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SENATE JOINT RESOLUTION NO. 25

Offered January 12, 2022

Prefiled January 11, 2022

Directing the Joint Legislative Audit and Review Commission to study whether a stand-alone gaming oversight agency would allow for more focused oversight of all types of legal gaming in the Commonwealth and alleviate potential conflicts of interest. Report.

Patrons—Reeves and Bell; Delegate: Krizek

Referred to Committee on Rules

WHEREAS, the Commonwealth of Virginia has seen an expansion in the types of legalized gaming over the past decade, and there has been an increased interest in the expansion of charitable gaming and the legalization of games of skill and electronic video game terminals; and

WHEREAS, there are currently three separate entities governing the oversight of gaming in the Commonwealth; and

WHEREAS, several states combine multiple types of gaming into a single agency, and New York has a single gaming commission that oversees all forms of legal gaming; and

WHEREAS, the Joint Legislative Audit and Review Commission (JLARC) conducted a study in 2019 that focused largely on casino gaming in the Commonwealth and noted in its report that Virginia's oversight approach should be evaluated over time if additional forms of gaming are authorized; and

WHEREAS, in conducting the 2019 gaming study, JLARC staff did not evaluate whether Virginia's authorized forms of gaming at the time should be subsumed by a new regulatory structure; and

WHEREAS, consolidation of gaming oversight and enforcement responsibilities could allow for consistency across gaming regulations and a more efficient and focused use of staffing resources; now, therefore, be it

RESOLVED by the Senate, the House of Delegates concurring, That the Joint Legislative Audit and Review Commission be directed to study whether a stand-alone gaming oversight agency would allow for more focused oversight of all types of legal gaming in the Commonwealth and alleviate potential conflicts of interest.

In conducting its study, the Joint Legislative Audit and Review Commission shall:

1. Evaluate whether the current oversight and regulatory structure of the different types of legal gaming results in varying compliance standards with regard to similar gaming devices which could unintentionally cause a competitive advantage to one industry over another;

2. Report on the current costs for each existing gaming oversight agency to regulate the gaming for which it is responsible;

3. Determine whether the overall costs to oversee, regulate, and enforce violations of legal gaming in the Commonwealth would be lower if all such types of gaming were housed under a stand-alone gaming oversight agency;

4. Conduct research to determine potential methods of housing, and the steps necessary to house, all legalized gaming under a stand-alone gaming oversight agency; and

5. Determine the potential necessity for and specific composition of a centralized gaming oversight board that would best ensure compliance with ethical requirements and a substantial decrease in the number of potential conflicts of interest.

Technical assistance shall be provided to the Joint Legislative Audit and Review Commission by the Virginia Lottery Board. All agencies of the Commonwealth shall provide assistance to the Joint Legislative Audit and Review Commission for this study, upon request.

The Joint Legislative Audit and Review Commission shall complete its meetings by November 30, 2022, and the chairman shall submit to the Division of Legislative Automated Systems an executive summary of its findings and recommendations no later than the first day of the 2023 Regular Session of the General Assembly. The executive summary shall state whether the Joint Legislative Audit and Review Commission intends to submit to the General Assembly and the Governor a report of its findings and recommendations for publication as a House or Senate document. The executive summary and report shall be submitted as provided in the procedures of the Division of Legislative Automated Systems for the processing of legislative documents and reports and shall be posted on the General Assembly's website.

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