

**COMMONWEALTH OF KENTUCKY STATE FISCAL NOTE STATEMENT  
LEGISLATIVE RESEARCH COMMISSION  
2015 REGULAR SESSION**

**MEASURE**

2015 BR NUMBER **0407**

**HOUSE** BILL NUMBER **91**

RESOLUTION NUMBER \_\_\_\_\_

AMENDMENT NUMBER \_\_\_\_\_

**SUBJECT/TITLE** **An ACT relating to charitable gaming.**

**SPONSOR** **Representative Kay**

**NOTE SUMMARY**

FISCAL ANALYSIS:  IMPACT     NO IMPACT     INDETERMINABLE IMPACT

LEVEL(S) OF IMPACT:  STATE     LOCAL     FEDERAL

BUDGET UNIT(S) IMPACT:

FUND(S) IMPACT:  GENERAL  ROAD  FEDERAL  RESTRICTED AGENCY  OTHER

**FISCAL SUMMARY**

<b>FISCAL ESTIMATES</b>	<b>2014-2015</b>	<b>2015-2016</b>	<b>ANNUAL IMPACT AT FULL IMPLEMENTATION</b>
<b>REVENUES</b>		Less than \$60,000	Less than \$60,000
<b>EXPENDITURES</b>		Less than \$60,000	Less than \$60,000
<b>NET EFFECT</b>		No Net Effect	No Net Effect

( ) indicates a decrease/negative

**MEASURE'S PURPOSE:** The purpose of this bill is to include banquets in the accepted charity fundraising events.

**PROVISIONS/MECHANICS:** Section 1 amends KRS 238.505 to include banquets in the list of approved "Charity fundraising events".

Section 2 amends KRS 238.535 to allow raffles to be conducted beyond one county, up to statewide, as opposed to the county where the charitable organization is located. Also amends the statute to allow charitable organizations to apply for licenses in more than one county.

Section 3 amends KRS 238.545 to prevent minors from playing bingo or purchasing bingo supplies unless they are playing for non-cash prizes (valued at less than \$10) and are accompanied by a parent or legal guardian. In addition, it allows charitable organizations the opportunity for up to eight (8) fundraising events licenses per year, up from four (4). Finally, it

allows charity fundraising events to be held in other locations, such as the premises of the charitable location, a licensed charitable gaming facility, or an unlicensed facility subject to KRS 238.555(3) and KRS 238.547(2) provided they do not meet there too often (no more than once per week or more than seven times per year).

Section 4 amends KRS 238.540 to conform.

**FISCAL EXPLANATION:** The Cabinet is unsure of how many new charitable fundraising events (CFE) would occur with the new maximum of eight (8) allowed per year as well as the expansion into banquets, but they have made an estimate. The Cabinet had 227 CFE's last year, with several holding the maximum of four (4). By doubling the maximum amount of CFE's that an organization can hold and including banquets, they expect the total number of CFE's to increase to around 450. However, since the Cabinet is unsure of how many organizations would increase to the new maximum, how many new organizations would be created to hold banquets, etc., they are unsure of the staff necessary to enforce the new regulations. Still the Cabinet is confident that the increased revenues will cover the cost of any increase in personnel needed to cover their new administrative and regulatory responsibilities.

**DATA SOURCE(S): Public Protection Cabinet/Department of Charitable Gaming**  
**PREPARER: Justin Perry NOTE NUMBER: 10 REVIEW: GMR DATE: 2/5/2015**