



Virginia Department of Agriculture & Consumer Services

*Office of Charitable & Regulatory
Programs*

RESPONSIBILITIES

The Office of Charitable and Regulatory Programs (OCRP) administers 11 different laws affecting various industries, activities, and/or consumer products.

These 11 different laws include the following:

- Charitable gaming;
- Charitable solicitations;
- Credit services businesses;
- Extended service contract providers;
- Fantasy contests;

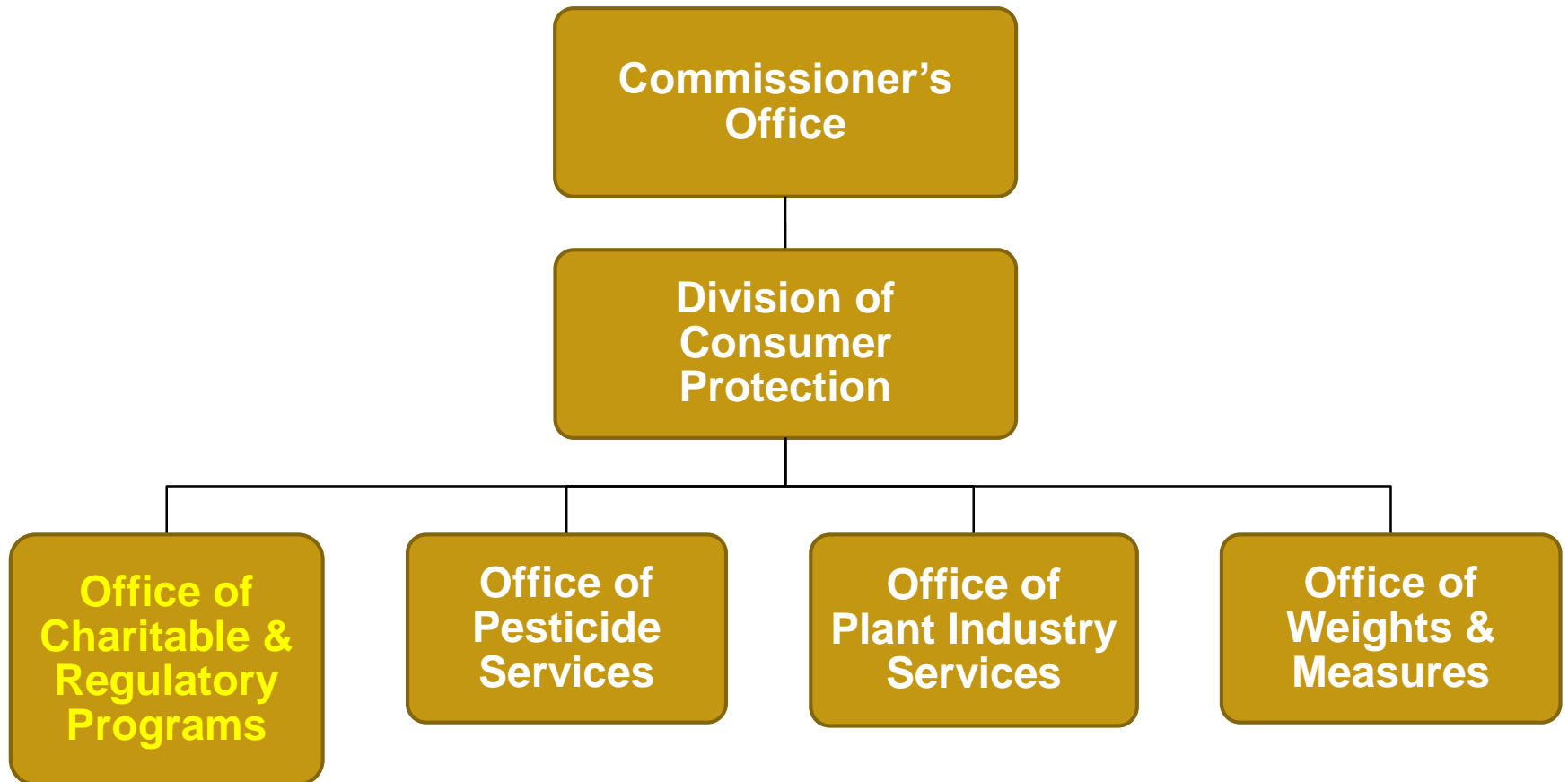


RESPONSIBILITIES

- Health clubs (fitness clubs);
- Home services contracts providers;
- Legal services plan sellers;
- Membership campgrounds;
- Travel clubs; and
- Waste kitchen grease transporters.

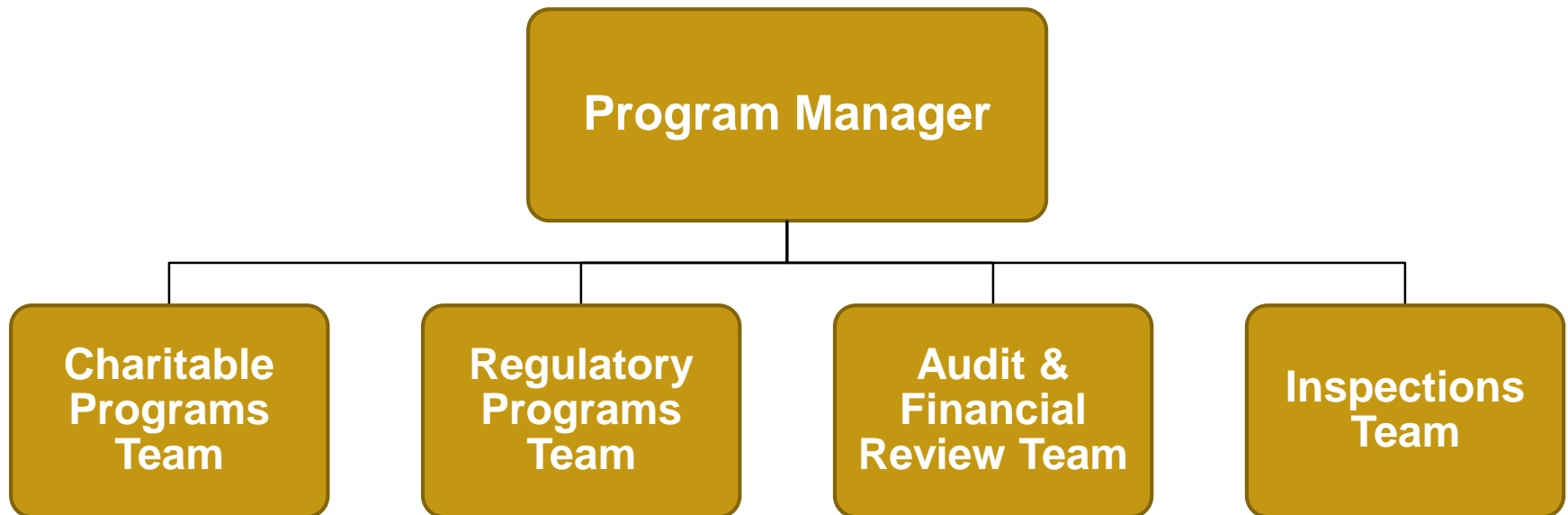
ORGANIZATIONAL CHART

Virginia Department of Agriculture & Consumer Services



ORGANIZATIONAL CHART

Office of Charitable & Regulatory Programs





Virginia Department of Agriculture & Consumer Services

CHARITABLE SOLICITATION

CHARITABLE SOLICITATIONS

According to the Internal Revenue Service:

- Approximately 48,300 charities operate in Virginia.
- In 2019, approximately \$6.7 billion was donated by Virginians to charities.
- Approximately \$18.3 million a day is donated by Virginians to charities.

CHARITABLE SOLICITATIONS

In 1974, the General Assembly passed the **Virginia Solicitation of Contribution law** (§ 57-48 et seq. of the Code of Virginia):

- It requires a charitable organization soliciting donations in the Commonwealth to register with VDACS.
- Suspected violations are referred to the Office of Attorney General or a local Commonwealth's Attorney for legal action.

CHARITABLE SOLICITATIONS

The Virginia Solicitation of Contribution law exempts **14 types** of organizations from annual registration, including:

- Area agencies on aging, churches, civic organizations, accredited educational institutions, health care institutions, etc.

In total, there are approximately **23,063** charities registered with VDACS in accordance with the Virginia Solicitation of Contribution law.



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CHARITABLE GAMING

CHARITABLE GAMING

- Gambling in the Commonwealth is illegal pursuant to §18.2-325 of the *Code of Virginia*. The only exceptions to this prohibition are the following:

Authorized Gambling Activities
Casino
Lottery
Sports Wagering
Pari-Mutuel Wagering, including historical racing machines
Charitable Gaming

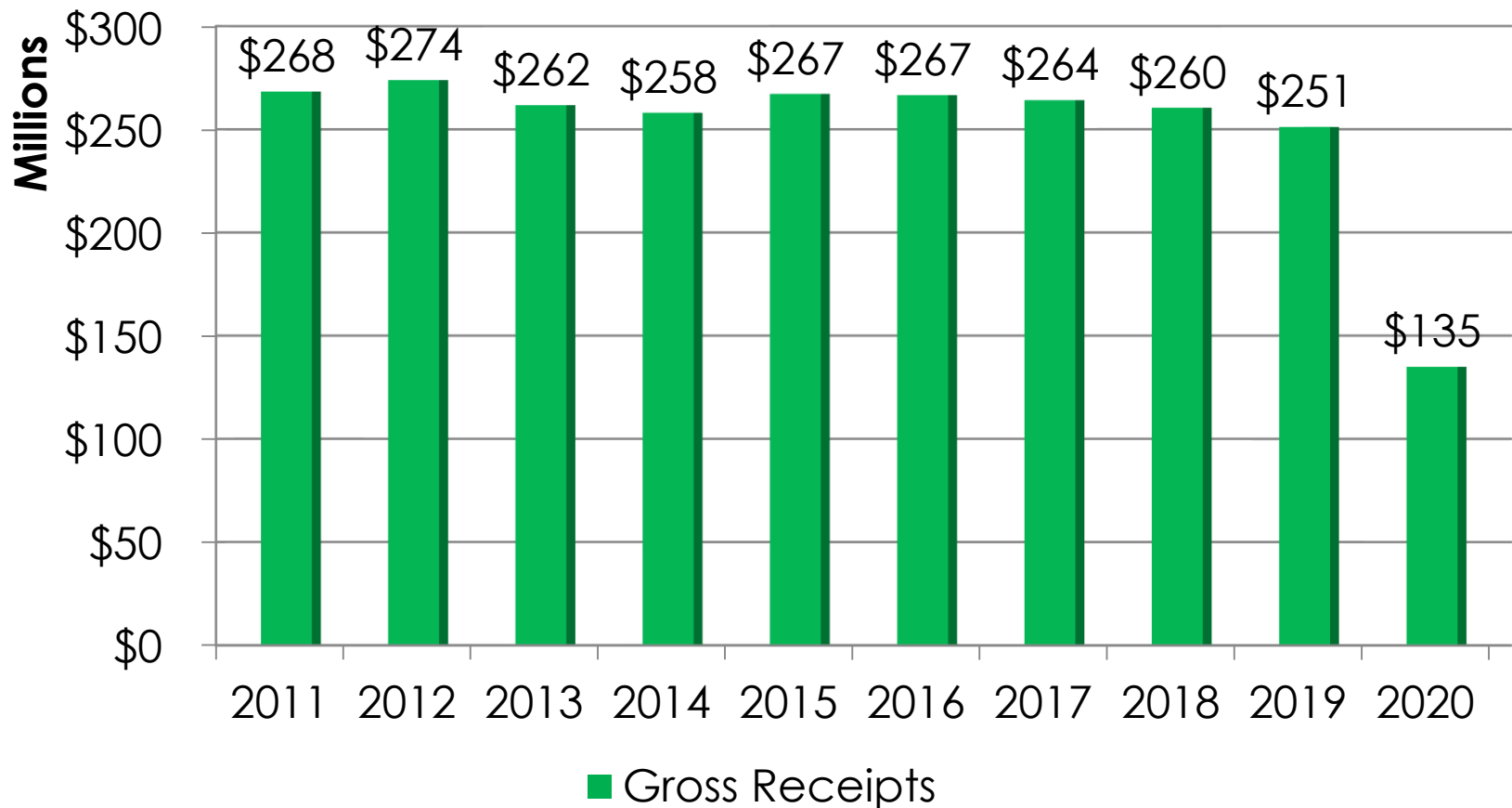
CHARITABLE GAMING

- Charitable gaming is another form of fundraising for charities to fund their activities:

Permissible Charitable Games
Bingo
Instant Bingo/Pull-Tabs/Seal Cards
Raffles

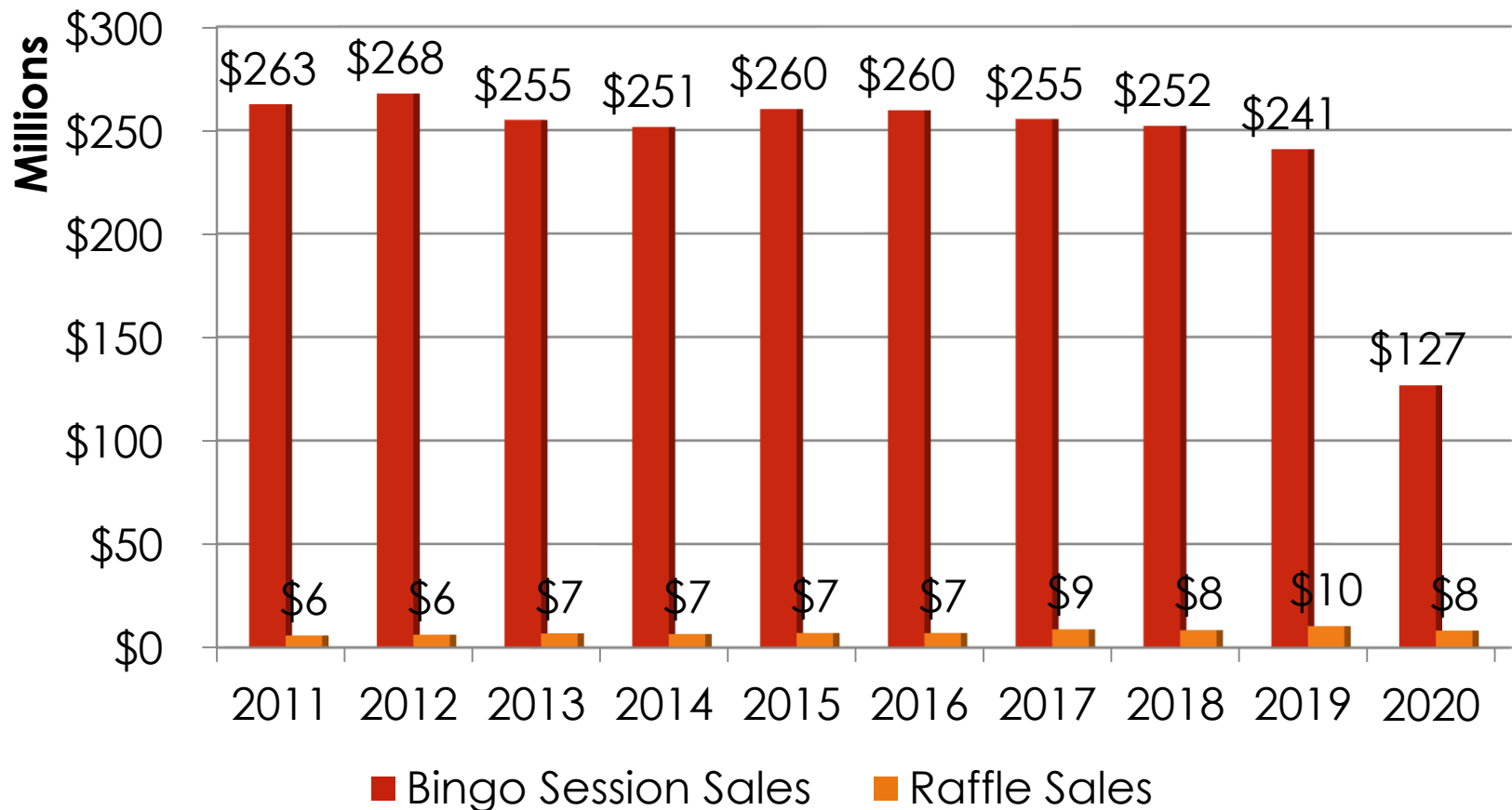
- Permitted organizations are subject to routine inspections; certain organizations are subject to an audit/financial review.

CHARITABLE GAMING GROSS RECEIPTS



* Gross receipt figures, as reported by the permitted organizations.

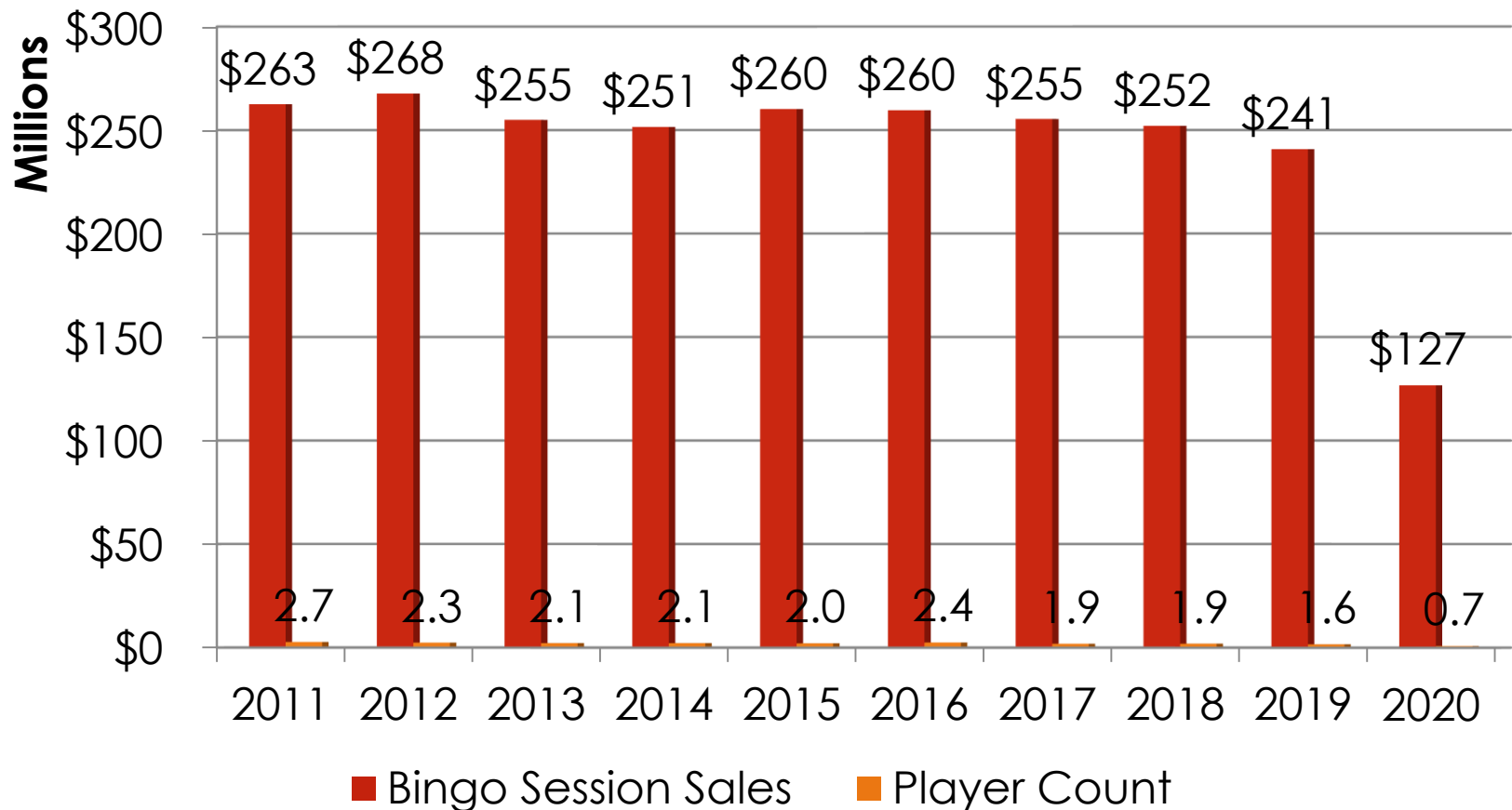
GROSS RECEIPTS BREAKDOWN



* Gross receipt figures, as reported by the permitted organizations.

GROSS RECEIPTS

BINGO SESSION SALES VS. PLAYER COUNT

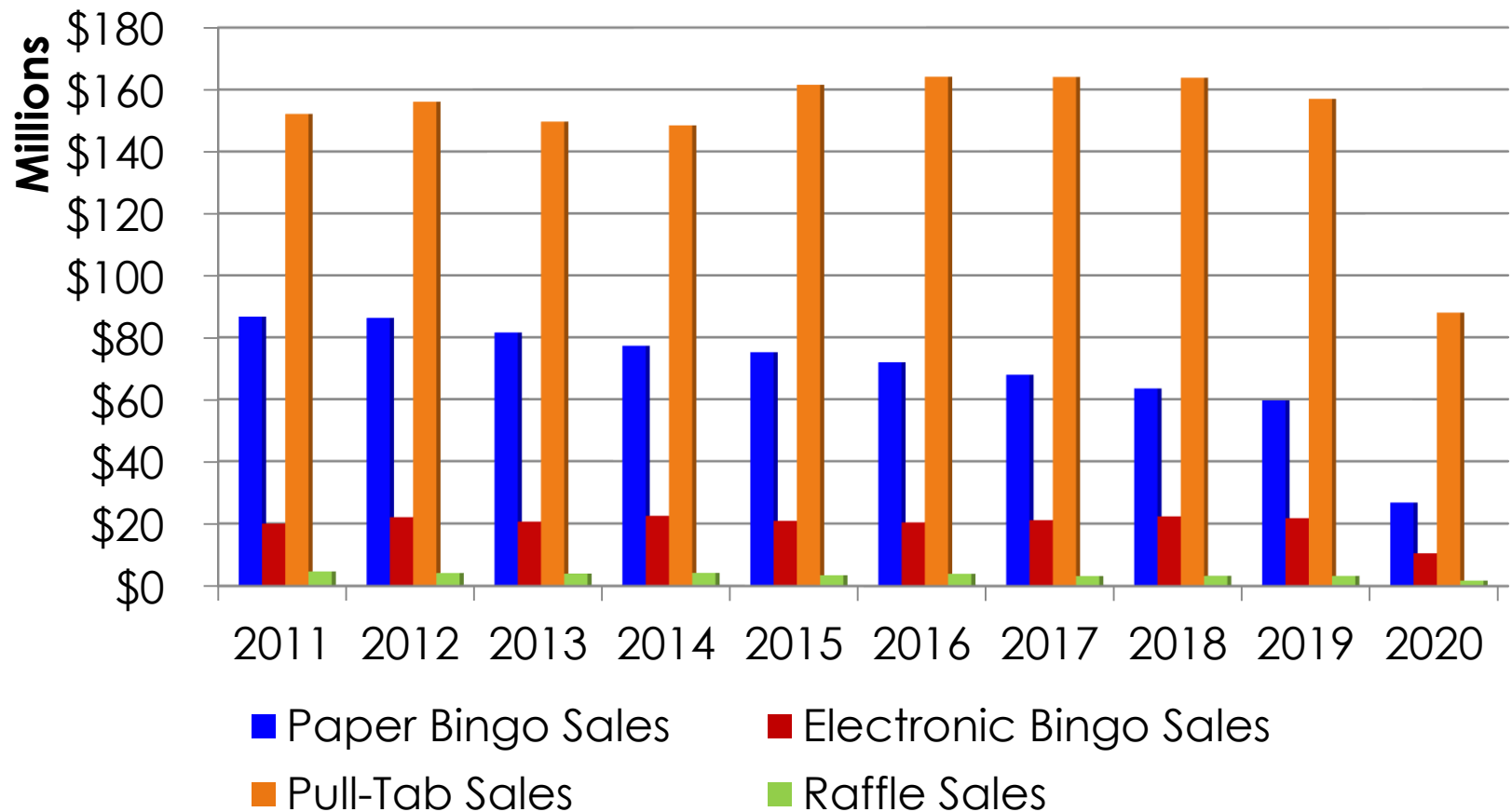


* Gross receipt figures and player count, as reported by the permitted organizations.

BINGO SESSION



GROSS RECEIPTS BINGO SESSION SALES BREAKDOWN



* Gross receipt figures before discounts, as reported by the permitted organizations.

BINGO SESSION SALES



PRIVATE SOCIAL QUARTERS

- Chapter 833 of the Acts of the Assembly (2001) was passed by the General Assembly, which the Act removed regulatory oversight of pull-tab sales in an organization's private social quarters.
 - No permitting requirements;
 - No financial reporting requirements;
 - No auditing requirements, etc.
- Charitable gaming law does not define what constitutes a "private social quarter."

PAPER PULL-TABS



ELECTRONIC PULL-TABS

- Chapter 264 of the Acts of the Assembly (2007 General Assembly Session) authorized electronic pull-tabs.
- In November 2012, the regulatory framework for electronic pull-tabs went into effect.
- Electronic pull-tabs may be played within an organization's private social quarters or during a bingo session.

ELECTRONIC PULL-TABS

- Charitable Gaming Regulations require:
 - Each game set shall be a **finite** number of electronic pull-tab tickets.
 - Each game set shall consist of a maximum of **25,000** electronic pull-tab tickets.
 - Electronic pull-tabs may **not** contain rolling, flashing, or spinning animations.
 - All hardware and software must be tested by an VDACS-recognized testing laboratory; and explicitly approved by VDACS.
 - BMM Test Labs (Las Vegas, NV)
 - Eclipse Compliance Testing (Cleveland, OH)
 - Gaming Laboratories Int'l (Lakewood, NJ)

ELECTRONIC PULL-TAB DEVICE



ELECTRONIC PULL-TAB TICKET

The screenshot displays the Don Cashbone slot machine game interface. On the left, a character in a blue suit and hat is shown. The main area features five reels with various symbols including newspapers, guns, and cars. A paytable at the top right lists winning combinations and their corresponding payouts. The bottom section includes a balance display, bet adjustment buttons, and a 'NEW TICKET' button.

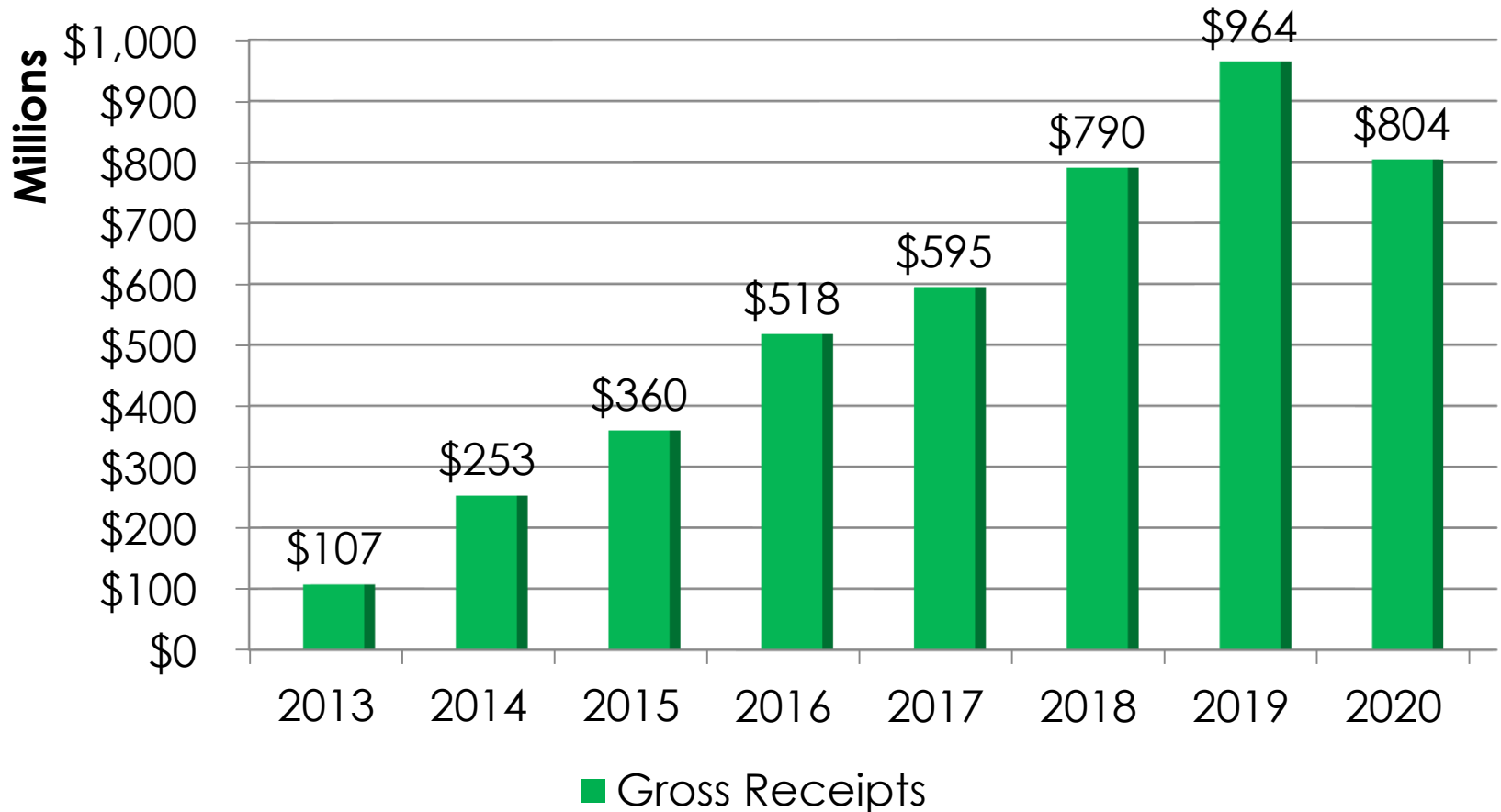
Paytable:

Line	Symbol 1	Symbol 2	Symbol 3	Symbol 4	Symbol 5	Symbol 6	Symbol 7	Payout
5	Don Cashbone	Don Cashbone	Don Cashbone	Don Cashbone	Don Cashbone	Don Cashbone	Don Cashbone	\$5.00
4	Don Cashbone	Don Cashbone	Don Cashbone	Don Cashbone	Don Cashbone	Don Cashbone	Don Cashbone	\$2.50
3	Don Cashbone	Don Cashbone	Don Cashbone	Don Cashbone	Don Cashbone	Don Cashbone	Don Cashbone	\$1.25
2	Don Cashbone	Don Cashbone	Don Cashbone	Don Cashbone	Don Cashbone	Don Cashbone	Don Cashbone	\$0.50
1	Don Cashbone	Don Cashbone	Don Cashbone	Don Cashbone	Don Cashbone	Don Cashbone	Don Cashbone	\$0.25

Game Interface Details:

- Balance:** \$168.50
- Bet Adjustment:** 25 CENTS, 50 CENTS, 1 DOLLAR, 2 DOLLARS
- Buttons:** GAME MENU, WIN, ADJUST BET AND PEEL, NEW TICKET
- Reel Symbols:** Don Cashbone, Gun, Car, Newspaper, Cigar, Spade, Heart, Club, Diamond, Wild

ELECTRONIC PULL-TABS GROSS RECEIPTS



* Gross receipt figures, as reported by the manufacturers for both private social quarters and bingo sessions.

SENATE BILL 1127

- Chapter 520 of the Acts of the Assembly (2021 General Assembly Session) requires the permitting of pull-tab sales (i.e. paper and electronic) in the private social quarters.
 - Places these sales back under administrative control since 2001.
 - Private social quarters must have controlled access.
- Limits where a bingo session or private social quarter may operate, unless explicitly exempted; existing locations as of February 1, 2021, may continue until June 30, 2022.

SENATE BILL 1127

- Redefines the types of organizations eligible to obtain a charitable gaming permit.
 - Caps certain organizations to no more than \$40,000 in gross receipts.
- Requires all bingo sessions to be permitted by VDACS.

PRIVATE SOCIAL QUARTERS

- Charitable gaming law:
 - Does not define what constitutes a “private social quarter.”
 - Does not require organizations to report their pull-tab sales (i.e. paper and electronic) generated within a private social quarters to VDACS.
 - Does not subject pull-tab sales generated within a private social quarters to an audit by VDACS.
 - Does not subject pull-tab sales generated within a private social quarters to the audit and administration fee.

PRIVATE SOCIAL QUARTERS

- Charitable gaming law:
 - Does subject private social quarters to routine inspections.
 - Limits the number of electronic pull-tab devices to 18 per private social quarter; current average is 10 devices per private social quarter.

ELECTRONIC PULL-TABS DEVICES

	Prior to SB1127	Currently	Net
Total Number of Active Devices	3,375	2,773	(602)
Number of Active <u>Bingo Session</u> Devices	211	192	(19)
Number of Active <u>Private Social Quarter</u> Devices	3,164	2,581	(583)
Total Number of Active Locations	334	275	(59)
Number of Active <u>Bingo Session</u> Locations	12	14	2
Number of Active <u>Private Social Quarter</u> Locations	322	260	(62)

ELECTRONIC PULL-TABS DEVICES

	Currently	Percentage
Total Number of Organizations w/ <u>Private Social Quarters</u>	250	100%
Number of <u>Veteran</u> Organizations	87	34.8%
Number of <u>Fraternal</u> Organizations	148	59.2%
Number of <u>Charitable</u> Organizations	15	6%
Total Number of Organizations w/ <u>Private Social Quarters</u>	250	100%
Number of Organizations with One <u>Private Social Quarter</u> Location	249	99.6%
Number of Organizations with Multiple <u>Private Social Quarter</u> Locations	1	0.4%

BUDGET LANGUAGE

- Per legal guidance, budget language limits VDACS' authority to approve any new hardware or software for both electronic bingo devices and electronic pull-tab devices until June 30, 2022.



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