

STATE OF WEST VIRGINIA
LOTTERY POLICY STATEMENT 10-01
ENABLEMENT OF VIDEO LOTTERY TERMINALS
WHEN BOTH OPERATOR AND RETAILER WIN PERMITS
AND WANT TO PLACE TERMINALS IN SAME LOCATION:
W.Va. Code, §§ 29-22B-1107, 1110, 1113, and 1201
[Adopted May 12, 2010]

§1. – Situation.

Under W.Va. Code, § 29-22B-1107, the West Virginia State Lottery Commission is required to seek bids for the ten-year permit period that begins July 1, 2011 and ends June 30, 2021. The Commission is aware that terms of filed contracts between licensed limited video lottery operators and retailers extend beyond June 30, 2011. The Commission is not in a position to interpret the validity or the duration of the contracts. However, in the event that both a retailer and its operator win permits in the sealed bid process, and both parties choose to place their won permits in the same location, the Commission must decide whose video lottery terminals will be enabled on July 1, 2011.

For the period of the first ten-years, the Commission has consistently allowed an original operator's terminals to remain enabled until either the operator releases the retailer from the contract and presents written evidence of the release to the Commission, or a court of law has determined that the contract is invalid.

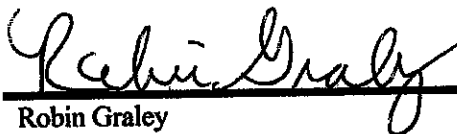
§2. – Solution.

When the Commission has determined that a retailer and operator both win permits during the sealed bid and both wish to enable their own terminals in the same retailer location, then the Commission will continue to enable the operator's terminals until the operator releases the retailer from the filed contract and presents written evidence of the release to the Commission, or a court of law issues an order requiring the Commission to allow the retailer to place his own terminals in his location, or determines that the contract is invalid.

Because permits are not location specific, a retailer, who has won permits but whose operator wants to continue to lease terminals to that retailer, may submit a written petition to the Commission requesting that the 90-day requirement in W.Va. Code § 29-22B-1113 will be held in abeyance until such time as a court of law makes a final determination on the validity of the contract.

§3.-Adoption.

This policy statement was adopted by the West Virginia State Lottery Commission at its May 12, 2010, meeting after fair and frank discussion.



Robin Graley
Recording



Kenneth L. Greear
Chairman