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HOUSE BILL NO. 2389

Offered January 23, 2015

A *BILL to amend and reenact §§ 18.2-340.16 and 24.2-950.4 of the Code of Virginia, relating to charitable gaming; political party committees permitted; required disclosure.*

Patron—O'Quinn

Referred to Committee on General Laws

Be it enacted by the General Assembly of Virginia:

1. That §§ 18.2-340.16 and 24.2-950.4 of the Code of Virginia are amended and reenacted as follows:

§ 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 75, (ii) Department-approved electronic devices that display facsimiles of bingo cards and are used for the purpose of marking and monitoring players' cards as numbers are called, or (iii) Department-approved cards, in which prizes are awarded on the basis of designated numbers on such cards conforming to a predetermined pattern of numbers selected at random.

"Board" means the Charitable Gaming Board created pursuant to § 2.2-2455.

"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.

"Commissioner" means the Commissioner of the Department of Agriculture and Consumer Services.

"Conduct" means the actions associated with the provision of a gaming operation during and immediately before or after the permitted activity, which may include, but not be limited to, (i) selling bingo cards or packs, electronic devices, instant bingo or pull-tab cards, or raffle tickets, (ii) calling bingo games, (iii) distributing prizes, and (iv) any other services provided by volunteer workers.

"Department" means the Department of Agriculture and Consumer Services.

"Fair market rental value" means the rent that a rental property will bring when offered for lease by a lessor who desires to lease the property but is not obligated to do so and leased by a lessee under no necessity of leasing.

"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 generated by an organization from charitable gaming before the deduction of expenses, including prizes.

"Instant bingo," "pull tabs," or "seal cards" means specific games of chance played by the random selection of one or more individually prepacked cards, including Department-approved electronic versions thereof, with winners being determined by the preprinted or predetermined 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 that the organization has designated on its game program as a jackpot game in which the prize amount is greater than \$100.

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

"Management" means the provision of oversight of a gaming operation, which may include, but is not limited to, the responsibilities of applying for and maintaining a permit or authorization, compiling, submitting and maintaining required records and financial reports, and ensuring that all aspects of the

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59 operation are in compliance with all applicable statutes and regulations.

60 "Network bingo" means a specific bingo game in which pari-mutuel play is permitted.

61 "Network bingo provider" means a person licensed by the Department to operate network bingo.

62 "Operation" means the activities associated with production of a charitable gaming activity, which
63 may include, but not be limited to (i) the direct on-site supervision of the conduct of charitable gaming;
64 (ii) coordination of volunteers; and (iii) all responsibilities of charitable gaming designated by the
65 organization's management.

66 "Organization" means any one of the following:

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

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

72 3. An athletic association or booster club or a band booster club established solely to raise funds for
73 school-sponsored athletic or band activities for a public school or private school accredited pursuant to
74 § 22.1-19 or to provide scholarships to students attending such school;

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

76 5. A fraternal association or corporation operating under the lodge system;

77 6. A local chamber of commerce; or

78 7. Any other nonprofit organization that raises funds by conducting raffles that generate annual gross
79 receipts of \$40,000 or less, provided such gross receipts from the raffle, less expenses and prizes, are
80 used exclusively for charitable, educational, religious or community purposes; or

81 8. *Any political party committee as defined in § 24.2-945.1.*

82 "Pari-mutuel play" means an integrated network operated by a licensee of the Department comprised
83 of participating charitable organizations for the conduct of network bingo games in which the purchase
84 of a network bingo card by a player automatically includes the player in a pool with all other players in
85 the network, and where the prize to the winning player is awarded based on a percentage of the total
86 amount of network bingo cards sold in a particular network.

87 "Qualified organization" means any organization to which a valid permit has been issued by the
88 Department to conduct charitable gaming or any organization that is exempt pursuant to § 18.2-340.23.

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

93 "Reasonable and proper business expenses" means business expenses actually incurred by a qualified
94 organization in the conduct of charitable gaming and not otherwise allowed under this article or under
95 Board regulations on real estate and personal property tax payments, travel expenses, payments of
96 utilities and trash collection services, legal and accounting fees, costs of business furniture, fixtures and
97 office equipment and costs of acquisition, maintenance, repair or construction of an organization's real
98 property. For the purpose of this definition, salaries and wages of employees whose primary
99 responsibility is to provide services for the principal benefit of an organization's members shall not
100 qualify as a business expense. However, payments made pursuant to § 51.1-1204 to the Volunteer
101 Firefighters' and Rescue Squad Workers' Service Award Fund shall be deemed a reasonable and proper
102 business expense.

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

105 **§ 24.2-950.4. Information to be included on campaign finance reports for political party**
106 **committees.**

107 A. The reports required by this article shall be filed on a form prescribed by the State Board and
108 shall include all financial activity of the political party committee. All completed forms shall be
109 submitted in typed, printed, or legibly hand printed format or electronically as provided in § 24.2-946.1.
110 Persons submitting the forms shall do so subject to felony penalties for making false statements pursuant
111 to § 24.2-1016.

112 B. The report of receipts shall include:

113 1. The total number of contributors, each of whom has contributed an aggregate of \$100 or less,
114 including cash and in-kind contributions, as of the date of the report, and the total amount of
115 contributions from all such contributors;

116 2. For each contributor who has contributed an aggregate of more than \$100, including cash and
117 in-kind contributions, as of the ending date of the report, the political party committee shall itemize each
118 contributor on the report and list the following information:

119 a. the name of the contributor, listed alphabetically,

120 b. the mailing address of the contributor,

- 121 c. the amount of the contribution,
- 122 d. the aggregate amount of contributions from the contributor to date,
- 123 e. the date of the last contribution,
- 124 f. the occupation of the contributor,
- 125 g. the name of his employer or principal business, and
- 126 h. the locality where employed or where his business is located.
- 127 For each such contributor, other than an individual, the principal type of business and place of
- 128 business of the contributor shall be substituted for subdivisions f and g, respectively. For each such
- 129 contributor other than an individual, it shall be sufficient to list the address of the contributor one time
- 130 on the report of receipts.
- 131 3. *For each charitable game conducted pursuant to Article 1.1:1 (§ 18.2-340.15 et seq.) of Chapter 8*
- 132 *of Title 18.2, the political party committee shall itemize each charitable game on the report and shall*
- 133 *include for each itemized charitable game the following information:*
- 134 *a. The date of the charitable game;*
- 135 *b. The type of charitable game;*
- 136 *c. The number of tickets sold for participation in the charitable game;*
- 137 *d. The amount or value of any prize awarded; and*
- 138 *e. The total amount of money generated from the charitable game.*
- 139 C. Upon transfer of a designated contribution to a designated candidate's campaign committee, the
- 140 committee shall provide information to the campaign committee to identify the contributor as provided
- 141 by § 24.2-947.4.
- 142 D. The report of disbursements shall include all expenditures and give:
- 143 1. The name and address of the person paid;
- 144 2. A brief description of the purpose of the expenditure;
- 145 3. The name of the person contracting for or arranging the expenditure;
- 146 4. The amount of the expenditure; and
- 147 5. The date of the expenditure.
- 148 The report of disbursements shall itemize any expenditure made by credit card payment.
- 149 E. Each report for a political party committee shall list separately those receipts and expenditures
- 150 reported to the treasurer or other officer of the committee by any person, campaign committee, or
- 151 political committee pursuant to subsection B of § 24.2-950.3, and in the case of in-kind contributions,
- 152 shall set forth in each instance the source of the information reported.
- 153 F. The report shall list separately all loans, and for each loan, shall give:
- 154 1. The date the loan was made;
- 155 2. The name and address of the person making the loan and any person who is a co-borrower,
- 156 guarantor, or endorser of the loan;
- 157 3. The amount of the loan;
- 158 4. The date and amount of any repayment of the loan; and
- 159 5. For any loan or part of a loan that is forgiven by the lender, the amount forgiven listed as both a
- 160 contribution and loan repayment.
- 161 G. The State Board shall provide for a "no activity" report that may be filed for any reporting period
- 162 in which the filer has no activity to report.
- 163 H. It is the responsibility of the treasurer that the report for the political party committee be filed and
- 164 that the report be in full and accurate detail.