

SENATE APPROPRIATIONS COMMITTEE

FISCAL NOTE

BILL NO.

Senate Bill 212

PRINTER'S NO.

1436

AMOUNT

No Fiscal Impact

FUND

General

DATE INTRODUCED

Feb. 19, 2009

PRIME SPONSOR

Senator Orie

HISTORY OF BILL

Referred to FINANCE, Feb. 19, 2009

Reported as amended, April 1, 2009

First consideration, April 1, 2009

Re-referred to APPROPRIATIONS, April 28, 2009

Re-reported as committed, September 24, 2009

DESCRIPTION AND PURPOSE OF BILL

Senate Bill 212 amends Act 67 of 1981, known as the "Bingo Law", further providing for definitions; prize limitations; rules for operation, licensing, and compensation; and criminal penalties.

The bill defines a "bona fide member" as any individual who holds a full membership in the association as defined by the association's by-laws.

The bill also sets prize limitations. One game cannot exceed \$250, unless it is a jackpot game, which cannot exceed \$2,000. Winner-take-all games that pay out all of the revenue generated may also exceed \$250. No more than \$8,000 can be awarded in any one day.

More than one association can lease the same building for bingo game operations. No more than two associations can conduct games on the same premises in any one day. Games cannot be conducted on the same premises more than five days in any week.

SENATE APPROPRIATIONS COMMITTEE FISCAL NOTE

All prizes and awards exceeding \$600 must be described in association records and the records must be maintained; require a signature of receipt from the winner; and require the association to report the prizes in a manner consistent with the Commonwealth's tax laws.

The affidavit requirements in the Bingo Law are expanded to include the following:

- A statement that no more than \$8,000 in prizes shall be awarded in any calendar day.
- A statement regarding financial reporting requirements.
- A statement regarding compliance with bingo education requirements.

Additionally, the bill requires an annual report to be filed as an additional license application document. The annual report must:

- Include gross receipts, expenses, and prizes awarded.
- Be prepared on a form designed by the department.
- Provide evidence of bingo game education.

Evidence of bingo game education must be completed by a responsible person or officer listed on the application and includes two hours of education completed in the preceding twelve months. The department is responsible for determining the contents of bingo education. Organizations that provide an affidavit attesting it will not conduct bingo games more than thirty days during a licensing period are exempted from the education requirement.

Senate Bill 212 places compensation limitations on people who operate the bingo game. No person may receive more than \$100 per day. Compensation must be paid by check or in cash with a signed receipt.

The bill also provides for criminal penalties. Any person allowing bingo games on the same premises by more than two associations in one day is guilty of a misdemeanor of the first degree. Bingo games at an exposition, carnival, or fair are excluded.

FISCAL IMPACT:

The enactment of this legislation will have no adverse fiscal impact to the Commonwealth. Any additional administrative duties required by the department will be offset by the increase in license fees.

SENATE APPROPRIATIONS COMMITTEE

FISCAL NOTE

Amendment A-03878

Makes conforming changes to Senate Bill 212 to include the changes were made to Senate Bill 211 (Small Games of Chance), including:

- Requiring a copy of the association's annual report to be filed with an application for renewal of a liquor license.
- Changing "Education" to "Training".
- Requiring the revocation of a bingo license for any association which fails to keep and maintain records required under the act for 2 years.

Additional amendments to the "Bingo Law":

- Amends the definition of Bingo to allow for the use of electronic bingo devices.
- Adds definitions for "Electronic Bingo Device" and "Lessor"
- Prohibits children under the age of 18 from being able to use Electronic Bingo Devices.
- Increases the number of times a week an association may conduct bingo from 2 days a week to 3 days a week.
- Increases the proposed increase in the daily prize limit from the proposed \$8,000 to \$10,000 – currently it is at \$4,000 – where it has been since 1981.
- Clarifies that no one from the association or any employee of the lessor of a facility where bingo is held may participate in the operation of the association's bingo games if they have been convicted of a felony or a violation of the Bingo Law.
- Allows persons to participate in the operation of bingo games up to six days a week, currently set at 4 – corresponding change due to the increase in the number of times a week an association may conduct bingo.
- Removes the restriction on bingo occurring only 5 days a week at one location.
- Would allow up to 3 associations to conduct bingo at one location on a single day, currently proposed to be increased to 2 associations a day may use the same location.