

LD1301272

HOUSE BILL NO. 884

Offered January 25, 1994

A BILL to amend and reenact § 18.2-340.3 of the Code of Virginia, relating to bingo and raffles.

Patron—Hargrove

Referred to Committee on General Laws

Be it enacted by the General Assembly of Virginia:**1. That § 18.2-340.3 of the Code of Virginia is amended and reenacted as follows:**

§ 18.2-340.3. Requirement for issuance of permit; where valid; duration; permits subject to local regulation.

Prior to the issuance of any permit, the organization must meet the following requirements:

1. Except for recently established volunteer fire and rescue companies or departments, as defined in this article, after county, city or town approval, the organization shall have been in existence and met on a regular basis in the county, city or town or in a county, city or town adjacent to the county, city or town where application is made for a period of at least two years immediately prior to applying for a permit. The local governing body may require the organization to have a membership consisting of at least fifty percent residents of the Commonwealth, and to furnish a complete list of its membership in order for the local governing body to ascertain the percentage of Virginia residents. In no case shall the organization apply for or receive more than one permit. However, this requirement shall not apply (i) to any lodge or chapter of a national or international fraternal order or a national or international civic organization which is exempt under § 501 (c) (3) of the United States Internal Revenue Code and which has a lodge or chapter holding a bingo permit issued under the provisions of this article anywhere within this Commonwealth, or (ii) where the local governing body of a county, city or town provides for the issuance of a bingo or raffle permit to booster clubs which have been operating for less than two years, and which have been established solely to raise funds for school-sponsored activities in public schools which are less than two years old.

2. A permit shall be valid only in the jurisdiction wherein the application is approved and only at the locations designated in the permit application. However, a permit may be issued to an organization which relocates its meeting place on a permanent basis from one jurisdiction to another and complies with the requirements of subdivision 1 of this section and provided further that the organization was the holder of a valid permit at the time of its relocation. An organization which has obtained a permit under this article to conduct a raffle may sell raffle tickets both in and out of the jurisdiction issuing the permit and may conduct its drawing either in the jurisdiction in which a majority of the tickets were sold or in the jurisdiction issuing the permit, except that pull-tab devices as defined in § 18.2-340.1 used as part of a raffle may be sold only upon the premises owned or ~~exclusively~~ leased by such organization ~~and at such times as it is not opened to the public, except to members and their guests.~~

3. The organization shall be operated currently and shall have always been operated in the past as a nonprofit organization and shall have been in existence as a nonprofit organization for a period of at least two years immediately prior to seeking a permit as hereinafter provided.

4. Any organization whose gross receipts from all bingo operations exceed or can be expected to exceed \$75,000 in any calendar year shall have been granted tax-exempt status pursuant to § 501 (c) of the United States Internal Revenue Code. At the same time tax-exempt status is sought from the Internal Revenue Service, the same documentation may be filed with the local governing body for an interim certification of tax-exempt status. If such documentation is filed, the local governing body may, after reviewing such documentation as it may deem necessary, issue its determination of tax-exempt status within sixty days of receipt of such documentation. The local governing body may charge a reasonable fee, not to exceed \$500. This interim certification of tax-exempt status shall be valid until the Internal Revenue Service issues its determination of tax-exempt status, or for eighteen months, whichever is earlier.

5. An organization shall designate an individual who shall be responsible for filing the annual or quarterly financial report required by this article if the organization goes out of business or otherwise ceases to exist.

All permits shall be issued on a calendar basis and unless otherwise provided shall be valid for one calendar year beginning on January 1.

All applications for a permit shall be acted upon by the governing body, or its designated official, within sixty days from the filing thereof.

Upon compliance by the applicant with the provisions of this article, and at the discretion of the

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60 governing body or its designated official, a permit may be issued. All permits shall be subject to
61 reasonable regulation by the local governing body or its designated local official to ensure the public
62 safety and welfare in the operation of bingo games and raffles. Any local governing body may, by
63 ordinance, require as a condition of receiving the permit that the permittee shall use a predetermined
64 percentage of its gross receipts from all bingo games or raffles for those lawful religious, charitable,
65 community or educational purposes for which the organization is specifically chartered or organized. The
66 percentage shall be uniformly applied and shall be determined by the local governing body.