

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**SB 1921 - HB 1840**

January 31, 2014

**SUMMARY OF BILL:** Revises certain provisions of the Tennessee Charitable Gaming Implementation Law pertaining to filing dates, fee structure, and accounting; changes the application deadline for annual gaming events from December 31 to January 31; requires organizations that apply to hold gaming events to be properly registered or exempt from annual registration under the Charitable Solicitations Act; removes obsolete date provisions and corrects a technical error related to financial accounting; creates one application for all events, regardless of revenue, and eliminates duplicative information for the Division of Charitable Organizations; creates a \$25 per month fee for financial reports that are filed late; clarifies when a form 990 is required to be filed by the applicant; clarifies that tickets can only be sold at one price; clarifies that if an event raises more money than is projected at the time of application, the organization shall submit the additional fee contemporaneously with the financial accounting report.

**ESTIMATED FISCAL IMPACT:**

**Increase State Revenue – \$5,400/Secretary of State**

Assumptions:

- According to the Secretary of State (SOS), if the application period is extended pursuant to the bill, approximately 15 organizations will apply to conduct an annual gaming event.
- SOS estimates an average application fee of \$300.
- SOS indicates that application fee revenue will be allocated to the Charitable Solicitations and Gaming Division of SOS.
- The annual increase in state revenue to the SOS is estimated to be \$4,500 (15 organizations x \$300 application fee).
- Based on information provided by the SOS, approximately 18 organizations each year file their financial reports an average of two months late. As a result, the recurring late fee revenue is estimated to be \$900 (18 organizations x \$25 fee x 2 months).

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- The total recurring increase in state revenue to the SOS is estimated to be \$5,400 (\$4,500 + \$900).

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise". The signature is written in a cursive style with a large, stylized initial "L".

Lucian D. Geise, Executive Director

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