



# Ohio Legislative Service Commission

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## Fiscal Note & Local Impact Statement

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**Bill:** [S.B. 213 of the 130th G.A.](#)

**Date:** November 12, 2013

**Status:** As Introduced

**Sponsor:** Sen. Gardner

**Local Impact Statement Procedure Required:** No

**Contents:** Permits charitable organizations to conduct not-for-profit quarter auctions

### State Fiscal Highlights

- No direct fiscal effect on the state.

### Local Fiscal Highlights

- No direct fiscal effect on political subdivisions.

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## Detailed Fiscal Analysis

### Overview

The bill permits charitable organizations to conduct not-for-profit quarter auctions, and does so without the requirement that the charitable organization require a bingo license. The bill requires the respective organization to maintain highly detailed records for at least three years from the date on which the quarter auction is conducted. The penalty for conducting an illegal quarter auction is a first degree misdemeanor for the first offense and a fifth degree felony for additional offenses. The prevailing assumption of this Fiscal Note is that the existing trends regarding violations of the Gambling Law will continue. Because the bill focuses on the not-for-profit fundraising capacity of charitable organizations, there is little if any intersection with state revenue interests. Currently, there are very few violations of the existing prohibition on quarter auctions, and no known repeat offenses. Because of the low frequency and magnitude of violations, it is unlikely that the penalty of the bill would have notable expenditure effects.

### Enforcement

Enactment of the bill could 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 the Charitable Foundations Fund (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.