

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**HB 2472 - SB 2454**

February 10, 2022

**SUMMARY OF BILL:** Reduces, to three years, the period of time certain 501(c)(3) or 501(c)(19) organizations are required to be in continuous and active existence and to have operated in this state in order to qualify as a nonprofit organization for purposes of the Tennessee Nonprofit Gaming Law.

**FISCAL IMPACT:**

**Increase State Revenue – \$2,500/FY22-23 and Subsequent Years/  
Division of Charitable Solicitations and Gaming**

Assumptions:

- Pursuant to Tenn. Code Ann. § 3-17-103, a nonprofit organization may apply with the Secretary of State to operate an annual charitable gaming event.
- Upon filing an application, nonprofit organizations must submit a nonrefundable fee, pursuant to Tenn. Code Ann. § 3-17-104, with such fees reverting to the Division of Charitable Solicitations and Gaming.
- The proposed legislation would expand the definition of "nonprofit organization" by decreasing the necessary time period that certain 501(c)(3) and 501(c)(19) organizations must exist in order to qualify.
- It is estimated that an additional 10 organizations will apply annually to conduct an annual charitable gaming event as a result of the proposed legislation and will pay an average fee of \$250.
- The recurring increase in state revenue, beginning in FY22-23, to the Division of Charitable Solicitations and Gaming is estimated to be \$2,500 (10 applications x \$250 per application).
- Any increase in state expenditures to process additional applications will be not significant.

**CERTIFICATION:**

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

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

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