

Department of Planning and Budget 2003 Fiscal Impact Statement

1. **Bill Number** SB1278

House of Origin	<input type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input checked="" type="checkbox"/> Engrossed
Second House	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

2. **Patron** Colgan

3. **Committee** General Laws

4. **Title** Charitable gaming; creation of the Department of Charitable Gaming.

5. **Summary/Purpose:**

The bill changes the governance structure under which charitable gaming in the Commonwealth is regulated. The bill eliminates the current Charitable Gaming Commission, a supervisory board which appoints its staff director. In its place, the bill creates the Department of Charitable Gaming, with its director appointed by the Governor, and it creates a new policy board, the Charitable Gaming Board. The Charitable Gaming Board has the power to adopt regulations relating to charitable gaming and the Department of Charitable Gaming is responsible for the administration and enforcement of the charitable gaming laws and Board regulations.

The bill sets forth the membership of the new board, to include a member of a gaming organization, a gaming supplier, and a person who owns or leases premises where charitable gaming is conducted. The bill provides that regulations of the Charitable Gaming Commission shall remain in effect until regulations of the Charitable Gaming Board have been adopted. The bill contains numerous technical amendments, primarily changing the name of the agency.

The bill as amended clarifies that the General Assembly confirms the Governor's appointment of the agency director, adds a requirement for the new board to examine its regulations and report to the 2004 General Assembly, and extends the time period during which the agency may not deny or revoke a permit for failure to meet "use of proceeds" requirements until December 31, 2004. It also specifies that the board membership shall include a person who leases a charitable gaming premises (the original bill would have allowed a person who either owns or leases such premises to be a board member).

6. **No Fiscal Impact**

7. **Budget amendment necessary:** No

8. **Fiscal implications:** Although this bill increases the number of members from seven on the commission to nine on the new board, the number of meetings is decreased from six to four per year, so no additional expenses for meetings are anticipated. Some costs (such as for printing) may be associated with the report required for the 2004 General Assembly, but they can be absorbed within the budget of the agency.

9. **Specific agency or political subdivisions affected:** Charitable Gaming Commission

10. **Technical amendment necessary:** No

11. Other comments: A study released in December 2002 by the Joint Legislative Audit and Review Commission (JLARC) on the Charitable Gaming Commission noted problems with the governance structure of the agency and recommended, among other options, that the Commission be made an advisory board with the agency head appointed by the Governor.

Date: 2/4/03 vrm

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cc:Secretary of Administration