

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 10

Session of
2005

INTRODUCED BY SEMMEL, PETRONE, LEH, TIGUE, BELFANTI,
CALTAGIRONE, CAPPELLI, CORRIGAN, DALLY, GEIST, GRUCELA,
HARHAI, KOTIK, McCALL, PALLONE, PAYNE, SAINATO, SANTONI,
SAYLOR, SOLOBAY, WASHINGTON, WILT AND BUXTON, MARCH 14, 2005

AS REPORTED FROM COMMITTEE ON FINANCE, HOUSE OF REPRESENTATIVES,
AS AMENDED, JUNE 30, 2005

AN ACT

1 Amending the act of July 10, 1981 (P.L.214, No.67), entitled "An
2 act relating to the lawful conduct of bingo, prescribing
3 penalties and making a repeal," further providing for rules
4 for licensing and operation.

5 The General Assembly of the Commonwealth of Pennsylvania
6 hereby enacts as follows:

7 ~~Section 1. Section 5(c) and (d) of the act of July 10, 1981~~ <—
8 ~~(P.L.214, No.67), known as the Bingo Law, amended December 15,~~
9 ~~1982 (P.L.1299, No.293) and February 12, 1988 (P.L.76, No.14),~~
10 ~~are amended to read:~~

11 SECTION 1. THE DEFINITION OF "BONA FIDE MEMBER" IN SECTION 3 <—
12 OF THE ACT OF JULY 10, 1981 (P.L.214, NO.67), KNOWN AS THE BINGO
13 LAW, ADDED DECEMBER 15, 1982 (P.L.1299, NO.293), IS AMENDED TO
14 READ:

15 SECTION 3. DEFINITIONS.

16 THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS ACT SHALL
17 HAVE, UNLESS THE CONTEXT CLEARLY INDICATES OTHERWISE, THE

1 MEANINGS GIVEN TO THEM IN THIS SECTION:

2 * * *

3 "BONA FIDE MEMBER." ANY INDIVIDUAL WHO HOLDS A FULL
4 MEMBERSHIP IN THE ASSOCIATION AS DEFINED BY THE ASSOCIATION'S
5 CONSTITUTION, CHARTER, ARTICLES OF INCORPORATION OR BYLAWS [AND
6 HAS BEEN A MEMBER OF THE ASSOCIATION FOR AT LEAST ONE YEAR]. THE
7 TERM SHALL ALSO INCLUDE THOSE INDIVIDUALS WHO ARE MEMBERS OF AN
8 AUXILIARY OR RECOGNIZED JUNIOR AFFILIATE OF THE PARENT
9 ASSOCIATION.

10 * * *

11 SECTION 2. SECTION 5(A), (C), (D) AND (E) OF THE ACT,
12 AMENDED DECEMBER 15, 1982 (P.L.1299, NO.293) AND FEBRUARY 12,
13 1988 (P.L.76, NO.14), ARE AMENDED AND THE SECTION IS AMENDED BY
14 ADDING A SUBSECTION TO READ:

15 Section 5. Rules for licensing and operation.

16 (A) ISSUANCE AND FEE.--THE LICENSING AUTHORITY SHALL <—
17 LICENSE, UPON APPLICATION, ANY ASSOCIATION AS DEFINED IN SECTION
18 3 TO CONDUCT THE GAME OF BINGO AT ONE LOCATION IN THE COUNTY,
19 WHICH, WHEN IN A COUNTY OF THE SECOND CLASS, SHALL ONLY BE IN
20 THE CITY, BOROUGH OR TOWNSHIP WHERE THE MAIN BUSINESS OFFICE OR
21 HEADQUARTERS OF THE ASSOCIATION IS LOCATED. THE COUNTY TREASURER
22 OF A COUNTY OF THE SECOND CLASS SHALL INDICATE ON EACH LICENSE
23 THE CITY, BOROUGH OR TOWNSHIP WHERE THE ASSOCIATION MAY CONDUCT
24 BINGO. THE SINGLE MUNICIPAL LOCATION LIMITATION SHALL NOT APPLY
25 TO A GROUP OF LICENSED ASSOCIATIONS CONDUCTING BINGO AT A
26 CENTRAL LOCATION. THE LICENSE FEE TO BE CHARGED TO EACH
27 NONPROFIT ASSOCIATION SHALL BE [\$100 PER ANNUM] \$300 FOR A TWO-
28 YEAR PERIOD EXCEPT TO THOSE RECOGNIZED SENIOR CITIZENS' GROUPS
29 WHO CONDUCT BINGO FOR THEIR MEMBERS ONLY THE FEE SHALL BE [\$50
30 PER ANNUM] \$150 FOR A TWO-YEAR PERIOD. THE LICENSE FEE TO BE

1 CHARGED TO EACH AGRICULTURAL ASSOCIATION OR COUNTY FAIR SHALL BE
2 [\$100 PER ANNUM] \$300 FOR A TWO-YEAR PERIOD. ASSOCIATIONS WHICH
3 CONDUCT BINGO ONLY ONE PERIOD EACH YEAR FOR NOT MORE THAN THREE
4 CONSECUTIVE DAYS SHALL BE CHARGED \$15 FOR THE ISSUANCE OF THEIR
5 LICENSE. THE FEES COLLECTED PURSUANT TO THIS SECTION SHALL BE
6 PAID BY THE LICENSING AUTHORITY INTO THE GENERAL FUND OF THE
7 COUNTY AND USED FOR COUNTY PURPOSES. ALL RECORDS RETAINED BY THE
8 LICENSING AUTHORITY RELATING TO THE ISSUANCE OF BINGO LICENSES
9 AND BINGO PERMITS SHALL BE PUBLIC INFORMATION.

10 * * *

11 (c) Operation.--Each licensed association shall comply with
12 the following restrictions and rules governing the operation of
13 bingo:

14 (1) No person under the age of 18 shall be permitted to
15 play bingo unless accompanied by an adult.

16 (2) No association shall conduct bingo more than twice
17 in any one week, except an association shall be permitted to
18 conduct the game of bingo for a period not to exceed ten days
19 at the association's exposition, carnival or fair site in
20 addition to the regularly scheduled games.

21 (3) Prizes awarded shall not exceed a value of \$250 for
22 any one game of bingo, except [for jackpot] as follows:

23 (i) Jackpot games, which shall not exceed a value of
24 \$2,000 for one such game.

25 ~~(ii) Mega bingo games, which shall not exceed a~~ <—
26 ~~value of \$25,000 for one such game, and shall not be~~
27 ~~conducted more than once in any one month.~~

28 ~~(iii) Winner takes all games, which shall pay out~~
29 ~~100% of the gross revenues generated from the bingo game.~~
30 ~~In addition, no more than [\$4,000 in prizes] \$8,000 in~~

1 ~~prizes, excluding prizes under subparagraphs (ii) or~~
2 ~~(iii), shall be awarded in any calendar day.~~ [IN <—
3 ADDITION, NO]

4 (II) NO MORE THAN [\$4,000 IN PRIZES] \$8,000 IN
5 PRIZES SHALL BE AWARDED IN ANY CALENDAR DAY.

6 [(4) Only associations licensed to conduct bingo shall
7 be permitted to advertise their bingo games. Such
8 advertisements shall contain the date, time, location,
9 whether cash or merchandise prizes will be awarded and the
10 name of the association licensed to conduct the bingo game
11 and the name of the individual in charge of the operation of
12 the game. An association shall not advertise the prizes or
13 their dollar value which will be awarded nor shall they
14 advertise a guaranteed prize dollar value.]

15 (5) The association shall own the equipment used in
16 playing bingo or shall sign a written agreement leasing the
17 equipment from another licensed association for a fee which
18 is not determined by the amount of receipts realized from the
19 playing of bingo or the number of people attending bingo
20 games. Joint ownership of bingo equipment shall be permitted
21 only if both owners of the equipment are licensed
22 associations. This paragraph shall not apply to associations
23 contracting charitable organizations or outside operators to
24 conduct bingo at expositions, carnivals or fairs.

25 (6) The association shall own both the premises upon
26 which bingo is played and the personal property used in the
27 conduct of the game, or if it does not, the association shall
28 sign a written agreement leasing such premises or personal
29 property from the owner thereof for a fee which is not
30 determined by either the amount of receipts realized from the

1 playing of bingo or the number of people attending bingo
2 games. An association shall not lease such premises or
3 personal property from any person who has been convicted of a
4 felony or a violation of this act. More than one association
5 may lease the same premises for the conducting of bingo and
6 each association shall have its own license.

7 (7) Each association shall keep written records of the
8 moneys and merchandise collected and distributed for each day
9 they conduct bingo. These records shall indicate the total
10 proceeds collected, the total prize money distributed, the
11 total value of all merchandise awarded as a prize and the
12 amount of moneys paid as rentals or wages and to whom such
13 rentals or wages were paid. All prizes awarded having a value
14 greater than ~~[\$250]~~ \$600 shall be specifically described in <—
15 the association's records. THE ASSOCIATION SHALL OBTAIN THE <—
16 SIGNATURE RECEIPT OF ANY WINNER OF \$600 OR MORE. THESE
17 RECORDS SHALL BE MAINTAINED BY THE ASSOCIATION. Each
18 association shall report to the Department of Revenue prizes
19 awarded as required by Internal Revenue Service regulations.

20 (8) Each association shall deposit with a financial
21 institution all proceeds for each day's bingo game in an
22 account in the association's name. This deposit shall be made
23 before any of the proceeds may be used for any other purpose,
24 except for payment of prize money and compensation to members
25 employed in the operation of the game.

26 (9) No association shall permit any person who is not a
27 bona fide member of the association or who has been convicted
28 of a felony or a violation of this act to manage, set up,
29 supervise or participate in the operation of the
30 association's bingo games. Nothing contained in this act

1 shall be construed to prohibit individuals under 18 years of
2 age from participating in the operation of the game and being
3 compensated therefor if written permission is obtained from
4 their parent or guardian.

5 (10) Associations which obtain a license for the purpose
6 of conducting bingo at an exposition, carnival or fair for a
7 period not exceeding ten days shall be permitted to contract
8 a charitable organization to manage, set up, supervise or
9 participate in the operation of the bingo game provided only
10 merchandise prizes are awarded. Only bona fide members of the
11 contracted charitable organization shall be permitted to
12 participate in the operation of the bingo game. If no
13 charitable organizations are available, the association may
14 contract an outside operator to conduct the game for
15 merchandise at the exposition, carnival or fair site. The
16 provisions of this paragraph shall not be construed to allow
17 bingo games to be ordinarily carried out on a commercial
18 basis in this Commonwealth.

19 (11) No person shall participate in the operation of
20 bingo games on more than four days in any calendar week,
21 which games may be operated by no more than two different
22 licensed associations. This provision shall not apply to
23 persons engaged in the operation of bingo for merchandise at
24 expositions, carnivals or fairs not exceeding ten days in
25 duration.

26 (12) No supplier of merchandise nor any person who has
27 been convicted of a felony or a violation of this act shall
28 have a pecuniary interest in the operation or proceeds of the
29 bingo game.

30 (d) Application for license.--Each association shall apply

1 to the licensing authority for a license on a form to be
2 prescribed by the Secretary of the Commonwealth. Said form shall
3 contain an affidavit to be affirmed by the executive officer or
4 secretary of the association stating that:

5 (1) No person under the age of 18 will be permitted by
6 the association to play bingo unless accompanied by an adult.

7 (2) The facility in which any game of bingo is to be
8 played does have adequate means of ingress and egress and
9 adequate sanitary facilities available in the area.

10 (3) The association is the sole or joint owner with a
11 licensed association of the equipment used in playing bingo
12 or it leases the equipment from another licensed association
13 under a written agreement for a fee which is not determined
14 by the amount of receipts realized from the playing of bingo
15 or the number of people attending bingo games. This paragraph
16 shall not apply to associations contracting with charitable
17 organizations or outside operators to conduct bingo at
18 expositions, carnivals or fairs.

19 (4) The association is the owner of both the premises
20 upon which bingo is played and the personal property used in
21 the conduct of the game or, if it is not, that the
22 association is not leasing such premises or personal property
23 from the owner thereof under an oral agreement, nor is it
24 leasing such premises or personal property from the owner
25 thereof under a written agreement at a rental which is
26 determined by either the amount of receipts realized from the
27 playing of bingo or the number of people attending bingo
28 games, nor is it leasing such premises or personal property
29 from a person who has been convicted of a felony or a
30 violation of this act.

1 (5) The association will not conduct the playing of
2 bingo more than twice per week in any one week, except those
3 associations conducting bingo at expositions, carnivals or
4 fairs.

5 (6) The association in any calendar day will not award a
6 total of more than [\$4,000 in prizes] \$8,000 in prizes, <—
7 ~~except as provided under subsection (c)(3).~~

8 (7) The association is a nonprofit association as
9 defined in this act.

10 * * *

11 ~~Section 2. This act shall take effect in 60 days.~~ <—

12 (E) LIMITATION ON COMPENSATION.--NO PERSON MAY BE EMPLOYED <—
13 IN THE OPERATION OR THE ACTUAL RUNNING OF A BINGO GAME FOR
14 COMPENSATION GREATER THAN [\$50] \$100 PER DAY, EXCEPT EMPLOYEES
15 OF OUTSIDE OPERATORS UNDER SECTION 5(C)(10), AND ANY PERSON
16 COMPENSATED SHALL BE PAID INDIVIDUALLY BY CHECK OR BY CASH, IN
17 WHICH CASE THE PAYEE SHALL SIGN A WRITTEN RECEIPT THEREFOR. IN
18 ADDITION, NO PERSON SHALL RECEIVE COMPENSATION FROM MORE THAN
19 ONE SOURCE FOR SERVICES RENDERED IN THE OPERATION OF A BINGO
20 GAME.

21 * * *

22 (G) FINANCIAL REPORT.--AN APPLICATION FOR RENEWAL OF A BINGO
23 LICENSE MUST BE ACCOMPANIED BY A SIGNED AFFIDAVIT CONTAINING A
24 FINANCIAL REPORT DETAILING GROSS PROFIT, ALLOWABLE EXPENSES,
25 RENT, STAFF PER DIEM, COST OF SUPPLIES, NET PROFIT AND
26 CONTRIBUTIONS TO CHARITABLE CAUSES. THIS REPORT SHALL BE
27 PREPARED ON A ONE-PAGE FORM TO BE DESIGNED BY THE DEPARTMENT OF
28 REVENUE. THE REPORT SHALL CONTAIN INFORMATION FOR THE TWELVE-
29 MONTH PERIOD IMMEDIATELY PRECEDING A DATE 60 DAYS PRIOR TO THE
30 FILING OF THE APPLICATION. THE AFFIDAVIT MUST BE EXECUTED BY THE

1 EXECUTIVE OFFICER OR SECRETARY OF THE ASSOCIATION.

2 SECTION 3. THE ACT IS AMENDED BY ADDING A SECTION TO READ:

3 SECTION 5.1. EDUCATIONAL REQUIREMENTS.

4 ANY LICENSED OPERATOR WHO CONDUCTS BINGO 30 OR MORE TIMES IN

5 ONE YEAR MUST PROVIDE EVIDENCE TO THE COUNTY TREASURER THAT HE

6 OR SHE HAS COMPLETED EIGHT HOURS OF EDUCATION IN A LICENSE

7 PERIOD. THIS EDUCATION SHALL BE PROVIDED BY A NONPROFIT

8 ASSOCIATION APPROVED BY THE DEPARTMENT OF REVENUE TO PROVIDE

9 SUCH EDUCATION. THE EDUCATION PROGRAM SHALL INCLUDE SEMINARS ON

10 LAW APPLICABLE TO BINGO INVOLVING REPORTING REQUIREMENTS,

11 RECORDKEEPING, LEGAL OPERATION OF BINGO AND SUCH OTHER TOPICS AS

12 THE DEPARTMENT OF REVENUE MAY REQUIRE.

13 SECTION 4. THIS ACT SHALL TAKE EFFECT AS FOLLOWS:

14 (1) THE ADDITION OF SECTION 5.1 OF THE ACT SHALL TAKE
15 EFFECT IN TWO YEARS.

16 (2) THIS SECTION SHALL TAKE EFFECT IMMEDIATELY.

17 (3) THE REMAINDER OF THIS ACT SHALL TAKE EFFECT IN 60
18 DAYS.