

WEST VIRGINIA LEGISLATURE

2016 REGULAR SESSION

Originating

House Bill 3106

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AND A. EVANS

[Originating in the Committee on Finance;

Reported on March 17, 2017]

1 A BILL to amend and reenact §29-22B-1101 and §29-22B-1201 of the Code of West Virginia,
2 1931, as amended, relating to increasing number of limited video lottery terminals allowed
3 at a licensed limited video lottery retailer; requiring Lottery Commission to conduct a bid
4 for current permit holders prior to September 1, 2017; requiring that a public hearing be
5 conducted prior to the placement of certain video lottery terminals; and requiring the
6 reduction of the number of approved locations of video lottery terminals.

Be it enacted by the Legislature of West Virginia:

1 That §29-22B-1101 and §29-22B-1201 of the Code of West Virginia, 1931, as amended,
2 be amended and 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 be located only
5 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~~ veterans' organization that is: (A) A fraternal beneficiary society that is
9 exempt from federal income tax under section 501(c)(8) of the Internal Revenue Code of 1986,
10 as amended; (B) a domestic fraternal society that is exempt from federal income tax under section
11 501(c)(10); or (C) a veterans' organization that is exempt from federal income tax under section
12 501(c)(19) of the Internal Revenue Code may be authorized to have on the premises for which
13 the license was issued not more than ten video lottery terminals.

14 (d) Pursuant to the increase of the number of video lottery terminals authorized in
15 subsection c of this section, effective 2017, the commission shall conduct a bidding process no
16 later than September 1, 2017, for permits for additional terminals. Any permits for which a
17 successful bid is made shall expire June 30, 2021. The bidding process is open to current permit
18 holders only and which shall be conducted in accordance with sections one thousand one
19 hundred six, one thousand one hundred seven and one thousand one hundred nine of this article.

PART 12. PLACEMENT AND TRANSPORTATION OF VIDEO LOTTERY
TERMINALS.

§29-22B-1201. Placement of video lottery terminals.

1 (a) Video lottery terminals allowed by this article may be placed only in licensed limited
2 video lottery locations approved by the commission-: Provided, That prior to the approval of the
3 placement of a video lottery terminal operated pursuant to a permit issued after December 31,
4 2017, the commission shall hold one or more public hearings at which interested persons may
5 express their views on the proposed video lottery locations pursuant to subsection b of this
6 section.

7 (b) Public Hearing.

8 (1) Notice of public hearing. – Notice of the public hearing or hearings shall be published
9 as a Class II legal advertisement at the expense of the permittee, in a form acceptable to the
10 commission, and accordance with the requirements of article three, chapter fifty-nine of this code.
11 The published notice shall include, at a minimum:

12 (A) The date, time, place and purpose of the public hearing or hearings; and

13 (B) The proposed location of a video lottery terminal.

14 ~~(b)~~(c) All video lottery terminals in approved locations shall be physically located as
15 follows:

16 (1) The video lottery terminals shall be continuously monitored through the use of a closed
17 circuit television system capable of identifying players and terminal faces and of recording activity
18 for a continuous twenty-four hour period. All video tapes or other recording medium approved in
19 writing by the commission shall be retained for a period of at least sixty days and be available for
20 viewing by an authorized representative of the commission or the commissioner of alcohol
21 beverage control. The cost of monitoring shall be paid by the limited video lottery retailer;

22 (2) Access to video lottery terminal locations shall be restricted to persons legally entitled
23 by age to play video lottery games;

24 (3) The permittee shall submit for commission approval a floor plan of the area or areas
25 where video lottery terminals are to be operated showing terminal locations and security camera
26 mount location; and

27 (4) No video lottery terminal or video lottery camera may be relocated without prior written
28 approval from the commission.

29 ~~(e)~~(d) Personnel of the limited video lottery retailer shall be present during all hours of
30 operation at each video lottery terminal location. These personnel shall make periodic inspections
31 of the restricted access adult-only facility in order to provide for the safe and approved operation
32 of the video lottery terminals and the safety and well-being of the players.

33 ~~(d)~~(e) Security personnel of the commission and investigators of the Alcohol Beverage
34 Control Commissioner shall have unrestricted access to video lottery terminal locations.

35 ~~(e)~~(f) Notwithstanding any other provision of this article to the contrary, the commission
36 may not approve the placement of a video lottery terminal in a state park.

37 (g) Notwithstanding any other provision of this article to the contrary, during any bidding
38 pursuant to section 1107 of this article occurring after June 30, 2021, the commission shall reduce
39 the number of licensed limited video lottery locations to a number less than one thousand two

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40 hundred and fifty.

NOTE: The purpose of this bill is to establish a maximum of seven limited video lottery terminals at a regular retail location.

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