



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 169

PRINTERS NO. 2961

PRIME SPONSOR: Delozier

REVENUE INCREASE / (DECREASE)

FUND	FY 2011/12	FY 2012/13
General Fund	\$0	\$0
Local Government Funds	\$0	\$0

SUMMARY: House Bill 169, Printer's Number 2961, amends the Local Option Small Games of Chance Act further providing for legislative intent; definitions; games of chance and prize limits; limits on sales; distributor licenses; regulations; licensing of eligible organizations; special permits; club licensees; revocation of licenses; enforcement; local option; prohibited persons; penalties; and making editorial changes.

ANALYSIS: This legislation clarifies several definitions by amending the terms civic and service association, club, daily drawing, eligible organization, fraternal organization, games of chance, law enforcement official, public interest purpose, raffle, and weekly drawing. Furthermore, the bill defines the terms club licensee, licensed distributor, prize, and proceeds.

The bill permits clubs to raise funds for general operating expenses. Specifically, not less than 70% of the proceeds shall be used for public interest purposes; up to 30% may be used for general operating expenses.

The legislation clarifies that a "club" is an organization that has a liquor license and defines a "club license" as a club that holds a license to conduct small games of chance. Additional requirements are added for club licensees.

Various prize limits are increased in the bill including the amount awarded for any single chance, weekly maximum cash value of prizes, monthly drawings, total prizes awarded within a month, raffles and prize awards under special permits.

Several reporting and record keeping requirements are added to provide better oversight of small games of chance licensees. Background checks are required by each manufacturer and distributor for all officers, managers and other responsible persons.

The act takes effect in 30 days.

FISCAL IMPACT: The legislation primarily impacts restrictions and reporting for licensees and prize limits for small games of chance. There is no adverse fiscal impact to Commonwealth or local government funds for these provisions of the bill.

PREPARED BY: Ritchie LaFaver
House Appropriations Committee (R)

DATE: January 23, 2012

Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.