

"A Virginia association dedicated to the protection and enhancement of Charitable Gaming"

October 19, 2009

The Honorable Chris Jones Chairman Joint Subcommittee Studying Charitable Gaming Laws Post Office Box 5059 Suffolk, Virginia 23435-0059

Dear Chairman Jones:

On behalf of the Virginia Charitable Bingo Association ("VCBA") thank you for all the hard work you and your committee continue to conduct to help address the pressing needs of charities across the Commonwealth. The VCBA is dedicated to helping charities take home more bingo proceeds to be used for their stated purpose.

Virginia charities have been suffering tremendously over the last few years as a result of several factors including; the down turn in the economy, a drop in direct giving, attendance at charitable bingo games and the overall amount of money spent per player during charitable bingo games. Additionally, the federal government is considering lowering tax deductions on charitable giving from 35 percent to 28 percent which could equate to a much larger burden on all charities.

VCBA's recommendations to the subcommittee are based on significant work including; sending out a survey and newsletter to all registered charities in Virginia (as attached), holding direct meetings and phone conferences with groups all over the Commonwealth, attending all the subcommittee meetings and public hearings and numerous conversations with our members, non-members and other stakeholders.

To be clear we are not supportive of any laws which would; create new competition in the industry, casino like games or an increase any charitable prize award.

Below are a list of priorities the VCBA encourages you to support during this upcoming Session of the Virginia General Assembly. <u>They are rank ordered in terms of importance to the</u> <u>charities</u>:

1. The Virginia Department of Charitable Gaming ("VDCG") in 2008 collected a total \$3,203,324 of fees and revenue from licensed charities however the department only spent \$2,799,918 on its stated purpose, the remainder, \$403,406 went into the state's general fund. Our charities strongly believe that the department should be allowed to keep all of the revenue as is

done with all other regulatory agencies within the Department of Professional and Occupational Regulation and the Department of Health Professions.

2. Increase the number of allowed progressive bingo games including; Lucky 7, Shaded paper or other custom games to six games per session and allow them to be played on paper and in existing card mining devices like all other bingo games as they are currently being played.

3. Assuming approval of expansion of progressive games to six reduce the number of winner take all games to one per session.

4. Support the Virginia Department of Charitable Gaming's effort to enact protective regulations to allow for electronic game play.

5. That Virginia's charitable bingo halls be held exempt from any smoking laws.

6. Approve audio and video graphic representations of game winners. This is for entertainment purposes only.

7. That full auto-daub be allowed for Virginia charitable bingo play to particularly help play by the elderly, visually or physically handicapped.

8. Allow the owner of a bingo hall to require their tenants to use a specific security service as long as they are a uniformed employee of a local or state police force in which the charitable hall is located.

9. That the VDCG be required to competitively bid new independent laboratory testers. Successful bids shall include at least three preferred testing laboratories. This will reduce VDCG costs, promote competition and speed approval processes.

10. That the VDCG at its very earliest opportunity create new easier to use reporting forms and establish an online system whereby charities can conduct all licensing and reporting business electronically. We understand that the VDCG is currently working on this item.

11. Allow persons who are not bona fide members of a charity playing bingo to volunteer as long as they are supervised by a bona fide official member of the charity.

12. For a charity to conduct bingo games in the Commonwealth of Virginia 60% of their board of directors shall be bona fide members and 60 percent shall be Virginia residents.

We will continue to work very hard on behalf of our charities and coordinate with the subcommittee, the full legislature and the executive branch.

Thank you very much for your attention to the charitable bingo industry and your support of VCBA recommendations.

If you have any questions please feel free to contact me directly or our lobbyist Matt Benka at (804) 240-7984.

Sincerely,

Chuck Lessin Legislative Director Virginia Charitable Bingo Association

- CC: Members of the Subcommittees Studying Charitable Gaming Laws Board of Directors, Virginia Department of Charitable Gaming Maria Everett, Legislative Services Betty Bowman, Director, Virginia Department of Charitable Gaming Andy Alverez, Virginia Department of Agriculture and Consumer Affairs Matt Benka, MDB Strategies
- Enclosure: VCBA June September Newsletter and Survey