

WEST VIRGINIA LEGISLATURE

2022 REGULAR SESSION

Committee Substitute

for

House Bill 4826

BY DELEGATES CAPITO, QUEEN, WESTFALL, FLUHARTY,

RILEY, LINVILLE AND NESTOR

[Originating in the Committee on Finance; February

25, 2022]

1 A BILL to amend and reenact §29-22D-3 of the Code of West Virginia, 1931, as amended relating
2 to allowing wagering on e-sports events; providing definition of e-sports events; and
3 including e-sports event in the definition of sports event or sporting event.

Be it enacted by the Legislature of West Virginia:

ARTICLE 22D. WEST VIRGINIA LOTTERY SPORTS WAGERING ACT.

§29-22D-3. Definitions.

1 For the purposes of this article, the following terms have the meanings ascribed to them
2 in this section:

3 (1) “Adjusted gross sports wagering receipts” means an operator’s gross sports wagering
4 receipts from West Virginia Lottery sports wagering, less winnings paid to wagerers in such
5 games.

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

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

11 (4) “Director” means the Director of the West Virginia State Lottery Commission, appointed
12 pursuant to §29-22-6 of this code.

13 (5) “E-sports event” means electronic sports and competitive video games played as a
14 game of skill for spectators.

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

19 ~~(6)~~ “Gaming facility” means a designated area on the premises of an existing historic
20 resort hotel, licensed under §29-25-1 *et seq.* of this code, to operate video lottery and table games

21 or the facility of an entity authorized to operate racetrack video lottery machines, pursuant to §29-
22 22A-1 *et seq.* of this code.

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

25 (89) “Gross sports wagering receipts” means the total gross receipts received by a
26 licensed gaming facility from sports wagering.

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

29 (A) A license to act as agent of the commission in operating West Virginia Lottery sports
30 wagering at a licensed gaming facility (operator license or West Virginia Lottery sports wagering
31 license);

32 (B) A license to supply a gaming facility, licensed under this article, to operate sports
33 wagering with sports wagering equipment or services necessary for the operation of sports
34 wagering (supplier license);

35 (C) A license to be employed at a racetrack or gaming facility, licensed under this article,
36 to operate West Virginia Lottery sports wagering when the employee works in a designated
37 gaming area that has sports wagering or performs duties in furtherance of or associated with the
38 operation of sports wagering at the licensed gaming facility (occupational license); or

39 (D) A license to provide management services under a contract to a gaming facility,
40 licensed under this article, to operate sports wagering (management services provider license).

41 (4011) “Licensed gaming facility” means a designated area on the premises of an existing
42 historic resort hotel, pursuant to §29-25-1 *et seq.* of this code, or the facility of an entity authorized
43 to operate racetrack video lottery machines, pursuant to §29-22A-1 *et seq.* of this code, licensed
44 under this article, to conduct West Virginia Lottery sports wagering.

45 (4412) “Lottery” means the public gaming systems or games regulated, controlled, owned,
46 and operated by the State Lottery Commission in the manner provided by general law, as provided

47 in this article, §29-22-1 *et seq.*, §29-22A-1 *et seq.*, §29-22B-1 *et seq.*, §29-22C-1 *et seq.*, and
48 §29-25-1 *et seq.* of this code.

49 (4213) “National criminal history background check system” means the criminal history
50 record system maintained by the Federal Bureau of Investigation, based on fingerprint
51 identification or any other method of positive identification.

52 (4314) “Operator” means a licensed gaming facility which has elected to operate a sports
53 pool and other authorized West Virginia Lottery sports wagering activities.

54 (4415) “Professional sport or athletic event” means an event at which two or more persons
55 participate in sports or athletic events and receive compensation in excess of actual expenses for
56 their participation in such event.

57 (4516) “Sports event” or “sporting event” means any professional sport or athletic event,
58 any collegiate sport or athletic event, motor race event, e-sports event, or any other special event
59 authorized by the commission under this article.

60 (4617) “Sports pool” means the business of accepting wagers on any sports event by any
61 system or method of wagering.

62 (4718) “Sports wagering account” means a financial record established by a licensed
63 gaming facility for an individual patron in which the patron may deposit and withdraw funds for
64 sports wagering and other authorized purchases, and to which the licensed gaming facility may
65 credit winnings or other amounts due to that patron or authorized by that patron.

66 (4819) “Sports wagering agreement” means a written agreement between the commission
67 and one or more other governments whereby persons who are physically located in a signatory
68 jurisdiction may participate in sports wagering conducted by one or more operators licensed by
69 the signatory governments.

70 (4920) “Sports wagering fund” means the special fund in the State Treasury, created in
71 §29-22D-17 of this code.

72 (~~2021~~) “Supplier” means a person that requires a supplier license to provide a sports
73 wagering licensee with goods or services to be used in connection with operation of West Virginia
74 Lottery sports wagering.

75 (~~2122~~) “Wager” means a sum of money or thing of value risked on an uncertain
76 occurrence.

77 (~~2223~~) “West Virginia Lottery sports wagering” or “sports wagering” means the business
78 of accepting wagers on sporting events, and other events, the individual performance statistics of
79 athletes in a sporting event or other events, or a combination of any of the same by any system
80 or method of wagering approved by the commission including, but not limited to, mobile
81 applications and other digital platforms that utilize communications technology to accept wagers
82 originating within this state. The term includes, but is not limited to, exchange wagering, parlays,
83 over-under, moneyline, pools, and straight bets. The term does not include:

84 (A) Pari-mutuel betting on the outcome of horse or dog races, authorized by §19-23-12a
85 and §19-23-12d of this code;

86 (B) Lottery games of the West Virginia State Lottery, authorized by §29-22-1 *et seq.* of this
87 code;

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

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

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

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

92 (G) Daily Fantasy Sports (DFS).

93 (~~2324~~) “West Virginia Lottery sports wagering license” means authorization granted under
94 this article by the commission to a gaming facility that is already licensed under §29-22A-1 *et seq.*
95 or §29-25-1 *et seq.* of this code, which permits the gaming facility as an agent of the commission
96 to operate West Virginia Lottery sports wagering in one or more designated areas or in one or
97 more buildings owned by the licensed gaming facility on the grounds where video lottery is

98 conducted by the licensee or through any other authorized platform developed by the gaming
99 facility. This term is synonymous with “operator’s license.”