



Ohio Legislative Service Commission

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Fiscal Note & Local Impact Statement

Bill: H.B. 421 of the 128th G.A.

Date: February 23, 2010

Status: As Introduced

Sponsor: Reps. Stebelton and Goyal

Local Impact Statement Procedure Required: No — Possible indirect local effects

Contents: Bingo-related changes

State Fiscal Highlights

STATE FUND

FY 2010 – FUTURE YEARS

Charitable Foundations Fund (Fund 4180)

Revenues

Potential annual gain in license fees no more than negligible

Expenditures

Potential increase in expenditures related to administering and enforcing the Charitable Gaming Law, not likely to exceed minimal annually

Note: The state fiscal year is July 1 through June 30. For example, FY 2010 is July 1, 2009 – June 30, 2010.

- **Office of the Attorney General.** LSC fiscal staff has not gathered any information suggesting that the bill will noticeably increase the administrative and enforcement workload and related annual operating costs of the Charitable Law Section. Likewise, licensing revenues will also largely remain unaffected, although there may be a negligible increase if an organization's gross annual receipts ultimately increase (which could increase the annual license amount). Thus, the potential effect on the Attorney General's expenditures and revenues, in particular those associated with Fund 4180, appears unlikely to exceed minimal.

Local Fiscal Highlights

- The bill could generate indirect effects in that local criminal justice-related agencies assist the Attorney General. LSC fiscal staff has not gathered any information suggesting that the bill will lead to more than a few additional violations of the Charitable Gaming Law. If that were true, then the magnitude of this potential expenditure increase for local criminal justice systems seems unlikely to exceed minimal. For the purposes of this fiscal analysis, a minimal expenditure increase means an estimated annual cost of no more than \$5,000 for any affected county or municipal criminal justice system.

Detailed Fiscal Analysis

Overview

The bill amends existing law relating to charitable gaming. These changes include, but are not limited to, modification to the definition of "instant bingo," prize types and limits, and the number of times a charitable organization may conduct bingo.

State fiscal effects

Enactment of the bill will mainly affect the expenditures and revenues of the Office of the Attorney General. The Office's Charitable Law Section is responsible for licensing: (1) charitable organizations who apply for various bingo-related licenses and (2) manufacturers and distributors of bingo supplies. In addition to its licensing function, the Section is authorized, in cooperation with local law enforcement agencies when necessary and appropriate, to investigate, examine accounts and records, conduct inspections, and take any other necessary and reasonable actions to administer and enforce the Charitable Gaming Law. The Section's operating expenses are financed by moneys appropriated from Fund 4180, which include bingo license fee revenues, with any expenses of the Section in excess of moneys available in Fund 4180 paid from GRF line item 055321, Operating Expenses.

LSC fiscal staff has not gathered any information suggesting that the bill will noticeably increase the administrative and enforcement workload and related annual operating costs of the Charitable Law Section. Likewise, licensing revenues will also largely remain unaffected, although there may be a negligible increase if an organization's gross annual receipts ultimately increase (which could increase the annual license amount).

Local fiscal effects

The bill will not directly affect local governments. It could, however, generate indirect effects in that local criminal justice-related agencies assist the Attorney General. LSC fiscal staff has not gathered any information suggesting that the bill will lead to more than a few additional violations of the Charitable Gaming Law. If that were true, then the magnitude of this potential expenditure increase for local criminal justice systems seems unlikely to exceed minimal. For the purposes of this fiscal analysis, a minimal expenditure increase means an estimated annual cost of no more than \$5,000 for any affected county or municipal criminal justice system.