

## Department of Planning and Budget 2004 Fiscal Impact Statement

**1. Bill Number:** HB1027

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

**2. Patron:** Albo

**3. Committee:** Passed Both Houses

**4. Title:** Lottery

**5. Summary/Purpose:** The bill modifies several provisions of the Virginia Lottery Law. Among the changes: (i) monthly meetings of the Board are reduced to a minimum of quarterly meetings; (ii) flexibility is given to the Board to determine the types of games qualifying as a lottery, (iii) clarification is made that the Department is not subject to the Virginia Public Procurement Act, (iv) the theft of a lottery ticket or prize is established as a crime, and (v) certain notice and venue requirements for assignment of lottery prizes are established.

**6. Fiscal impact estimates are:** Final. See item 8.

**7. Budget amendment necessary:** No.

**8. Fiscal implications:** There may be an increase in lottery revenue associated with the provisions of the bill that permit the Board to determine which wagering games or activities qualify as lottery games. Any additional revenue cannot be determined at this time. At a minimum, the provisions may allow the Lottery to maintain player interest and existing revenues.

The proposed legislation defines the theft of a ticket as larceny. The larceny statutes provide that if the value of the property taken is less than \$200, the person removing the property is guilty of petit larceny. Petit larceny is a misdemeanor crime. If the value of the property is \$200 or more, the offender is guilty of grand larceny. Grand larceny is a felony crime. According to the Virginia Criminal Sentencing Commission, the proposed legislation may have an impact on state-responsible beds. However, the extent of the impact, if any, cannot be determined.

Anyone convicted of a Class 1 misdemeanor is subject to a sentence of up to 12 months in jail. Again, according to the Virginia Criminal Sentencing Commission, not enough information is available to reliably estimate how many additional inmates in jail could result from this proposal. Any increase in jail population will increase costs to the state. The Commonwealth pays the localities \$8.00 a day for each misdemeanant or otherwise local responsible prisoner held in a jail. It also funds the majority of the jails' operating costs, e.g. correctional officers. The state's share of these costs varies from locality to locality.

According to the Compensation Board's most recent Jail Cost Report (FY 2002), the estimated total state support for local jails averaged \$29.80 per inmate, per day in FY 2002

**9. Specific agency or political subdivisions affected:** State Lottery Department, judicial system, Department of Corrections, and Compensation Board.

**10. Technical amendment necessary:** No.

**11. Other comments:** None.

**Date:** 3/17/04 tmw

**Document:** G:\2004 Session\Legislation\Hb1027er.Doc

cc: Secretary of Finance  
Secretary of Public Safety