

WEST VIRGINIA LEGISLATURE

2020 REGULAR SESSION

ENROLLED

House Bill 4647

FILED
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2020 MARCH 31 EST. VIRGINIA
SECRETARY OF STATE

BY DELEGATES SHOTT, ESPINOSA, QUEEN, WESTFALL,
HAMRICK, HOWELL, HOUSEHOLDER, BARRETT, BATES
AND MILLER

[Passed March 3, 2020; in effect ninety days from
passage.]

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OFFICE OF THE
SECRETARY OF STATE

2020 MAR 25 P 4:48

FILED

1 AN ACT to amend and reenact §29-22B-1107 of the Code of West Virginia, 1931, as amended,
2 relating to limited video lottery permit holders; and giving current permit holders a priority
3 preference to reacquire permits they have, at the minimum stated bid price, before those
4 permits are made available to other applicants.

Be it enacted by the Legislature of West Virginia:

ARTICLE 22B. LIMITED VIDEO LOTTERY.

§29-22B-1107. Bidding process.

1 (a) Bids for issuance of permits shall be obtained by public notice published as a Class II-
2 0 legal advertisement in compliance with the provisions of §59-3-1 *et seq.* of this code.

3 (b) The second publication of the notice shall appear more than 60 days next preceding
4 the final day for submitting bids.

5 (c) Each bid shall indicate the number of video lottery terminals for which the permit is
6 sought. The bid shall state the amount bid for each video lottery terminal for which the permit is
7 sought.

8 (d) No bid may be altered or withdrawn after the appointed hour for the opening of the
9 bids.

10 (e) Subject to the provisions of subsection (f) of this section, permits shall be awarded to
11 the persons submitting the highest per terminal bids, except that no person may be authorized to
12 directly or indirectly own or lease more than seven and one-half percent of the total number of
13 video lottery terminals authorized in §29-22B-1101 of this code. If a high bidder already holds a
14 permit issued under this section, the bid shall be awarded to that bidder, but only to the extent the
15 total number of video lottery terminals the operator or limited video lottery retailer is authorized to
16 directly or indirectly own or lease does not exceed seven and one-half percent of the number of
17 video lottery terminals authorized for the entire state specified in §29-22B-1101 of this code.

18 (f) No bid may be considered unless the bond required by §29-22B-1109 of this code
19 accompanies the bid or was submitted to the State Treasurer before the time designated for
20 opening of the bid.

21 (g) No bid may be considered unless the amount of the bid equals or exceeds the minimum
22 bid amount for a video lottery terminal specified by the commission.

23 (h) All bids for a permit may be rejected by the commission if the commission determines
24 that the bids are inadequate. In this event, the director shall begin anew the bidding process for
25 the permits.

26 (i) Whenever there are two or more bids of the same dollar amount and the number of
27 authorizations for which the bids were submitted exceeds the number of authorizations still
28 available to fill the bids, the director shall award the permit based upon the drawing of lots among
29 the bidders.

30 (j) A person submitting a bid under this article shall deliver one copy to the Director of
31 Purchasing of the Purchasing Division within the Department of Administration. The bid must be
32 received at the designated office location prior to the specified date and time of the bid opening.

33 (k) The failure to deliver or the nonreceipt of the bid forms at the designated office location
34 prior to the appointed date and hour are grounds for rejection of the bid.

35 (l) After the award of a permit, the Director of the Lottery shall indicate upon the successful
36 bid that it was the successful bid and the number of video lottery terminals for which a permit is
37 awarded to the bidder. This shall be the number of video lottery terminals for which the bid was
38 submitted, or the remaining number of video lottery terminals to be awarded when the number of
39 video lottery terminals remaining is less than the number of terminals for which the bid was
40 submitted. Thereafter, a copy of the bid and the bidder's application for an operator's license or a
41 limited video lottery retailer license shall be maintained as a public record at the commissions'
42 offices and shall be open to public inspection during its normal business hours. These documents
43 may not be destroyed without the prior written consent of the Legislative Auditor.

44 (m) Prior to issuing a permit to a successful bidder, the bid price for the number of video
45 lottery terminals authorized in the permit plus the amount of the operator's annual license fee or
46 the limited video lottery retailer's annual license fee for the first license year, as specified in §29-
47 22B-518 of this code shall be paid to the commission by money order, certified check or cashier's
48 check. If the operator's annual license fee or the limited video lottery retailer's license fee was
49 paid for the current license year before the due date of the bid amount, the license fee may not
50 be collected a second time for the same license year. The amount paid shall be deposited into
51 the fund established in §29-22-18a of this code.

52 (n) All permits shall be signed by the Director of the Lottery in the name of the state.

53 (o) If the successful bidder fails to pay to the commission the bid price and the operator's
54 annual license fee or the limited video lottery retailer's license fee for the first license year, at the
55 time specified by the commission, the bond provided for in §29-22B-1109 of this code shall be
56 forfeited and the bidder may not be issued the permit.

57 (p) In the event of a default, as provided in subsection (h) of this section, the commission
58 shall then issue the permit to the next highest bidder for video lottery terminals, or reject all
59 remaining bids and start anew the bidding procedure for the remaining number of video lottery
60 terminals.

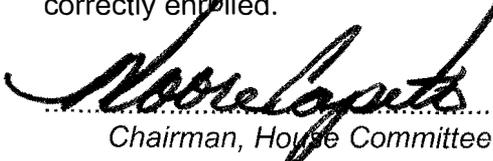
61 (q) If after a permit is awarded, an operator or limited video lottery retailer surrenders the
62 permit, in whole or in part, or the permit is revoked or canceled by operation of law, the
63 commission may seek bids for video lottery terminals for which authorization was surrendered or
64 revoked, subject to the limitations and requirements of this article.

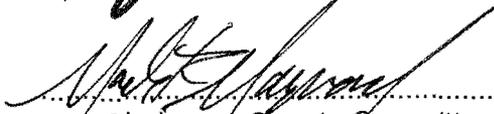
65 (r) During the fiscal year of the state ending June 30, 2011, the commission shall seek
66 bids for the 10-year period beginning July 1, 2011, and ending June 30, 2021.

67 (s) For all bids conducted subsequent to June 30, 2011, the commission shall give a
68 priority preference, to allow current permit holders to acquire permits which are held by those

69 permit holders at the minimum stated bid price before those permits are made available for bid to
70 other applicants.

The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.


.....
Chairman, House Committee

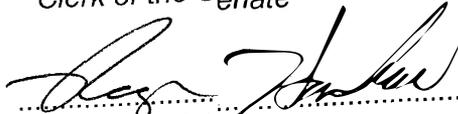

.....
Chairman, Senate Committee

Originating in the House.

In effect ninety days from passage.


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Clerk of the House of Delegates


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Clerk of the Senate


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Speaker of the House of Delegates


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President of the Senate

OFFICE WEST VIRGINIA
SECRETARY OF STATE

2020 MAR 25 P 4:49

FILED

The within *is approved* this the *25th*
March day of 2020.


.....
Governor

PRESENTED TO THE GOVERNOR

MAR 13 2020

Time 2:00 pm