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# VIRGINIA STATE BUDGET

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2021 Special Session I

## Budget Bill - HB1800 (Reenrolled)

Bill Order » Independent Agencies » Item 488

Virginia Lottery

Item 488	First Year - FY2021	Second Year - FY2022
<b>State Lottery Operations (81100)</b>	<b>\$109,713,870</b> <b>\$133,130,670</b>	<b>\$106,213,870</b> <b>\$119,830,670</b>
Regulation and Law Enforcement (81105)	\$3,429,368	\$3,429,368 \$5,679,368
Gaming Operations (81106)	\$95,313,077 \$118,729,877	\$91,813,077 \$105,429,877
Administrative Services (81107)	\$10,971,425	\$10,971,425 \$8,721,425
Fund Sources:		
Enterprise	\$107,463,870 \$130,880,670	\$103,963,870 \$117,580,670
Dedicated Special Revenue	\$2,250,000	\$2,250,000

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Authority: Title 58.1, Chapter 40 and Chapter 41, Code of Virginia.

A. Out of the amounts for Virginia Lottery Operations shall be paid:

1. Reimbursement for compensation and reasonable expenses of the members of the Virginia Lottery Board in the performance of their duties, as provided in § 2.2-2813, Code of Virginia.
2. The total costs for the operation and administration of the state lottery, pursuant to § 58.1-4022, Code of Virginia.
3. The costs of informing the public of the purposes of the Lottery Proceeds Fund, established pursuant to Article X, Section 7-A, Constitution of Virginia.

B. Expenses related to the regulation and oversight of Casino Gaming shall be paid from the combination of licensing and related fees collected under Title 58.1, Chapter 41, Code of Virginia, and an additional appropriation of up to \$16 million the first year and \$16 million the second year from the Gaming Proceeds Fund shall be provided to cover the costs of regulation and oversight activities related to Casino Gaming in the event casino operators become licensed in Virginia.

C. Expenses related to the regulation and oversight of Sports Betting shall be paid from a combination of ongoing licensing and fees related to the activities described in Title 58.1, Chapter 40, Code of Virginia. \$2,250,000 the first year and \$2,250,000 the second year from nongeneral funds is provided for Sports Betting regulation and oversight activities.

D. Notwithstanding the provisions of § 4-3.02 of this act, the Secretary of Finance may authorize an interest-free treasury loan for the Virginia Lottery to fund start-up costs associated with the implementation of Casino Gaming and Sports Betting activities as enacted by the 2020 General Assembly of Virginia. The Secretary of Finance may

extend the repayment plan for any such interest-free treasury loan for a period of longer than twelve months.

E.1. The Director of the Virginia Lottery shall convene a working group consisting of relevant agency personnel and representatives from a suitable cross-section of the Lottery-licensed sales agents, to meet at least three times between July 1, 2020 and January 1, 2021 to examine the following: (i) Virginia Lottery sales agent compensation, including standard commissions and any bonuses and incentives which are paid; (ii) how Virginia Lottery sales agent compensation compares to jurisdictions that border Virginia; and (iii) the impacts on sales agent commissions when Lottery purchases are made by means other than cash.

2. The Director is to share conclusions of the working group's analysis with the Chairs of the House Appropriations Committee and the Senate Finance and Appropriations Committee no later than January 1, 2021.