2026 Special Session I

Budget Bill - HB30 (Chapter 1)

Virginia Lottery

Item 479	First Year - FY2027	Second Year - FY2028
State Lottery Operations (81100)	**$396,121,642**	**$404,922,742**
Regulation and Law Enforcement (81105)	$39,473,821	$39,473,821
Gaming Operations (81106)	$269,689,386	$278,490,486
Administrative Services (81107)	$11,953,098	$11,953,098
Distribution of Casino Taxes (81108)	$75,005,337	$75,005,337
Fund Sources:		
Enterprise	$285,455,965	$294,257,065
Dedicated Special Revenue	$110,665,677	$110,665,677

Authority: Title 58.1, Chapter 40 and Chapter 41, Code of Virginia.

A. Out of the amounts for State Lottery Operations shall be paid:

1. Reimbursement for compensation and reasonable expenses of the members of the Virginia Lottery Board in the performance of their duties, as provided in § 2.2-2813, Code of Virginia.

2. The total costs for the operation and administration of the state lottery, pursuant to § 58.1-4022, Code of Virginia.

3. The costs of informing the public of the purposes of the Lottery Proceeds Fund, established pursuant to Article X, Section 7-A, Constitution of Virginia.

B. Expenses related to the regulation and oversight of Casino Gaming shall be paid from the combination of licensing and related fees collected under Title 58.1, Chapter 41, Code of Virginia.

C. Expenses related to the regulation and oversight of Sports Betting shall be paid from a combination of ongoing licensing and fees related to the activities described in Title 58.1, Chapter 40, Code of Virginia.

D. Notwithstanding the provisions of § 58.1-4030 and § 58.1-4037, Code of Virginia, a permit holder, through the first 12 months of sports betting activity, may exclude from adjusted gross revenue the value of allowable bonuses or promotions provided to bettors as an incentive to place or as a result of their having placed Internet sports betting wagers. After the first 12 months of sports betting activity, a permit holder is prohibited from excluding from adjusted gross revenue any bonuses or promotions provided to bettors as an incentive to place or as a result of their having placed Internet sports betting wagers. The provisions of this paragraph begin the first month a permit holder collects wagers related to sports betting, as defined in § 58.1-4030, Code of Virginia.

E. The appropriation for the Distribution of Casino Taxes is sum sufficient and amounts shown are estimates of amounts to be distributed pursuant to subsection B.1. of §58.1-4125 from taxes on adjusted gross receipts deposited in the Gaming Proceeds Fund.

F. The Lottery shall develop an implementation plan to require all lottery terminals to possess proper age verification software to ensure that a consumer is 18 years of age or older. For purposes of this item, "terminal" means a device that is authorized by the Department to function in an interactive mode with the Department's computer gaming system or systems for the purpose of issuing tickets, plays, or an electronic facsimile thereof, and entering, receiving, and processing game-related transactions. Such plan may consider implementing age verification in lottery terminals based on the normal replacement schedule of terminals. The implementation plan shall: (i) develop a phased schedule to implement age verification software in terminals, (ii) establish a completion date for implementation, (iii) include cost estimates for such plan, (iv) provide alternative implementation schedules for consideration, and (v) recommend any necessary changes to statute or the appropriation act to implement the plan. No later than October 1, 2026, the Director of the Virginia Lottery shall report the implementation plan to the Governor and Chairs of the House Committees on General Laws and Appropriations and the Senate Committees on General Laws and Technology and Finance and Appropriations. The Virginia Lottery Board shall include the costs of such implementation plan in the revenue estimates developed and submitted to the Governor in accordance with Title 2.2 of the Code of Virginia and proceed only after a forecast is adopted by a general appropriation act that includes the costs of such implementation plan.