

1 VIRGINIA ACTS OF ASSEMBLY — CHAPTER

2 *An Act to amend and reenact §§ 2.2-3705.7, 2.2-3711, 18.2-334.3, 37.2-304, 58.1-4000, 58.1-4002,*  
3 *58.1-4007, 58.1-4027, 59.1-364, and 59.1-569 of the Code of Virginia; to amend the Code of*  
4 *Virginia by adding in Chapter 3 of Title 11 a section numbered 11-16.1, by adding in Article 1 of*  
5 *Chapter 3 of Title 37.2 a section numbered 37.2-314.1, by adding a section numbered 58.1-4015.1,*  
6 *and by adding in Chapter 40 of Title 58.1 an article numbered 2, consisting of sections numbered*  
7 *58.1-4030 through 58.1-4047, relating to sports betting.*

8 [H 896]  
9 Approved

10 **Be it enacted by the General Assembly of Virginia:**  
11 **1. That §§ 2.2-3705.7, 2.2-3711, 18.2-334.3, 37.2-304, 58.1-4000, 58.1-4002, 58.1-4007, 58.1-4027,**  
12 **59.1-364, and 59.1-569 of the Code of Virginia are amended and reenacted and that the Code of**  
13 **Virginia is amended by adding in Chapter 3 of Title 11 a section numbered 11-16.1, by adding in**  
14 **Article 1 of Chapter 3 of Title 37.2 a section numbered 37.2-314.1, by adding a section numbered**  
15 **58.1-4015.1, and by adding in Chapter 40 of Title 58.1 an article numbered 2, consisting of**  
16 **sections numbered 58.1-4030 through 58.1-4047, as follows:**

17 **§ 2.2-3705.7. Exclusions to application of chapter; records of specific public bodies and certain**  
18 **other limited exclusions.**

19 The following information contained in a public record is excluded from the mandatory disclosure  
20 provisions of this chapter but may be disclosed by the custodian in his discretion, except where such  
21 disclosure is prohibited by law. Redaction of information excluded under this section from a public  
22 record shall be conducted in accordance with § 2.2-3704.01.

23 1. State income, business, and estate tax returns, personal property tax returns, and confidential  
24 records held pursuant to § 58.1-3.

25 2. Working papers and correspondence of the Office of the Governor, the Lieutenant Governor, or  
26 the Attorney General; the members of the General Assembly, the Division of Legislative Services, or the  
27 Clerks of the House of Delegates or the Senate of Virginia; the mayor or chief executive officer of any  
28 political subdivision of the Commonwealth; or the president or other chief executive officer of any  
29 public institution of higher education in the Commonwealth. However, no information that is otherwise  
30 open to inspection under this chapter shall be deemed excluded by virtue of the fact that it has been  
31 attached to or incorporated within any working paper or correspondence. Further, information publicly  
32 available or not otherwise subject to an exclusion under this chapter or other provision of law that has  
33 been aggregated, combined, or changed in format without substantive analysis or revision shall not be  
34 deemed working papers. Nothing in this subdivision shall be construed to authorize the withholding of  
35 any resumes or applications submitted by persons who are appointed by the Governor pursuant to  
36 § 2.2-106 or 2.2-107.

37 As used in this subdivision:  
38 "Members of the General Assembly" means each member of the Senate of Virginia and the House of  
39 Delegates and their legislative aides when working on behalf of such member.

40 "Office of the Governor" means the Governor; the Governor's chief of staff, counsel, director of  
41 policy, and Cabinet Secretaries; the Assistant to the Governor for Intergovernmental Affairs; and those  
42 individuals to whom the Governor has delegated his authority pursuant to § 2.2-104.

43 "Working papers" means those records prepared by or for a public official identified in this  
44 subdivision for his personal or deliberative use.

45 3. Information contained in library records that can be used to identify (i) both (a) any library patron  
46 who has borrowed material from a library and (b) the material such patron borrowed or (ii) any library  
47 patron under 18 years of age. For the purposes of clause (ii), access shall not be denied to the parent,  
48 including a noncustodial parent, or guardian of such library patron.

49 4. Contract cost estimates prepared for the confidential use of the Department of Transportation in  
50 awarding contracts for construction or the purchase of goods or services, and records and automated  
51 systems prepared for the Department's Bid Analysis and Monitoring Program.

52 5. Lists of registered owners of bonds issued by a political subdivision of the Commonwealth,  
53 whether the lists are maintained by the political subdivision itself or by a single fiduciary designated by  
54 the political subdivision.

55 6. Information furnished by a member of the General Assembly to a meeting of a standing  
56 committee, special committee, or subcommittee of his house established solely for the purpose of

57 reviewing members' annual disclosure statements and supporting materials filed under § 30-110 or of  
58 formulating advisory opinions to members on standards of conduct, or both.

59 7. Customer account information of a public utility affiliated with a political subdivision of the  
60 Commonwealth, including the customer's name and service address, but excluding the amount of utility  
61 service provided and the amount of money charged or paid for such utility service.

62 8. Personal information, as defined in § 2.2-3801, (i) filed with the Virginia Housing Development  
63 Authority concerning individuals who have applied for or received loans or other housing assistance or  
64 who have applied for occupancy of or have occupied housing financed, owned or otherwise assisted by  
65 the Virginia Housing Development Authority; (ii) concerning persons participating in or persons on the  
66 waiting list for federally funded rent-assistance programs; (iii) filed with any local redevelopment and  
67 housing authority created pursuant to § 36-4 concerning persons participating in or persons on the  
68 waiting list for housing assistance programs funded by local governments or by any such authority; or  
69 (iv) filed with any local redevelopment and housing authority created pursuant to § 36-4 or any other  
70 local government agency concerning persons who have applied for occupancy or who have occupied  
71 affordable dwelling units established pursuant to § 15.2-2304 or 15.2-2305. However, access to one's  
72 own information shall not be denied.

73 9. Information regarding the siting of hazardous waste facilities, except as provided in § 10.1-1441, if  
74 disclosure of such information would have a detrimental effect upon the negotiating position of a  
75 governing body or on the establishment of the terms, conditions, and provisions of the siting agreement.

76 10. Information on the site-specific location of rare, threatened, endangered, or otherwise imperiled  
77 plant and animal species, natural communities, caves, and significant historic and archaeological sites if,  
78 in the opinion of the public body that has the responsibility for such information, disclosure of the  
79 information would jeopardize the continued existence or the integrity of the resource. This exclusion  
80 shall not apply to requests from the owner of the land upon which the resource is located.

81 11. Memoranda, graphics, video or audio tapes, production models, data, and information of a  
82 proprietary nature produced by or for or collected by or for the Virginia Lottery relating to matters of a  
83 specific lottery game design, development, production, operation, ticket price, prize structure, manner of  
84 selecting the winning ticket, manner of payment of prizes to holders of winning tickets, frequency of  
85 drawings or selections of winning tickets, odds of winning, advertising, or marketing, where such  
86 information not been publicly released, published, copyrighted, or patented. Whether released, published,  
87 or copyrighted, all game-related information shall be subject to public disclosure under this chapter upon  
88 the first day of sales for the specific lottery game to which it pertains.

89 12. Information held by the Virginia Retirement System, acting pursuant to § 51.1-124.30, or a local  
90 retirement system, acting pursuant to § 51.1-803, or by a local finance board or board of trustees of a  
91 trust established by one or more local public bodies to invest funds for post-retirement benefits other  
92 than pensions, acting pursuant to Article 8 (§ 15.2-1544 et seq.) of Chapter 15 of Title 15.2, or by the  
93 board of visitors of the University of Virginia, acting pursuant to § 23.1-2210, or by the board of  
94 visitors of The College of William and Mary in Virginia, acting pursuant to § 23.1-2803, or by the  
95 Virginia College Savings Plan, acting pursuant to § 23.1-704, relating to the acquisition, holding, or  
96 disposition of a security or other ownership interest in an entity, where such security or ownership  
97 interest is not traded on a governmentally regulated securities exchange, if disclosure of such  
98 information would (i) reveal confidential analyses prepared for the board of visitors of the University of  
99 Virginia, prepared for the board of visitors of The College of William and Mary in Virginia, prepared  
100 by the retirement system, a local finance board or board of trustees, or the Virginia College Savings  
101 Plan, or provided to the retirement system, a local finance board or board of trustees, or the Virginia  
102 College Savings Plan under a promise of confidentiality of the future value of such ownership interest or  
103 the future financial performance of the entity and (ii) have an adverse effect on the value of the  
104 investment to be acquired, held, or disposed of by the retirement system, a local finance board or board  
105 of trustees, the board of visitors of the University of Virginia, the board of visitors of The College of  
106 William and Mary in Virginia, or the Virginia College Savings Plan. Nothing in this subdivision shall be  
107 construed to prevent the disclosure of information relating to the identity of any investment held, the  
108 amount invested, or the present value of such investment.

109 13. Financial, medical, rehabilitative, and other personal information concerning applicants for or  
110 recipients of loan funds submitted to or maintained by the Assistive Technology Loan Fund Authority  
111 under Chapter 11 (§ 51.5-53 et seq.) of Title 51.5.

112 14. Information held by the Virginia Commonwealth University Health System Authority pertaining  
113 to any of the following: an individual's qualifications for or continued membership on its medical or  
114 teaching staffs; proprietary information gathered by or in the possession of the Authority from third  
115 parties pursuant to a promise of confidentiality; contract cost estimates prepared for confidential use in  
116 awarding contracts for construction or the purchase of goods or services; information of a proprietary  
117 nature produced or collected by or for the Authority or members of its medical or teaching staffs;

118 financial statements not publicly available that may be filed with the Authority from third parties; the  
 119 identity, accounts, or account status of any customer of the Authority; consulting or other reports paid  
 120 for by the Authority to assist the Authority in connection with its strategic planning and goals; the  
 121 determination of marketing and operational strategies where disclosure of such strategies would be  
 122 harmful to the competitive position of the Authority; and information of a proprietary nature produced  
 123 or collected by or for employees of the Authority, other than the Authority's financial or administrative  
 124 records, in the conduct of or as a result of study or research on medical, scientific, technical, or  
 125 scholarly issues, whether sponsored by the Authority alone or in conjunction with a governmental body  
 126 or a private concern, when such information has not been publicly released, published, copyrighted, or  
 127 patented. This exclusion shall also apply when such information is in the possession of Virginia  
 128 Commonwealth University.

129 15. Information held by the Department of Environmental Quality, the State Water Control Board,  
 130 the State Air Pollution Control Board, or the Virginia Waste Management Board relating to (i) active  
 131 federal environmental enforcement actions that are considered confidential under federal law and (ii)  
 132 enforcement strategies, including proposed sanctions for enforcement actions. Upon request, such  
 133 information shall be disclosed after a proposed sanction resulting from the investigation has been  
 134 proposed to the director of the agency. This subdivision shall not be construed to prevent the disclosure  
 135 of information related to inspection reports, notices of violation, and documents detailing the nature of  
 136 any environmental contamination that may have occurred or similar documents.

137 16. Information related to the operation of toll facilities that identifies an individual, vehicle, or travel  
 138 itinerary, including vehicle identification data or vehicle enforcement system information; video or  
 139 photographic images; Social Security or other identification numbers appearing on driver's licenses;  
 140 credit card or bank account data; home addresses; phone numbers; or records of the date or time of toll  
 141 facility use.

142 17. Information held by the Virginia Lottery pertaining to (i) the social security number, tax  
 143 identification number, state sales tax number, home address and telephone number, personal and lottery  
 144 banking account and transit numbers of a retailer, and financial information regarding the nonlottery  
 145 operations of specific retail locations and (ii) individual lottery winners, except that a winner's name,  
 146 hometown, and amount won shall be disclosed. If the value of the prize won by the winner exceeds \$10  
 147 million, the information described in clause (ii) shall not be disclosed unless the winner consents in  
 148 writing to such disclosure.

149 18. Information held by the Board for Branch Pilots relating to the chemical or drug testing of a  
 150 person regulated by the Board, where such person has tested negative or has not been the subject of a  
 151 disciplinary action by the Board for a positive test result.

152 19. Information pertaining to the planning, scheduling, and performance of examinations of holder  
 153 records pursuant to the Virginia Disposition of Unclaimed Property Act (§ 55.1-2500 et seq.) prepared  
 154 by or for the State Treasurer or his agents or employees or persons employed to perform an audit or  
 155 examination of holder records.

156 20. Information held by the Virginia Department of Emergency Management or a local governing  
 157 body relating to citizen emergency response teams established pursuant to an ordinance of a local  
 158 governing body that reveal the name, address, including e-mail address, telephone or pager numbers, or  
 159 operating schedule of an individual participant in the program.

160 21. Information held by state or local park and recreation departments and local and regional park  
 161 authorities concerning identifiable individuals under the age of 18 years. However, nothing in this  
 162 subdivision shall operate to prevent the disclosure of information defined as directory information under  
 163 regulations implementing the Family Educational Rights and Privacy Act, 20 U.S.C. § 1232g, unless the  
 164 public body has undertaken the parental notification and opt-out requirements provided by such  
 165 regulations. Access shall not be denied to the parent, including a noncustodial parent, or guardian of  
 166 such person, unless the parent's parental rights have been terminated or a court of competent jurisdiction  
 167 has restricted or denied such access. For such information of persons who are emancipated, the right of  
 168 access may be asserted by the subject thereof. Any parent or emancipated person who is the subject of  
 169 the information may waive, in writing, the protections afforded by this subdivision. If the protections are  
 170 so waived, the public body shall open such information for inspection and copying.

171 22. Information submitted for inclusion in the Statewide Alert Network administered by the  
 172 Department of Emergency Management that reveal names, physical addresses, email addresses, computer  
 173 or internet protocol information, telephone numbers, pager numbers, other wireless or portable  
 174 communications device information, or operating schedules of individuals or agencies, where the release  
 175 of such information would compromise the security of the Statewide Alert Network or individuals  
 176 participating in the Statewide Alert Network.

177 23. Information held by the Judicial Inquiry and Review Commission made confidential by  
 178 § 17.1-913.

179 24. Information held by the Virginia Retirement System acting pursuant to § 51.1-124.30, a local  
180 retirement system acting pursuant to § 51.1-803 (hereinafter collectively referred to as the retirement  
181 system), or the Virginia College Savings Plan, acting pursuant to § 23.1-704 relating to:

182 a. Internal deliberations of or decisions by the retirement system or the Virginia College Savings  
183 Plan on the pursuit of particular investment strategies, or the selection or termination of investment  
184 managers, prior to the execution of such investment strategies or the selection or termination of such  
185 managers, if disclosure of such information would have an adverse impact on the financial interest of  
186 the retirement system or the Virginia College Savings Plan; and

187 b. Trade secrets provided by a private entity to the retirement system or the Virginia College Savings  
188 Plan if disclosure of such records would have an adverse impact on the financial interest of the  
189 retirement system or the Virginia College Savings Plan.

190 For the records specified in subdivision b to be excluded from the provisions of this chapter, the  
191 entity shall make a written request to the retirement system or the Virginia College Savings Plan:

192 (1) Invoking such exclusion prior to or upon submission of the data or other materials for which  
193 protection from disclosure is sought;

194 (2) Identifying with specificity the data or other materials for which protection is sought; and

195 (3) Stating the reasons why protection is necessary.

196 The retirement system or the Virginia College Savings Plan shall determine whether the requested  
197 exclusion from disclosure meets the requirements set forth in subdivision b.

198 Nothing in this subdivision shall be construed to prevent the disclosure of the identity or amount of  
199 any investment held or the present value and performance of all asset classes and subclasses.

200 25. Information held by the Department of Corrections made confidential by § 53.1-233.

201 26. Information maintained by the Department of the Treasury or participants in the Local  
202 Government Investment Pool (§ 2.2-4600 et seq.) and required to be provided by such participants to the  
203 Department to establish accounts in accordance with § 2.2-4602.

204 27. Personal information, as defined in § 2.2-3801, contained in the Veterans Care Center Resident  
205 Trust Funds concerning residents or patients of the Department of Veterans Services Care Centers,  
206 except that access shall not be denied to the person who is the subject of the information.

207 28. Information maintained in connection with fundraising activities by the Veterans Services  
208 Foundation pursuant to § 2.2-2716 that reveal the address, electronic mail address, facsimile or telephone  
209 number, social security number or other identification number appearing on a driver's license, or credit  
210 card or bank account data of identifiable donors, except that access shall not be denied to the person  
211 who is the subject of the information. Nothing in this subdivision, however, shall be construed to  
212 prevent the disclosure of information relating to the amount, date, purpose, and terms of the pledge or  
213 donation or the identity of the donor, unless the donor has requested anonymity in connection with or as  
214 a condition of making a pledge or donation. The exclusion provided by this subdivision shall not apply  
215 to protect from disclosure (i) the identities of sponsors providing grants to or contracting with the  
216 foundation for the performance of services or other work or (ii) the terms and conditions of such grants  
217 or contracts.

218 29. Information prepared for and utilized by the Commonwealth's Attorneys' Services Council in the  
219 training of state prosecutors or law-enforcement personnel, where such information is not otherwise  
220 available to the public and the disclosure of such information would reveal confidential strategies,  
221 methods, or procedures to be employed in law-enforcement activities or materials created for the  
222 investigation and prosecution of a criminal case.

223 30. Information provided to the Department of Aviation by other entities of the Commonwealth in  
224 connection with the operation of aircraft where the information would not be subject to disclosure by the  
225 entity providing the information. The entity providing the information to the Department of Aviation  
226 shall identify the specific information to be protected and the applicable provision of this chapter that  
227 excludes the information from mandatory disclosure.

228 31. Information created or maintained by or on the behalf of the judicial performance evaluation  
229 program related to an evaluation of any individual justice or judge made confidential by § 17.1-100.

230 32. Information reflecting the substance of meetings in which (i) individual sexual assault cases are  
231 discussed by any sexual assault response team established pursuant to § 15.2-1627.4, (ii) individual child  
232 abuse or neglect cases or sex offenses involving a child are discussed by multidisciplinary child sexual  
233 abuse response teams established pursuant to § 15.2-1627.5, or (iii) individual cases of abuse, neglect, or  
234 exploitation of adults as defined in § 63.2-1603 are discussed by multidisciplinary teams established  
235 pursuant to §§ 15.2-1627.5 and 63.2-1605. The findings of any such team may be disclosed or published  
236 in statistical or other aggregated form that does not disclose the identity of specific individuals.

237 33. Information contained in the strategic plan, marketing plan, or operational plan prepared by the  
238 Virginia Economic Development Partnership Authority pursuant to § 2.2-2237.1 regarding target  
239 companies, specific allocation of resources and staff for marketing activities, and specific marketing

240 activities that would reveal to the Commonwealth's competitors for economic development projects the  
 241 strategies intended to be deployed by the Commonwealth, thereby adversely affecting the financial  
 242 interest of the Commonwealth. The executive summaries of the strategic plan, marketing plan, and  
 243 operational plan shall not be redacted or withheld pursuant to this subdivision.

244 34. Information discussed in a closed session of the Physical Therapy Compact Commission or the  
 245 Executive Board or other committees of the Commission for purposes set forth in subsection E of  
 246 § 54.1-3491.

247 35. *Personal information provided to or obtained by the Virginia Lottery in connection with the*  
 248 *voluntary exclusion program administered pursuant to § 58.1-4015.1.*

249 36. *Personal information provided to or obtained by the Virginia Lottery concerning the identity of*  
 250 *any person reporting prohibited conduct pursuant to § 58.1-4043.*

251 **§ 2.2-3711. Closed meetings authorized for certain limited purposes.**

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

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

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

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

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

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

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

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

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

292 9. Discussion or consideration by governing boards of public institutions of higher education of  
 293 matters relating to gifts, bequests and fund-raising activities, and of grants and contracts for services or  
 294 work to be performed by such institution. However, the terms and conditions of any such gifts, bequests,  
 295 grants, and contracts made by a foreign government, a foreign legal entity, or a foreign person and  
 296 accepted by a public institution of higher education in the Commonwealth shall be subject to public  
 297 disclosure upon written request to the appropriate board of visitors. For the purpose of this subdivision,  
 298 (i) "foreign government" means any government other than the United States government or the  
 299 government of a state or a political subdivision thereof, (ii) "foreign legal entity" means any legal entity  
 300 (a) created under the laws of the United States or of any state thereof if a majority of the ownership of

301 the stock of such legal entity is owned by foreign governments or foreign persons or if a majority of the  
302 membership of any such entity is composed of foreign persons or foreign legal entities or (b) created  
303 under the laws of a foreign government, and (iii) "foreign person" means any individual who is not a  
304 citizen or national of the United States or a trust territory or protectorate thereof.

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

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

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

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

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

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

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

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

331 18. Those portions of meetings in which the Board of Corrections discusses or discloses the identity  
332 of, or information tending to identify, any prisoner who (i) provides information about crimes or  
333 criminal activities, (ii) renders assistance in preventing the escape of another prisoner or in the  
334 apprehension of an escaped prisoner, or (iii) voluntarily or at the instance of a prison official renders  
335 other extraordinary services, the disclosure of which is likely to jeopardize the prisoner's life or safety.

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

344 20. Discussion by the Board of the Virginia Retirement System, acting pursuant to § 51.1-124.30, or  
345 of any local retirement system, acting pursuant to § 51.1-803, or by a local finance board or board of  
346 trustees of a trust established by one or more local public bodies to invest funds for postemployment  
347 benefits other than pensions, acting pursuant to Article 8 (§ 15.2-1544 et seq.) of Chapter 15 of Title  
348 15.2, or by the board of visitors of the University of Virginia, acting pursuant to § 23.1-2210, or by the  
349 Board of the Virginia College Savings Plan, acting pursuant to § 23.1-706, regarding the acquisition,  
350 holding or disposition of a security or other ownership interest in an entity, where such security or  
351 ownership interest is not traded on a governmentally regulated securities exchange, to the extent that  
352 such discussion (i) concerns confidential analyses prepared for the board of visitors of the University of  
353 Virginia, prepared by the retirement system, or a local finance board or board of trustees, or the Virginia  
354 College Savings Plan or provided to the retirement system, a local finance board or board of trustees, or  
355 the Virginia College Savings Plan under a promise of confidentiality, of the future value of such  
356 ownership interest or the future financial performance of the entity, and (ii) would have an adverse  
357 effect on the value of the investment to be acquired, held, or disposed of by the retirement system, a  
358 local finance board or board of trustees, the board of visitors of the University of Virginia, or the  
359 Virginia College Savings Plan. Nothing in this subdivision shall be construed to prevent the disclosure  
360 of information relating to the identity of any investment held, the amount invested or the present value  
361 of such investment.

362 21. Those portions of meetings in which individual child death cases are discussed by the State Child  
 363 Fatality Review Team established pursuant to § 32.1-283.1, those portions of meetings in which  
 364 individual child death cases are discussed by a regional or local child fatality review team established  
 365 pursuant to § 32.1-283.2, those portions of meetings in which individual death cases are discussed by  
 366 family violence fatality review teams established pursuant to § 32.1-283.3, those portions of meetings in  
 367 which individual adult death cases are discussed by the state Adult Fatality Review Team established  
 368 pursuant to § 32.1-283.5, those portions of meetings in which individual adult death cases are discussed  
 369 by a local or regional adult fatality review team established pursuant to § 32.1-283.6, those portions of  
 370 meetings in which individual death cases are discussed by overdose fatality review teams established  
 371 pursuant to § 32.1-283.7, and those portions of meetings in which individual maternal death cases are  
 372 discussed by the Maternal Mortality Review Team pursuant to § 32.1-283.8.

373 22. Those portions of meetings of the board of visitors of the University of Virginia or the Eastern  
 374 Virginia Medical School Board of Visitors, as the case may be, and those portions of meetings of any  
 375 persons to whom management responsibilities for the University of Virginia Medical Center or Eastern  
 376 Virginia Medical School, as the case may be, have been delegated, in which there is discussed  
 377 proprietary, business-related information pertaining to the operations of the University of Virginia  
 378 Medical Center or Eastern Virginia Medical School, as the case may be, including business development  
 379 or marketing strategies and activities with existing or future joint venturers, partners, or other parties  
 380 with whom the University of Virginia Medical Center or Eastern Virginia Medical School, as the case  
 381 may be, has formed, or forms, any arrangement for the delivery of health care, if disclosure of such  
 382 information would adversely affect the competitive position of the Medical Center or Eastern Virginia  
 383 Medical School, as the case may be.

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

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

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

401 26. Discussion or consideration, by the former Wireless Carrier E-911 Cost Recovery Subcommittee  
 402 created pursuant to former § 56-484.15, of trade secrets submitted by CMRS providers, as defined in  
 403 § 56-484.12, related to the provision of wireless E-911 service.

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

410 28. Discussion or consideration of information subject to the exclusion in subdivision 11 of  
 411 § 2.2-3705.6 by a responsible public entity or an affected locality or public entity, as those terms are  
 412 defined in § 33.2-1800, or any independent review panel appointed to review information and advise the  
 413 responsible public entity concerning such records.

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

418 30. Discussion or consideration of grant or loan application information subject to the exclusion in  
 419 subdivision 17 of § 2.2-3705.6 by (i) the Commonwealth Health Research Board or (ii) the Innovation  
 420 and Entrepreneurship Investment Authority or the Research and Technology Investment Advisory  
 421 Committee appointed to advise the Innovation and Entrepreneurship Investment Authority.

422 31. Discussion or consideration by the Commitment Review Committee of information subject to the

423 exclusion in subdivision 5 of § 2.2-3705.2 relating to individuals subject to commitment as sexually  
424 violent predators under Chapter 9 (§ 37.2-900 et seq.) of Title 37.2.

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

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

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

435 35. Discussion or consideration by the Forensic Science Board or the Scientific Advisory Committee  
436 created pursuant to Article 2 (§ 9.1-1109 et seq.) of Chapter 11 of Title 9.1 of criminal investigative  
437 files subject to the exclusion in subdivision B 1 of § 2.2-3706.

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

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

446 38. Discussion or consideration by the Board of Trustees of the Virginia Retirement System acting  
447 pursuant to § 51.1-124.30, by the Investment Advisory Committee appointed pursuant to § 51.1-124.26,  
448 by any local retirement system, acting pursuant to § 51.1-803, by the Board of the Virginia College  
449 Savings Plan acting pursuant to § 23.1-706, or by the Virginia College Savings Plan's Investment  
450 Advisory Committee appointed pursuant to § 23.1-702 of information subject to the exclusion in  
451 subdivision 24 of § 2.2-3705.7.

452 39. Discussion or consideration of information subject to the exclusion in subdivision 3 of  
453 § 2.2-3705.6 related to economic development.

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

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

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

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

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

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

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

481 47. Discussion or consideration of grant or loan application records subject to the exclusion in  
482 subdivision 28 of § 2.2-3705.6 related to the submission of an application for an award from the  
483 Virginia Research Investment Fund pursuant to Article 8 (§ 23.1-3130 et seq.) of Chapter 31 of Title

484 23.1 or interviews of parties to an application by a reviewing entity pursuant to subsection D of  
485 § 23.1-3133 or by the Virginia Research Investment Committee.

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

489 49. Discussion or consideration of (i) individual sexual assault cases by a sexual assault response  
490 team established pursuant to § 15.2-1627.4, (ii) individual child abuse or neglect cases or sex offenses  
491 involving a child by a child sexual abuse response team established pursuant to § 15.2-1627.5, or (iii)  
492 individual cases involving abuse, neglect, or exploitation of adults as defined in § 63.2-1603 pursuant to  
493 §§ 15.2-1627.5 and 63.2-1605.

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

498 51. Those portions of meetings of the subcommittee of the Board of the Virginia Economic  
499 Development Partnership Authority established pursuant to subsection F of § 2.2-2237.3 to review and  
500 discuss information received from the Virginia Employment Commission pursuant to subdivision C 2 of  
501 § 60.2-114.

502 52. *Deliberations of the Virginia Lottery Board in an appeal conducted pursuant to § 58.1-4007*  
503 *regarding the denial of, revocation of, suspension of, or refusal to renew a permit related to sports*  
504 *betting and any discussion, consideration, or review of matters related to investigations excluded from*  
505 *mandatory disclosure under subdivision 1 of § 2.2-3705.3.*

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

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

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

516 E. This section shall not be construed to (i) require the disclosure of any contract between the  
517 Department of Health Professions and an impaired practitioner entered into pursuant to Chapter 25.1  
518 (§ 54.1-2515 et seq.) of Title 54.1 or (ii) require the board of directors of any authority created pursuant  
519 to the Industrial Development and Revenue Bond Act (§ 15.2-4900 et seq.), or any public body  
520 empowered to issue industrial revenue bonds by general or special law, to identify a business or industry  
521 to which subdivision A 5 applies. However, such business or industry shall be identified as a matter of  
522 public record at least 30 days prior to the actual date of the board's authorization of the sale or issuance  
523 of such bonds.

524 **§ 11-16.1. Exemption; authorized sports betting.**

525 *This chapter shall not apply to any sports betting or related activity that is lawful under Article 2*  
526 *(§ 58.1-4030 et seq.) of Chapter 40 of Title 58.1.*

527 **§ 18.2-334.3. Exemptions to article; state lottery; sports betting.**

528 Nothing in this article shall apply to any:

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

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

533 **§ 37.2-304. Duties of Commissioner.**

534 The Commissioner shall be the chief executive officer of the Department and shall have the  
535 following duties and powers:

536 1. To supervise and manage the Department and its state facilities.

537 2. To employ the personnel required to carry out the purposes of this title.

538 3. To make and enter into all contracts and agreements necessary or incidental to the performance of  
539 the Department's duties and the execution of its powers under this title, including contracts with the  
540 United States, other states, and agencies and governmental subdivisions of the Commonwealth,  
541 consistent with policies and regulations of the Board and applicable federal and state statutes and  
542 regulations.

543 4. To accept, hold, and enjoy gifts, donations, and bequests on behalf of the Department from the  
544 United States government, agencies and instrumentalities thereof, and any other source, subject to the

545 approval of the Governor. To these ends, the Commissioner shall have the power to comply with  
 546 conditions and execute agreements that may be necessary, convenient, or desirable, consistent with  
 547 policies and regulations of the Board.

548 5. To accept, execute, and administer any trust in which the Department may have an interest, under  
 549 the terms of the instruments creating the trust, subject to the approval of the Governor.

550 6. To transfer between state hospitals and training centers school-age individuals who have been  
 551 identified as appropriate to be placed in public school programs and to negotiate with other school  
 552 divisions for placements in order to ameliorate the impact on those school divisions located in a  
 553 jurisdiction in which a state hospital or training center is located.

554 7. To provide to the Director of the Commonwealth's designated protection and advocacy system,  
 555 established pursuant to § 51.5-39.13, a written report setting forth the known facts of (i) critical  
 556 incidents, as that term is defined in § 37.2-709.1, or deaths of individuals receiving services in facilities  
 557 and (ii) serious injuries, as that term is defined in regulations adopted by the Board pursuant to  
 558 § 37.2-400, or deaths of individuals receiving services in programs operated or licensed by the  
 559 Department within 15 working days of the critical incident, serious injury, or death.

560 8. To work with the appropriate state and federal entities to ensure that any individual who has  
 561 received services in a state facility for more than one year has possession of or receives prior to  
 562 discharge any of the following documents, when they are needed to obtain the services contained in his  
 563 discharge plan: a Department of Motor Vehicles approved identification card that will expire 90 days  
 564 from issuance, a copy of his birth certificate if the individual was born in the Commonwealth, or a  
 565 social security card from the Social Security Administration. State facility directors, as part of their  
 566 responsibilities pursuant to § 37.2-837, shall implement this provision when discharging individuals.

567 9. To work with the Department of Veterans Services and the Department for Aging and  
 568 Rehabilitative Services to establish a program for mental health and rehabilitative services for Virginia  
 569 veterans and members of the Virginia National Guard and Virginia residents in the Armed Forces  
 570 Reserves not in active federal service and their family members pursuant to § 2.2-2001.1.

571 10. To establish and maintain a pharmaceutical and therapeutics committee composed of  
 572 representatives of the Department of Medical Assistance Services, state facilities operated by the  
 573 Department, community services boards, at least one health insurance plan, and at least one individual  
 574 receiving services to develop a drug formulary for use at all community services boards, state facilities  
 575 operated by the Department, and providers licensed by the Department.

576 11. To establish and maintain the Commonwealth Mental Health First Aid Program pursuant to  
 577 § 37.2-312.2.

578 12. To submit a report for the preceding fiscal year by December 1 of each year to the Governor and  
 579 the Chairmen of the House Appropriations and Senate Finances Committees that provides information  
 580 on the operation of Virginia's publicly funded behavioral health and developmental services system. The  
 581 report shall include a brief narrative and data on the number of individuals receiving state facility  
 582 services or community services board services, including purchased inpatient psychiatric services; the  
 583 types and amounts of services received by these individuals; and state facility and community services  
 584 board service capacities, staffing, revenues, and expenditures. The annual report shall describe major  
 585 new initiatives implemented during the past year and shall provide information on the accomplishment  
 586 of systemic outcome and performance measures during the year.

587 13. *To establish a comprehensive program for the prevention and treatment of problem gambling in*  
 588 *the Commonwealth and administer the Problem Gambling Treatment and Support Fund established*  
 589 *pursuant to § 37.2-314.1.*

590 Unless specifically authorized by the Governor to accept or undertake activities for compensation, the  
 591 Commissioner shall devote his entire time to his duties.

592 **§ 37.2-314.1. Problem Gambling Treatment and Support Fund.**

593 *There is hereby created in the state treasury a special nonreverting fund to be known as the Problem*  
 594 *Gambling Treatment and Support Fund, referred to in this section as "the Fund." The Fund shall be*  
 595 *established on the books of the Comptroller. All revenue accruing to the Fund pursuant to subsection A*  
 596 *of § 58.1-4038 shall be paid into the state treasury and credited to the Fund. Interest earned on moneys*  
 597 *in the Fund shall remain in the Fund and be credited to it. Any moneys remaining in the Fund,*  
 598 *including interest thereon, at the end of each fiscal year shall not revert to the general fund but shall*  
 599 *remain in the Fund. Moneys in the Fund shall be used solely for the purposes of (i) providing*  
 600 *counseling and other support services for compulsive and problem gamblers, (ii) developing and*  
 601 *implementing problem gambling treatment and prevention programs, and (iii) providing grants to*  
 602 *supporting organizations that provide assistance to compulsive gamblers. Expenditures and*  
 603 *disbursements from the Fund shall be made by the State Treasurer on warrants issued by the*  
 604 *Comptroller upon written request signed by the Commissioner.*

605

VIRGINIA LOTTERY LAW; *SPORTS BETTING.**Article 1.**Powers and Duties of Virginia Lottery Board; Administration of Tickets and Prizes.***§ 58.1-4000. Short title.**

This ~~chapter~~ *article* shall be known and may be cited as the "Virginia Lottery Law."

**§ 58.1-4002. Definitions.**

~~For the purposes of~~ *As used in this chapter, unless the context requires a different meaning:*

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

"Department" means the independent agency responsible for the administration of the Virginia Lottery ~~created in this chapter pursuant to this article and sports betting pursuant to Article 2~~ (*§ 58.1-4030 et seq.*).

"Director" means the Director of the Virginia Lottery.

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

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

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

**§ 58.1-4007. Powers of the Board.**

A. The Board shall have the power to adopt regulations governing the establishment and operation of a lottery *pursuant to this article and sports betting pursuant to Article 2* (*§ 58.1-4030 et seq.*). The regulations governing the establishment and operation of the lottery *and sports betting* shall be promulgated by the Board after consultation with the Director. Such regulations shall be in accordance with the Administrative Process Act (*§ 2.2-4000 et seq.*). The regulations shall provide for all matters necessary or desirable for the efficient, honest, and economical operation and administration of the lottery *and sports betting* and for the convenience of the purchasers of tickets or shares, ~~and~~ the holders of winning tickets or shares, *and sports bettors*. The regulations, which may be amended, repealed, or supplemented as necessary, shall include, but not be limited to, the following:

1. The type or types of lottery or game to be conducted in accordance with *§ 58.1-4001*.

2. The price or prices of tickets or shares in the lottery.

3. The numbers and sizes of the prizes on the winning tickets or shares, including informing the public of the approximate odds of winning and the proportion of lottery revenues (i) disbursed as prizes and (ii) returned to the Commonwealth as net revenues.

4. The manner of selecting the winning tickets or shares.

5. The manner of payment of prizes to the holders of winning tickets or shares.

6. The frequency of the drawings or selections of winning tickets or shares without limitation.

7. Without limitation as to number, the type or types of locations at which tickets or shares may be sold.

8. The method to be used in selling tickets or shares.

9. The advertisement of the lottery in accordance with the provisions of subsection E of *§ 58.1-4022*.

10. The licensing of agents to sell tickets or shares who will best serve the public convenience and promote the sale of tickets or shares. No person under the age of 18 shall be licensed as an agent. A licensed agent may employ a person who is 16 years of age or older to sell or otherwise vend tickets at the agent's place of business so long as the employee is supervised in the selling or vending of tickets by the manager or supervisor in charge at the location where the tickets are being sold. Employment of such person shall be in compliance with Chapter 5 (*§ 40.1-78 et seq.*) of Title 40.1.

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

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

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

14. *The operation of sports betting pursuant to Article 2* (*§ 58.1-4030 et seq.*). *In adopting such regulations, the Board shall establish a consumer protection program and publish a consumer protection*

667 *bill of rights. Such program and bill of rights shall include measures to protect sports bettors, as*  
 668 *defined in § 58.1-4030, with respect to identity, funds and accounts, consumer complaints, self-exclusion,*  
 669 *and any other consumer protection measure the Board determines to be reasonable.*

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

671 The Department shall not be subject to the provisions of Chapter 43 (§ 2.2-4300 et seq.) of Title 2.2;  
 672 however, the Board shall promulgate regulations, after consultation with the Director, relative to  
 673 departmental procurement which include standards of ethics for procurement consistent with the  
 674 provisions of Article 6 (§ 2.2-4367 et seq.) of Chapter 43 of Title 2.2 and which ensure that  
 675 departmental procurement will be based on competitive principles.

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

679 B. The Board shall carry on a continuous study and investigation of the lottery *and sports betting*  
 680 throughout the Commonwealth to:

681 1. Ascertain any defects of this chapter or the regulations issued hereunder which cause abuses in the  
 682 administration and operation of the lottery *and sports betting* and any evasions of such provisions.

683 2. Formulate, with the Director, recommendations for changes in this chapter and the regulations  
 684 promulgated hereunder to prevent such abuses and evasions.

685 3. Guard against the use of this chapter and the regulations promulgated hereunder as a subterfuge  
 686 for organized crime and illegal gambling.

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

689 C. The Board shall make a continuous study and investigation of (i) the operation and the  
 690 administration of similar laws ~~which~~ *that* may be in effect in other states or countries, (ii) any literature  
 691 on the subject ~~which~~ *that* may be published or available, (iii) any federal laws ~~which~~ *that* may affect the  
 692 operation of the lottery *and sports betting*, and (iv) the reaction of Virginia citizens to the potential  
 693 features of the lottery *and sports betting* with a view to recommending or effecting changes that will  
 694 serve the purpose of this chapter.

695 D. The Board shall hear and decide an appeal of any denial by the Director of the licensing or  
 696 revocation of a license of a lottery agent pursuant to subdivision A 10 ~~of subsection A~~ of this section  
 697 and subdivision B 5 ~~of subsection B~~ of § 58.1-4006 ~~of this chapter~~. *The Board shall hear and decide an*  
 698 *appeal of any penalty, denial of a permit or renewal, or suspension or revocation of a permit imposed*  
 699 *by the Director pursuant to Article 2 (§ 58.1-4030 et seq.).*

700 E. The Board shall have the authority to initiate procedures for the planning, acquisition, and  
 701 construction of capital projects as set forth in Article 4 (§ 2.2-1129 et seq.) of Chapter 11 and Article 3  
 702 (§ 2.2-1819 et seq.) of Chapter 18 of Title 2.2.

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

706 **§ 58.1-4015.1. Voluntary exclusion program.**

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

708 B. The regulations shall include the following provisions:

709 1. Except as provided by regulation of the Board, a person who participates in the voluntary  
 710 exclusion program agrees to refrain from (i) playing any account-based lottery game authorized under  
 711 the provisions of this article; (ii) participating in sports betting, as defined in § 58.1-4030; (iii)  
 712 engaging in any form of casino gaming that may be allowed under the laws of the Commonwealth; (iv)  
 713 participating in charitable gaming, as defined in § 18.2-340.16; (v) participating in fantasy contests, as  
 714 defined in § 59.1-556; or (vi) wagering on horse racing, as defined in § 59.1-365. Any state agency, at  
 715 the request of the Department, shall assist in administering the voluntary exclusion program pursuant to  
 716 the provisions of this section.

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

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

722 4. The name of a person participating in the program shall be included on a list of excluded  
 723 persons. The list of persons entering the voluntary exclusion program and the personal information of  
 724 the participants shall be confidential, with dissemination by the Department limited to sales agents and  
 725 permit holders, as defined in § 58.1-4030, and any other parties the Department deems necessary for  
 726 purposes of enforcement. The list and the personal information of participants in the voluntary exclusion  
 727 program shall not be subject to disclosure under the Virginia Freedom of Information Act (§ 2.2-3700 et

728 *seq.). In addition, the Board may disseminate the list to other parties upon request by the participant*  
 729 *and agreement by the Board.*

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

736 **§ 58.1-4027. Judicial review.**

737 *The action of the Board in (i) granting, or in refusing to grant, or denying a license or registration*  
 738 *or in suspending or revoking any license or registration under the provisions of this chapter article and*  
 739 *(ii) granting, denying, suspending, or revoking any permit or imposing any penalty pursuant to Article 2*  
 740 *(§ 58.1-4030 et seq.) shall be subject to review in accordance with the provisions of the Administrative*  
 741 *Process Act (§ 2.2-4000 et seq.). Such review shall be limited to the evidential record of the proceedings*  
 742 *provided by the Board. Both the petitioner and the Board shall have the right to appeal to the Court of*  
 743 *Appeals from any order of the court.*

744 *Article 2.*

745 *Sports Betting.*

746 **§ 58.1-4030. Definitions.**

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

748 *"Adjusted gross revenue" means gross revenue minus:*

749 *1. All cash and the cash value of merchandise paid out as winnings to bettors, and the value of all*  
 750 *bonuses or promotions provided to patrons as an incentive to place or as a result of their having placed*  
 751 *Internet sports betting wagers;*

752 *2. Uncollectible gaming receivables, which shall not exceed two percent, or a different percentage as*  
 753 *determined by the Board pursuant to subsection F of § 58.1-4007, of gross revenue minus all cash paid*  
 754 *out as winnings to bettors;*

755 *3. If the permit holder is a significant infrastructure limited licensee, as defined in § 59.1-365, any*  
 756 *funds paid into the horsemen's purse account pursuant to the provisions of subdivision 14 of § 59.1-369;*  
 757 *and*

758 *4. All excise taxes on sports betting paid pursuant to federal law.*

759 *"College sports" means an athletic event (i) in which at least one participant is a team from a public*  
 760 *or private institution of higher education, regardless of where such institution is located, and (ii) that*  
 761 *does not include a team from a Virginia public or private institution of higher education.*

762 *"Covered persons" means athletes; umpires, referees, and officials; personnel associated with clubs,*  
 763 *teams, leagues, and athletic associations; medical professionals and athletic trainers who provide*  
 764 *services to athletes and players; and the immediate family members and associates of such persons.*

765 *"Gross revenue" means the total of all cash, property, or any other form of remuneration, whether*  
 766 *collected or not, received by a permittee from its sports betting operations.*

767 *"Major league sports franchise" means a professional baseball, basketball, football, hockey, or*  
 768 *soccer team that is at the highest-level league of play for its respective sport.*

769 *"Motor sports facility" means an outdoor motor sports facility that hosts a National Association for*  
 770 *Stock Car Auto Racing (NASCAR) national touring race.*

771 *"Official league data" means statistics, results, outcomes, and other data relating to a professional*  
 772 *sports event obtained by a permit holder under an agreement with a sports governing body or with an*  
 773 *entity expressly authorized by a sports governing body for determining the outcome of tier 2 bets.*

774 *"Permit holder" means a person to which the Director issues a permit pursuant to §§ 58.1-4032 and*  
 775 *58.1-4033.*

776 *"Personal biometric data" means any information about an athlete that is derived from his DNA,*  
 777 *heart rate, blood pressure, perspiration rate, internal or external body temperature, hormone levels,*  
 778 *glucose levels, hydration levels, vitamin levels, bone density, muscle density, or sleep patterns, or other*  
 779 *information as may be prescribed by the Board by regulation.*

780 *"Principal" means any individual who solely or together with his immediate family members (i) owns*  
 781 *or controls, directly or indirectly, five percent or more of the pecuniary interest in any entity that is a*  
 782 *permit holder or (ii) has the power to vote or cause the vote of five percent or more of the voting*  
 783 *securities or other ownership interests of such entity. "Principal" includes any individual who is*  
 784 *employed in a managerial capacity for a sports betting platform on behalf of a permit holder.*

785 *"Professional sports" means an athletic event involving at least two human competitors who receive*  
 786 *compensation, in excess of their expenses, for participating in such event. "Professional sports" does not*  
 787 *include charitable gaming, as defined in § 18.2-340.16; fantasy contests, as defined in § 59.1-556; or*  
 788 *horse racing, as defined in § 59.1-365.*

789 "Prohibited conduct" means any statement, action, or other communication intended to influence,  
 790 manipulate, or control a betting outcome of a sports event or of any individual occurrence or  
 791 performance in a sports event in exchange for financial gain or to avoid financial or physical harm.  
 792 "Prohibited conduct" includes statements, actions, and communications made to a covered person by a  
 793 third party. "Prohibited conduct" does not include statements, actions, or communications made or  
 794 sanctioned by a sports team or sports governing body.

795 "Proposition bet" means a bet on an individual action, statistic, occurrence, or non-occurrence to be  
 796 determined during an athletic event and includes any such action, statistic, occurrence, or  
 797 non-occurrence that does not directly affect the final outcome of the athletic event to which it relates.

798 "Sports betting" means placing wagers on professional sports, college sports, sporting events, and  
 799 any portion thereof, and includes placing wagers related to the individual performance statistics of  
 800 athletes in such sports and events. "Sports betting" includes any system or method of wagering approved  
 801 by the Director, including single-game bets, teaser bets, parlays, over-under, moneyline, pools, exchange  
 802 wagering, in-game wagering, in-play bets, proposition bets, and straight bets. "Sports betting" does not  
 803 include participating in charitable gaming authorized by Article 1.1:1 (§ 18.2-340.15 et seq.) of Chapter  
 804 8 of Title 18.2; participating in any lottery game authorized under Article 1 (§ 58.1-4000 et seq.);  
 805 wagering on horse racing authorized by Chapter 29 (§ 59.1-364 et seq.) of Title 59.1; or participating  
 806 in fantasy contests authorized by Chapter 51 (§ 59.1-556 et seq.) of Title 59.1. "Sports betting" does not  
 807 include placing a wager on a college sports event in which a Virginia public or private institution of  
 808 higher education is a participant.

809 "Sports betting permit" means a permit to operate a sports betting platform issued pursuant to the  
 810 provisions of §§ 58.1-4032, 58.1-4033, and 58.1-4034.

811 "Sports betting platform" means a website, app, or other platform accessible via the Internet or  
 812 mobile, wireless, or similar communications technology that sports bettors use to participate in sports  
 813 betting.

814 "Sports betting program" means the program established by the Board to allow sports betting as  
 815 described in this article.

816 "Sports bettor" means a person physically located in Virginia who participates in sports betting.

817 "Sports event" or "sporting event" means professional sports, college sports, and any athletic event,  
 818 motor race event, electronic sports event, or competitive video game event.

819 "Sports governing body" means an organization, headquartered in the United States, that prescribes  
 820 rules and enforces codes of conduct with respect to a professional sports or college sports event and the  
 821 participants therein. "Sports governing body" includes a designee of the sports governing body.

822 "Stadium" means the physical facility that is the primary location at which a major league sports  
 823 franchise hosts athletic events and any appurtenant facilities.

824 "Tier 1 bet" means a bet that is placed using the Internet and that is not a tier 2 bet.

825 "Tier 2 bet" means a bet that is placed using the Internet and that is placed after the event it  
 826 concerns has started.

827 "Virginia college sports" means an athletic event in which at least one participant is a team from a  
 828 Virginia public or private institution of higher education.

829 "Youth sports" means an athletic event (i) involving a majority of participants under age 18 or (ii) in  
 830 which at least one participant is a team from a public or private elementary, middle, or secondary  
 831 school, regardless of where such school is located. However, if an athletic event meets the definition of  
 832 college sports or professional sports, such event shall not be considered youth sports regardless of the  
 833 age of the participants.

834 **§ 58.1-4031. Powers and duties of the Director related to sports betting; reporting.**

835 A. The Department shall operate a sports betting program under the direction of the Director, who  
 836 shall allow applicants to apply for permits to engage in sports betting operations in the Commonwealth.  
 837 The Board shall regulate such operations. The Department shall not operate a sports betting platform.

838 B. The Director may:

839 1. Require bond or other surety satisfactory to the Director from permit holders in such amount as  
 840 provided in the rules and regulations of the Board adopted under this article;

841 2. Suspend, revoke, or refuse to renew any permit issued pursuant to this article or the rules and  
 842 regulations adopted under this article; and

843 3. Enter into contracts for the operation of the sports betting program, and enter into contracts with  
 844 other states related to sports betting, provided that a contract awarded or entered into by the Director  
 845 shall not be assigned by the holder thereof except by specific approval of the Director.

846 C. The Director shall:

847 1. Certify monthly to the State Comptroller and the Board a full and complete statement of sports  
 848 betting revenues and expenses for the previous month;

849 2. Report monthly to the Governor, the Secretary of Finance, and the Chairmen of the Senate

850 Committee on Finance and Appropriations, House Committee on Finance, and House Committee on  
 851 Appropriations the total sports betting revenues and expenses for the previous month and make an  
 852 annual report, which shall include a full and complete statement of sports betting revenues and  
 853 expenses, to the Governor and the General Assembly, including recommendations for changes in this  
 854 article as the Director and Board deem prudent; and

855 3. Report immediately to the Governor and the General Assembly any matters that require immediate  
 856 changes in the laws of the Commonwealth in order to prevent abuses and evasions of this article or the  
 857 rules and regulations adopted under this article or to rectify undesirable conditions in connection with  
 858 the administration or operation of the sports betting program.

859 D. In accordance with sports betting program regulations, the Director shall approve methods for  
 860 sports bettors to fund sports betting accounts, including automated clearing house payments, credit  
 861 cards, debit cards, wire transfers, and any other method that the Board determines is appropriate for  
 862 sports betting.

863 **§ 58.1-4032. Application for a sports betting permit; penalty.**

864 A. An applicant for a sports betting permit shall:

865 1. Submit an application to the Director, on forms prescribed by the Director, containing the  
 866 information prescribed in subsection B; and

867 2. Pay to the Department a nonrefundable fee of \$50,000 for each principal at the time of filing to  
 868 defray the costs associated with the background investigations conducted by the Department. If the  
 869 reasonable costs of the investigation exceed the application fee, the applicant shall pay the additional  
 870 amount to the Department. The Board may establish regulations calculating the reasonable costs to the  
 871 Department in performing its functions under this article and allocating such costs to the applicants for  
 872 licensure at the time of filing.

873 B. An application for a sports betting permit shall include the following information:

874 1. The applicant's background in sports betting;

875 2. The applicant's experience in wagering activities in other jurisdictions, including the applicant's  
 876 history and reputation of integrity and compliance;

877 3. The applicant's proposed internal controls, including controls to ensure that no prohibited or  
 878 voluntarily excluded person will be able to participate in sports betting;

879 4. The applicant's history of working to prevent compulsive gambling, including training programs  
 880 for its employees;

881 5. If applicable, any supporting documentation necessary to establish eligibility for substantial and  
 882 preferred consideration pursuant to the provisions of this section;

883 6. The applicant's proposed procedures to detect and report suspicious or illegal betting activity; and

884 7. Any other information the Director deems necessary.

885 C. The Department shall conduct a background investigation on the applicant. The background  
 886 investigation shall include a credit history check, a tax record check, and a criminal history records  
 887 check.

888 D. 1. The Director shall not issue any permit pursuant to this article until the Board has established  
 889 a consumer protection program and published a consumer protection bill of rights pursuant to the  
 890 provisions of subdivision A 14 of § 58.1-4007.

891 2. a. The Director shall issue no fewer than four permits pursuant to this section; however, if an  
 892 insufficient number of applicants apply for the Director to satisfy such minimum, this provision shall not  
 893 be interpreted to direct the Director to issue a permit to an unqualified applicant. A permit shall not  
 894 count toward this minimum if it (i) is issued pursuant to subdivision 4 or 5 to a major league sports  
 895 franchise or to the operator of a facility; (ii) is issued pursuant to subdivision 6 to an applicant that  
 896 operates or intends to operate a casino gaming establishment; or (iii) is revoked, expires, or otherwise  
 897 becomes not effective.

898 b. The Director shall issue no more than 12 permits pursuant to this section. A permit shall not  
 899 count toward this maximum if it (i) is issued pursuant to subdivision 4 or 5 to a major league sports  
 900 franchise or to the operator of a facility or (ii) is revoked, expires, or otherwise becomes not effective.

901 3. In issuing permits to operate sports betting platforms, the Director shall consider the following  
 902 factors:

903 a. The contents of the applicant's application as required by subsection B;

904 b. The extent to which the applicant demonstrates past experience, financial viability, compliance  
 905 with applicable laws and regulations, and success with sports betting operations in other states;

906 c. The extent to which the applicant will be able to meet the duties of a permit holder, as specified  
 907 in § 58.1-4034;

908 d. Whether the applicant has demonstrated to the Department that it has made serious, good-faith  
 909 efforts to solicit and interview a reasonable number of investors that are minority individuals, as defined  
 910 in § 2.2-1604;

911 e. The amount of adjusted gross revenue and associated tax revenue that an applicant is expected to  
912 generate;

913 f. The effect of issuing an additional permit on the amount of gross revenue and associated tax  
914 revenue generated by all existing permit holders, considered in the aggregate; and

915 g. Any other factor the Director considers relevant.

916 4. In issuing permits to operate sports betting platforms prior to July 1, 2025, the Director shall give  
917 substantial and preferred consideration to any applicant that is a major league sports franchise  
918 headquartered in the Commonwealth that remitted personal state income tax withholdings based on  
919 taxable wages in the Commonwealth in excess of \$200 million for the 2019 taxable year. Any permit  
920 holder granted a permit pursuant to this subdivision shall receive substantial and preferred  
921 consideration of its first, second, and third applications for renewal pursuant to the provisions of  
922 § 58.1-4033; however, such permit holder shall not receive substantial and preferred consideration of its  
923 fourth and subsequent applications for renewal. Any permit granted pursuant to this subdivision shall  
924 expire if the permit holder ceases to maintain its headquarters in the Commonwealth.

925 5. In issuing permits to operate sports betting platforms prior to July 1, 2025, the Director shall give  
926 substantial and preferred consideration to any applicant that is a major league sports franchise that  
927 plays five or more regular season games per year at a facility in the Commonwealth or that is the  
928 operator of a facility in the Commonwealth where a major league sports franchise plays five or more  
929 regular season games per year; however, the Director shall give such substantial and preferred  
930 consideration only if the applicant (i) is headquartered in the Commonwealth, (ii) has an annualized  
931 payroll for taxable wages in the Commonwealth that is in excess of \$10 million over the 90-day period  
932 prior to the application date, and (iii) the total number of individuals working at the facility in the  
933 Commonwealth where the major league sports franchise plays five or more regular season games is in  
934 excess of 100.

935 6. If casino gaming is authorized under the laws of the Commonwealth, then in issuing permits to  
936 operate sports betting platforms, the Director shall give substantial and preferred consideration to any  
937 applicant that (i) has made or intends to make a capital investment of at least \$250 million in a casino  
938 gaming establishment, including the value of the real property upon which such establishment is located  
939 and all furnishings, fixtures, and other improvements; (ii) has had its name submitted as a preferred  
940 casino gaming operator to the Department by an eligible host city; and (iii) has been certified by the  
941 Department to proceed to a local referendum on whether casino gaming will be allowed in the locality  
942 in which the applicant intends to operate a casino gaming establishment.

943 7. In a manner as may be required by Board regulation, any entity that applies pursuant to  
944 subdivision D 4, D 5, or D 6 may demonstrate compliance with the requirements of an application, the  
945 duties of a permit holder, and any other provision of this article through the use of a partner,  
946 subcontractor, or other affiliate of the applicant.

947 E. The Director shall make a determination on an initial application for a sports betting permit  
948 within 90 days of receipt. The Director's action shall be final unless appealed in accordance with  
949 § 58.1-4007.

950 F. The following shall be grounds for denial of a permit or renewal of a permit:

951 1. The Director reasonably believes the applicant will be unable to satisfy the duties of a permit  
952 holder as described in subsection A of § 58.1-4034;

953 2. The Director reasonably believes that the applicant or its directors lack good character, honesty,  
954 or integrity;

955 3. The Director reasonably believes that the applicant's prior activities, criminal record, reputation,  
956 or associations are likely to (i) pose a threat to the public interest, (ii) impede the regulation of sports  
957 betting, or (iii) promote unfair or illegal activities in the conduct of sports betting;

958 4. The applicant or its directors knowingly make a false statement of material fact or deliberately  
959 fail to disclose information requested by the Director;

960 5. The applicant or its directors knowingly fail to comply with the provisions of this article or any  
961 requirements of the Director;

962 6. The applicant or its directors were convicted of a felony, a crime of moral turpitude, or any  
963 criminal offense involving dishonesty or breach of trust within the 10 years prior to the submission date  
964 of the permit application;

965 7. The applicant's license, registration, or permit to conduct a sports betting operation issued by any  
966 other jurisdiction has been suspended or revoked;

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

968 9. The applicant's application is incomplete.

969 G. The Director shall have the discretion to waive any of the grounds for denial of a permit or  
970 renewal of a permit if he determines that denial would limit the number of applicants or permit holders  
971 in a manner contrary to the best interests of the Commonwealth.

972 H. Prior to issuance of a permit, each permit holder shall either (i) be bonded by a surety company  
973 entitled to do business in the Commonwealth in such amount and penalty as may be prescribed by the  
974 regulations of the Board or (ii) provide other surety, letter of credit, or reserve as may be satisfactory  
975 to the Director. Such surety shall be prescribed by Board regulations and shall not exceed a reasonable  
976 amount.

977 I. Any person who knowingly and willfully falsifies, conceals, or misrepresents a material fact or  
978 knowingly and willfully makes a false, fictitious, or fraudulent statement or representation in any  
979 application pursuant to this article is guilty of a Class 1 misdemeanor.

980 J. In addition to the fee required pursuant to subdivision A 2, any applicant to which the Department  
981 issues a permit shall pay a nonrefundable fee of \$250,000 to the Department prior to the issuance of  
982 such permit.

983 **§ 58.1-4033. Renewals of permits.**

984 A. A permit issued pursuant to § 58.1-4032 shall be valid for three years from the date issued.

985 B. At least 60 days before the expiration of a permit, the permit holder shall submit a renewal  
986 application, on forms prescribed by the Director, with a nonrefundable renewal fee of \$200,000.

987 C. The Director may deny a permit renewal if he finds grounds for denial as described in subsection  
988 F of § 58.1-4032. The Director's action shall be final unless appealed in accordance with § 58.1-4007.

989 D. The Director shall make a determination on an application for a renewal of a sports betting  
990 permit within 60 days of receipt. The Director's action shall be final unless appealed in accordance with  
991 § 58.1-4007.

992 **§ 58.1-4034. Duties of permit holders.**

993 A. A permit holder shall ensure that its sports betting operation takes reasonable measures to:

994 1. Ensure that only persons physically located in Virginia are able to place bets through its sports  
995 betting platform, if applicable;

996 2. Protect the confidential information of bettors using its sports betting platform or placing bets at  
997 its sports betting facility;

998 3. Prevent betting on events that are prohibited by § 58.1-4039, underage betting as prohibited by  
999 § 58.1-4040, and bets by persons who are prohibited from sports betting by § 58.1-4041;

1000 4. Allow persons to restrict themselves from placing bets with the permit holder, including sharing,  
1001 at the person's request, his request for self-exclusion with the Department for the sole purpose of  
1002 disseminating the request to other permit holders;

1003 5. Establish procedures to detect suspicious or illegal betting activity, including measures to  
1004 immediately report such activity to the Department;

1005 6. Provide for the issuance of applicable tax forms to persons who meet the reporting threshold for  
1006 income from sports betting; and

1007 7. If applicable, allow sports bettors to establish and fund sports betting accounts over the Internet  
1008 on a sports betting platform, which may be funded through methods including automated clearing house  
1009 payments, credit cards, debit cards, wire transfers, or any other method approved by the Director under  
1010 § 58.1-4031.

1011 B. A permit holder shall maintain records on:

1012 1. All bets, including the bettor's personal information, the amount and type of bet, the time and  
1013 location of the bet, and the outcome of the bet; and

1014 2. Suspicious or illegal betting activity.

1015 C. A permit holder shall disclose the records described in subsection B to the Department upon  
1016 request and shall maintain such records for at least three years after the related sports event occurs.

1017 D. 1. If a sports governing body notifies the Department that real-time information-sharing for bets  
1018 placed on its sporting events is necessary and desirable, permit holders shall, as soon as is  
1019 commercially reasonable, share the information required to be retained pursuant to subdivision B 1 of  
1020 § 58.1-4034 with the sports governing body or its designee with respect to bets on its sporting events.  
1021 The information shared pursuant to this subsection shall be shared pseudonymously and shall not  
1022 include personal information associated with any bettor. A permit holder shall not be required to share  
1023 any information that is required to be kept confidential under federal or Virginia law.

1024 2. A sports governing body shall use information shared pursuant to this subsection only for the  
1025 purpose of integrity monitoring and shall not use such information for any commercial purpose. A  
1026 sports governing body shall provide for security measures with respect to such information so as to  
1027 prevent unauthorized access and distribution.

1028 E. In advertising its sports betting operations, a permit holder shall ensure that its advertisements:

1029 1. Do not target persons under the age of 21;

1030 2. Disclose the identity of the permit holder;

1031 3. Provide information about or links to resources related to gambling addiction; and

1032 4. Are not misleading to a reasonable person.

1033 F. A permit holder shall not sublicense, convey, concede, or otherwise transfer its permit to a third  
 1034 party unless granted approval by the Director. The Director shall charge a nonrefundable fee of  
 1035 \$200,000 for a permit transfer.

1036 G. 1. A permit holder may operate its sports betting platform under a brand other than its own but  
 1037 is prohibited from holding itself out to the public as a sports betting operation under more than one  
 1038 brand, and a permit holder shall conspicuously display its utilized brand to sports bettors; however, if a  
 1039 permit holder is a major league sports franchise, it shall not be required to associate the name of its  
 1040 sports betting platform with the name of the major league sports franchise and shall be allowed to hold  
 1041 its sports betting platform out to the public under a separate brand name.

1042 2. A permit holder is prohibited from cooperatively marketing its sports betting platform with any  
 1043 business issued a license pursuant to the provisions of Title 4.1. This prohibition shall not apply to any  
 1044 motor sports facility, major league sports franchise, or operator of a facility issued a permit pursuant to  
 1045 the provisions of subdivision D 4 or D 5 of § 58.1-4032, provided that such motor sports facility, major  
 1046 league sports franchise, or operator of a facility shall be authorized to cooperatively market only on the  
 1047 premises of its stadium. If casino gaming is authorized under the laws of the Commonwealth and a  
 1048 casino gaming operator is licensed by the Department as a permit holder, the prohibition in this  
 1049 subdivision shall not apply to such operator, provided that such operator shall be authorized to  
 1050 cooperatively market only on the premises of its casino gaming establishment. A permit holder shall not  
 1051 be allowed an exemption from the prohibition in this subdivision unless (i) such permit holder complies  
 1052 with any applicable local zoning ordinances and (ii) the local governing body approves by ordinance  
 1053 cooperative marketing with respect to the permit holder's stadium or casino gaming establishment.

1054 H. A permit holder shall not purchase or use any personal biometric data unless the permit holder  
 1055 has received written permission from the athlete's exclusive bargaining representative.

1056 I. Permit holders shall at all times maintain cash reserves in amounts to be established by Board  
 1057 regulation.

1058 **§ 58.1-4035. Suspension and revocation of permits; civil penalties.**

1059 If the Director determines that a permit holder has violated this article, he may, with at least 15  
 1060 days' notice and a hearing, (i) suspend or revoke the permit holder's permit and (ii) impose a monetary  
 1061 penalty of not more than \$1,000 for each violation per day of this article. The Department shall enforce  
 1062 civil penalties under this section and shall deposit all collected penalties to the general fund. The  
 1063 Director's action shall be final unless appealed in accordance with § 58.1-4007.

1064 **§ 58.1-4036. Use of official league data.**

1065 A. A permit holder may use any data source for determining the result of a tier 1 bet.

1066 B. A sports governing body may notify the Department that it desires permit holders to use official  
 1067 league data to settle tier 2 bets. A notification under this subsection shall be made according to forms  
 1068 and procedures prescribed by the Director. The Director shall notify each permit holder of the sports  
 1069 governing body's notification within five days after the Department's receipt of the notification. If a  
 1070 sports governing body does not notify the Department of its desire to supply official league data, a  
 1071 permit holder may use any data source for determining the result of a tier 2 bet on a professional  
 1072 sports event of the league governed by the sports governing body.

1073 C. Within 60 days after the Director notifies each permit holder as required under subsection B,  
 1074 permit holders shall use only official league data to determine the results of tier 2 bets on professional  
 1075 sports events of the league governed by the sports governing body, unless any of the following apply:

1076 1. The sports governing body is unable to provide a feed, on commercially reasonable terms, of  
 1077 official league data to determine the results of a tier 2 bets, in which case permit holders may use any  
 1078 data source for determining the results of tier 2 bets until the data feed becomes available on  
 1079 commercially reasonable terms.

1080 2. A permit holder demonstrates to the Department that the sports governing body has not provided  
 1081 or offered to provide a feed of official league data to such permit holder on commercially reasonable  
 1082 terms, according to criteria identified in subsection D.

1083 D. The Director shall consider the following information in determining whether a sports governing  
 1084 body has provided or offered to provide a feed of official league data on commercially reasonable  
 1085 terms:

1086 1. The availability of a sports governing body's official league data for tier 2 bets from more than  
 1087 one authorized source;

1088 2. Market information regarding the purchase, in Virginia and in other states, by permit holders of  
 1089 data from all authorized sources;

1090 3. The nature and quantity of the data, including the quality and complexity of the process used for  
 1091 collecting the data; and

1092 4. Any other information the Director deems relevant.

1093 E. During any time period in which the Director is determining whether official league data is

1094 available on commercially reasonable terms pursuant to the provisions of subsections C and D, a permit  
 1095 holder may use any data source for determining the results of any tier 2 bets. The Director shall make  
 1096 a determination under subsections C and D within 120 days after a permit holder notifies the  
 1097 Department that it desires to demonstrate that a sports governing body has not provided or offered to  
 1098 provide a feed of official league data to the permit holder on commercially reasonable terms.

1099 **§ 58.1-4037. Tax on adjusted gross revenue.**

1100 A. There shall be imposed a tax of 15 percent on a permit holder's adjusted gross revenue.

1101 B. The tax imposed pursuant to this section is due monthly to the Department, and the permit holder  
 1102 shall remit it on or before the twentieth day of the next succeeding calendar month. If the permit  
 1103 holder's accounting necessitates corrections to a previously remitted tax, the permit holder shall  
 1104 document such corrections when it pays the following month's taxes.

1105 C. If the permit holder's adjusted gross revenue for a month is a negative number, the permit holder  
 1106 may carry over the negative amount to a return filed for a subsequent month and deduct such amount  
 1107 from its tax liability for such month, provided that such amount shall not be carried over and deducted  
 1108 against tax liability in any month that is more than 12 months later than the month in which such  
 1109 amount was accrued.

1110 **§ 58.1-4038. Distribution of tax revenue.**

1111 A. The Department shall allocate 2.5 percent of the tax revenue collected pursuant to § 58.1-4037 to  
 1112 the Problem Gambling Treatment and Support Fund established pursuant to § 37.2-314.1.

1113 B. The Department shall allocate the remaining 97.5 percent of the tax revenue collected pursuant to  
 1114 § 58.1-4037 to the general fund.

1115 **§ 58.1-4039. Events on which betting is prohibited; penalty.**

1116 A. 1. No person shall place or accept a bet on youth sports.

1117 2. No person shall place or accept a proposition bet on college sports.

1118 3. No person shall place or accept a bet on Virginia college sports.

1119 B. 1. A sports governing body may notify the Department that it desires to restrict, limit, or prohibit  
 1120 sports betting on its sporting events by providing notice in accordance with requirements prescribed by  
 1121 the Director. A sports governing body also may request to restrict the types of bets that may be offered.

1122 2. For any request made pursuant to subdivision 1, the requester shall bear the burden of  
 1123 establishing to the satisfaction of the Director that the relevant betting or other activity poses a  
 1124 significant and unreasonable integrity risk. The Director shall seek input from affected permit holders  
 1125 before making a determination on such request.

1126 3. If the Director denies a request made pursuant to subdivision 1, the Director shall give the  
 1127 requester notice and the right to be heard and offer proof in opposition to such determination in  
 1128 accordance with regulations established by the Board. If the Director grants a request, the Board shall  
 1129 promulgate by regulation such restrictions, limitations, or prohibitions as may be requested.

1130 4. A permit holder shall not offer or take any bets in violation of regulations promulgated by the  
 1131 Board pursuant to this subsection.

1132 C. The prohibitions in subdivisions A 1 and A 3 shall be limited to the single game or match in  
 1133 which a youth sports or Virginia college sports team is a participant. The prohibitions shall not be  
 1134 construed to prohibit betting on other games in a tournament or multigame event in which a youth  
 1135 sports or Virginia college sports team participates, so long as such other games do not have a  
 1136 participant that is a youth sports or Virginia college sports team.

1137 D. Any person convicted of violating this section is guilty of a Class 1 misdemeanor.

1138 **§ 58.1-4040. Underage betting prohibited; penalty.**

1139 A. No person shall knowingly accept or redeem a sports bet by, or knowingly offer to accept or  
 1140 redeem a sports bet on behalf of, a person under the age of 21 years.

1141 B. Any person convicted of violating this section is guilty of a Class 1 misdemeanor.

1142 **§ 58.1-4041. Persons prohibited from sports betting; penalty.**

1143 A. The following persons shall be prohibited from sports betting:

1144 1. The Director and any Board member, officer, or employee of the Department;

1145 2. Any permit holder;

1146 3. Any director, officer, owner, or employee of a permit holder and any relative living in the same  
 1147 household as such persons; and

1148 4. Any officer or employee of any entity working directly on a contract with the Department related  
 1149 to sports betting.

1150 B. The persons described in subdivision A 3 shall be prohibited from sports betting only with respect  
 1151 to the related permit holder, but shall not be prohibited from placing sports bets with other permit  
 1152 holders.

1153 C. Any competitor, coach, trainer, employee, or owner of a team in a professional or college sports  
 1154 event, or any referee for a professional or college sports event, shall be prohibited from placing a bet

1155 on any event in a league in which such person participates. In determining which persons are  
 1156 prohibited from placing wagers under this subsection, a permit holder shall use publicly available  
 1157 information and any lists of persons that a sports governing body may provide to the Department.

1158 D. Any person convicted of violating this section is guilty of a Class 1 misdemeanor.

1159 **§ 58.1-4042. Operation and advertising of unpermitted facilities prohibited; penalty.**

1160 A. No person, except for a permit holder authorized pursuant to the provisions of this article, shall  
 1161 make its premises available for placing sports bets using the Internet or advertise that its premises may  
 1162 be used for such purpose.

1163 B. The Director may impose a monetary penalty of for each violation of this section. For a person  
 1164 determined to have made its premises available for placing sports bets using the Internet, the penalty  
 1165 shall not exceed \$1,000 per day per individual who places a sports bet. For a person determined to  
 1166 have advertised that its premises may be used for such purpose, the penalty shall not exceed \$10,000  
 1167 per violation.

1168 **§ 58.1-4043. Reporting and investigating prohibited conduct.**

1169 A. The Department shall establish a hotline or other method of communication that allows any  
 1170 person to confidentially report information about prohibited conduct to the Board.

1171 B. The Department shall investigate all reasonable allegations of prohibited conduct by a permit  
 1172 holder. The Department shall refer credible allegations of prohibited conduct by any person to the  
 1173 appropriate law-enforcement entity.

1174 C. The Department shall maintain the confidentiality of the identity of any reporting person unless  
 1175 such person authorizes disclosure of his identity or until such time as the allegation of prohibited  
 1176 conduct is referred to law enforcement. If an allegation of prohibited conduct is referred to law  
 1177 enforcement, the Department shall disclose a reporting person's identity only to the applicable  
 1178 law-enforcement agency. The identity of a reporting person shall be excluded from the provisions of  
 1179 § 2.2-3705.7.

1180 D. If the Department receives a complaint of prohibited conduct by an athlete, the Department shall  
 1181 notify the appropriate sports governing body of the athlete to review the complaint.

1182 E. The Department and permit holders shall cooperate with investigations conducted by sports  
 1183 governing bodies or law-enforcement agencies. Such cooperation shall include providing or facilitating  
 1184 the provision of account-level betting information and audio or video files relating to persons placing  
 1185 wagers.

1186 **§ 58.1-4044. Required direct notification to the Department and to sports governing bodies.**

1187 A. A permit holder shall, as soon as is commercially reasonable, report to the Department any  
 1188 information relating to:

1189 1. Criminal or disciplinary proceedings commenced against the permit holder in connection with its  
 1190 operations in the Commonwealth or in any other jurisdiction;

1191 2. Abnormal betting activity or patterns that may indicate a risk to the integrity of a bet or wager;

1192 3. Any potential breach of a sports governing body's rules and codes of conduct pertaining to sports  
 1193 betting, to the extent that such rules and codes of conduct are provided to and known by the permit  
 1194 holder;

1195 4. Any conduct that may alter the outcome of an athletic event for purposes of financial gain,  
 1196 including match fixing; and

1197 5. Suspicious or illegal wagering activities, including using funds derived from illegal activity to  
 1198 place bets, using bets to conceal or launder funds derived from illegal activity, using agents to place  
 1199 bets, and using false identification to place bets.

1200 B. A permit holder shall, as soon as is commercially practicable, report the information described in  
 1201 subdivisions A 2, 3, and 4 to any sports governing body that may be affected by the activities described  
 1202 in subdivisions A 2, 3, and 4.

1203 **§ 58.1-4045. Liquidity pools.**

1204 The Board may promulgate rules authorizing permit holders to offset loss and manage risk, directly  
 1205 or with a third party approved by the Director, through the use of a liquidity pool in Virginia or  
 1206 another jurisdiction so long as such permit holder, or an affiliate of such permit holder, is licensed by  
 1207 such jurisdiction to operate a sports betting business. However, a permit holder's use of a liquidity pool  
 1208 shall not eliminate its duty to ensure that it has sufficient funds available to pay bettors.

1209 **§ 58.1-4046. Intermediate routing of electronic data.**

1210 All sports betting shall be initiated and received within Virginia unless otherwise permitted by  
 1211 federal law. Consistent with the intent of the United States Congress as expressed in the Unlawful  
 1212 Internet Gambling Enforcement Act, 31 U.S.C. § 5361 et seq., the intermediate routing of electronic data  
 1213 relating to lawful intrastate sports betting authorized under this article shall not determine the location  
 1214 in which such bet is initiated and received.

1215 **§ 58.1-4047. Certain provisions in Article 1 (§ 58.1-4000 et seq.) to apply, mutatis mutandis.**

1216 *Except as provided in this article, the provisions of Article 1 (§ 58.1-4000 et seq.) shall apply to*  
 1217 *sports betting under this article. The Board shall promulgate regulations to interpret and clarify the*  
 1218 *applicability of Article 1 to this article.*

1219 **§ 59.1-364. Control of racing with pari-mutuel wagering.**

1220 A. Horse racing with pari-mutuel wagering as licensed herein shall be permitted in the  
 1221 Commonwealth for the promotion, sustenance and growth of a native industry, in a manner consistent  
 1222 with the health, safety and welfare of the people. The Virginia Racing Commission is vested with  
 1223 control of all horse racing with pari-mutuel wagering in the Commonwealth, with plenary power to  
 1224 prescribe regulations and conditions under which such racing and wagering shall be conducted, so as to  
 1225 maintain horse racing in the Commonwealth of the highest quality and free of any corrupt, incompetent,  
 1226 dishonest or unprincipled practices and to maintain in such racing complete honesty and integrity. The  
 1227 Virginia Racing Commission shall encourage participation by local individuals and businesses in those  
 1228 activities associated with horse racing.

1229 B. The conduct of any horse racing with pari-mutuel wagering participation in such racing or  
 1230 wagering and entrance to any place where such racing or wagering is conducted is a privilege which  
 1231 may be granted or denied by the Commission or its duly authorized representatives in its discretion in  
 1232 order to effectuate the purposes set forth in this chapter.

1233 C. The award of any prize money for any pari-mutuel wager placed at a racetrack or satellite facility  
 1234 licensed by the Commission shall not be deemed to be a part of any gaming contract within the purview  
 1235 of § 11-14.

1236 *D. This section shall not apply to any sports betting or related activity that is lawful under Article 2*  
 1237 *(§ 58.1-4030 et seq.) of Chapter 40 of Title 58.1, which shall be regulated pursuant to such chapter.*

1238 **§ 59.1-569. Fantasy contests conducted under this chapter not illegal gambling.**

1239 A. Nothing contained in Article 1 (§ 18.2-325 et seq.) of Chapter 8 of Title 18.2 shall be applicable  
 1240 to a fantasy contest conducted in accordance with this chapter. The award of any prize money for any  
 1241 fantasy contest shall not be deemed to be part of any gaming contract within the purview of § 11-14.

1242 *B. This section shall not apply to any sports betting or related activity that is lawful under Article 2*  
 1243 *(§ 58.1-4030 et seq.) of Chapter 40 of Title 58.1, which shall be regulated pursuant to such chapter.*

1244 **2. That the Virginia Lottery Board (the Board) shall promulgate regulations implementing the**  
 1245 **provisions of this act. The Board's initial adoption of regulations shall be exempt from the**  
 1246 **Administrative Process Act (§ 2.2-4000 et seq. of the Code of Virginia), except that the Board shall**  
 1247 **provide an opportunity for public comment on the regulations prior to adoption. The Board shall**  
 1248 **complete work on such regulations no later than September 15, 2020.**

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