

# **WEST VIRGINIA LEGISLATURE**

**2023 REGULAR SESSION**

**ENROLLED**

**Committee Substitute**

**for**

**House Bill 3044**

BY DELEGATES GEARHART, HOUSEHOLDER, CRISS,  
HARDY, ESPINOSA, STORCH, SMITH, NESTOR, ZATEZALO,  
MAYNOR AND ELLINGTON

[Passed March 6, 2023; in effect from passage.]



1 AN ACT to amend and reenact §29-22B-1103 of the Code of West Virginia, 1931, as amended,  
2 relating to the annual fee for limited video lottery terminal permits; permitting reduced fee  
3 in certain circumstances for certain period; establishing criteria for reduced annual fee for  
4 video lottery terminals; requiring West Virginia Lottery to determine which permit holders  
5 qualify for reduced annual permit fees and amount thereof; and terminating provisions.

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

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

**§29-22B-1103. Permit fee.**

1 (a) For the privilege of holding a permit that authorizes the licensee to own or lease video  
2 lottery terminals from a licensed manufacturer, the person shall pay an annual fee of \$1,000 per  
3 video lottery terminal for which the permit is issued.

4 (b) (1) Notwithstanding any provision of subsection (a) of this section to the contrary, for  
5 the fee due and payable May 1, 2023, and each May 1 thereafter until and including May 1, 2030:

6 (A) The annual fee shall be \$1,000 per video lottery terminal for terminals that utilize the  
7 10 percent lowest performing software versions, as measured by daily net terminal income of all  
8 terminals available for play; and

9 (B) For permit holders who own or lease terminals with software versions that outperform  
10 the 10 percent lowest performing software versions by more than \$500 annual net terminal  
11 income for the State of West Virginia, the permit holder will pay a reduced fee of \$500 per terminal  
12 annually.

13 (2) For the fee due and payable May 1, 2023, the West Virginia Lottery shall compute the  
14 daily average net terminal income for each version of operating software used in all terminals in  
15 play from July 1, 2022, until February 28, 2023, and prepare a report listing the 10 percent of all  
16 the versions of operating software having the lowest daily net terminal income over that period,  
17 the permit holders who may receive the \$500 annual reduced fee per terminal, and the total  
18 amount of any such reduced fee for each permit holder. When calculating the daily average net

19 terminal income, a software that is in play for any number of days during a month shall be  
20 considered as operating the full number of days in that month. For subsequent years, the West  
21 Virginia Lottery shall compute the daily average net terminal income for each version of operating  
22 software used in all terminals in play from March 1<sup>st</sup> of the preceding year until the last day of  
23 February and prepare a report listing the 10 percent of all the versions of operating software  
24 having the lowest daily net terminal income over that period, the permit holders who may receive  
25 the \$500 annual reduced fee per terminal, and the total amount of any such reduced fee for each  
26 permit holder. Should a group of terminals with a software version be partially included in the 10  
27 percent calculation, the entire group shall not be eligible for the reduced fee. Furthermore, a  
28 terminal must be active and operational for a period of 60 days to be eligible for the reduced fee.  
29 This subsection will terminate and have no force or effect after May 1, 2030.

30 (c) The fee shall initially be paid at the time the permit is issued for the number of video  
31 lottery terminals a person is authorized to own or lease without going through the bid process.  
32 Thereafter, this fee shall be due and payable each first day of May while the person holds the  
33 permit and the amount of the fee shall be determined by the number of video lottery terminals the  
34 person is permitted to own or lease from a licensed manufacturer.

The Clerk of the House of Delegates and the Clerk of the Senate hereby certify that the foregoing bill is correctly enrolled.

.....  
*Clerk of the House of Delegates*

.....  
*Clerk of the Senate*

Originated in the House of Delegates.

In effect from passage.

.....  
*Speaker of the House of Delegates*

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*President of the Senate*

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The within is ..... this the.....  
Day of ....., 2023.

.....  
*Governor*