

**H. B. 4481**

(By Delegates White, Hunt and Manchin,  
Marcum, Caputo and Swartzmiller)

(By request of the Lottery Commission)  
[Introduced February 12, 2014; referred to the  
Committee on the Judiciary then Finance.]

A BILL to amend and reenact §29-22-9 of the Code of West Virginia,  
1931, as amended, relating to removing restrictions on where  
certain lottery games may be played.

*Be it enacted by the Legislature of West Virginia:*

That §29-22-9 of the Code of West Virginia, 1931, as amended,  
be amended and reenacted to read as follows:

**ARTICLE 22. STATE LOTTERY ACT.**

**§29-22-9. Initiation and operation of lottery; restrictions;  
prohibited themes, games, machines or devices;  
distinguishing numbers; winner selection; public  
drawings; witnessing of results; testing and  
inspection of equipment; price of tickets; claim  
for and payment of prizes; invalid, counterfeit  
tickets; estimated prizes and odds of winning;  
participant bound by lottery rules and validation**

1                   **procedures; security procedures; additional games;**  
2                   **electronic and computer systems.**

3           (a) The commission shall initiate operation of the state  
4 lottery on a continuous basis at the earliest feasible and  
5 practical time, first initiating operation of the preprinted  
6 instant winner type lottery. The lottery shall be initiated and  
7 shall continue to be operated so as to produce the maximum amount  
8 of net revenues to benefit the public purpose described in this  
9 article consonant with the public good. Other state government  
10 departments, boards, commissions, agencies and their officers shall  
11 cooperate with the Lottery Commission so as to aid the Lottery  
12 Commission in fulfilling these objectives.

13           (b) The commission shall promulgate rules and regulations  
14 specifying the types of lottery games to be conducted by the  
15 lottery: *Provided, That:*

16           (1) No lottery may use the results of any amateur or  
17 professional sporting event, dog race or horse race to determine  
18 the winner.

19           (2) Electronic video lottery systems must include a central  
20 site system of monitoring the lottery terminals utilizing an on-  
21 line or dial-up inquiry.

22           (3) In a lottery utilizing a ticket, each ticket shall bear  
23 a unique number distinguishing it from each other ticket.

24           (4) No lottery utilizing a machine may use machines which

1 dispense coins or currency.

2 ~~(5) A lottery game which utilizes an electronic computer and~~  
3 ~~a video screen to operate a lottery game and communicate the~~  
4 ~~results thereof, such as the game "Travel", and which does not~~  
5 ~~utilize an interactive electronic terminal device allowing input by~~  
6 ~~an individual player, may only be made available by the commission~~  
7 ~~in (A) private clubs licensed in accordance with the provisions of~~  
8 ~~article seven, chapter sixty of this code, (B) retail licensees~~  
9 ~~licensed in accordance with the provisions of article three-a of~~  
10 ~~said chapter sixty, and (C) in the facilities of class A licensees~~  
11 ~~which are licensed in accordance with the provisions of section~~  
12 ~~nine, article sixteen, chapter eleven of this code, in which~~  
13 ~~facility at least seventy-five percent of the nonintoxicating beer~~  
14 ~~sold by the class A licensee in the preceding year was sold for~~  
15 ~~consumption on the premises: *Provided*, That if sales information~~  
16 ~~is not available for the preceding year, the commission in its~~  
17 ~~discretion may base any issuance or denial of an annual license~~  
18 ~~upon a reasonable projection of the volume of sales of~~  
19 ~~nonintoxicating beer for consumption on the premises as a~~  
20 ~~percentage of the total sales of nonintoxicating beer.~~

21 ~~(6)~~ (5) Selection of the winner must be predicted totally on  
22 chance.

23 ~~(7)~~ (6) Any drawings or winner selections shall be held in  
24 public and witnessed by an independent accountant designated by the

1 director for such purposes.

2       ~~(8)~~ (7) All lottery equipment and materials shall be regularly  
3 inspected and tested, before and after any drawings or winner  
4 selections, by independent qualified technicians.

5       ~~(9)~~ (8) The director shall establish the price for each  
6 lottery and determine the method of selecting winners and the  
7 manner of payment of prizes, including providing for payment by the  
8 purchase of annuities for prizes payable in installments.

9       ~~(10)~~ (9) All claims for prizes shall be examined and no prize  
10 shall be paid as a result of altered, stolen or counterfeit tickets  
11 or materials, or which fail to meet validation rules or regulations  
12 established for a lottery. No prize shall be paid more than once,  
13 and, in the event of a binding determination by the commission that  
14 more than one person is entitled to a particular prize, the sole  
15 remedy of the claimants shall be the award to each of them of an  
16 equal share in the single prize.

17       ~~(11)~~ (10) A detailed tabulation of the estimated number of  
18 prizes of each particular prize denomination that are expected to  
19 be awarded in each lottery, or the estimated odds of winning such  
20 prizes shall be printed on any lottery ticket, where feasible, or  
21 in descriptive materials, and shall be available at the offices of  
22 the commission.

23       ~~(12)~~ (11) No prizes shall be paid which are invalid and not  
24 contemplated by the prize structure of the lottery involved.

1        ~~(13)~~ (12) By purchasing a ticket or participation in a  
2 lottery, a participant agrees to abide by, and be bound by, the  
3 lottery rules which apply to the lottery or game play involved. An  
4 abbreviated form of such rules may appear on tickets and shall  
5 appear on descriptive materials and shall be available at the  
6 offices of the commission. A participant in a lottery agrees that  
7 the determination of whether the participant is a valid winner is  
8 subject to the lottery or game play rules and the winner validation  
9 tests established by the commission. The determination of the  
10 winner by the commission shall be final and binding upon all  
11 participants in a lottery and shall not be subject to review or  
12 appeal.

13        ~~(14)~~ (13) The commission shall institute such security  
14 procedures as it deems necessary to ensure the honesty and  
15 integrity of the winner selection process for each lottery. All  
16 such security and validation procedures and techniques shall be,  
17 and remain, confidential, and shall not be subject to any discovery  
18 procedure in any civil judicial, administrative or other  
19 proceeding, nor subject to the provisions of article one, chapter  
20 twenty-nine-b of the ~~Code of West Virginia, 1931, as amended~~ code.

21        (c) The commission shall proceed with operation of such  
22 additional lottery games, including the implementation of games  
23 utilizing a variety of existing or future technological advances at  
24 the earliest feasible date. The commission may operate lottery

1 games utilizing electronic computers and electronic computer  
2 terminal devices and systems, which systems must include a central  
3 site system of monitoring the lottery terminals utilizing direct  
4 communication systems, or other technological advances and  
5 procedures, ensuring honesty and integrity in the operation of the  
6 lottery.

NOTE: The purpose of this bill is to remove restrictions on where lottery games may be played that utilize an electronic computer and a video screen to operate a lottery game and communicate the results thereof, such as the game "Travel", and which does not utilize an interactive electronic terminal device allowing input by an individual player.

Strike-throughs indicate language that would be stricken from the present law, and underscoring indicates new language that would be added.