

1 VIRGINIA ACTS OF ASSEMBLY — CHAPTER

2 *An Act to amend and reenact §§ 18.2-340.33 and 18.2-340.34:1 of the Code of Virginia, relating to*
 3 *charitable gaming; remuneration for bingo callers and bingo managers.*

4 [H 1920]

5 Approved

6 **Be it enacted by the General Assembly of Virginia:**

7 **1. That §§ 18.2-340.33 and 18.2-340.34:1 of the Code of Virginia are amended and reenacted as follows:**
 8 **§ 18.2-340.33. Prohibited practices.**

9 In addition to those other practices prohibited by this article, the following acts or practices are prohibited:

10 1. No part of the gross receipts or electronic gaming adjusted gross receipts derived by a qualified
 11 organization may be used for any purpose other than (i) gaming expenses; (ii) reasonable and proper business
 12 expenses; and (iii) those lawful religious, charitable, community, or educational purposes for which the
 13 organization is specifically chartered or organized.

14 2. Except as provided in § 18.2-340.34:1, no qualified organization shall enter into a contract with or
 15 otherwise employ for compensation any person for the purpose of organizing, managing, or conducting any
 16 charitable games. However, organizations composed of or for deaf or blind persons may use a part of their
 17 gross receipts for costs associated with providing clerical assistance in the management and operation but not
 18 the conduct of charitable gaming.

19 The provisions of this subdivision shall not prohibit the joint operation of bingo games held in accordance
 20 with § 18.2-340.29.

21 3. No person shall pay or receive for use of any premises wholly devoted to the conduct of any charitable
 22 games, any consideration in excess of the current fair market rental value of such property. Fair market rental
 23 value consideration shall not be based upon or determined by reference to a percentage of the proceeds
 24 derived from the operation of any charitable games or to the number of people in attendance at such
 25 charitable games.

26 4. No person shall participate in the management or operation of any charitable game unless such person
 27 is and, for a period of at least 30 days immediately preceding such participation, has been a bona fide member
 28 of the organization. For any organization that is not composed of members, a person who is not a bona fide
 29 member may volunteer in the conduct of a charitable game as long as that person is directly supervised by a
 30 bona fide official member of the organization.

31 The provisions of this subdivision shall not apply to (i) persons employed as clerical assistants by
 32 qualified organizations composed of or for deaf or blind persons; (ii) employees of a corporate sponsor of a
 33 qualified organization, provided such employees' participation is limited to the management, operation, or
 34 conduct of no more than one raffle per year; (iii) the spouse or family member of any such bona fide member
 35 of a qualified organization provided at least one bona fide member is present; or (iv) persons employed by a
 36 qualified organization authorized to sell pull tabs or seal cards in accordance with § 18.2-340.16, provided (a)
 37 such sales are conducted by no more than two on-duty employees and (b) such employees receive no
 38 compensation for or based on the sale of the pull tabs or seal cards.

39 5. No person shall receive any remuneration for participating in the management, operation, or conduct of
 40 any charitable game, except that:

41 a. Persons employed by organizations composed of or for deaf or blind persons may receive remuneration
 42 not to exceed \$30 per event for providing clerical assistance in the management and operation but not the
 43 conduct of charitable games only for such organizations;

44 b. Persons under the age of 19 who sell raffle tickets for a qualified organization to raise funds for youth
 45 activities in which they participate may receive nonmonetary incentive awards or prizes from the
 46 organization;

47 c. Remuneration may be paid to off-duty law-enforcement officers from the jurisdiction in which such
 48 bingo games are played for providing uniformed security for such bingo games even if such officer is a
 49 member of the sponsoring organization, provided the remuneration paid to such member is in accordance
 50 with off-duty law-enforcement personnel work policies approved by the local law-enforcement official and
 51 further provided that such member is not otherwise engaged in the management, operation, or conduct of the
 52 bingo games of that organization, or to private security services businesses licensed pursuant to § 9.1-139
 53 providing uniformed security for such bingo games, provided that employees of such businesses shall not
 54 otherwise be involved in the management, operation, or conduct of the bingo games of that organization;

55 d. A member of a qualified organization lawfully participating in the management, operation, or conduct
 56 of a bingo game may be provided food and nonalcoholic beverages by such organization for on-premises

ENROLLED

HB1920ER

57 consumption during the bingo game provided the food and beverages are provided in accordance with
 58 Department regulations;

59 e. Remuneration may be paid to bingo managers or callers who have a current registration certificate
 60 issued by the Department in accordance with § 18.2-340.34:1, or who are exempt from such registration
 61 requirement. ~~Such~~ *Except as provided for in subdivision f of this subdivision and subsection E of §*
 62 *18.2-340.34:1, such remuneration shall not exceed \$100 \$200 per session; and*

63 f. *For services provided on any day designated as a legal holiday pursuant to § 2.2-3300, remuneration*
 64 *shall be paid at a rate not less than one and one-half times the remuneration rate paid pursuant to*
 65 *subdivision e to bingo managers or callers who have a current registration certificate issued by the*
 66 *Department in accordance with § 18.2-340.34:1, or who are exempt from such registration requirement; and*

67 g. Volunteers of a qualified organization may be reimbursed for their reasonable and necessary travel
 68 expenses, not to exceed \$50 per session.

69 6. No landlord shall, at bingo games conducted on the landlord's premises, (i) participate in the conduct,
 70 management, or operation of any bingo games; (ii) sell, lease, or otherwise provide for consideration any
 71 bingo supplies, including bingo cards, instant bingo cards, or other game pieces; or (iii) require as a condition
 72 of the lease or by contract that a particular manufacturer, distributor, or supplier of bingo supplies or
 73 equipment be used by the organization.

74 The provisions of this subdivision shall not apply to any qualified organization conducting bingo games
 75 on its own behalf at premises owned by it.

76 7. No qualified organization shall enter into any contract with or otherwise employ or compensate any
 77 member of the organization on account of the sale of bingo supplies or equipment.

78 8. No organization shall award any bingo prize money or any merchandise valued in excess of the
 79 following amounts:

80 a. No bingo door prize shall exceed \$250 for a single door prize or \$500 in cumulative door prizes in any
 81 one session;

82 b. No regular bingo or special bingo game prize shall exceed \$100. However, up to 10 games per bingo
 83 session may feature a regular bingo or special bingo game prize of up to \$200;

84 c. No instant bingo, pull tab, or seal card prize for a single card shall exceed \$2,000;

85 d. Except as provided in this subdivision 8, no bingo jackpot of any nature whatsoever shall exceed
 86 \$1,000, nor shall the total amount of bingo jackpot prizes awarded in any one session exceed \$1,000.
 87 Proceeds from the sale of bingo cards and the sheets used for bingo jackpot games shall be accounted for
 88 separately from the bingo cards or sheets used for any other bingo games; and

89 e. No single network bingo prize shall exceed \$25,000. Proceeds from the sale of network bingo cards
 90 shall be accounted for separately from bingo cards and sheets used for any other bingo game.

91 9. The provisions of subdivision 8 shall not apply to: ~~Any~~ *any* progressive bingo game, in which (i) a
 92 regular or special prize, not to exceed \$100, is awarded on the basis of predetermined numbers or patterns
 93 selected at random and (ii) a progressive prize, not to exceed \$500 for the initial progressive prize and \$5,000
 94 for the maximum progressive prize, is awarded if the predetermined numbers or patterns are covered when a
 95 certain number of numbers is called, provided that (a) there are no more than six such games per session per
 96 organization, (b) the amount of increase of the progressive prize per session is no more than \$200, (c) the
 97 bingo cards or sheets used in such games are sold separately from the bingo cards or sheets used for any other
 98 bingo games, (d) the organization separately accounts for the proceeds from such sale, and (e) such games are
 99 otherwise operated in accordance with the Department's rules of play.

100 10. No organization shall award any raffle prize valued at more than \$100,000.

101 The provisions of this subdivision shall not apply to a raffle conducted no more than three times per
 102 calendar year by a qualified organization qualified as a tax-exempt organization pursuant to § 501(c) of the
 103 Internal Revenue Code for a prize consisting of a lot improved by a residential dwelling where 100 percent of
 104 the moneys received from such a raffle, less deductions for the fair market value for the cost of acquisition of
 105 the land and materials, are donated to lawful religious, charitable, community, or educational organizations
 106 specifically chartered or organized under the laws of the Commonwealth and qualified as a § 501(c) tax-
 107 exempt organization. No more than one such raffle shall be conducted in any one geographical region of the
 108 Commonwealth.

109 11. No qualified organization composed of or for deaf or blind persons ~~which~~ *that* employs a person not a
 110 member to provide clerical assistance in the management and operation but not the conduct of any charitable
 111 games shall conduct such games unless it has in force fidelity insurance, as defined in § 38.2-120, written by
 112 an insurer licensed to do business in the Commonwealth.

113 12. No person shall participate in the management or operation of any charitable game if he has ever been
 114 convicted of any felony or if he has been convicted of any misdemeanor involving fraud, theft, or financial
 115 crimes within the preceding five years. No person shall participate in the conduct of any charitable game if,
 116 within the preceding 10 years, he has been convicted of any felony or if, within the preceding five years he
 117 has been convicted of any misdemeanor involving fraud, theft, or financial crimes. In addition, no person
 118 shall participate in the management, operation, or conduct of any charitable game if that person, within the

119 preceding five years, has participated in the management, operation, or conduct of any charitable game ~~which~~
120 *that* was found by the Department or a court of competent jurisdiction to have been operated in violation of
121 state law, local ordinance, or Department regulation.

122 13. Qualified organizations jointly conducting bingo games pursuant to § 18.2-340.29 shall not
123 circumvent any restrictions and prohibitions ~~which that~~ would otherwise apply if a single organization were
124 conducting such games. These restrictions and prohibitions shall include the frequency with which bingo
125 games may be held, the value of merchandise or money awarded as prizes, or any other practice prohibited
126 under this section.

127 14. A qualified organization shall not purchase any charitable gaming supplies for use in the
128 Commonwealth from any person who is not currently registered with the Department as a supplier pursuant
129 to § 18.2-340.34.

130 15. Unless otherwise permitted in this article, no part of an organization's charitable gaming gross receipts
131 shall be used for an organization's social or recreational activities.

132 16. No organization qualified to conduct Texas Hold'em poker tournaments pursuant to § 18.2-340.28:2
133 shall conduct any Texas Hold'em poker games where the game has no predetermined end time and the
134 players wager actual money or poker chips that have cash value.

135 **§ 18.2-340.34:1. Bingo managers and callers; remuneration; registration; qualification; suspension,**
136 **revocation, or refusal to renew certificate; exceptions.**

137 A. No person shall receive remuneration as a bingo manager or caller from any qualified organization
138 unless and until such person has made application for and has been issued a registration certificate by the
139 Department. Application for registration shall be made on forms prescribed by the Department and shall be
140 accompanied by a fee in the amount of \$75. Each registration certificate shall remain valid for a period of one
141 year from the date of issuance. Application for renewal of a registration certificate shall be accompanied by a
142 fee in the amount of \$75 and shall be made on forms prescribed by the Department.

143 B. As a condition of registration as a bingo manager, the applicant shall (i) have been a bona fide member
144 of the qualified organization for at least 12 consecutive months prior to making application for registration
145 and (ii) be required to complete a reasonable training course developed and conducted by the Department.

146 As a condition of registration as a bingo caller, the applicant shall be required to complete a reasonable
147 training course developed and conducted by the Department.

148 The Department may refuse to register any bingo manager or caller who has (a) been convicted of or
149 pleaded nolo contendere to a felony in any state or federal court or has been convicted of any offense which,
150 if committed in the Commonwealth, would be a felony; (b) been convicted of or pleaded nolo contendere to a
151 crime involving gambling; (c) had any license, permit, certificate, or other authority related to activities
152 defined as charitable gaming in the Commonwealth suspended or revoked in the Commonwealth or in any
153 other jurisdiction; or (d) failed to file or has been delinquent in excess of one year in the filing of any tax
154 returns or the payment of any taxes due the Commonwealth.

155 C. The Department may suspend, revoke, or refuse to renew the registration certificate of any bingo
156 manager or caller for any conduct described in subsection B or for any violation of this article or Department
157 regulations. Before taking any such action, the Department shall give the bingo manager or caller a written
158 statement of the grounds upon which it proposes to take such action and an opportunity to be heard. Every
159 hearing in a contested case shall be conducted in accordance with the Administrative Process Act (§ 2.2-4000
160 et seq.).

161 D. The provisions of subsection A requiring registration for bingo callers with the Department shall not
162 apply to a bingo caller for a volunteer fire department or volunteer emergency medical services agency or
163 auxiliary unit thereof that has been recognized in accordance with § 15.2-955 by an ordinance or resolution of
164 the political subdivision where the volunteer fire department or volunteer emergency medical services agency
165 is located as being a part of the safety program of such political subdivision.

166 E. *By October 1, 2029, and annually thereafter, the Department shall adjust the dollar amount of \$200*
167 *specified in subdivision 5 e of § 18.2-340.33 to reflect the rate of inflation from the previous date that the*
168 *dollar amount was established, as measured by the Consumer Price Index or other method of measuring the*
169 *rate of inflation that the Department determines is reliable and generally accepted. The amount of each*
170 *annual adjustment shall not be less than zero and shall be rounded to the nearest whole dollar.*