

Department of Planning and Budget 2011 Fiscal Impact Statement

1. Bill Number: HB1700

House of Origin Introduced Substitute Engrossed

Second House In Committee Substitute Enrolled

2. Patron: Athey

3. Committee: Committee for Courts of Justice

4. Title: Illegal gambling; definitions.

5. Summary: Illegal gambling; definitions. Amends the definition of "illegal gambling" to clarify that the purchase of a product or other thing of value (e.g., phone card, Internet time), which purchase credits the purchaser with free points or other measurable units that may be risked by the purchaser for an opportunity to win money, is deemed consideration for the purposes of illegal gambling. The bill also clarifies that the conduct of a game, contest, lottery, scheme, or promotional offering may be lawful if (i) no part of the purpose of the contest is illegal gambling, (ii) no part of the contest involves the use of a gambling device, and (iii) the contest complies with certain requirements enumerated in the bill. The bill provides that it is declaratory of existing law.

6. Budget Amendment Necessary: No

7. Fiscal Impact Estimates: There is no material fiscal impact to the Virginia Department of Agriculture and Consumer Services. However, there may be an indeterminate impact to the Compensation Board and Department of Corrections, arising from the various misdemeanor or felonies that may result given the amendments to the definitions of illegal gambling.

8. Fiscal Implications:

Local adult correctional facilities. The proposal could increase the future local-responsible (jail) bed space needs of the Commonwealth. However, recent data reveal that only 15% of offenders convicted of a Class 1 misdemeanor gambling-related offense received an active term of incarceration to serve after sentencing. While the impact of the proposal on jail beds cannot be quantified, it is likely to be negligible.

9. Specific Agency or Political Subdivisions Affected: Virginia Department of Agriculture and Consumer Services, Department of Corrections, Compensation Board

10. Technical Amendment Necessary: No

11. Other Comments: None

Date: 1/17/2011