Department of Planning and Budget
2019 Fiscal Impact Statement

1. **Bill Number:** HB2617

House of Origin	☒	Introduced	☐	Substitute	☐	Engrossed
Second House	☐	In Committee	☐	Substitute	☐	Enrolled

2. **Patron:** Fowler

3. **Committee:** Rules

4. **Title:** Fantasy Contest Act; registration requirements.

5. **Summary:** This bill allows the Department of Agriculture and Consumer Services (VDACS) to set fantasy contest operator registration and renewal fees not to exceed (i) $5,000 for any applicant with annual gross receipts from the operation of fantasy contests in Virginia of not greater than $250,000 in the most recently completed fiscal year, (ii) $20,000 for any applicant with annual gross receipts from the operation of fantasy contests in Virginia of greater than $250,000 but not greater than $500,000 in the most recently completed fiscal year, or (iii) $40,000 for any applicant with annual gross receipts from the operation of fantasy contests in Virginia of greater than $500,000 in the most recently completed fiscal year. Under current law, every registration must be accompanied by an initial registration fee set by VDACS. The bill changes the annual consumer protection testing and financial audit requirements for registrants to a single test conducted within the first year of operation and financial audits at the request of the department.

6. **Budget Amendment Necessary**: No.

7. **Fiscal Impact Estimates:** Indeterminate. See item 8.

8. **Fiscal Implications:** This bill will have an indeterminate fiscal impact on the Virginia Department of Agriculture and Consumer Services (VDACS). The agency currently does not collect data regarding gross revenue generated in Virginia by registered fantasy contests operators; therefore, the agency is unable to determine the revenue associated with or the fiscal impact of the proposed fee schedule.

   The current fee for fantasy contests operators was set by the General Assembly in 2016 (Chapter 51 of Virginia Acts of Assembly) at $50,000 per year. The chapter authorizes the agency to adjust the fee at the close of a biennium so the fee is sufficient but not excessive to cover expenses. The administration of the Fantasy Contest Act is supported by registration and renewal fee revenue, and there is one position dedicated to the program.

9. **Specific Agency or Political Subdivisions Affected:** Department of Agriculture and Consumer Services.

10. **Technical Amendment Necessary:** No.

11. Other Comments: This bill is the companion to SB1566, as introduced.