

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2019**

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HOUSE BILL 1064

Short Title: GSC Clarifying Bingo License Statute. (Public)

Sponsors: Representative Davis.

For a complete list of sponsors, refer to the North Carolina General Assembly web site.

Referred to: Judiciary, if favorable, Rules, Calendar, and Operations of the House

May 8, 2020

A BILL TO BE ENTITLED
AN ACT TO CLARIFY THE BINGO LICENSE STATUTE, AS RECOMMENDED BY THE
GENERAL STATUTES COMMISSION.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 14-309.7 reads as rewritten:

"§ 14-309.7. Licensing procedure.

(a) An exempt organization ~~may~~shall not operate a bingo game at a location without a license. Application for a bingo license shall be made to the State Bureau of Investigation on a form prescribed by the Bureau. The Bureau shall charge an annual application fee of two hundred dollars (\$200.00) to defray the cost of issuing bingo licenses and handling bingo audit reports. The fees collected shall be deposited in the General Fund of the State. ~~This~~The license shall expire one year after ~~the granting of the license. This license issuance and~~ may be renewed yearly, annually if the applicant pays the application fee and files an audit with the Bureau pursuant to G.S. 14-309.11. A copy of the application and license shall be furnished to the local law-enforcement agency in the county or municipality in which the licensee intends to operate before bingo is conducted by the licensee.

(b) Each application and renewal application shall contain the following information:

(1) The name and address of the applicant and if the applicant is a corporation, ~~association~~association, or other similar legal entity, the name and home address of each of the officers of the organization as well as the name and address of the directors, or other persons similarly situated, of the organization.

(2) The name and home address of each ~~of the members~~member of the special ~~committee~~committee described in G.S. 14-309.10.

(3) A copy of the application for recognition of exemptions and a determination letter from the Internal Revenue Service and the Department of Revenue that indicates ~~that the organization applicant~~ is an exempt organization and stating the section under which that exemption is granted; except that if granted. If the organization applicant is a State or local branch, lodge, post, or chapter of a national organization, a copy of the determination letter of the national organization satisfies this requirement.

(4) The location at which the applicant will conduct the bingo games. If the premises are leased, a copy of the lease or rental agreement.

(c) In order for an exempt organization to have a member familiar with the operation of bingo present on the premises at all times when bingo is being played and for this member to be



1 responsible for the receiving, ~~reporting-reporting,~~ and depositing of all revenues received, the
2 exempt organization may pay one member for conducting a bingo game. ~~Such-The~~ pay shall be
3 on an hourly basis only for the time bingo is actually being played and shall not exceed one and
4 one-half times the existing minimum wage in North Carolina. The member paid under this
5 ~~provision-subsection~~ shall be a member in good standing of the exempt organization for at least
6 one year and shall not be the lessor or an employee or agent of the lessor. No other person ~~may~~
7 shall be compensated for conducting a bingo game from funds derived from any activities
8 occurring in, or simultaneously with, the playing of bingo, including funds derived from
9 concessions. An exempt organization shall not contract with any person for the purpose of
10 conducting a bingo game.

11 (c1) Except as provided in subsection (e) of this section, an exempt organization may hold
12 a bingo game only in or on property ~~owned (either legally or equitably and the buildings must be~~
13 ~~of a permanent nature with approved plumbing for bathrooms and not movable or of a temporary~~
14 ~~nature such as a tent or lean-to) owned, either legally or equitably, or leased-leased, but not~~
15 ~~subleased,~~ by the organization from the owner or bona fide property management agent ~~(no~~
16 ~~subleasing is permitted) at a total monthly rental in an amount not to agent. The buildings shall~~
17 ~~be permanent with approved plumbing for bathrooms and shall not be movable or temporary~~
18 ~~such as a tent or lean-to. The total monthly payment for leased premises shall not exceed one and~~
19 ~~one-quarter percent (1 1/4%) of the total assessed ad valorem tax value of the portion of the~~
20 ~~building actually used for the bingo games and the land value on which the building is located~~
21 ~~(not to exceed two acres)-located; the land shall not exceed two acres. The lease shall be for all~~
22 ~~activities conducted therein on the leased premises, including the playing of bingo for a period~~
23 ~~of not less than one year-year, and the leased premises shall be actually occupied and used by~~
24 ~~that organization on a regular basis for purposes other than bingo for at least six months before~~
25 ~~the game; and all first game. All equipment used by the exempt organization in conducting the~~
26 ~~bingo game must shall~~ be owned by the organization. Unless the exempt organization leases the
27 property in accordance with this subsection, an exempt organization may conduct a bingo game
28 only in or on property that is exempt from property taxes levied under Subchapter II of Chapter
29 105 of the General Statutes, or that is classified and not subject to any property taxes levied under
30 Subchapter II of Chapter 105 of the General Statutes. It ~~shall be-is~~ unlawful for any person to
31 operate beach bingo games at a location ~~which-that~~ is being used by any licensed exempt
32 organization for the purpose of conducting bingo games.

33 (d) Conduct of a bingo game or raffle ~~under-in accordance with this Part on such property~~
34 ~~shall does~~ not operate to defeat an exemption or classification under Subchapter II of Chapter
35 105 of the General Statutes.

36 (e) An exempt organization that wants to conduct only an annual or semiannual bingo
37 game may apply to the State Bureau of Investigation for a limited occasion permit. The State
38 ~~Bureau of Investigation~~ may require ~~such-any~~ information as is reasonable and necessary to
39 determine that the bingo game is conducted in accordance with ~~the provisions of this Part but~~
40 ~~may Part. The Bureau shall not require more information than previously specified in this section~~
41 ~~for application of a regular license. for a limited occasion permit than it requires for a license~~
42 ~~under this section.~~ The application shall be made to the Bureau on prescribed forms at least 30
43 days prior to the scheduled date of the bingo game. In lieu of the reporting requirements of
44 ~~G.S. 14-309.11(b) G.S. 14-309.11(b),~~ the exempt organization shall file with the ~~licensing~~
45 ~~agency-Bureau~~ and local law-enforcement a report on prescribed forms no later than 30 days
46 following ~~the conduct~~ of the bingo game for which the permit was obtained. ~~Such report-The~~
47 ~~forms may require such-any~~ information as is reasonable and necessary to determine that the
48 bingo game was conducted in accordance with ~~the provisions of this Part but may this Part. The~~
49 ~~forms shall not~~ require more information than specified in G.S. 14-309.11(b). Any licensed
50 exempt organization may donate or loan its equipment or use of its premises to an exempt
51 organization ~~which-that~~ has secured a limited occasion permit ~~provided-such-as long as the~~

1 arrangement is disclosed in the limited occasion permit application and is approved by the State
2 ~~Bureau of Investigation. Bureau.~~ Except as ~~stated above,~~ provided in this subsection, all
3 provisions of this Part ~~shall~~ apply to ~~any an~~ exempt organization operating a bingo game under
4 this ~~provision.~~subsection."

5 **SECTION 2.** This act becomes effective October 1, 2020, and applies to applications
6 submitted on or after that date.