepting
341 the permit issued by the Commission. The Commission may revoke or suspend the permit of any person
342 who fails or refuses to comply with this subdivision or any rules of the Commission. Commission
343 regulations in effect on July 1, 1998, shall continue in full force and effect until modified by the
344 Commission in accordance with law.

345 14. The Commission shall require the existence of a contract between each licensee and the
346 recognized majority horsemen's group for that licensee. Such contract shall be subject to the approval of
347 the Commission, which shall have the power to approve or disapprove any of its items, including ~~but not~~
348 ~~limited to~~ the provisions regarding purses and prizes. Such contracts shall provide that on pools generated
349 by wagering on simulcast horse racing from outside the Commonwealth, (i) for the first \$75 million of the
350 total pari-mutuel handle for each breed, the licensee shall deposit funds at the minimum rate of five percent
351 in the horsemen's purse account, (ii) for any amount in excess of \$75 million but less than \$150 million
352 of the total pari-mutuel handle for each breed, the licensee shall deposit funds at the minimum rate of six
353 percent in the horsemen's purse account, (iii) for amounts in excess of \$150 million for each breed, the
354 licensee shall deposit funds at the minimum rate of seven percent in the horsemen's purse account. Such
355 deposits shall be made in the horsemen's purse accounts of the breed that generated the pools and such
356 deposits shall be made within five days from the date on which the licensee receives wagers. In the absence
357 of the required contract between the licensee and the recognized majority horsemen's group, the
358 Commission may permit wagering to proceed on simulcast horse racing from outside of the
359 Commonwealth, provided that the licensee deposits into the State Racing Operations Fund created
360 pursuant to § 59.1-370.1 an amount equal to the minimum percentage of the total pari-mutuel handles as
361 required in clauses (i), (ii), and (iii) or such lesser amount as the Commission may approve. The deposits
362 shall be made within five days from the date on which the licensee receives wagers. Once a contract
363 between the licensee and the recognized majority horsemen's group is executed and approved by the
364 Commission, the Commission shall transfer these funds to the licensee and the horsemen's purse accounts.

365 15. Notwithstanding the provisions of § 59.1-391, the Commission may grant provisional limited
366 licenses or provisional unlimited licenses to own or operate racetracks or satellite facilities to an applicant
367 prior to the applicant securing the approval through the local referendum required by § 59.1-391. The
368 provisional licenses issued by the Commission shall only become effective upon the approval of the
369 racetrack or satellite wagering facilities in a referendum conducted pursuant to § 59.1-391 in the
370 jurisdiction in which the racetrack or satellite wagering facility is to be located.

371 16. The Commission or its representatives shall participate in the Problem Gambling Treatment
372 and Support Advisory Committee established pursuant to § 37.2-304 by the Department of Behavioral
373 Health and Developmental Services to enable collaboration among prevention and treatment providers
374 and operators of legal gaming in the Commonwealth on efforts to reduce the negative effects of problem
375 gambling.

376 17. The Commission shall promulgate regulations requiring, for each calendar year, any significant
377 infrastructure limited licensee that offers pari-mutuel wagering on historical horse racing to hold at least
378 one live Thoroughbred horse racing day, consisting of not less than eight races per day, for every 100
379 historical horse racing terminals installed at its significant infrastructure facility together with any satellite
380 facility owned, operated, controlled, managed, or otherwise directly or indirectly affiliated with such
381 licensee. The regulations shall require any such significant infrastructure limited licensee that holds more
382 than one live Thoroughbred horse racing day in accordance with the provisions of this subdivision to hold
383 at least one of those racing days on a weekend. The number of historical horse racing terminals installed
384 at a significant infrastructure facility shall be calculated as of December 31 of the calendar year in
385 question; however, only historical horse racing terminals that are fully operational shall be included in
386 such calculation.

387 #