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

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Bill Number: SB1241 **Patron:** Durant **Bill Title:** Charitable gaming; common interest communities; bingo.

Bill Summary: Allows common interest communities that serve residents age 55 or older to become a qualified organization for the purposes of conducting bingo in accordance with the rules and regulations of the Department of Agriculture and Consumer Services.

Budget Amendment Necessary: No. **Items Impacted:** N/A

Explanation: It is anticipated that the Virginia Department of Agriculture and Consumer Services (VDACS)

may require additional funding to implement the provisions of this bill in the future, but no

immediate budget amendment is needed. It is anticipated that the Department of

Professional and Occupational Regulation (DPOR) will not incur any expenses associated

with this legislation.

Fiscal Summary: It is anticipated that this bill may result in a fiscal impact to VDACS; however, the potential cost is indeterminate. It is anticipated that DPOR will not incur any costs related to this bill.

Fiscal Analysis: This impact statement is preliminary and will be updated as additional information becomes available. It is anticipated that this bill may have a fiscal impact on VDACS. Charitable gaming is a general funded program. The number of common interest communities that meet the definition in the legislation in Virginia is unknown but may be significant: there are an estimated 8,725 community associations in the Commonwealth as of 2020; a smaller number in the hundreds of communities is estimated to serve residents aged 55 and older. While there is no way of knowing how many of these communities may choose to conduct bingo, this bill would require VDACS to process the permits, inspect the conduct of the games, and audit the proceeds of any participating organizations. There are currently 520 organizations in Virginia that are registered and permitted to conduct charitable gaming in Virginia, including 143 bingo callers, 20 suppliers, and five manufacturers.

VDACS indicates that all audit and inspector positions at VDACS are currently filled and the unit is at capacity regarding workload. The agency may need to hire additional positions as the number of organizations conducting bingo rises. Each additional inspector could be hired at an annual cost of \$90,328, and each additional auditor could be hired at an annual cost of \$119,364. Additional inspectors would be needed to inspect permitted communities, and additional auditors would audit the agreements between the agency and permitted communities to ensure compliance.

The Department of Occupational and Professional Regulation has a Common Interest Community Board but does not anticipate any fiscal impact from this bill.

Other: This bill is the companion to HB2078.