



Joint Subcommittee to Study the Feasibility of Establishing the Virginia Gaming Commission

November 8, 2024, at 10:00 a.m.

Electronic Meeting

<https://studies.virginiageneralassembly.gov/studies/667>

The Joint Subcommittee to Study the Feasibility of Establishing the Virginia Gaming Commission (the Joint Subcommittee) met virtually with Senator Bryce E. Reeves, chair, presiding.¹ The meeting began with opening remarks from the chair and vice-chair, Delegate Paul E. Krizek, followed by presentations and discussion. Materials presented at the meeting are accessible through the [*Joint Subcommittee's meetings webpage*](#).

Presentation: Virginia Gaming Commission Operating Model

Colin Hood, Director, Guidehouse

Mr. Hood, Director at Guidehouse in the State and Local Government Practice, presented to the Joint Subcommittee a history of the Virginia Gaming Commission Study, the engagement process, an overview of 13 recommendations that were presented at the previous meeting, and a potential option for a transition readiness governance for the Virginia Gaming Commission.

Mr. Hood provided the following recommendations for the General Assembly to consider regarding Consolidation Option B: (i) consolidating all gaming regulatory and oversight operations in the Commonwealth, except the Virginia Lottery, into an independent, centralized Virginia Gaming Commission (VGC); (ii) structuring the VGC to maximize forecasted economies of scale, facilitate cross-training, and leverage best practices within similar functions across different gaming types; (iii) creating the VGC Board and assigning it regulatory and oversight responsibilities over all gaming types except live horse racing and the Virginia Lottery; (iv) maintaining the Virginia Racing Commission Board and transferring historical horse racing, advance deposit account wagering, and simulcast racing regulatory and oversight responsibilities to the VGC Board; (v) directing the Charitable Gaming Board to advise the VGC on all aspects of the conduct of charitable gaming in Virginia; (vi) establishing a Problem Gambling Division in the VGC that could coordinate with local, state, and national stakeholders to manage problem gambling prevention, recovery, and treatment efforts; (vii) establishing an External Affairs & Policy Division in the VGC to recommend gaming policy decisions to legislators and communicate with relevant stakeholders in Virginia; (viii) establishing the Executive Leadership team in the VGC and defining roles and responsibilities with clear division of duties, including elevating the role of the Executive Secretary of Racing; (ix) maintaining existing beneficiaries of revenue streams from each gaming type; (x) directing the VGC to review consolidating technology systems to increase efficiency of core functions; (xi) directing the VGC to develop a standardized approach for reporting to the General Assembly on a regular basis across all gaming types; (xii) following implementation of the consolidated VGC, considering how to further

¹ **Members Present:** Senator Bryce E. Reeves (chair), Delegate Paul E. Krizek (vice-chair), Senator Adam P. Ebbin, Senator Jeremy S. McPike, Senator Todd E. Pillion, Delegate Terry L. Austin, Delegate David L. Bulova
Members Absent: Delegate Luke E. Torian

invest in gaming enforcement; and (xiii) following the successful launch of the VGC, reconsidering Virginia Lottery operations consolidation.

Information was also presented regarding how a temporary transitional body could be established for the next phase of the VGC's transition to continue carrying out foundational work for the future VGC. A Virginia Gaming Transition Oversight Committee, consisting of members of the General Assembly and relevant agency heads, could provide legislative oversight and policy direction as needed to enable the foundational work needed for the VGC until permanent governance is established. Additionally, a legislative transition executive committee, a subgroup of General Assembly members from the Virginia Gaming Oversight Committee, could make decisions and provide direction to the work of the Project Management Office (PMO) team and guide broader decisions related to the VGC as appropriate. Lastly, the PMO team, led by the Division of Legislative Services, could conduct transitional work on behalf of the Virginia Gaming Oversight Committee and its Executive Committee, with assistance provided by key Virginia agencies. Sample tasks of such transitional body could include: (a) developing options for facilities transition; (b) preparing and starting technology application rationalization; (c) collecting and analyzing data, documentation, processes, and financials for each agency or group expected to transition; (d) developing and executing the change management plan; (e) planning and implementing transition work streams; (f) establishing hiring priorities and developing recruitment strategy; (g) preparing job descriptions and employee work profiles for new roles in the VGC; (h) conducting staffing analysis, in partnership with the Department of Human Resource Management; and (i) assisting in developing branding and marketing materials.

Overview of Legislative Recommendation

Ashley Binns, Senior Attorney, DLS

Ms. Binns provided an overview of legislative recommendations, explaining how an omnibus bill could be structured to implement the VGC and how a transitional body could be helpful.

Public Comment

Members of the public were given a chance to speak regarding the information presented at the meeting.

Vote

The Joint Subcommittee unanimously voted to support the 13 recommendations presented by Guidehouse and move forward with an omnibus bill to establish the VGC, with a transitional body, as an independent agency to provide regulation and oversight of various forms of gaming in the Commonwealth.

Next Meeting

The next meeting of the Joint Subcommittee was not scheduled.



For more information, see the [*Joint Subcommittee's website*](#) or contact the Division of Legislative Services staff:

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