Department of Planning and Budget
2025 General Assembly Session
State Fiscal Impact Statement

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Bill Number: SB862 **Patron:** Reeves
Bill Title: Casino gaming; set-off of debts to the Commonwealth from prizes.

Bill Summary: Directs the Virginia Lottery Board to adopt regulations to establish and implement a set-off debt collection program in accordance with the provisions of the Setoff Debt Collection Act, wherein certain casino gaming prizes shall be subjected to delinquent debts of agencies and institutions of the Commonwealth.

Budget Amendment Necessary: No **Items Impacted:** None

Explanation: There is no immediate anticipated impact to the Virginia Lottery and Department of Taxation.

Fiscal Summary: The fiscal impact of the proposed legislation is unknown at this time. See fiscal analysis.

Fiscal Analysis: The Virginia Lottery Board would be required to develop regulations to setoff casino gaming prizes against debt that a winner owes to state agencies. The Lottery indicates the costs of developing regulations can be absorbed by current resources.

Casinos are private licensed entities, as a result they do not currently have access to information included in the Department of Taxation's setoff debt records. The Virginia Lottery does subject prizes paid by the Lottery to delinquent debts (conducts debt setoff for all subject prizes paid by the Lottery), but has no way of doing so for casino or sports betting prize wins.

Until regulations are promulgated the Department of Taxation is unable to estimate the cost of implementing such a setoff program. A setoff program against casino gaming prizes would generate an unknown revenue increase. However, until the regulations are promulgated, and the program established the timing of the increased revenue cannot be determined.

Other: None