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SENATE BILL NO. 1209

Offered January 11, 2023

Prefiled January 10, 2023

A *BILL to amend and reenact §§ 18.2-340.25, 18.2-340.26:1, 18.2-340.28, and 18.2-340.28:1 of the Code of Virginia and to amend the Code of Virginia by adding a section numbered 18.2-340.25:2, relating to charitable gaming; temporary permits; limitations.*

Patrons—Reeves; Delegate: Krizek

Referred to Committee on General Laws and Technology

Be it enacted by the General Assembly of Virginia:

1. That §§ 18.2-340.25, 18.2-340.26:1, 18.2-340.28, and 18.2-340.28:1 of the Code of Virginia are amended and reenacted and that the Code of Virginia is amended by adding a section numbered 18.2-340.25:2 as follows:

§ 18.2-340.25. Permit required; application fee; form of application.

A. Except as provided for in § 18.2-340.23, prior to the commencement of any charitable game, an organization shall obtain a permit from the Department.

B. All complete applications for a permit shall be acted upon by the Department within 45 days from the filing thereof. Upon compliance by the applicant with the provisions of this article, and at the discretion of the Department, a permit may be issued. All permits when issued shall be valid for the period specified in the permit unless it is sooner suspended or revoked. No permit shall be valid for longer than two years. The application shall be a matter of public record.

All permits shall be subject to regulation by the Department to ensure the public safety and welfare in the operation of charitable games. The permit shall only be granted after a reasonable investigation has been conducted by the Department. The Department may require any prospective employee, permit holder, or applicant to submit to fingerprinting and to provide personal descriptive information to be forwarded along with employee's, licensee's, or applicant's fingerprints through the Central Criminal Records Exchange to the Federal Bureau of Investigation for the purposes of obtaining criminal history record information regarding such prospective employee, permit holder, or applicant. The Central Criminal Records Exchange upon receipt of a prospective employee, licensee, or applicant record or notification that no record exists, shall forward the report to the Commissioner of the Department or his designee, who shall belong to a governmental entity. However, nothing in this subsection shall be construed to require the routine fingerprinting of volunteer bingo workers.

C. In no case shall an organization receive more than one permit allowing it to conduct charitable gaming; *except that an organization may also apply for and receive a temporary permit pursuant to § 18.2-340.25:2.*

D. Application for a charitable gaming permit shall be made on forms prescribed by the Department and shall be accompanied by payment of the fee for processing the application.

E. Applications for renewal of permits shall be made in accordance with Department regulations. If a complete renewal application is received 45 days or more prior to the expiration of the permit, the permit shall continue to be effective until such time as the Department has taken final action. Otherwise, the permit shall expire at the end of its term.

F. The failure to meet any of the requirements of § 18.2-340.24 shall cause the automatic denial of the permit, and no organization shall conduct any charitable gaming until the requirements are met and a permit is obtained.

§ 18.2-340.25:2. Temporary permits authorized; limitations.

A. Any qualified organization described in subdivision 4 or 5 of the definition of "organization" in § 18.2-340.16 may obtain a temporary permit from the Department allowing such organization to sell instant bingo, network bingo, pull tabs, or seal cards upon premises located anywhere in the Commonwealth during a convention, conference, or related event held by any such organization up to four times per year as designated in the permit.

B. All complete applications for a permit shall be acted upon by the Department within 45 days from the filing thereof. Upon compliance by the applicant with the provisions of this article, and at the discretion of the Department, a temporary permit may be issued. All temporary permits when issued shall be valid for the period specified in the permit unless it is sooner suspended or revoked. No permit shall be valid for longer than one year. The application shall be a matter of public record.

All temporary permits shall be subject to regulation by the Department to ensure the public safety and welfare in the operation of charitable games. The temporary permit shall only be granted after a

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59 reasonable investigation has been conducted by the Department. The Department may require any
60 prospective employee, permit holder, or applicant to submit to fingerprinting and to provide personal
61 descriptive information to be forwarded along with the employee's, permit holder's, or applicant's
62 fingerprints through the Central Criminal Records Exchange to the Federal Bureau of Investigation for
63 the purposes of obtaining criminal history record information regarding such prospective employee,
64 permit holder, or applicant. The Central Criminal Records Exchange upon receipt of a prospective
65 employee, permit holder, or applicant record or notification that no record exists shall forward the
66 report to the Commissioner of the Department or his designee, who shall belong to a governmental
67 entity. However, nothing in this subsection shall be construed to require the routine fingerprinting of
68 volunteer bingo workers.

69 C. In no case shall an organization receive more than one temporary permit allowing it to conduct
70 charitable gaming; however, an organization may also receive a permit in accordance with the
71 provisions of § 18.2-340.25.

72 D. Application for a temporary permit shall be made on forms prescribed by the Department and
73 shall be accompanied by payment of the fee for processing the application.

74 E. Applications for renewal of temporary permits shall be made in accordance with Department
75 regulations. If a complete renewal application is received 45 days or more prior to the expiration of the
76 temporary permit, the temporary permit shall continue to be effective until such time as the Department
77 has taken final action. Otherwise, the temporary permit shall expire at the end of its term.

78 F. The failure to meet any of the requirements of § 18.2-340.24 shall cause the automatic denial of
79 the temporary permit, and no organization shall conduct any charitable gaming in accordance with the
80 provisions of subsection A until such requirements are met and a temporary permit is obtained.

81 **§ 18.2-340.26:1. Sale of instant bingo, pull tabs, or seal cards.**

82 A. ~~Instant~~ Except as provided in subsection D, instant bingo, pull tabs, or seal cards may be sold
83 only (i) by a qualified organization, as defined in § 18.2-340.16, (ii) upon premises that are owned or
84 exclusively and entirely leased by the qualified organization or leased by the qualified organization
85 pursuant to subsection C, and (iii) at such times that the premises in which the instant bingo, pull tabs,
86 or seal cards are sold is open only to members and their guests via controlled access. Except as
87 provided in ~~subsection~~ subsections C and D, no organization may sell instant bingo, pull tabs, or seal
88 cards (a) at a location outside of the county, city, or town in which the organization's principal office, as
89 registered with the State Corporation Commission, is located or in an adjoining county, city, or town or
90 (b) at an establishment that has been granted a license pursuant to Chapter 2 (§ 4.1-200 et seq.) of Title
91 4.1 unless such license is held by the organization. Nothing in this article shall be construed to prohibit
92 the conduct of games of chance involving the sale of pull tabs, or seal cards, commonly known as last
93 sale games, conducted in accordance with this section or, if such games are electronic games, in
94 accordance with § 18.2-340.26:3.

95 B. It is prohibited to use an electronic device to conduct instant bingo, pull tabs, or seal cards except
96 as permitted under § 18.2-340.26:3.

97 C. Notwithstanding the provisions of subsection A, a qualified organization may lease the premises
98 of any social organization authorized pursuant to § 18.2-340.26:3 for the purpose of selling instant
99 bingo, pull tabs, or seal cards.

100 D. Notwithstanding the provisions of subsection A, instant bingo, pull tabs, or seal cards may be
101 sold by a qualified organization that has received a temporary permit from the Department pursuant to
102 § 18.2-340.25:2 upon premises located anywhere in the Commonwealth during a convention,
103 conference, or related event held by any such organization up to four times per year as designated in
104 the temporary permit.

105 **§ 18.2-340.28. Conduct of instant bingo, network bingo, pull tabs, and seal cards.**

106 A. Any organization qualified to conduct bingo games pursuant to the provisions of this article may
107 also play instant bingo, network bingo, pull tabs, or seal cards; however, such games shall be played
108 only at such times designated in the permit for regular bingo games and only at locations at which the
109 organization is authorized to conduct regular bingo games pursuant to subsections E and F of
110 § 18.2-340.27, except that a qualified organization that is issued a temporary permit pursuant to §
111 18.2-340.25:2 shall be authorized to play instant bingo, network bingo, pull tabs, or seal cards in
112 accordance with subsection D of § 18.2-340.26:1. It is prohibited to use an electronic device to conduct
113 instant bingo, pull tabs, or seal cards except as permitted under § 18.2-340.26:3.

114 B. Any organization conducting instant bingo, network bingo, pull tabs, or seal cards shall maintain a
115 record of the date, quantity, and card value of instant bingo supplies purchased as well as the name and
116 address of the supplier of such supplies. The organization shall also maintain a written invoice or receipt
117 from a nonmember of the organization verifying any information required by this subsection. Such
118 supplies shall be paid for only by check drawn on the gaming account of the organization. A complete
119 inventory of all such gaming supplies shall be maintained by the organization on the premises where the
120 gaming is being conducted.

C. No qualified organization shall sell any instant bingo, network bingo, pull tabs, or seal cards to any individual younger than 18 years of age. No individual younger than 18 years of age shall play or redeem any instant bingo, network bingo, pull tabs, or seal cards.

D. No qualified organization or any person on the premises shall extend lines of credit or accept any credit or other electronic fund transfer other than debit cards in payment of any charges or assessments for players to participate in instant bingo, network bingo, pull tabs, or seal cards.

§ 18.2-340.28:1. Sale of network bingo cards.

A. Any organization qualified to conduct bingo games pursuant to the provisions of this article may also sell network bingo cards; however, network bingo shall be sold only at such times designated in the permit for regular bingo games and only at locations at which the organization is authorized to conduct regular bingo games pursuant to subsections E and F of § 18.2-340.27, *except that a qualified organization that is issued a temporary permit pursuant to § 18.2-340.25:2 shall be authorized to sell network bingo cards in accordance with subsection D of § 18.2-340.26:1.*

B. Any organization selling network bingo cards shall maintain a record of the date and quantity of network bingo cards purchased from a licensed network bingo provider. The organization shall also maintain a written invoice or receipt from a licensed supplier verifying any information required by this subsection. Such supplies shall be paid for only by check drawn on the gaming account of the organization or by electronic fund transfer. A complete inventory of all such gaming supplies shall be maintained by the organization on the premises where network bingo cards are sold.

C. No qualified organization shall sell any network bingo cards to any individual younger than 18 years of age. No individual younger than 18 years of age shall play or redeem any network bingo cards.

D. A qualified organization shall accept only cash or, at its option, checks or debit cards in payment of any charges or assessments for players to participate in any network bingo game. However, no such organization shall accept postdated checks in payment of any charges or assessments for players to participate in network bingo games.

E. No qualified organization or any person on the premises shall extend lines of credit or accept any credit or other electronic fund transfer other than debit cards in payment of any charges or assessments for players to participate in network bingo games.

F. No qualified organization shall conduct network bingo more frequently than one day in any calendar week, which shall not be the same day of each week.

G. No qualified organization shall sell network bingo cards on the Internet or other online service or allow the play of network bingo on the Internet or other online service. However, the location where network bingo games are conducted shall be equipped with a video monitor, television, or video screen, or any other similar means of visually displaying a broadcast or signal, that relays live, real-time video of the numbers as they are called by a live caller. The Internet or other online service may be used to relay information about winning players.

H. Qualified organizations may award network bingo prizes on a graduated scale; however, no single network bingo prize shall exceed \$25,000.

I. Nothing in this section shall be construed to prohibit an organization from participating in more than one network bingo network.