

# **WEST VIRGINIA LEGISLATURE**

**2016 REGULAR SESSION**

**Committee Substitute**

**for**

**Committee Substitute**

**for**

**Senate Bill 116**

BY SENATORS KESSLER AND BEACH

[Originating in the Committee on Finance;

reported on February 24, 2016.]



1 A BILL to amend and reenact §29-22B-1101 of the Code of West Virginia, 1931, as amended,  
2 relating to increasing number of limited video lottery terminals allowed at retail locations;  
3 requiring Lottery Commission to conduct bid only open to current permit holders prior to  
4 September 1, 2016, for permits expiring June 30, 2021; and establishing procedure for bid  
5 process.

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

1 That §29-22B-1101 of the Code of West Virginia, 1931, as amended, be amended and  
2 reenacted to read as follows:

**ARTICLE 22B. LIMITED VIDEO LOTTERY.**

PART 11. ALLOCATION AND DISTRIBUTION OF VIDEO LOTTERY TERMINALS.

**§29-22B-1101. Limitation on number and location of video lottery terminals.**

1 (a) The Lottery Commission may not authorize the placement of more than nine thousand  
2 video lottery terminals in restricted access adult-only facilities in this state.

3 (b) No person may directly or indirectly operate more than seven and one-half percent of  
4 the number of video lottery terminals authorized in this section, which ~~shall~~ may only be located  
5 ~~only~~ in restricted access adult-only facilities.

6 (c) No licensed limited video lottery retailer may be authorized to have on the premises for  
7 which the license was issued more than ~~five~~ seven video lottery terminals except that a fraternal  
8 society or veteran's organization that is: (A) A fraternal beneficiary society that is exempt from  
9 federal income tax under Section 501(c)(8) of the Internal Revenue Code of 1986, as amended;  
10 (B) a domestic fraternal society that is exempt from federal income tax under Section 501(c)(10);  
11 or (C) a veteran's organization that is exempt from federal income tax under Section 501(c)(19)  
12 of the Internal Revenue Code may be authorized to have on the premises for which the license  
13 was issued not more than ~~ten~~ twelve video lottery terminals.

14 (d) To help accommodate the change in the number of terminals authorized by the  
15 amendment to this section enacted during the 2016 regular session of the Legislature, the

16 commission shall conduct a bid no later than September 1, 2016, for permits expiring June 30,  
17 2021, which bid is open to current permit holders only and which shall be conducted in accordance  
18 with sections one thousand one hundred six, one thousand one hundred seven and one thousand  
19 one hundred nine of this article.