WEST VIRGINIA LEGISLATURE

2017 REGULAR SESSION

Committee Substitute

for

Senate Bill 281

BY SENATORS BOSO, STOLLINGS, TAKUBO, MARONEY

AND TRUMP

[Originating in the Committee on the Judiciary;

reported on February 22, 2017]

A BILL to amend and reenact §29-22B-1101 of the Code of West Virginia, 1931, as amended,
relating to increasing the number of limited video lottery terminals allowed at a retail
location; increasing the number of limited video lottery terminals located on the premises
of certain tax exempt organizations; and requiring Lottery Commission to conduct a bid
for permits held by current permit holders expiring June 30, 2021, prior to September 1,
2017.

Be it enacted by the Legislature of West Virginia:

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

ARTICLE 22B. LIMITED VIDEO LOTTERY.

PART XI. ALLOCATION AND DISTRIBUTION OF VIDEO LOTTERY TERMINALS.

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

(a) The Lottery Commission may not authorize the placement of more than nine thousand
 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 veterans' 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 veterans' 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.

1

(d) To help accommodate the change in the number of terminals authorized by the
amendment to this section enacted during the 2017 regular session of the Legislature, the
commission shall conduct a bid no later than September 1, 2017, for permits expiring June 30,
2021, which bid is open to current permit holders only and which shall be conducted in accordance
with sections one thousand one hundred six, one thousand one hundred seven and one thousand

19 <u>one hundred nine of this article.</u>