Fiscal Impact Statement for Proposed Legislation

Virginia Criminal Sentencing Commission

Senate Bill No. 34

(Patrons – Lucas and Locke)

LD#: 16100685 **Date:** 12/01/2015

Topic: Casino gaming

Fiscal Impact Summary:

- **State Adult Correctional Facilities:** $50,000 *
- **Local Adult Correctional Facilities:** Cannot be determined
- **Adult Community Corrections Programs:** Cannot be determined
- **Juvenile Correctional Centers:** Cannot be determined **
- **Juvenile Detention Facilities:** Cannot be determined **

** Provided by the Department of Juvenile Justice

* The estimated amount of the necessary appropriation cannot be determined for periods of imprisonment in state adult correctional facilities; therefore, Chapter 665 of the 2015 Acts of Assembly requires the Virginia Criminal Sentencing Commission to assign a minimum fiscal impact of $50,000.

Summary of Proposed Legislation:

The proposal adds several sections to the *Code of Virginia* relating to casino gaming. The proposal sets forth administrative procedures and requirements for casino gaming, designates the Virginia Lottery Board to regulate casino gaming, and establishes new offenses relating to casino gaming in Virginia. Under the proposal, any person under the age of 21 who wagers on casino gaming or anyone who accepts a wager from a person under the age of 21 would be guilty of a Class 1 misdemeanor. The proposal prohibits numerous activities relating to casino gaming, including cheating at gaming and operating casino gaming where wagering is used or to be used without the proper license; violation of these provisions would be a Class 6 felony.

The proposal also defines several offenses that would be punishable as Class 4 felonies, including making a false statement on an application for a casino gaming operator's license or supplier's permit and fraudulent use of a credential, license or permit issued by the Virginia Casino Gaming Commission. Any person who conspires, confederates, or combines with another to commit any felony prohibited under the proposed Chapter 41 of Title 58.1 would be guilty of a Class 4 felony.

Currently, under § 18.2-328, operating an illegal gambling enterprise is a Class 6 felony. An operator who engages in an illegal gambling operation that is in continuous operation for more than 30 days or who has a gross revenue of $2,000 or more in a single day is subject to imprisonment for one to ten years. The proposed § 18.2-334.5 clarifies that participating in any casino gaming operation that is conducted in accordance with the proposed Chapter 50 of Title 59.1 would not be prohibited under § 18.2-328.

Analysis:

According to the Circuit Court Case Management System (CMS) for fiscal year (FY) 2013 and FY2014, one offender was convicted of a felony under § 18.2-328 for operating a continuous illegal gambling operation. This offense was the primary, or most serious, offense at sentencing. This offender did not receive an active term of incarceration to serve after sentencing.

Existing data do not contain sufficient detail to determine the number of felony convictions that may occur as the result of the proposal.

Impact of Proposed Legislation:

State adult correctional facilities. Because it creates new felony offenses, the proposal may increase the future state-responsible (prison) bed space needs of the Commonwealth. However, existing databases do not provide sufficient detail to estimate the number of new felony convictions likely to result from enactment of the proposal. Therefore, the magnitude of the impact on prison beds cannot be quantified.

Local adult correctional facilities. Similarly, the proposal may also increase the local-responsible (jail) bed space needs of the Commonwealth. However, the magnitude of the impact cannot be determined.

Adult community corrections programs. Because the proposal could result in felony convictions and subsequent supervision requirements for an additional number of offenders, the proposal may increase the need for adult community corrections resources. Since the number of cases that may be affected cannot be determined, the potential impact on community corrections resources cannot be quantified.

Virginia's sentencing guidelines. Since the proposal defines new felony offenses, convictions under the proposed sections of the *Code* would not be covered by the sentencing guidelines as the primary, or most serious, offense. Such a conviction, however, could augment the guidelines recommendation if the most serious offense at sentencing is covered by the guidelines. No adjustment to the guidelines is necessary under the proposal.

Juvenile correctional centers. According to the Department of Juvenile Justice (DJJ), the impact of the proposal on juvenile correctional center (JCC) bed space needs cannot be determined.

Juvenile detention facilities. The Department of Juvenile Justice reports that the proposal's impact on the bed space needs of juvenile detention facilities cannot be determined.

Pursuant to § 30-19.1:4, the estimated amount of the necessary appropriation cannot be determined for periods of imprisonment in state adult correctional facilities; therefore, Chapter 665 of the 2015 Acts of Assembly requires the Virginia Criminal Sentencing Commission to assign a minimum fiscal impact of $50,000.

Pursuant to § 30-19.1:4, the estimated amount of the necessary appropriation cannot be determined for periods of commitment to the custody of the Department of Juvenile Justice.

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