

WEST VIRGINIA CODE: §29-22B-1103

§29-22B-1103. Permit fee.

(a) For the privilege of holding a permit that authorizes the licensee to own or lease video lottery terminals from a licensed manufacturer, the person shall pay an annual fee of \$1,000 per video lottery terminal for which the permit is issued.

(b) (1) Notwithstanding any provision of subsection (a) of this section to the contrary, for the fee due and payable May 1, 2023, and each May 1 thereafter until and including May 1, 2030:

(A) The annual fee shall be \$1,000 per video lottery terminal for terminals that utilize the 10 percent lowest performing software versions, as measured by daily net terminal income of all terminals available for play; and

(B) For permit holders who own or lease terminals with software versions that outperform the 10 percent lowest performing software versions by more than \$500 annual net terminal income for the State of West Virginia, the permit holder will pay a reduced fee of \$500 per terminal annually.

(2) For the fee due and payable May 1, 2023, the West Virginia Lottery shall compute the daily average net terminal income for each version of operating software used in all terminals in play from July 1, 2022, until February 28, 2023, and prepare a report listing the 10 percent of all the versions of operating software having the lowest daily net terminal income over that period, the permit holders who may receive the \$500 annual reduced fee per terminal, and the total amount of any such reduced fee for each permit holder. When calculating the daily average net terminal income, a software that is in play for any number of days during a month shall be considered as operating the full number of days in that month. For subsequent years, the West Virginia Lottery shall compute the daily average net terminal income for each version of operating software used in all terminals in play from March 1st of the preceding year until the last day of February and prepare a report listing the 10 percent of all the versions of operating software having the lowest daily net terminal income over that period, the permit holders who may receive the \$500 annual reduced fee per terminal, and the total amount of any such reduced fee for each permit holder. Should a group of terminals with a software version be partially included in the 10 percent calculation, the entire group shall not be eligible for the reduced fee. Furthermore, a terminal must be active and operational for a period of 60 days to be eligible for the reduced fee. This subsection will terminate and have no force or effect after May 1, 2030.

(c) The fee shall initially be paid at the time the permit is issued for the number of video lottery terminals a person is authorized to own or lease without going through the bid process. Thereafter, this fee shall be due and payable each first day of May while the person holds the permit and the amount of the fee shall be determined by the number of video

lottery terminals the person is permitted to own or lease from a licensed manufacturer.