



Fast Track Proposed Regulation Agency Background Document

Agency name	Department of Charitable Gaming
Virginia Administrative Code (VAC) citation	11 VAC 15-31
Regulation title	Supplier Rules and Regulations
Action title	Amendments to reflect Chapters 196,790, (2007 Acts of Assembly)
Date this document prepared	June 18, 2007

This information is required for executive branch review and the Virginia Registrar of Regulations, pursuant to the Virginia Administrative Process Act (APA), Executive Orders 36 (2006) and 58 (1999), and the *Virginia Register Form, Style, and Procedure Manual*.

Brief summary

Please provide a brief summary (no more than 2 short paragraphs) of the proposed new regulation, proposed amendments to the existing regulation, or the regulation proposed to be repealed. Alert the reader to all substantive matters or changes.

The "definitions" section has additions and changes to reflect changes from the above mentioned chapters. "Last sale game" and "bingo jackpots" were added to provide clarity from 2007 legislation.

Statement of final agency action

Please provide a statement of the final action taken by the agency including (1) the date the action was taken, (2) the name of the agency taking the action, and (3) the title of the regulation.

- 1) Action taken by the Charitable Gaming board on June 5, 2007
- 2) Department of Charitable Gaming
- 3) Title: 11 VAC 15-31 – Charitable Supplier Rules and Regulations

Legal basis

Enter statement here

Statutory Authority: 18.2-340.19 and 18.2-340.34
Changes as a result of the following 2007 Acts of Assembly; Chapters 196, 790
Approved by the Charitable Gaming Board
See attached letter from legal counsel

Purpose

Please explain the need for the new or amended regulation. Describe the rationale or justification of the proposed regulatory action. Detail the specific reasons the regulation is essential to protect the health, safety or welfare of citizens. Discuss the goals of the proposal and the problems the proposal is intended to solve.

The passage of HB 2389, SB 1179 required changes to the agency's gaming regulations.

Rationale for using fast track process

Please explain the rationale for using the fast track process in promulgating this regulation. Why do you expect this rulemaking to be noncontroversial?

The votes for passage of each bill was not controversial and the Governor signed into law.

Substance

Please briefly identify and explain the new substantive provisions, the substantive changes to existing sections, or both where appropriate. (Provide more detail about these changes in the "Detail of changes" section.)

Enter statement here

"Last Sale Game" means those pull-tab games where an automatic instant prize or a chance at a seal prize is offered for the purchaser of the last remaining ticket in the deal; §18.2-340.26:1 restricts the sales of these games to social quarters only; and the invoice must clearly state "Last Sale Games for Social Quarters Only". Added the definition (HB 2389) to provide clarity when these type of sales can occur.

“Pack” means sheets of bingo paper or electronic facsimiles assembled in the order of games to be played. This may include specials ~~and jackpots~~, but shall not include any bingo jackpots, winner-take-all, Lucky Seven or raffle. This clarifies the meaning (SB 1179) for bingo jackpot.

Issues

Please identify the issues associated with the proposed regulatory action, including:
1) *the primary advantages and disadvantages to the public, such as individual private citizens or businesses, of implementing the new or amended provisions;*
2) *the primary advantages and disadvantages to the agency or the Commonwealth; and*
3) *other pertinent matters of interest to the regulated community, government officials, and the public.*
If there are no disadvantages to the public or the Commonwealth, please indicate.

Enter statement here

These changes are a result of legislation passed during the 2007 General Assembly and they pose no disadvantages to the public, the Commonwealth, and or the government officials, or the regulated community.

Requirements more restrictive than federal

Please identify and describe any requirement of the proposal which is more restrictive than applicable federal requirements. Include a rationale for the need for the more restrictive requirements. If there are no applicable federal requirements or no requirements that exceed applicable federal requirements, include a statement to that effect.

N/A

Localities particularly affected

Please identify any locality particularly affected by the proposed regulation. Locality particularly affected means any locality which bears any identified disproportionate material impact which would not be experienced by other localities.

N/A

Regulatory flexibility analysis

Please describe the agency’s analysis of alternative regulatory methods, consistent with health, safety, environmental, and economic welfare, that will accomplish the objectives of applicable law while minimizing the adverse impact on small business. Alternative regulatory methods include, at a minimum:
1) *the establishment of less stringent compliance or reporting requirements;* 2) *the establishment of less stringent schedules or deadlines for compliance or reporting requirements;* 3) *the consolidation or simplification of compliance or reporting requirements;* 4) *the establishment of performance standards for*

small businesses to replace design or operational standards required in the proposed regulation; and 5) the exemption of small businesses from all or any part of the requirements contained in the proposed regulation.

Enter statement here

The changes to these regulations were required as a result of legislation passed during the 2007 General Assembly.

Economic impact

N/A.

Projected cost to the state to implement and enforce the proposed regulation, including (a) fund source / fund detail, and (b) a delineation of one-time versus on-going expenditures	Costs will be in conjunction with TH-04 for Charitable Gaming Rules & Regulations – 11 VAC 15-22
Projected cost of the regulation on localities	
Description of the individuals, businesses or other entities likely to be affected by the regulation	
Agency’s best estimate of the number of such entities that will be affected. Please include an estimate of the number of small businesses affected. Small business means a business entity, including its affiliates, that (i) is independently owned and operated and (ii) employs fewer than 500 full-time employees or has gross annual sales of less than \$6 million.	
All projected costs of the regulation for affected individuals, businesses, or other entities. Please be specific. Be sure to include the projected reporting, recordkeeping, and other administrative costs required for compliance by small businesses.	

Alternatives

Please describe any viable alternatives to the proposal considered and the rationale used by the agency to select the least burdensome or intrusive alternative that meets the essential purpose of the action. Also, include discussion of less intrusive or less costly alternatives for small businesses, as defined in §2.2-4007.1 of the Code of Virginia, of achieving the purpose of the regulation.

Enter statement here

Changes were due to legislative mandates from 2007 General Assembly.

Family impact

Please assess the impact of the proposed regulatory action on the institution of the family and family stability including to what extent the regulatory action will: 1) strengthen or erode the authority and rights of parents in the education, nurturing, and supervision of their children; 2) encourage or discourage economic self-sufficiency, self-pride, and the assumption of responsibility for oneself, one’s spouse, and one’s children and/or elderly parents; 3) strengthen or erode the marital commitment; and 4) increase or decrease disposable family income.

N/A

Detail of changes

Please detail all changes that are being proposed and the consequences of the proposed changes. Detail all new provisions and/or all changes to existing sections.

If the proposed regulation is intended to replace an emergency regulation, please list separately (1) all changes between the pre-emergency regulation and the proposed regulation, and (2) only changes made since the publication of the emergency regulation.

For changes to existing regulations, use this chart:

Current section number	Proposed new section number, if applicable	Current requirement	Proposed change and rationale
11 VAC 15-31-10	N/A	No definition was listed	<p><u>“Last Sale Game” means those pull-tab games where an automatic instant prize or a chance at a seal prize is offered for the purchaser of the last remaining ticket in the deal; §18.2-340.26:1 restricts the sales of these games to social quarters only; and the invoice must clearly state “Last Sale Games for Social Quarters Only”.</u></p> <p>“Pack” means sheets of bingo paper or electronic facsimiles assembled in the order of games to be played. This may include specials and jackpots, but shall not include any <u>bingo jackpots,</u> winner-take-all, Lucky Seven or raffle.</p>