

Department of Planning and Budget

2023 Fiscal Impact Statement

1. Bill Number: SB1235S1

House of Origin ☐ Introduced ☒ Substitute ☐ Engrossed

Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron: Obenshain

3. Committee: Finance and Appropriations

4. Title: Charitable gaming; exemptions from certain requirements for specified organizations.

5. Summary: Requires qualified organizations that reasonably expect, on the basis of prior charitable gaming annual results or any other quantifiable method, to realize gross receipts of \$40,000 or less from all charitable gaming other than raffles, conducted on a total of no more than seven days per calendar year, to register with the Department of Agriculture and Consumer Services (VDACS) on a form prescribed by VDACS. Such form shall only require the organization to provide (i) proof of the organization's nonprofit status, (ii) contact information for the chief executive officer of the organization or his designee, (iii) the location, dates, and times of any expected charitable gaming activity, (iv) a description of the general nature of the anticipated charitable gaming activity, and (v) a signed attestation that the organization (a) does not reasonably expect to realize more than \$40,000 in gross receipts on a total of no more than seven days per calendar year for the charitable gaming activities listed on the registration form and (b) understands that should the organization exceed the \$40,000 threshold, it will be required to file a report of its receipts and disbursements.

Under current law, any such organization is required to apply for a permit with VDACS before conducting any charitable gaming. The bill also provides that any qualified organization may, as part of its annual fundraising activities, sell instant bingo, pull tabs, or seal cards provided that any such instant bingo, pull tabs, or seal cards are dispensed by mechanical equipment only and the sale of the same is limited to two events of no more than seven days each per calendar year, and any such event is open to the public. Under current law, only athletic associations, booster clubs, or band booster clubs may, as part of their annual fundraising event, sell instant bingo, pull tabs, or seal cards, and such sales are limited to a single event in a calendar year

6. Budget Amendment Necessary: No.

7. Fiscal Impact Estimates: Preliminary. See Item 8.

- 8. Fiscal Implications:** It is anticipated that this bill will have an indeterminate expenditure impact on the Virginia Department of Agriculture and Consumer Services. The number of organizations that will obtain a permit or registration to sell instant bingo, seal cards, or pull-tabs outside of a bingo session pursuant to the provisions proposed in this bill is unknown.
- 9. Specific Agency or Political Subdivisions Affected:** Virginia Department of Agriculture and Consumer Services
- 10. Technical Amendment Necessary:** No.
- 11. Other Comments:** This is similar to HB2125.