



*VIRGINIA DEPARTMENT
OF AGRICULTURE AND
CONSUMER SERVICES*

**Annual Report on the Charitable Gaming Activities of the
Virginia Department of Agriculture and Consumer Services
for Fiscal Year 2026**

Charles Green
Commissioner of Agriculture and Consumer Services

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Author

Virginia Department of Agriculture and Consumer Services

Legislative Mandate

Section 18.2-340.18(8) of the Code of Virginia requires the Virginia Department of Agriculture and Consumer Services (Department) to report annually to the Governor and the General Assembly regarding the charitable gaming operations of the Department and any recommendations for legislation as applicable to charitable gaming in the Commonwealth.

Executive Summary

The Office of Charitable and Regulatory Programs (OCRP) in the Virginia Department of Agriculture and Consumer Services is tasked, in part, with licensing, registering, training, inspecting, auditing, and conducting financial reviews of charitable gaming organizations, suppliers, manufacturers of electronic gaming/pull-tab systems, and network bingo providers as well as registering and training personnel involved in charitable gaming in the Commonwealth.

Information in this report includes the number of charitable gaming licenses and registrations issued by OCRP as well as the number of charitable gaming on-site inspections, training sessions, investigations, audits, and financial reviews conducted by staff.

During fiscal year 2026, OCRP issued 407 charitable gaming licenses and 147 charitable gaming registrations to organizations. Licensed organizations are required to report on their charitable gaming activities on a calendar year basis. During calendar year 2025, these organizations reported approximately \$230.8 million in gross sales from bingo, paper pull-tabs, Texas Hold'em poker tournaments, and raffle activities, which is a decrease of approximately \$13.4 million from 2024. Manufacturers of electronic gaming/pull-tab systems reported approximately \$1.6 billion in gross sales and \$1.4 billion in prizes paid out, for a total of \$119.5 million in adjusted gross sales. From the gross sales of bingo, paper pull-tabs, Texas Hold'em poker tournaments, and raffle activities, the amount that organizations reported to have donated for charitable, community, educational, or religious purposes decreased by approximately \$1.2 million, from \$29.0 million in calendar year 2024 to \$27.8 million in calendar year 2025. The aggregate use of proceeds (amount the organization uses for its charitable purpose) for all licensed charitable gaming organizations conducting bingo, paper pull-tabs, Texas Hold'em poker tournaments, and raffle activities increased from 11.9 percent in calendar year 2024 to 12.0 percent in calendar year 2025. From the adjusted gross sales of electronic gaming/pull-tab activities, the amount that organizations reported to have donated for charitable, community,

educational, or religious purposes increased by approximately \$3.1 million, from \$26.6 million in calendar year 2024 to \$29.7 million in calendar year 2025. The aggregate use of proceeds increased from 23.7 percent in calendar year 2024 to 24.8 percent in calendar year 2025.

OCRP collected approximately \$2.5 million in charitable gaming fees, which were deposited into the Commonwealth's general fund.

General Overview

Charitable gaming is a sizeable source of funding for many non-profit organizations in Virginia. The Office of Charitable and Regulatory Programs (OCRP) is tasked, in part, with licensing, registering, training, inspecting, auditing, and conducting financial reviews of charitable gaming organizations, suppliers, manufacturers of electronic gaming/pull-tab systems, and network bingo providers as well as registering and training personnel involved in charitable gaming in the Commonwealth. OCRP also seeks to ensure that licensed organizations meet use of proceeds requirements.

Currently, licensed organizations conducting bingo, paper pull-tabs, Texas Hold'em poker tournaments, and raffles must use at least 10.0 percent of their gross sales for charitable, community, educational, or religious purposes. During calendar year 2025, these organizations reported approximately \$230.8 million in gross sales from bingo, paper pull-tabs, Texas Hold'em poker tournaments, and raffle activities, which is a decrease of approximately \$13.4 million from calendar year 2024. From the gross sales of bingo, paper pull-tabs, Texas Hold'em poker tournaments, and raffle activities, the amount that organizations reportedly donated for charitable, community, educational, or religious purposes decreased by approximately \$1.2 million, from \$29.0 million in calendar year 2024 to \$27.8 million in calendar year 2025. The aggregate use of proceeds increased from 11.9 percent in calendar year 2024 to 12.0 percent in calendar year 2025.

Licensed organizations conducting electronic gaming/pull-tab activities must use at least 20.0 percent of their adjusted gross sales for charitable, community, educational, or religious purposes. During calendar year 2025, manufacturers of electronic gaming/pull-tab systems reported approximately \$1.6 billion in gross sales and \$1.4 billion in prizes paid out, for a total of \$119.5 million in adjusted gross sales, which is an increase of approximately \$7.2 million in adjusted gross sales from calendar year 2024. From the adjusted gross sales of electronic gaming/pull-tab activities, the amount that organizations reported to have donated for charitable, community, educational, or religious purposes increased by approximately \$3.1 million, from \$26.6 million in calendar year 2024 to \$29.7 million in calendar year 2025. The aggregate use of proceeds increased from 23.7 percent in calendar year 2024 to 24.8 percent in calendar year 2025.

Financial Information

The fiscal year (FY) 2026 general fund appropriation for Charitable Gaming was \$2,170,863. Charitable Gaming collected \$2,493,692 in total fees, including audit and administration fees, license and registration application fees, and late fees. These fees were deposited into the Commonwealth's general fund.

Organization And Accomplishments

OCRP is committed to providing timely and professional services to the charitable gaming community. To facilitate the delivery of these services, OCRP is divided into three functional areas: License and Registration Team, Auditing and Financial Reviews Team, and Inspections and Game Training Team.

License and Registration Team

During this reporting period, the License and Registration Team issued 407 licenses and 147 registrations to organizations wishing to conduct charitable gaming activities, two Texas Hold'em poker tournament operator registrations, two landlord registrations for Texas Hold'em poker tournaments, 11 charitable gaming supplier licenses, and six licenses to manufacturers of electronic gaming/pull-tab systems. In addition, 56 license or registration applications were withdrawn by organizations, three applications were denied, and four permits were revoked by the Department. Lastly, the License and Registration Team registered 57 bingo managers and 83 bingo callers.

OCRP provides an online service for applicants to submit their bingo manager and bingo caller registration applications, minimizing the need for applicants to send applications in the mail. Of the 183 applications received by OCRP in FY 2026, 75.0 percent were submitted online.

Auditing and Financial Reviews Team

During this reporting period, the Auditing and Financial Reviews Team received 503 annual financial reports reflecting approximately \$230.8 million in total gross sales from bingo, paper pull-tabs, Texas Hold'em poker tournaments, and raffle activities. Auditors performed 171 audits and financial reviews of licensed organizations, during which they identified approximately \$1.9 million in unreported gross sales, and they ensured that charitable gaming funds were used for allowable charitable, community, educational, or religious purposes as required by statute and regulations. Organizations identified as having excessive unreported revenue were required to develop stricter internal controls, and undergo training, if necessary. In addition, the Auditing and Financial Reviews Team issued 175 letters of warning and eight compliance agreements.

On average, licensed organizations reported donating 12.0 percent of their gross sales from their bingo, paper pull-tabs, Texas Hold'em poker tournaments, and raffle activities for charitable, community, educational, or religious purposes. Also, licensed organizations reported donating 24.8 percent of their adjusted gross sales from their electronic gaming/pull-tab activities for charitable, community, educational, or religious purposes. Auditors continue to work with organizations to maximize the charitable, community, educational, or religious use of their gaming proceeds, including through the review of unspent bank account balances, analysis of cash shortages, and evaluation of the prize payout structure. Auditors issue quarterly discrepancy letters to organizations that are not on track to use either at least 10.0 percent of their gross sales generated from bingo, paper-tabs, Texas Hold'em poker tournaments, and raffles or at least 20.0 percent of their adjusted gross sales for charitable, community, educational, or religious purposes. If organizations do not meet the minimum percentage

required to use for charitable, community, educational, or religious purposes, then the auditors will issue either a letter of warning or notice of violation or take other compliance action.

Inspections and Game Training Team

During this reporting period, OCRP inspectors completed 1,619 on-site inspections and performed 151 game management training sessions for organizations that were new to charitable gaming, were required to undergo training through an audit, or had requested training assistance. In addition, the Inspections and Game Training Team issued 11 letters of warning and four notices of violation.

OCRP collaborated with various law enforcement agencies on 28 investigations, all of which remain under investigation.

Regulatory Activity

In response to Chapters 592, 593, 755, and 787 of the 2023 Acts of Assembly as well as Chapters 445, 504, and 593 of the 2024 Acts of Assembly, the Department filed a Notice of Intended Regulatory Action, which was published in The Virginia Register of Regulations on April 7, 2025. The Acts require the Department to (i) issue charitable gaming registrations; (ii) allow the sale of paper instant bingo, seal cards, and pull-tabs dispensed by mechanical equipment during certain annual fundraising events; (iii) issue temporary permits to certain qualified organizations during their respective convention, conference, or event; (iv) allow qualified organizations to count certain expenses related to rental of real property towards meeting their predetermined percentage of receipts for those lawful religious, charitable, community, or educational purposes; and (v) require the posting of a sign that bears the number and website for the illegal gaming tip line. Also, the Acts require the Department to repeal prohibitions on electronic gaming/pull-tab devices from (i) displaying spinning, rotating, or rolling reels or animation or flashing lights; (ii) accepting vouchers; and (iii) the use of a single press or touch of a button to purchase and play of an electronic pull tab. Lastly, pursuant to § 18.2-340.18 of the Code of Virginia, the Department is promulgating regulations to require any landlord who rents, leases, or otherwise provides a premise to a charitable organization for the purpose of conducting charitable gaming to register with the Department. This regulatory action is ongoing.

2026 Legislative Issues

During the 2026 legislative session, the Virginia General Assembly considered 12 bills pertaining to charitable gaming, three of which were enacted into law and two of which were continued to the 2027 legislative session.

Legislative Bill	Patron	Outcome
House Bill 271	Krizek	Continued to 2027
House Bill 396	Krizek	Enacted – Chapter 601
House Bill 399	Askew	Enacted – Chapter 604
House Bill 791	Austin	Failed in the House

House Bill 1034	Wilt	Left in House Committee
House Bill 1157	Krizek	Enacted – Chapter 747
House Bill 1407	Nivar	Left in House Committee
Senate Bill 195	Aird	Incorporated by SB609
Senate Bill 558	Reeves	Incorporated by SB195
Senate Bill 604	Durant	Continued to 2027
Senate Bill 609	Lucas	Failed to Pass from Conference
Senate Bill 765	Jones	Failed to Pass from Conference