
VIRGINIA STATE BUDGET

2021 Special Session I

Budget Bill - HB1800 (Chapter 552)

Bill Order » Office of Agriculture and Forestry » Item 105

Department of Agriculture and Consumer Services

| Item 105 | First Year - FY2021 | Second Year - FY2022 |
|--|---------------------|--|
| Regulation of Charitable Gaming Organizations (55900) | \$1,687,925 | \$1,687,925 \$2,095,525 |
| Charitable Gaming Regulation and Enforcement (55907) | \$1,687,925 | \$1,687,925 \$2,095,525 |
| Fund Sources: | | |
| General | \$1,583,066 | \$1,583,066 \$1,990,666 |
| Dedicated Special Revenue | \$104,859 | \$104,859 |

Authority: Title 2.2, Chapter 24; Title 18.2, Chapter 8; and Title 59.1, Chapter 51, Code of Virginia.

A. Notwithstanding § 18.2-340.31, Code of Virginia, any and all fees paid by any organization conducting charitable gaming under a permit issued by the department, including audit and administrative fees and permit fees, shall be deposited to the general fund.

B. The department shall deposit into the Investigation Fund any assets it receives as a result of a law enforcement seizure and subsequent forfeiture by either a state or federal court. The fund shall be used to defray the expenses of investigation and enforcement actions and to purchase equipment for enforcement purposes.

C. Included in these amounts is \$100,000 the first year and \$100,000 the second year in nongeneral funds from annual registration fees paid by operators of fantasy contests to support both direct and indirect expenses of the department in the regulation of fantasy contests in Virginia.

D.1 The Office of the State Inspector General shall, with the assistance of the Office of Charitable and Regulatory Programs, review the regulatory structure of charitable gaming in Virginia, to include, at a minimum: (i) current permitting requirements and exemptions; (ii) net revenue dedicated to charitable activities and which types of gaming revenue is excluded from this calculation; (iii) charitable gaming occurring in remote locations not located in the same jurisdiction as the registered address of the charitable organization; (iv) enforcement of the "social quarters" and "members and guests" limitation; (v) the structure of the Charitable Gaming Board including any changes needed to prevent conflicts of interest; (vi) the adequacy of enforcement and resources dedicated to oversight activities of the Office of Charitable and Regulatory Programs; and (vii) whether regulation of charitable gaming would be more appropriately vested with the Virginia Lottery. The Office of the State Inspector General shall report on their findings to the General Assembly no later than October 1, 2021.

2. All regulations promulgated by the Charitable Gaming Board and in effect on March 1, 2021 shall remain in force and no additional regulations shall be promulgated or additional physical devices authorized for either charitable or fantasy contests regulated by the Office of Charitable and Regulatory Programs prior to June 31, 2022.