

008178600

HOUSE BILL NO. 944

Offered January 24, 2000

A BILL to amend and reenact §§ 18.2-340.15 and 18.2-340.16 of the Code of Virginia and to amend the Code of Virginia by adding a section numbered 18.2-340.22:1, relating to the Charitable Gaming Commission; veterans' organizations.

Patrons—Abbitt, DeBoer, Phillips, Pollard, Stump and Tate

Referred to Committee on General Laws

Be it enacted by the General Assembly of Virginia:

1. That §§ 18.2-340.15 and 18.2-340.16 of the Code of Virginia are amended and reenacted, and that the Code of Virginia is amended by adding a section numbered 18.2-340.22:1 as follows:

§ 18.2-340.15. State control of charitable gaming.

A. Charitable gaming as authorized herein shall be permitted in the Commonwealth as a means of funding qualified organizations. Except as otherwise provided in this article, the Charitable Gaming Commission is vested with control of all charitable gaming in the Commonwealth, with plenary power to prescribe regulations and conditions under which such gaming shall be conducted to ensure that it is conducted in a manner consistent with the purpose for which it is permitted.

B. The conduct of any charitable gaming is a privilege which may be granted or denied by the Charitable Gaming Commission or its duly authorized representatives in its discretion in order to effectuate the purposes set forth in this article.

§ 18.2-340.16. Definitions.

As used in this article, unless the context requires a different meaning:

"Bingo" means a specific game of chance played with (i) individual cards having randomly numbered squares ranging from one to seventy-five, (ii) Commission-approved electronic devices which display facsimiles of bingo cards and are used for the purpose of marking and monitoring players' cards as numbers are called, or (iii) Commission-approved cards pursuant to subdivision 13 of § 18.2-340.18, in which prizes are awarded on the basis of designated numbers on such cards conforming to a predetermined pattern of numbers selected at random. Such cards shall have five columns headed respectively by the letters B.I.N.G.O.

"Bona fide member" means an individual who participates in activities of a qualified organization other than such organization's charitable gaming activities.

"Charitable gaming" or "charitable games" means those raffles and games of chance explicitly authorized by this article.

"Charitable gaming supplies" includes bingo cards or sheets, devices for selecting bingo numbers, instant bingo cards, pull-tab cards and seal cards, and any other equipment or product manufactured for or intended to be used in the conduct of charitable games. However for the purposes of this article, charitable gaming supplies shall not include items incidental to the conduct of charitable gaming such as markers, wands or tape.

"Commission" means the Charitable Gaming Commission.

"Gaming expenses" means prizes, supplies, costs of publicizing gaming activities, audit and administration or permit fees, and a portion of the rent, utilities, accounting and legal fees and such other reasonable and proper expenses as are directly incurred for the conduct of charitable gaming.

"Gross receipts" means the total amount of money received by an organization from charitable gaming before the deduction of expenses, including prizes.

"Instant bingo" means a specific game of chance played by the random selection of one or more individually prepacked cards, made completely of paper or paper products, with winners being determined by the preprinted appearance of concealed letters, numbers or symbols that must be exposed by the player to determine wins and losses and may include the use of a seal card which conceals one or more numbers or symbols that have been designated in advance as prize winners. Such cards may be dispensed by electronic or mechanical equipment.

"Jackpot" means a bingo game, exclusive of a "winner-take-all" bingo game, in which (i) all numbers on the card are covered, each number being selected at random, and with no more than one free space and (ii) the prize amount is greater than \$100.

"Landlord" means any person or his agent, firm, association, organization, partnership, or corporation, or employee thereof, which owns and leases, or leases any premise devoted in whole or in part to the conduct of bingo games, and any person residing in the same household as a landlord.

"Organization" means any one of the following:

INTRODUCED

HB944

8/5/22 1:7

59 1. A volunteer fire department or rescue squad or auxiliary unit thereof which has been recognized in
60 accordance with § 15.2-955 by an ordinance or resolution of the political subdivision where the
61 volunteer fire department or rescue squad is located as being a part of the safety program of such
62 political subdivision;

63 2. An organization operated exclusively for religious, charitable, community or educational purposes;

64 3. An association of war veterans or auxiliary units thereof organized in the United States;

65 4. A fraternal association or corporation operating under the lodge system;

66 5. A local chamber of commerce; or

67 6. A nonprofit organization that raises funds by conducting raffles which generate annual gross
68 receipts of less than \$75,000, provided such gross receipts from the raffle, less expenses and prizes, are
69 used exclusively for charitable, educational, religious or community purposes.

70 "Qualified organization" means any organization to which a valid permit has been issued by the
71 Commission to conduct charitable gaming or any organization which is exempt pursuant to
72 § 18.2-340.22:1 or § 18.2-340.23.

73 "Raffle" means a lottery in which the prize is won by (i) a random drawing of the name or
74 prearranged number of one or more persons purchasing chances or (ii) a random contest in which the
75 winning name or preassigned number of one or more persons purchasing chances is determined by a
76 race involving inanimate objects floating on a body of water, commonly referred to as a "duck race."

77 For the purpose of this article, "raffle" shall include the use of individually prepackaged cards made
78 completely of paper or paper products, with winners being determined by the appearance of preprinted
79 concealed letters, numbers or symbols that must be exposed by the player to determine wins and losses,
80 such cards being commonly referred to as "pull tabs" or "seal cards" which conceal one or more
81 numbers or symbols that have been designated in advance as prize winners. Such cards may be
82 dispensed by electronic or mechanical equipment.

83 "Reasonable and proper business expenses" means business expenses actually incurred by a qualified
84 organization and not otherwise allowed under this article or under Commission regulations on real estate
85 and personal property tax payments, travel expenses, payments of utilities and trash collection services,
86 legal and accounting fees, costs of business furniture, fixtures and office equipment and costs of
87 acquisition, maintenance, repair or construction of an organization's real property. For the purpose of this
88 definition, salaries and wages of employees whose primary responsibility is to provide services for the
89 principal benefit of an organization's members shall not qualify as a business expense.

90 "Supplier" means any person who offers to sell, sells or otherwise provides charitable gaming
91 supplies to any qualified organization.

92 § 18.2-340.22:1. *Veterans' organizations not subject to jurisdiction of Commission.*

93 *Veterans' organizations conducting charitable gaming shall not be subject to the jurisdiction of the*
94 *Commission, but shall be subject to the provisions §§ 18.2-340.22, 18.2-340.26 through 18.2-340.29,*
95 *18.2-340.33, and 18.2-340.37 of this article relating to the conduct of charitable gaming.*