

Office of Regulatory Management
Economic Review Form

Agency name	Department of Agriculture and Consumer Services
Virginia Administrative Code (VAC) Chapter citation(s)	11 VAC 20-30 11 VAC 20-20 (forthcoming)
VAC Chapter title(s)	Texas Hold'em Poker Tournament Regulations (11 VAC 20-30) Charitable Gaming Regulations (11 VAC 20-20)
Action title	Promulgation of regulations for Texas Hold'em poker tournaments by the Department of Agriculture and Consumer Services
Date this document prepared	January 11, 2023
Regulatory Stage (including Issuance of Guidance Documents)	Exempt, proposed

Cost Benefit Analysis

Complete Tables 1a and 1b for all regulatory actions. You do not need to complete Table 1c if the regulatory action is required by state statute or federal statute or regulation and leaves no discretion in its implementation.

Table 1a should provide analysis for the regulatory approach you are taking. Table 1b should provide analysis for the approach of leaving the current regulations intact (i.e., no further change is implemented). Table 1c should provide analysis for at least one alternative approach. You should not limit yourself to one alternative, however, and can add additional charts as needed.

Report both direct and indirect costs and benefits that can be monetized in Boxes 1 and 2. Report direct and indirect costs and benefits that cannot be monetized in Box 4. See the ORM Regulatory Economic Analysis Manual for additional guidance.

Table 1a: Costs and Benefits of the Proposed Changes (Primary Option)

<p>(1) Direct & Indirect Costs & Benefits (Monetized)</p>	<p>11 VAC 20-30 is a new regulation that governs the conduct of Texas Hold'em poker tournaments held by qualified charitable organizations. A qualified charitable organization will have the ability to choose whether it would like to conduct Texas Hold'em poker tournaments as one of the permissible charitable gaming activities it conducts. Qualified organizations are not required to hold Texas Hold'em poker tournaments, and the regulations simply provide the requirements for qualified charitable organizations that choose to conduct this type of charitable gaming.</p> <p><u>Direct Costs:</u> The conduct of Texas Hold'em poker tournaments is the choice of a qualified charitable organization and, therefore, there are no required costs associated with this new regulation. The agency is not assessing any fees for the issuance of any permit associated with Texas Hold'em poker tournaments.</p> <p><u>Direct Benefits:</u> The intent of the law and regulations are to allow qualified charitable organizations to conduct Texas Hold'em poker tournaments in order to supplement their revenue and increase the amount of money the charitable organization raises for its charitable purpose. The agency is not able to estimate the number of organizations that will take advantage of the opportunity to conduct this type of charitable gaming and, therefore, cannot make an accurate assessment of the benefits.</p> <p>The agency is not aware of any indirect costs or benefits associated with this regulatory action.</p>	
<p>(2) Present Monetized Values</p>	<p>Direct & Indirect Costs</p>	<p>Direct & Indirect Benefits</p>
	<p>(a) None</p>	<p>(b) Unknown</p>
<p>(3) Net Monetized Benefit</p>	<p>N/A</p>	
<p>(4) Other Costs & Benefits (Non-Monetized)</p>	<p>N/A</p>	

(5) Information Sources	N/A
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Table 1b: Costs and Benefits under the Status Quo (No change to the regulation)

(1) Direct & Indirect Costs & Benefits (Monetized)	Section 18.2-340.19 of the Charitable Gaming Law requires the Department of Agriculture and Consumer Services to adopt regulations that prescribe the conditions under which a qualified organization may manage, operate, or contract with operators of, or conduct Texas Hold'em poker tournaments. Chapters 554 and 609 of the 2022 Acts of Assembly require the Commissioner of Agriculture and Consumer Services to promulgate regulations regarding Texas Hold'em poker tournaments that are consistent with the provisions of Chapter 982 of the 2020 Acts of Assembly. As such, the agency is not able to maintain the status quo.	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) 0	(b) 0
(3) Net Monetized Benefit	0	
(4) Other Costs & Benefits (Non-Monetized)	0	
(5) Information Sources	N/A	

Table 1c: Costs and Benefits under Alternative Approach(es)

(1) Direct & Indirect Costs & Benefits (Monetized)	Section 18.2-340.19 of the Charitable Gaming Law requires the Department of Agriculture and Consumer Services to adopt regulations that prescribe the conditions under which a qualified organization may manage, operate, or contract with operators of, or conduct Texas Hold'em poker tournaments. Chapters 554 and 609 of the 2022 Acts of Assembly require the Commissioner of Agriculture and Consumer Services to promulgate regulations regarding Texas Hold'em poker tournaments that are consistent with the provisions of Chapter 982 of the 2020 Acts of Assembly. Therefore, the agency is not able to consider an alternative approach in lieu of regulation.	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits

	(a) N/A	(b) N/A
(3) Net Monetized Benefit	N/A	
(4) Other Costs & Benefits (Non-Monetized)	N/A	
(5) Information Sources	N/A	

Impact on Local Partners

Use this chart to describe impacts on local partners. See Part 8 of the ORM Cost Impact Analysis Guidance for additional guidance.

Table 2: Impact on Local Partners

(1) Direct & Indirect Costs & Benefits (Monetized)	This regulation will have no direct or indirect impact on local partners.	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) c	(b) N/A
(3) Other Costs & Benefits (Non-Monetized)	N/A	
(4) Assistance	N/A	
(5) Information Sources	N/A	

Impacts on Families

Use this chart to describe impacts on families. See Part 8 of the ORM Cost Impact Analysis Guidance for additional guidance.

Table 3: Impact on Families

(1) Direct & Indirect Costs & Benefits (Monetized)	This regulation will have no direct or indirect impact on families.	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) N/A	(b) N/A
(3) Other Costs & Benefits (Non-Monetized)	N/A	
(4) Information Sources	N/A	

Impacts on Small Businesses

Use this chart to describe impacts on small businesses. See Part 8 of the ORM Cost Impact Analysis Guidance for additional guidance.

Table 4: Impact on Small Businesses

(1) Direct & Indirect Costs & Benefits (Monetized)	<p>Non-profit organizations do not meet the definition of small business as established in Va. Code § 2.2-4007.1.</p> <p>The law and the regulations allow for the use of an operator to run a poker tournament for a qualified charitable organization. Operators, once established, may meet the definition of small business. However, no operators are currently legally conducting poker tournaments and, therefore, it is not possible to estimate the impact on these operators at this time. This regulation does not establish a fee for the proposed operator registration; however, if the operator chooses to provide charitable gaming supplies to a charitable organization, it would be subject to Va. Code § 18.2-340.34, which, in part, requires suppliers of charitable gaming supplies to obtain a permit from VDACS.</p> <p>At this time, agency is unable to estimate any direct or indirect benefit on a small business that chooses to register as an operator under these new regulations.</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) unknown	(b) unknown

(3) Other Costs & Benefits (Non-Monetized)	N/A
(4) Alternatives	N/A
(5) Information Sources	N/A

Changes to Number of Regulatory Requirements

For each individual VAC Chapter amended, repealed, or promulgated by this regulatory action, list (a) the initial requirement count, (b) the count of requirements that this regulatory package is adding, (c) the count of requirements that this regulatory package is reducing, (d) the net change in the number of requirements. This count should be based upon the text as written when this stage was presented for executive branch review. Five rows have been provided, add or delete rows as needed. In the last row, indicate the total number for each column.

Table 5: Total Number of Requirements

	Number of Requirements			
Chapter number	Initial Count	Additions	Subtractions	Net Change
11 VAC 20-30	0	165	N/A	165
TOTAL	0	165	N/A	165