

WEST VIRGINIA LEGISLATURE

2018 REGULAR SESSION

Introduced

Senate Bill 415

FISCAL
NOTE

BY SENATORS FERNS, BLAIR, MARONEY, TRUMP, WELD,

WOELFEL, STOLLINGS, AND TAKUBO

[Introduced January 29, 2018; Referred

to the Committee on the Judiciary; and then to the

Committee on Finance]

1 A BILL to amend the Code of West Virginia, 1931, as amended, by adding thereto a new article,
2 designated §29-22D-1, §29-22D-2, §29-22D-3, §29-22D-4, §29-22D-5, §29-22D-6, §29-
3 22D-7, §29-22D-8, §29-22D-9, §29-22D-10, §29-22D-11, §29-22D-12, §29-22D-13, §29-
4 22D-14, §29-22D-15, §29-22D-16, §29-22D-17, §29-22D-18, §29-22D-19, §29-22D-20,
5 §29-22D-21, §29-22D-22, §29-22D-23, §29-22D-24, and §29-22D-25, all relating to
6 permitting wagering on the results of certain professional or collegiate sports or athletic
7 events and other events authorized as West Virginia Lottery sports wagering activities;
8 providing legislative findings; defining terms; detailing duties and powers of the West
9 Virginia Lottery Commission; providing rule-making authority and emergency rule-making
10 authority; limiting sports wagering to existing racetrack casinos and the casino in a historic
11 resort hotel; establishing license requirements and prohibitions; adopting house rules and
12 the posting of the same; defining duties of an operator conducting sports wagering;
13 requiring the posting of betting limits; adopting sports wagering agreements with other
14 governments; prohibiting unauthorized sports wagering in this state; creating the West
15 Virginia Lottery Sports Wagering Fund; authorizing the collection of license fees;
16 authorizing the West Virginia Lottery to collect an administrative allowance from gross
17 sports wagering receipts; authorizing the West Virginia Lottery to levy and collect a tax in
18 the amount of 10 percent of adjusted gross sports wagering receipts; defining how moneys
19 deposited in the West Virginia Lottery Sports Wagering Fund shall be distributed;
20 establishing the role of law enforcement; imposing civil and criminal penalties; establishing
21 crimes; providing for the forfeiture of property for certain violations; preempting this article
22 from state and local law; establishing exemption from federal law; and allowing for the
23 shipment of gambling devices used for sports wagering.

Be it enacted by the Legislature of West Virginia:

ARTICLE 22D. WEST VIRGINIA LOTTERY SPORTS WAGERING ACT.

§29-22D-1. Short title.

1 This article shall be known and may be cited as the West Virginia Lottery Sports Wagering
2 Act.

**§29-22D-2. State Authorization of sports wagering at licensed racetrack facilities and
historic resort hotel; legislative findings and declarations.**

1 (a) Operation of West Virginia lottery sports wagering. -- Notwithstanding any provision of
2 law to the contrary, the operation of West Virginia lottery sports wagering and ancillary activities
3 are only lawful when conducted in accordance with the provisions of this article and rules of the
4 commission.

5 (b) Legislative findings. --

6 (1) The Legislature finds that the operation of the four racetracks and the historic resort
7 hotel in this state play a critical role in the economy of this state, and such constitutional lotteries
8 are rightfully authorized as state enterprises consistent with the rights and powers granted to the
9 States under the Tenth Amendment of the United States Constitution. The federal government is
10 a government of limited and enumerated powers, and powers not delegated to the United States
11 by the Constitution nor prohibited by it to the states are reserved for the states and its respective
12 people.

13 (2) The Legislature finds that section 36, article VI of the Constitution of the State of West
14 Virginia grants exclusively to the state the right to lawfully own and operate a lottery in this state.
15 Authorization of wagering on any constitutional lottery within West Virginia is within its sovereign
16 rights as a state to act in the best interest of its people.

17 (3) The Legislature finds that it is in the best interest of the State of West Virginia for the
18 state to operate a lottery in the form of sports wagering and that it is the intent of the Legislature
19 to authorize sports wagering when federal law is enacted or repealed or a federal court decision
20 is filed that permits a state to regulate sports wagering as such power is reserved to the states.

21 (4) The Legislature finds that illegal sports wagering channels operating throughout the
22 United States pose a critical threat to the safety and welfare of the citizens of West Virginia, and

23 creating civil and criminal penalties to prosecute illegal operators while transferring this black
24 market demand into a secure and highly regulated environment will protect the public and
25 positively benefit state revenues and the state's economy.

26 (5) The Legislature finds that in order to protect residents of this state who wager on
27 sports or other events and to capture revenues and create jobs generated from sports wagering,
28 it is in the best interest of this state and its citizens to regulate this activity by authorizing and
29 establishing a secure, responsible, fair, and legal system of sports wagering immediately when
30 the federal ban is lifted.

31 (6) The Legislature finds that the most effective manner in which the state can operate
32 and regulate the forms of lottery authorized by the provisions of this article is to do so through
33 limiting the number of authorized operators to those who are licensed pursuant to the provisions
34 of §29-22A-1 et seq. of this code and to facilities licensed to operate video lottery terminals
35 pursuant to the provisions of §29-25-1 et seq. of this code is the most efficient and effective
36 manner in which to regulate licensees.

37 (7) The Legislature finds that the granting of licenses pursuant to the provisions of this
38 article while maintaining all ownership rights and exercising control through strict regulation of all
39 West Virginia Lottery sports wagering authorized by the provisions of this article constitutes an
40 appropriate exercise by the Legislature of the power granted it by the Constitution pursuant to the
41 provisions of section 36, article VI of the Constitution of West Virginia.

42 (8) The Legislature finds that the operation of West Virginia lottery sports wagering at
43 racetracks licensed pursuant to the provisions of §29-22A-1 et seq. of this code and at a historic
44 resort hotel licensed pursuant the provisions of §29-25-1 et seq. of this code serves to protect,
45 preserve, promote, and enhance the tourism industry of the state as well as the general fiscal
46 well-being of the state and its subdivisions.

§29-22D-3. Definitions.

1 (a) Applicability of definitions. -- For the purposes of this article, the words or terms defined

2 in this section have the meanings ascribed to them in this section unless otherwise provided
3 herein.

4 (b) Terms defined. –

5 (1) “Collegiate sport or athletic event” means a sport or athletic event offered or sponsored
6 by or played in connection with a public or private institution that offers educational services
7 beyond the secondary level;

8 (2) “Commission” or “State Lottery Commission” means the West Virginia Lottery
9 Commission created by §29-22-1 et seq. of this code.

10 (3) “Director” means the director of the West Virginia State Lottery Commission appointed
11 pursuant to §29-22D-6 of this code.

12 (4) “Gaming equipment” or “sports wagering equipment” means any mechanical,
13 electronic or other device, mechanism, or equipment, and related supplies used or consumed in
14 the operation of West Virginia Lottery sports wagering at a licensed gaming facility including, but
15 not limited to, a kiosk installed to accept sports wagers.

16 (5) “Gaming facility” means a designated area on the premises of an existing historic resort
17 hotel licensed under §29-25-1 et seq. of this code to operate video lottery and table games or the
18 facility of an entity authorized to operate racetrack video lottery machines pursuant to §29-22A-1
19 et seq. of this code.

20 (6) “Government” means any governmental unit of a national, state, or local body
21 exercising governmental functions, other than the United States Government.

22 (7) “Gross sports wagering receipts” means the total gross receipts received by a licensed
23 gaming facility from sports wagering.

24 (8) “License” means any license applied for or issued by the commission under this article,
25 including, but not limited to:

26 (A) A license to act as agent of the commission in operating West Virginia Lottery sports
27 wagering at a licensed gaming facility (“Operator License”);

28 (B) A license to supply a gaming facility licensed under this article to operate sports
29 wagering with sports wagering equipment or services necessary for the operation of sports
30 wagering (“Supplier License”);

31 (C) A license to be employed at a racetrack or gaming facility licensed under this article to
32 operate West Virginia Lottery sports wagering when the employee works in a designated gaming
33 area that has sports wagering or performs duties in furtherance of or associated with the operation
34 of sports wagering at the licensed gaming facility (“Occupational License”); or

35 (D) A license to provide management services under a contract to a gaming facility
36 licensed under this article to operate sports wagering (“Management Services Provider License”).

37 (9) “Licensed gaming facility” means a designated area on the premises of an existing
38 historic resort hotel pursuant to §29-25-1 et seq. of this code or the facility of an entity authorized
39 to operate racetrack video lottery machines pursuant to §29-22A-1 et seq. of this code licensed
40 under this article to conduct West Virginia Lottery sports wagering.

41 (10) “Lottery” means the public gaming systems or games regulated, controlled, owned,
42 and operated by the State Lottery Commission in the manner provided by general law, as provided
43 in this article, §29-22-1 et seq., §29-22A-1 et seq., §29-22B-1 et seq., §29-22C-1 et seq., and
44 §29-25-1 et seq. of this code.

45 (11) “National criminal history background check system” means the criminal history
46 record system maintained by the Federal Bureau of Investigation based on fingerprint
47 identification or any other method of positive identification.

48 (12) “Operator” means a licensed gaming facility which has elected to operate a sports
49 pool and other authorized West Virginia Lottery Sports Wagering activities;

50 (13) “Professional sport or athletic event” means an event at which two or more
51 persons participate in sports or athletic events and receive compensation in excess of actual
52 expenses for their participation in such event;

53 (14) “Sports event” or “sporting event” means any professional sport or athletic event,

54 any collegiate sport or athletic event, motor race event, or any other special event authorized
55 by the commission under this article;

56 (15) "Sports pool" means the business of accepting wagers on any sports event by any
57 system or method of wagering;

58 (16) "Sports wagering account" means a financial record established by a licensed
59 gaming facility for an individual patron in which the patron may deposit and withdraw funds
60 for wagering and other authorized purchases, and that the licensed gaming facility may credit
61 winnings or other amounts due to that patron or authorized by that patron.

62 (17) "Sports Wagering Agreement" means a written agreement between the commission
63 and one or more other governments whereby persons who are physically located in a signatory
64 jurisdiction may participate in sports wagering conducted by one or more operators licensed by
65 the signatory governments.

66 (18) "Sports Wagering Fund" means the special fund in the State Treasury created in §29-
67 22D-17 of this code.

68 (19) "Supplier" means a person that requires a supplier license to provide a sports
69 wagering licensee with goods or services to be used in connection with operation of West Virginia
70 Lottery sports wagering.

71 (20) "Wager" means a sum of money or thing of value risked on an uncertain occurrence.

72 (21) "West Virginia Lottery sports wagering" or "sports wagering" means the business of
73 accepting wagers on sporting events and other events, the individual performance statistics of
74 athletes in a sporting event or other events, or a combination of any of the same by any system
75 or method of wagering approved by the commission including, but not limited to, mobile
76 applications and other digital platforms that utilize communications technology to accept wagers
77 originating within this state. The term includes, but is not limited to, exchange wagering, parlays,
78 over-under, moneyline, pools, and straight bets. The term does not include:

79 (A) Pari-mutuel betting on the outcome of horse or dog races authorized by §19-23-12a

80 and §19-23-12d of this code;

81 (B) Lottery games of the West Virginia state lottery authorized by §29-22-1 et seq. of this
82 code;

83 (C) Racetrack video lottery authorized by §29-22A-1 et seq. of this code;

84 (D) Limited video lottery authorized by §29-22B-1 et seq. of this code;

85 (E) Racetrack table games authorized by §29-22C-1 et seq. of this code;

86 (F) Video lottery and table games authorized by §29-25-1 et seq. of this code; and

87 (G) Daily Fantasy Sports (DFS).

88 (22) "West Virginia Lottery sports wagering license" means authorization granted under
89 this article by the commission to a gaming facility that is already licensed under §29-22A-1 et seq.
90 and §29-25-1 et seq. of this code, which permits the gaming facility as an agent of the commission
91 to operate West Virginia Lottery sports wagering in one or more designated areas or in one or
92 more buildings owned by the licensed gaming facility on the grounds where video lottery is
93 conducted by the licensee or through any other authorized platform developed by the gaming
94 facility.

§29-22D-4. Commission duties and powers.

1 (a) Duties. -- In addition to the duties set forth elsewhere in this article, §29-22-1 et seq.,
2 §29-22A-1 et seq., §29-22B-1 et seq., §29-22C-1 et seq., and §29-25-1 et seq. of this code, the
3 commission shall have the authority to regulate sports pools and the conduct of sports wagering
4 under this article.

5 (b) The commission shall examine the regulations implemented in other states where
6 sports wagering is conducted and shall, as far as practicable, adopt a similar regulatory
7 framework through promulgation of rules and regulations.

8 (c) The commission shall have authority pursuant to W.Va. Code § 29A-1-1, et seq. and
9 W.Va. Code § 29A-3-1, et seq., to promulgate or otherwise enact any legislative, interpretive, and
10 procedural rules the commission considers necessary for the successful implementation,

11 administration, and enforcement of this article. Rules proposed by the commission before
12 December 1, 2018, may be promulgated as emergency rules pursuant to W.Va. Code § 29A-3-
13 15.

14 (1) Regulations promulgated by the commission may include, but not be limited to, those
15 governing the acceptance of wagers on a series of sports events; maximum wagers which may
16 be accepted by an operator from any one patron on any one sports event; type of wagering
17 tickets which may be used; method of issuing tickets; method of accounting to be used by
18 operators; types of records which shall be kept; use of credit and checks by patrons; type of
19 system for wagering; protections for patrons placing wagers; and promote social
20 responsibility, responsible gaming, and inclusion of the statement, "If you or someone you
21 know has a gambling problem and wants help, call 1-800 GAMBLER," in every designated
22 area approved for sports wagering and on any mobile application or other digital platform used
23 to place wagers.

24 (2) The commission shall establish minimum internal control standards (MICS) and
25 approve MICS proposed by licensed operators for administration of sports wagering operations;
26 wagering equipment and systems, or other items used to conduct sports wagering; and
27 maintenance of financial records and other required records by the license.

28 (d) The commission shall determine eligibility of a person to hold or continue to hold a
29 license, issue all licenses, and maintain a record of all licenses issued under this article. The
30 commission may accept applications, evaluate qualifications of applicants, and undertake initial
31 review of licenses prior to promulgation of emergency rules upon the effective date of this article;

32 (e) The commission shall levy and collect all fees, surcharges, civil penalties, and weekly
33 tax on adjusted gross sports wagering receipts imposed by this article, and deposit all moneys
34 into the Sports Wagering Fund except as otherwise provided under this article.

35 (f) The commission may sue to enforce any provision of this article or any rule of the
36 commission by civil action or petition for injunctive relief.

37 (g) The commission shall hold hearings, administer oaths, and issue subpoenas or
38 subpoenas duces tecum: *Provided* That, all hearings shall be conducted pursuant to the
39 provisions of the State Administrative Procedures Act, W.Va. Code § 29A-2-1, *et seq.*, and the
40 Lottery Administrative Appeal Procedures, W.Va. CSR §179-2-1, *et seq.*

41 (h) The commission may exercise any other powers necessary to effectuate the provisions
42 of this article and the rules of the commission.

§29-22D-5. Licenses required.

1 (a) The commission shall not grant a license required under this article to any applicant
2 until the commission has published the notice in the State Register required by §29-22D-15(f) of
3 this code.

4 (b) No person may engage in any activity in connection with West Virginia Lottery sports
5 wagering in this state unless all necessary licenses have been obtained in accordance with this
6 article and rules of the commission. Four types of licenses: (1) Operator, (2) Supplier, (3)
7 Management services, and (4) Occupational—are issued pursuant to this article, and no person
8 or entity may engage in any sports wagering operation or activity without first obtaining the
9 appropriate license.

10 (c) The commission may not grant a license until it determines that each person who has
11 control of the applicant meets all qualifications for licensure. The following persons are considered
12 to have control of an applicant:

13 (1) Each person associated with a corporate applicant, including any corporate holding
14 company, parent company, or subsidiary company of the applicant who has the ability to control
15 the activities of the corporate applicant or elect a majority of the board of directors of that
16 corporation; this does not include any bank or other licensed lending institution which holds a
17 mortgage or other lien acquired in the ordinary course of business;

18 (2) Each person associated with a noncorporate applicant who directly or indirectly holds
19 a beneficial or proprietary interest or the commission otherwise determines has the ability to

20 control the applicant; and

21 (3) Key personnel of an applicant, including any executive, employee, or agent, having the
22 power to exercise significant influence over decisions concerning any part of the applicant's
23 business operation.

24 (d) License application requirements. – All applicants for any license issued under this
25 article shall submit an application to the commission in the form the commission requires and
26 submit fingerprints for a national criminal records check by the Criminal Identification Bureau of
27 the West Virginia State Police and the Federal Bureau of Investigation. The fingerprints shall be
28 furnished by all persons required to be named in the application and shall be accompanied by a
29 signed authorization for the release of information by the Criminal Investigation Bureau and the
30 Federal Bureau of Investigation. The commission may require additional background checks on
31 licensees when they apply for annual license renewal, and any applicant convicted of any
32 disqualifying offense shall not be licensed.

33 (e) Each sports wagering licensee, licensed supplier, or a licensed management services
34 provider shall display the license conspicuously in its place of business or have the license
35 available for inspection by any agent of the commission or any law-enforcement agency.

36 (f) Each holder of an occupational license shall carry the license and have some indicia of
37 licensure prominently displayed on his or her person when present in a licensed gaming facility in
38 accordance with the rules of the commission at all times.

39 (g) Each person licensed under this article shall give the commission written notice of any
40 change to any information provided in the licensee's application for a license or renewal within 30
41 days.

42 (h) No commission employee may be an applicant for any license issued under this article
43 nor may any employee of any such licensee directly or indirectly hold an ownership or a financial
44 interest in any West Virginia Lottery sports wagering license.

§29-22D-6. Operator license; West Virginia Sports Wagering operators.

1 (a) In addition to the casino games permitted pursuant to the provisions of §29-22A-1 et
2 seq., §29-22C-1 et seq., and §29-25-1 et seq. of this code, a licensed gaming facility may operate
3 West Virginia Lottery sports wagering upon the approval of the commission, and the commission
4 shall have the general responsibility for the implementation of this act and all other duties specified
5 in §29-22-1 et seq., §29-22A-1 et seq., §29-22C-1 et seq., and §29-25-1 et seq. of this code, the
6 provisions of this article, and applicable regulations.

7 (b) All sports wagering authorized by this article shall be West Virginia Lottery games
8 owned by the State of West Virginia. An operator license granted by the commission pursuant to
9 this article shall grant licensees lawful authority to conduct West Virginia Lottery sports wagering
10 within the terms and conditions established pursuant to this article and any regulations
11 promulgated under this article.

12 (c) Sports wagering licenses. -- The commission may issue up to five licenses to operate
13 West Virginia Lottery sports wagering in accordance with the provisions of this article. No more
14 than five licenses to operate a gaming facility with West Virginia Lottery sports wagering shall be
15 permitted in this state.

16 (d) Grant of license. -- Upon application by a gaming facility and payment of a \$250,000
17 application fee, the commission shall immediately grant a West Virginia Lottery sports wagering
18 license to an operator that provides for the right to conduct West Virginia Lottery sports wagering:
19 Provided, That the applicant holds a valid racetrack video lottery license issued by the commission
20 pursuant to §29-22-1 et seq. of this code or a valid license to operate a gaming facility issued by
21 the commission pursuant to §29-25-1 et seq. of this code and has otherwise met the requirements
22 for licensure under the provisions of this article and the rules of the commission. This license shall
23 be issued for a five-year period, and may be renewed for five-year periods upon payment of a
24 \$100,000 renewal fee as long as an operator continues to meet all qualification requirements.

25 (e) Location. -- A West Virginia Lottery sports wagering license authorizes the operation
26 of West Virginia Lottery sports wagering at locations and any mobile application or other digital

27 platforms approved by the commission.

28 (f) Management service contracts. --

29 (1) Approval. -- A West Virginia Lottery sports wagering licensee may not enter into any
30 management service contract that would permit any person other than the licensee to act as the
31 commission's agent in operating West Virginia Lottery sports wagering unless the management
32 service contract is: (A) With a person licensed under this article to provide management services;
33 (B) Is in writing; and (C) The contract has been approved by the commission.

34 (2) Material change. -- The West Virginia Lottery sports wagering licensee shall submit
35 any material change in a management service contract previously approved by the commission
36 to the commission for its approval or rejection before the material change may take effect.

37 (3) Other commission approvals and licenses. -- The duties and responsibilities of a
38 management services provider under a management services contract may not be assigned,
39 delegated, subcontracted, or transferred to a third party without the prior approval of the
40 commission. Third parties must be licensed as a management services provider under this article
41 before providing service.

42 (g) Expiration date and renewal. -- A licensed operator shall submit to the commission
43 such documentation or information as the commission may by regulation require, to demonstrate
44 to the satisfaction of the director that the licensee continues to meet the requirements of the law
45 and regulations no later than five years after issuance of the operator license and every five years
46 thereafter, or within such lesser periods based on circumstances the commission may direct by
47 rule.

48 If the licensee fails to apply to renew its licenses issued pursuant to §29-22-1 et seq. and
49 §29-25-1 et seq. of this code prior to expiration, the commission shall renew its license under this
50 article at the time the expired license is renewed as long as the licensee was operating in
51 compliance with applicable requirements in the preceding license year.

52 (h) Surety bond. -- A West Virginia Lottery sports wagering licensee shall execute a surety

53 bond in an amount and in the form approved by the commission to be given to the state to
54 guarantee the licensee faithfully makes all payments in accordance with the provisions of this
55 article and rules promulgated by the commission.

56 (i) Audits. -- Upon application for a license and annually thereafter, a West Virginia Lottery
57 sports wagering licensee shall submit an annual audit of the financial transactions and condition
58 of the licensee's total operations prepared by a certified public accountant to the commission in
59 accordance with generally accepted accounting principles and applicable federal and state laws.

60 (j) Commission office space. -- A West Virginia Lottery sports wagering licensee shall
61 provide suitable office space at the sports wagering facility for the commission to perform the
62 duties required of it by this article and the rules of the commission at no cost.

63 (k) Facility qualifications. -- A West Virginia Lottery sports wagering licensee shall
64 demonstrate that its gaming facility with West Virginia Lottery sports wagering will: (1) Be
65 accessible to disabled individuals in accordance with applicable federal and state laws; (2) Be
66 licensed in accordance with this article, and all other applicable federal, state, and local laws; and
67 (3) Meet any other qualifications specified in rules adopted by the commission. Notwithstanding
68 any provision of this code or any rules promulgated by the Alcohol Beverage Control
69 Commissioner to the contrary, vacation of the premises after service of beverages ceases is not
70 required for any licensed gaming facility.

§29-22D-7. Management services providers; license requirements.

1 (a) License. -- The holder of a license to operate West Virginia Lottery Sports Wagering
2 may contract with an entity to conduct that operation in accordance with the regulations of the
3 commission. That entity shall obtain a license as a management services provider prior to the
4 execution of any such contract, and such license shall be issued pursuant to the provisions of this
5 article and any regulations promulgated by the commission.

6 (b) License qualifications and fee. -- Each applicant for a management services provider
7 license shall meet all requirements for licensure and pay a nonrefundable application fee of

8 \$1,000. The commission may adopt rules establishing additional requirements for an authorized
9 management services provider. The commission may accept licensing by another jurisdiction that
10 it specifically determined to have similar licensing requirements as evidence the applicant meets
11 authorized management services provider licensing requirements.

12 (c) *Renewal.* – Management services provider licenses shall be renewed annually to any
13 licensee who continues to be in compliance with all requirements and pays the annual renewal
14 fee of \$1,000.

15 (d) Any entity or individual who shares in revenue including any affiliate operating under a
16 revenue share agreement shall be licensed under this section.

§29-22D-8. Suppliers; license requirements.

1 (a) *Supplier License.* -- The commission may issue a supplier license to a person to sell
2 or lease sports wagering equipment, systems, or other gaming items necessary to conduct sports
3 wagering, and offer services related to such equipment or other gaming items to a West Virginia
4 Lottery sports wagering licensee while the license is active. The commission may establish the
5 conditions under which the commission may issue provisional licenses pending completion of
6 final action on an application.

7 (b) The commission may adopt rules establishing additional requirements for a West
8 Virginia Lottery sports wagering supplier and any system or other equipment utilized for wagering.
9 The commission may accept licensing by another jurisdiction that is specifically determined by
10 the commission to have similar licensing requirements as evidence the applicant meets West
11 Virginia Lottery sports wagering supplier licensing requirements.

12 (c) *Supplier specifications.* -- An applicant for a supplier license shall demonstrate that the
13 equipment, system, or services that the applicant plans to offer to the sports wagering licensee
14 conform to standards established by the commission and applicable state law. The commission
15 may accept approval by another jurisdiction that is specifically determined by the commission to
16 have similar equipment standards as evidence the applicant meets the standards established by

17 the commission and applicable state law.

18 (d) License application and renewal fees. – Applicants shall pay to the commission a
19 nonrefundable license and application fee in the amount of \$1,000 for deposit into the Sports
20 Wagering Fund. After the initial one-year term, the commission shall renew supplier licenses
21 annually thereafter. Renewal of a supplier license will be granted to any renewal applicant who
22 has continued to comply with all applicable statutory and regulatory requirements upon
23 submission of the commission issued renewal form and payment of a \$1,000 renewal fee for
24 deposit into the Sports Wagering Fund.

25 (e) Inventory. -- A licensed sports wagering supplier shall submit to the commission a list
26 of all sports wagering equipment and services sold, delivered to, or offered to a West Virginia
27 Lottery sports wagering licensee in this state as required by the commission, all of which must be
28 tested and approved by an independent testing laboratory approved by the commission. A sports
29 wagering licensee may continue to use supplies acquired from a licensed sports wagering
30 supplier even if a supplier's license expires or is otherwise cancelled unless the commission finds
31 a defect in the supplies.

§29-22D-9. Occupational Licenses.

1 (a) All persons engaged directly in wagering-related activities or otherwise conducting or
2 operating sports wagering shall be licensed by the Lottery and maintain a valid occupational
3 license at all times and the commission shall issue such license to be employed in the operation
4 of sports wagering to a person who meets the requirements of this section.

5 (b) An occupational license to be employed by a gaming facility with West Virginia Lottery
6 sports wagering permits the licensee to be employed in the capacity designated by the
7 commission while the license is still active. The commission may establish job classifications with
8 different requirements to recognize the extent to which a particular job has the ability to impact
9 the proper operation of West Virginia Lottery sports wagering by rule.

10 (c) Application and fee. – Applicants shall submit any required application forms

11 established by the commission and pay a nonrefundable application fee of \$100. The fee may be
12 paid on behalf of an applicant by the employer.

13 (d) *Renewal fee and form.* -- Each licensed employee shall pay to the commission an
14 annual license fee of \$100 by June 30 of each year. The fee may be paid on behalf of the licensed
15 employee by the employer. In addition to a renewal fee, each licensed employee shall submit a
16 renewal application on the form required by the commission.

§29-22D-10. License prohibitions.

1 (a) The commission may not grant any license pursuant to the provisions of this article if
2 evidence satisfactory to the commission exists that the applicant:

3 (1) Has knowingly made a false statement of a material fact to the commission;

4 (2) Has been suspended from operating a gambling game, gaming device, or gaming
5 operation, or had a license revoked by any governmental authority responsible for regulation of
6 gaming activities;

7 (3) Has been convicted of a crime of moral turpitude, a gambling-related offense, a theft
8 or fraud offense, or has otherwise demonstrated, either by a police record or other satisfactory
9 evidence, a lack of respect for law and order; or

10 (4) Is a company or individual who has been directly employed by any illegal or offshore
11 book that serviced the United States or otherwise accepted black market wagers from individuals
12 located in the United States.

13 (b) The commission may deny a license to any applicant, reprimand any licensee, or
14 suspend or revoke a license:

15 (1) If the applicant or licensee has not demonstrated to the satisfaction of the commission
16 financial responsibility sufficient to adequately meet the requirements of the proposed enterprise;

17 (2) If the applicant or licensee is not the true owner of the business or is not the sole owner
18 and has not disclosed the existence or identity of other persons who have an ownership interest
19 in the business; or

20 (3) If the applicant or licensee is a corporation which sells more than five percent of a
21 licensee's voting stock, or more than five percent of the voting stock of a corporation which
22 controls the licensee, or sells a licensee's assets, other than those bought and sold in the ordinary
23 course of business, or any interest in the assets, to any person not already determined by the
24 commission to have met the qualifications of a licensee under this article.

25 (c) In the case of an applicant for a sports wagering license, the commission may deny a
26 license to any applicant, reprimand any licensee, or suspend or revoke a license if an applicant
27 has not met the requirements of this section or any other provision of this article.

§29-22D-11. Sports wagering house rules; posting of rules.

1 (a) Each operator shall adopt comprehensive house rules for game play governing sports
2 wagering transactions with its patrons. These comprehensive rules will be published as part of
3 the MICS. The rules shall specify the amounts to be paid on winning wagers and the effect of
4 schedule changes. House rules shall be approved by the commission prior to implementation.

5 (b) The house rules, together with any other information the commission deems
6 appropriate, shall be conspicuously displayed and included in the terms and conditions of the
7 sports wagering system. Copies shall be made readily available to patrons.

8 (c) The commission shall license and require the display of West Virginia Lottery game
9 logos on game surfaces, other gaming items, and any locations the commission considers
10 appropriate.

§29-22D-12. Operator duties; sports wagering operations at a licensed gaming facility.

1 (a) General. -- All operators licensed under this article to conduct West Virginia Lottery
2 sports wagering shall:

3 (1) Employ a monitoring system utilizing software to identify nonnormal irregularities in
4 volume or odds swings which could signal suspicious activities that should require further
5 investigation which shall be immediately reported and investigated by the commission. System
6 requirements and specifications shall be developed according to industry standards and

7 implemented by the commission as part of the MICS.

8 (2) Promptly report to the commission any facts or circumstances related to the operation
9 of a West Virginia Lottery sports wagering licensee which constitute a violation of state or federal
10 law and immediately report any suspicious betting over a threshold set by the operator that has
11 been approved by the commission to the appropriate state or federal authorities;

12 (3) Conduct all sports wagering activities and functions in a manner which does not pose
13 a threat to the public health, safety, or welfare of the citizens of this state and does not adversely
14 affect the security or integrity of the West Virginia Lottery;

15 (4) Hold the commission and this state harmless from and defend and pay for the defense
16 of any and all claims which may be asserted against a licensee, the commission, the state, or
17 employees thereof arising from the licensee's actions or omission while acting as an agent of the
18 commission operating West Virginia Lottery sports wagering pursuant to this article;

19 (5) Assist the commission in maximizing sports wagering revenues; and

20 (6) Keep current in all payments and obligations to the commission.

21 (b) Duties. -- All West Virginia Lottery sports wagering licensees shall:

22 (1) Acquire West Virginia Lottery sports wagering gaming equipment by purchase, lease,
23 or other assignment and provide a secure location for the placement, operation, and play of sports
24 wagering gaming equipment;

25 (2) Permit no person to tamper with or interfere with the operation of any West Virginia
26 Lottery sports wagering;

27 (3) Ensure that West Virginia Lottery sports wagering conducted at a gaming facility is
28 within the sight and control of designated employees of the licensee and such wagering at the
29 facility or otherwise available by the licensee is conducted under continuous observation by
30 security equipment in conformity with specifications and requirements of the commission;

31 (4) Ensure that West Virginia Lottery sports wagering occurs only in the specific locations
32 within designated gaming areas approved by the commission or using a commission approved

33 mobile application or other digital platform that utilizes communications technology to accept
34 wagers originating within this state, or on a sports wagering device. West Virginia Lottery sports
35 wagering shall only be relocated or offered in additional authorized manners in accordance with
36 the rules of the commission;

37 (5) Maintain sufficient cash and other supplies to conduct sports wagering at all times; and
38 (6) Maintain daily records showing the gross sports wagering receipts and adjusted gross
39 sports wagering receipts of the licensee from West Virginia Lottery sports wagering and shall
40 timely file with the commission any additional reports required by rule or by other provisions of
41 this code.

§29-22D-13. Posting of betting limits.

1 A sports wagering licensee shall conspicuously post a sign at each West Virginia Lottery
2 sports wagering location indicating the permissible minimum and maximum wagers pertaining at
3 that location and shall comply with the same.

§29-22D-14. Sports wagering agreements with other governments.

1 (a) On behalf of the State of West Virginia, the commission is authorized to:

2 (1) Enter into sports wagering agreements with other governments whereby persons who
3 are physically located in a signatory jurisdiction may participate in sports wagering conducted by
4 one or more operators licensed by the signatory governments; and

5 (2) Take all necessary actions to ensure that any sports wagering agreement entered into
6 pursuant to this section becomes effective.

7 (b) The regulations adopted by the commission pursuant to this section may include
8 provisions prescribing:

9 (1) The form, length, and terms of an agreement entered into by the commission and
10 another government, including, but not limited to, provisions relating to how: taxes are to be
11 treated by this state and another government; revenues are to be shared and distributed; and
12 disputes with patrons are to be resolved.

13 (2) The information to be furnished to the commission by a government that proposes to
14 enter into an agreement with this state pursuant to this section.

15 (3) The information to be furnished to the commission to enable the commission and
16 director to carry out the purposes of this section.

17 (4) The manner and procedure for hearings conducted by the commission pursuant to this
18 section, including any special rules or notices.

19 (5) The information required to be furnished to the commission to support any
20 recommendations made to the commission pursuant to this section.

21 (c) The commission may not enter into any sports wagering agreement pursuant to this
22 section unless the agreement includes provisions that:

23 (1) Account for the sharing of revenues by this state and another government.

24 (2) Permit the effective regulation of sports wagering by this state, including provisions
25 relating to licensing of persons, technical standards, resolution of disputes by patrons,
26 requirements for bankrolls, enforcement, accounting, and maintenance of records.

27 (3) Each government that is a signatory to the agreement agrees to prohibit operators of
28 sports wagering, service providers, manufacturers, or distributors of sports wagering systems
29 from engaging in any activity permitted by the sports wagering agreement unless they are
30 licensed in this state or in a signatory jurisdiction with similar requirements approved by the
31 commission.

32 (4) No variation from the requirements of the sports wagering agreement is permitted for
33 any signatory government without a lack of opposition by this state and all signatory governments.

34 (5) Prohibit any subordinate or side agreements among any subset of governments that
35 are signatories to the agreement unless it relates exclusively to the sharing of revenues.

36 (6) If the sports wagering agreement allows persons physically located in this state to
37 participate in sports wagering conducted by another government or an operator licensed by
38 another government, require that government to establish and maintain regulatory requirements

39 governing sports wagering that are consistent with the requirements of this state in all material
40 respects.

§29-22D-15. Prohibition on unauthorized wagering; Authorization of sports wagering in this state.

1 (a) An operator shall accept wagers on sports events and other events authorized under
2 this article from persons physically present in a licensed gaming facility where authorized sports
3 wagering occurs, or from persons not physically present who wager by means of electronic
4 devices. A person placing a wager shall be at least 21 years of age;

5 (b) An operator may accept wagers from an individual physically located within this state
6 using a mobile or other digital platform or a sports wagering device approved by the commission
7 through the patron's sports wagering account;

8 (c) An operator may accept wagers from an individual physically located in a state or
9 jurisdiction with which the commission has entered into a sports wagering agreement using a
10 mobile or other digital platform or a sports wagering device approved by the commission through
11 the patron's sports wagering account as long as all other requirements of the agreement are
12 satisfied; and

13 (d) The commission and operator may ban any person from entering a gaming area of a
14 gaming facility conducting sports wagering or the grounds of a gaming facility licensed under this
15 article or from participating in the play or operation of any West Virginia Lottery sports wagering.
16 A log of all excluded players shall be kept by the Lottery and each licensee, and no player on the
17 commission's exclusion list or the licensed operator's exclusion list shall wager on any West
18 Virginia Lottery Sports Wagering under this article.

19 (e) The commission shall promulgate regulations implementing the provisions of
20 subsection (a) of this section by interpretive rule and minimum internal control standards.

21 (f) The commission shall, when a Federal law is enacted or repealed or when a Federal
22 court decision is filed that permits a state to regulate sports wagering, publish a notice in the State

23 Register notifying the public of the enactment or repeal of federal law or of the filing of such court
24 decision. The commission shall not be authorized to conduct sports wagering in this state until
25 the notice prescribed in this subsection is published in the State Register.

26 (g) No licensed gaming facility employee may place a wager on any sports wagering at
27 the employer's facility or through any other mobile application or digital platform of their employer.

28 (h) No commission employee may knowingly wager or be paid any prize from any wager
29 placed at any licensed gaming facility with West Virginia Lottery sports wagering within this state
30 or at any facility outside this jurisdiction that is directly or indirectly owned or operated by a sports
31 wagering licensee.

§29-22D-16. Sports wagering revenues; accounting for the state's share of revenue
imposed for the privilege of offering West Virginia Lottery Sports Wagering.

1 (a) Imposition and rate of assessment. -- For the privilege of holding a license to operate
2 sports wagering under this article, the state shall impose and collect 10 percent of the licensee's
3 adjusted gross sports wagering receipts from the operation of West Virginia Lottery sports
4 wagering (hereinafter "privilege tax" or "tax"). The accrual method of accounting shall be used for
5 purposes of calculating the amount of the tax owed by the licensee.

6 (b) Operator revenue reports and payment of privilege tax. --

7 (1) The tax levied and collected pursuant to subsection (a) of this section is due and
8 payable to the commission in weekly installments on or before the Wednesday following the
9 calendar week in which the adjusted gross sports wagering receipts were received and the tax
10 obligation was accrued.

11 (2) The licensed operator shall complete and submit the return for the preceding week by
12 electronic communication to the commission on or before Wednesday of each week in the form
13 prescribed by the commission that provides:

14 (A) The total gross sports wagering receipts and adjusted gross sports wagering receipts
15 from operation of West Virginia Lottery sports wagering during that week;

16 (B) The tax amount for which the sports wagering licensee is liable; and

17 (C) Any additional information necessary in the computation and collection of the tax on
18 adjusted gross sports wagering receipts required by the commission.

19 (3) The tax amount shown to be due shall be remitted by electronic funds transfer
20 simultaneously with the filing of the return. All moneys received by the Lottery pursuant to this
21 section shall be deposited in the Sports Wagering Fund in accordance with the provisions of this
22 article.

23 (4) When adjusted gross receipts for a week is a negative number because the winnings
24 paid to patrons wagering on the licensee's West Virginia Lottery sports wagering exceeds the
25 licensee's total gross receipts from sports wagering by patrons, the commission shall allow the
26 licensee to carry over the negative amount to returns filed for subsequent weeks. The negative
27 amount of adjusted gross receipts may not be carried back to an earlier week and moneys
28 previously received by the commission will not be refunded except if the licensee surrenders its
29 operator's license and the licensee's last return reported negative adjusted gross receipts. In that
30 case, the commission shall multiply the amount of negative adjusted gross receipts by 10 percent
31 and pay the amount to the licensee in the manner approved by the commission.

32 (c) Privilege tax obligation imposed by this section is in lieu of other taxes. --

33 With the exception of the ad valorem property tax collected under chapter eleven-a of this
34 code, the privilege tax on adjusted gross sports wagering receipts imposed by this section is in
35 lieu of all other state and local taxes and fees imposed on the operation of, or the proceeds from
36 operation of West Virginia Lottery sports wagering, except as otherwise provided in this section.
37 The Consumers Sales and Services Tax imposed pursuant to §11-15-1 et seq. of this code, shall
38 not apply to the licensee's gross receipts from any West Virginia Lottery sports wagering or to the
39 licensee's purchase of sports wagering equipment, supplies, or services directly used in operation
40 of the sports wagering authorized by this article. These purchases are also exempt from the Use
41 Tax imposed by §11-15A-1 et seq. of this code and any similar local tax imposed at the municipal

42 or county level.

43 (d) Acquisition of any system or wagering equipment and other items related to the
44 operation of West Virginia sports wagering shall be considered “facility modernization
45 improvements” eligible for recoupment as defined in §29-22A-10(b)(2) and §29-25-22(c) of this
46 code.

47 (e) Prohibition on credits. -- Notwithstanding any other provision of this code to the
48 contrary, no credit may be allowed against the privilege tax obligation imposed by this section or
49 against any other tax imposed by any other provision of this code for any investment in gaming
50 equipment or for any investment in or improvement to real property that is used in the operation
51 of West Virginia Lottery sports wagering.

§29-22D-17. West Virginia Lottery Sports Wagering Fund; distribution of funds.

1 (a) The special fund in the State Treasury known as the West Virginia Lottery Sports
2 Wagering Fund is hereby created and all moneys collected under this article by the Lottery shall
3 be deposited with the State Treasurer to the West Virginia Lottery Sports Wagering Fund. The
4 fund shall be an interest-bearing account with all interest or other return earned on the money of
5 the fund credited to and deposited in the fund. All expenses of the commission incurred in the
6 administration and enforcement of this article shall be paid from the Sports Wagering Fund
7 pursuant to subsection (b) of this section.

8 (b) The commission shall deduct an amount sufficient to reimburse its actual costs and
9 expenses incurred in administering sports wagering at licensed gaming facilities from the gross
10 deposits into the Sports Wagering Fund. The amount remaining after the deduction for
11 administrative expenses is the net profit.

12 (1) Administrative allowance. -- The commission shall retain up to 15 percent of gross
13 deposits for the fund operation and its administrative expenses: *Provided*, That in the event that
14 the percentage allotted for operations and administration generates a surplus, the surplus shall
15 be allowed to accumulate but may not exceed \$250,000. On a monthly basis, the director shall

16 report any surplus in excess of \$250,000 to the Joint Committee on Government and Finance of
17 the Legislature and remit the entire amount of those surplus funds in excess of \$250,000 to the
18 State Treasurer which shall be allocated as net profit.

19 (2) Distribution of net profit. — Net profit shall be deposited into the State Lottery Fund
20 created by §29-22-18 of this code until a total of \$15 million is deposited; thereafter, the remainder
21 shall be deposited into the General Revenue Fund for appropriation by the Legislature.

§29-22D-18. Law enforcement; inspection and seizure

1 (a) Notwithstanding any provision of this code to the contrary, the commission shall, by
2 contract or cooperative agreement with the West Virginia State Police, arrange for those law-
3 enforcement services uniquely related to gaming as such occurs at facilities of the type authorized
4 by this article that are necessary to enforce the provisions of this article that are not subject to
5 federal jurisdiction: *Provided*, That the State Police shall only have exclusive jurisdiction over
6 offenses committed on the grounds of a licensed gaming facility that are offenses relating to
7 gaming.

8 (b) As a condition of licensure, the commission's agents and any law- enforcement officers
9 with appropriate jurisdiction may without notice or warrant:

10 (1) Inspect and examine all premises of a licensed gaming facility;

11 (2) Inspect, examine, and seize any books, records, ledgers, or documents pertaining to
12 a sports wagering operation, sports wagering equipment or devices, cash boxes and contents,
13 counting room or its equipment, or any other West Virginia Lottery sports wagering items or
14 activities in or around the premises of a licensed gaming facility; and

15 (3) Inspect any person and that person's personal effects present on the grounds of a
16 gaming facility of any licensee under this article.

§29-22D-19. Civil penalties.

1 (a) The commission may impose on any person who violates the provisions of this article
2 a civil penalty not to exceed \$50,000 for each violation. Such penalty shall be imposed on all

3 individuals and is not limited to individuals licensed under this article. This provision shall not be
4 construed as applicable to office pools.

5 (b) The provisions of §29A-5-1 et seq. of this code apply to any civil penalty imposed
6 pursuant to the provisions of this section.

§29-22D-20. Civil and criminal penalty for unauthorized sports wagering operations

1 No organization, person, or commercial enterprise, other than a licensed gaming facility
2 in this State that has been issued a license to conduct sports wagering and has located all of its
3 equipment used to conduct such wagering, including computers, servers, monitoring rooms, and
4 hubs, in an authorized location, shall knowingly make its premises available for placing wagers
5 or accepting any unauthorized wagers on any other platform. An individual, organization, or
6 commercial enterprise that the commission or any law-enforcement authority with jurisdiction
7 determines to have knowingly violated the provisions of this section shall be subject to a penalty
8 of \$1,000 per player per day for making its premises available for illegal sports wagering or
9 accepting wagers using the Internet, mobile applications, or other online technologies illegally,
10 and of \$10,000 per violation for advertising that its premises or online or other mobile or digital
11 platform may be used for such purpose, and is further guilty of a felony.

§29-22D-21. Crimes and liabilities.

1 (a) A sports wagering licensee is guilty of unlawful operation and is guilty of a
2 misdemeanor when:

3 (1) The licensee operates West Virginia Lottery sports wagering without authority of the
4 commission to do so;

5 (2) The licensee operates West Virginia Lottery sports wagering in any location or by any
6 manner that is not approved by the commission;

7 (3) The licensee knowingly conducts, carries on, operates, or allows any sports wagering
8 to occur on premises or through any other device if equipment or material has been tampered
9 with, or exposed to conditions in which it will be operated in a manner designed to deceive the

10 public;

11 (4) The licensee employs an individual who does not hold a valid occupational license in
12 a position or otherwise allows an individual to perform duties for which such license is required
13 by this article or continues to employ an individual after the employee's occupational license is no
14 longer valid;

15 (5) The licensee acts or employs another person to act as if he or she is not an agent or
16 employee of the licensee in order to encourage participation in a West Virginia Lottery sports
17 wagering at the licensed gaming facility;

18 (6) The licensee knowingly permits an individual under the age of 21 to enter or remain in
19 a designated gaming area or to engage in sports wagering at a licensed gaming facility; or

20 (7) The licensee exchanges tokens, chips, electronic media, or other forms of credit used
21 for wagering for anything of value except money or credits applied to a sports wagering account
22 at a gaming facility authorized under this article.

23 (b) A person is guilty of a felony when:

24 (1) A person offers, promises, or gives anything of value to anyone for the purpose of
25 influencing the outcome of a race, sporting event, contest, or game upon which a wager may be
26 made, or a person places, increases, or decreases a wager after acquiring knowledge, not
27 available to the general public, that anyone has been offered, promised, or given anything of value
28 for the purpose of influencing the outcome of the race, sporting event, contest, or game upon
29 which the wager is placed, increased or decreased, or attempts to do any of the same;

30 (2) A person changes or alters the normal outcome of any game played on a mobile or
31 other digital platform including any interactive gaming system used to monitor the same or the
32 way in which the outcome is reported to any participant in the game;

33 (3) The person manufactures, sells, or distributes any device that is intended by that
34 person to be used to violate any provision of this article or the sports wagering laws of any other
35 state;

36 (4) The person places a bet or aids any other individual in placing a bet on a sporting event
37 or other sports wagering game or offering authorized under this article after unlawfully acquiring
38 knowledge of the outcome in which winnings from that bet are contingent;

39 (5) The person claims, collects, or takes anything of value from a gaming facility with West
40 Virginia Lottery sports wagering with intent to defraud or attempts such action without having
41 made a wager in which such amount or value is legitimately won or owed;

42 (6) The person knowingly places a wager using counterfeit currency or other counterfeit
43 form of credit approved for wagering at a gaming facility with West Virginia Lottery sports
44 wagering; or

45 (7) The person, not a licensed gaming facility under this article or an employee or agent
46 of a gaming facility licensed under this article acting in furtherance of the licensee's interest, has
47 in his or her possession on grounds owned by the gaming facility licensed under this article or on
48 grounds contiguous to the licensed gaming facility, any device intended to be used to violate a
49 provision of this article or any rule of the commission.

50 (c) Any person who violates any provision of subsection (a) of this section is guilty of a
51 misdemeanor and, upon conviction thereof, shall be fined up to \$1,000 and committed to a state
52 correctional facility for up to six months, except any violation that is not committed by a natural
53 person may result in a fine of up to \$25,000.

54 (d) Any person who violates any provision of subsection (b) of this section is guilty of a
55 felony and, upon conviction thereof, shall be fined at least \$5,000 but no more than \$10,000, and
56 committed to a state correctional facility for a term of imprisonment for at least one year but no
57 more than five years.

58 (e) With regard to subsection (b) of this section, each West Virginia sports wagering
59 licensee shall post notice of the prohibitions and the penalties of this section in a manner
60 determined by the commission.

§29-22D-22. Forfeiture of property.

1 (a) Anything of value and its traceable proceeds are subject to forfeiture to the State of
 2 West Virginia if used for any of the following:

3 (1) As a bribe intended to affect the outcome of a West Virginia Lottery sport wagering
 4 game or event in a licensed gaming facility; or

5 (2) In exchange for, or to facilitate, a violation of this article.

6 (b) The seizure and sale of items under the provisions of this section is not a forfeiture as
 7 that term is used in section 5, article XII of the Constitution of West Virginia and the proceeds
 8 from a seizure and sale under this article are not part of net proceeds as it is contemplated by
 9 section 5, article XII of the Constitution of West Virginia.

10 (c) If the forfeited property includes the gaming facility real property and all of its
 11 improvements and related personal property, the commission may take control of and operate
 12 the gaming facility and all related functions until the forfeited property is sold or returned to the
 13 licensee as a result of due process proceedings.

§29-22D-23. Preemption.

1 No local law or rule providing any penalty, disability, restriction, regulation, or prohibition
 2 for operating a gaming facility with West Virginia Lottery sports wagering or supplying a licensed
 3 gaming facility may be enacted, and the provisions of this article preempt all regulations, rules,
 4 ordinances, and laws of any county or municipality in conflict with this article.

§29-22D-24. Exemption from federal law.

1 Pursuant to Section 2 of Chapter 1194, 64 Stat. 1134, 15 U.S.C. §1172, approved January
 2 2, 1951, the State of West Virginia, acting by and through duly elected and qualified members of
 3 the Legislature, does declare and proclaim that the state is exempt from chapter 1194, 64 Stat.
 4 1134, 15 U.S.C. §1171 to §1178.

§29-22D-25. Shipment of gambling devices.

1 All shipments of gambling devices including any sports wagering devices or related
 2 materials to licensed gaming facilities in this state are legal shipments of gambling devices into

- 3 the State of West Virginia as long as the registering, recording, and labeling of which have been
4 completed by the supplier thereof in accordance with Chapter 1194, 64 Stat. 1134, 15 U.S.C.
5 §1171 to §1178.

NOTE: The purpose of this bill is to authorize wagering on the results of certain professional or collegiate sports or athletic events and other events authorized as West Virginia Lottery Sports Wagering activities at the time when such wagers are no longer prohibited by federal law.

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