

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2204 Session of 2008

INTRODUCED BY WALKO, JAMES, DERMODY, SOLOBAY, BELFANTI, BRENNAN, BUXTON, CALTAGIRONE, CASORIO, DALEY, FABRIZIO, GEIST, GEORGE, GERGELY, GIBBONS, GOODMAN, GRUCELA, HARHAI, HARKINS, KILLION, KIRKLAND, KORTZ, KOTIK, KULA, LEACH, MAHONEY, MANN, MYERS, D. O'BRIEN, PALLONE, PETRARCA, PETRONE, SABATINA, SANTONI, SEIP, SIPTROTH, THOMAS, J. WHITE, FRANKEL, K. SMITH AND RAMALEY, JANUARY 28, 2008

AS REPORTED FROM COMMITTEE ON GAMING OVERSIGHT, HOUSE OF REPRESENTATIVES, AS AMENDED, MARCH 10, 2008

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
4 definitions, AND for rules for licensing and operation; <—
5 PROVIDING FOR PROGRESSIVE JACKPOTS; and FURTHER PROVIDING for <—
6 revocation of licenses.

7 The General Assembly of the Commonwealth of Pennsylvania
8 hereby enacts as follows:

9 Section 1. The definition of "bingo" in section 3 of the act
10 of July 10, 1981 (P.L.214, No.67), known as the Bingo Law,
11 amended December 15, 1982 (P.L.1299, No.293), is amended and the
12 section is amended by adding definitions to read:

13 Section 3. Definitions.

14 The following words and phrases when used in this act shall
15 have, unless the context clearly indicates otherwise, the
16 meanings given to them in this section:

17 * * *

1 ["Bingo." A game in which each player has a card or board
2 containing five horizontal rows all but the central one
3 containing five figures. The central row has four figures with
4 the word "free" marked in the center thereof. Any preannounced
5 combination of spaces when completed by a player constitutes
6 bingo. In the absence of a preannouncement of a combination of
7 spaces, any combination of five in a row whether horizontal or
8 vertical when completed by a player constitutes bingo when its
9 numbers are announced and covered. A wheel or other mechanical
10 device may be used by any person conducting the game of bingo,
11 and any such person may award a prize to any player or players
12 first completing any combination constituting bingo.]

13 "Bingo." A game in which each player has a card or an
14 electronic representation of a card or board which contains
15 numbers and symbols. Any preannounced combination of spaces when
16 completed by a player constitutes bingo if the numbers or
17 symbols are announced and covered. A wheel or other mechanical
18 device, including a random number or symbol generator, may be
19 used by any person physically calling or electronically
20 displaying the game of bingo and any person may award a prize to
21 any player or players first completing any combination
22 constituting bingo.

23 "Bingo session." Authorized bingo games played until the
24 maximum amount of prize money, not including the progressive
25 jackpot, has been given out.

26 "Bingo supplies." Paper, pull tabs or daubers used in
27 conjunction with the game of bingo.

28 * * *

29 "Electronic bingo device." An electronic or mechanical
30 device that is used by a bingo player to mark representations of

1 bingo card faces stored in the device and shall not include any
2 device into which coin, currency or tokens are inserted directly
3 into the device to activate play. An electronic bingo device may
4 be used to participate in any lawful form of bingo.

5 * * *

6 "Lessor." A person that permits the conduct of bingo on a
7 premises owned by or leased to the person.

8 * * *

9 "Prize." The maximum allowed to be paid by an association
10 per bingo session, not including any progressive jackpot. A
11 prize is not considered to be a prize until it is paid to the
12 winning player who must be present during the bingo session the
13 prize was won. The prize must be awarded to the winner in
14 person, either in the form of a check or cash by a bona fide
15 member of the association or an employee of the lessor with whom
16 the association is renting the premises.

17 "Progressive jackpot." An amount given along with the
18 regular prize if a win is obtained in the predetermined number
19 of balls or less. If the win is not obtained in the
20 predetermined number of balls or less, the regular game shall
21 continue.

22 Section 2. Section 5 of the act, amended OR ADDED DECEMBER <—
23 15, 1982 (P.L.1299, NO.293) AND February 12, 1988 (P.L.76,
24 No.14), is amended to read:

25 Section 5. Rules for licensing and operation.

26 (a) Issuance and fee.--The licensing authority shall
27 license, upon application, any association as defined in section
28 3 to conduct the game of bingo at one location in the county,
29 which, when in a county of the second class, shall only be in
30 the city, borough or township where the main business office or

1 headquarters of the association is located. The county treasurer
2 of a county of the second class shall indicate on each license
3 the city, borough or township where the association may conduct
4 bingo. The single municipal location limitation shall not apply
5 to a group of licensed associations conducting bingo at a
6 central location. The license fee to be charged to each
7 nonprofit association shall be \$100 per annum except to those
8 recognized senior citizens' groups who conduct bingo for their
9 members only the fee shall be \$50 per annum. The license fee to
10 be charged to each agricultural association or county fair shall
11 be \$100 per annum. Associations which conduct bingo only one
12 period each year for not more than three consecutive days shall
13 be charged \$15 for the issuance of their license. The fees
14 collected pursuant to this section shall be paid by the
15 licensing authority into the general fund of the county and used
16 for county purposes. All records retained by the licensing
17 authority relating to the issuance of bingo licenses and bingo
18 permits shall be public information.

19 (b) Display.--Licenses issued pursuant to this section shall
20 be publicly displayed at games conducted by licensees.

21 (c) Operation.--Each licensed association shall comply with
22 the following restrictions and rules governing the operation of
23 bingo:

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

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

1 (3) Prizes awarded shall not exceed a value of \$250 for
2 any one game of bingo, except for jackpot games which shall
3 not exceed a value of \$2,000 for one such game. In addition,
4 no more than \$4,000 in prizes shall be awarded in any
5 calendar day.

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

5 (1) No person under the age of 18 shall be permitted to
6 play bingo unless accompanied by an adult. Children under 18
7 years of age shall not be permitted to play bingo using an
8 electronic bingo device.

9 (2) No association shall conduct bingo more than four
10 times in any one week, except an association shall be
11 permitted to conduct the game of bingo for a period not to
12 exceed ~~four~~ TEN days at the association's exposition, ←
13 carnival or fair site in addition to the regularly scheduled
14 games.

15 (3) No more than \$10,000 in prizes shall be awarded in
16 any calendar day. The value of a progressive jackpot shall
17 not be subject to the prize limitation under this paragraph.

18 (4) (Reserved)

19 (5) The association shall own the equipment used in
20 playing bingo or shall sign a written agreement leasing the
21 equipment from another licensed association for a fee which
22 is not determined by the amount of receipts realized from the
23 playing of bingo or the number of people attending bingo
24 games. Joint ownership of bingo equipment shall be permitted
25 only if both owners of the equipment are licensed
26 associations. This paragraph shall not apply to associations
27 contracting charitable organizations or outside operators to
28 conduct bingo at expositions, carnivals or fairs. The
29 association can be charged a per use fee on an electronic
30 bingo device used during the bingo occasion. The per use fee

1 may not be determined by the amount of receipts realized from
2 the playing of bingo or the number of people attending bingo
3 games.

4 (6) The association shall own both the premises upon
5 which bingo is played and the personal property used in the
6 conduct of the game, or if it does not, the association shall
7 sign a written agreement leasing such premises or personal
8 property from the owner thereof for a fee which is not
9 determined by either the amount of receipts realized from the
10 playing of bingo or the number of people attending bingo
11 games. An association shall not lease such premises or
12 personal property from any person who has been convicted of a
13 felony or a violation of this act.

14 (7) Each association shall keep written records of the
15 moneys and merchandise collected and distributed for each day
16 they conduct bingo. These records shall indicate the total
17 proceeds collected, the total prize money distributed, the
18 total value of all merchandise awarded as a prize and the
19 amount of moneys paid as rentals or wages and to whom such
20 rentals or wages were paid. All prizes awarded having a value
21 greater than \$250 shall be specifically described in the
22 association's records.

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

30 (i) No supplier of equipment, bingo supplies or

1 electronic bingo devices shall sell, offer to sell or
2 deliver any equipment, bingo supplies or electronic bingo
3 devices to any licensed organization in this Commonwealth
4 and no organization shall buy or accept delivery of any
5 equipment, bingo supplies or electronic bingo devices,
6 except on terms of immediate payment or on terms
7 requiring payment no later than the 15th day following
8 that on which actual delivery is made. If any payment is
9 not made when due, the supplier shall immediately notify
10 the district attorney of the county in which the
11 organization is located of the default, after which no
12 person shall sell any equipment, bingo supplies or
13 electronic bingo devices to the organization in default
14 on any other terms than immediate payment, until
15 otherwise authorized by the district attorney. Under
16 penalty of suspension of its license, the organization
17 which is in default shall pay its obligation in full
18 within 30 days from the date it became due.

19 (ii) No supplier of equipment, bingo supplies or
20 electronic bingo devices shall accept payment from a
21 licensed organization for any equipment, bingo supplies
22 or electronic bingo devices unless that payment is in the
23 form of a check bearing the organization's license number
24 and drawn on the organization's separate charitable
25 gaming account.

26 (iii) Any licensee who violates this section may
27 have its license suspended for not more than 60 days for
28 a first or a subsequent offense. Each failure of an
29 organization to make payment for any default before the
30 expiration of the period suspension constitutes a

1 subsequent offense. Additionally, the organization may be
2 required to make payments for all equipment, bingo
3 supplies or electronic bingo devices subsequently
4 purchased.

5 [(9) No association shall permit any person who is not a
6 bona fide member of the association or who has been convicted
7 of a felony or a violation of this act to manage, set up,
8 supervise or participate in the operation of the
9 association's bingo games. Nothing contained in this act
10 shall be construed to prohibit individuals under 18 years of
11 age from participating in the operation of the game and being
12 compensated therefor if written permission is obtained from
13 their parent or guardian.]

14 (9) An association shall permit any person who is a bona
15 fide member of the association or an employee of a lessor to
16 manage, set up, supervise or participate in the operation of
17 the association's bingo games. No association shall permit
18 any person who has been convicted of a felony or a violation
19 of this chapter to manage, set up, supervise or participate
20 in the operation of the association's bingo games. Nothing
21 contained in this chapter shall be construed to prohibit
22 individuals under 18 years of age from participating in the
23 operation of the game and being compensated therefor if
24 written permission is obtained from their parent or guardian.

25 (10) Associations which obtain a license for the purpose
26 of conducting bingo at an exposition, carnival or fair for a
27 period not exceeding ten days shall be permitted to contract
28 a charitable organization to manage, set up, supervise or
29 participate in the operation of the bingo game provided only
30 merchandise prizes are awarded. Only bona fide members of the

1 contracted charitable organization shall be permitted to
2 participate in the operation of the bingo game. If no
3 charitable organizations are available, the association may
4 contract an outside operator to conduct the game for
5 merchandise at the exposition, carnival or fair site. The
6 provisions of this paragraph shall not be construed to allow
7 bingo games to be ordinarily carried out on a commercial
8 basis in this Commonwealth.

9 (11) No person shall participate in the operation of
10 bingo games on more than four days in any calendar week,
11 which games may be operated by no more than two different
12 licensed associations. This provision shall not apply to
13 persons engaged in the operation of bingo for merchandise at
14 expositions, carnivals or fairs not exceeding ten days in
15 duration.

16 (12) No supplier of merchandise nor any person who has
17 been convicted of a felony or a violation of this act shall
18 have a pecuniary interest in the operation or proceeds of the
19 bingo game.

20 (d) Application for license.--Each association shall apply
21 to the licensing authority for a license on a form to be
22 prescribed by the Secretary of the Commonwealth. Said form shall
23 contain an affidavit to be affirmed by the executive officer or
24 secretary of the association stating that:

25 (1) No person under the age of 18 will be permitted by
26 the association to play bingo unless accompanied by an adult.
27 Children under 18 years of age shall not be permitted to play
28 bingo using an electronic bingo device.

29 (2) The facility in which any game of bingo is to be
30 played does have adequate means of ingress and egress and

1 adequate sanitary facilities available in the area.

2 (3) The association is the sole or joint owner with a
3 licensed association of the equipment used in playing bingo
4 or it leases the equipment from another licensed association
5 under a written agreement for a fee which is not determined
6 by the amount of receipts realized from the playing of bingo
7 or the number of people attending bingo games. This paragraph
8 shall not apply to associations contracting with charitable
9 organizations or outside operators to conduct bingo at
10 expositions, carnivals or fairs.

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

23 (5) The association will not conduct the playing of
24 bingo more than [twice] four times per week in any one week,
25 except those associations conducting bingo at expositions,
26 carnivals or fairs.

27 (6) The association in any calendar day will not award a
28 total of more than [\$4,000] \$10,000 in prizes.

29 (7) The association is a nonprofit association as
30 defined in this act.

1 [(e) Limitation on compensation.--No person may be employed
2 in the operation or the actual running of a bingo game for
3 compensation greater than \$50 per day, except employees of
4 outside operators under section 5(c)(10), and any person
5 compensated shall be paid individually by check or by cash, in
6 which case the payee shall sign a written receipt therefor. In
7 addition, no person shall receive compensation from more than
8 one source for services rendered in the operation of a bingo
9 game.]

10 (e) Compensation.--Any person compensated shall be paid
11 individually by check or by cash, in which case the payee shall
12 sign a written receipt.

13 (f) Investigation of association.--The licensing authority
14 may request an investigation to verify the statements made in
15 any application for a license.

16 Section 3. The act is amended by adding a section to read:
17 Section 5.1. Progressive jackpots.

18 (a) Permitted.--A licensed charitable organization or
19 organizations playing at the same location may deposit a
20 predetermined amount of money before each licensed call bingo
21 session into a special account in order to offer a progressive
22 jackpot prize.

23 (b) Participating organizations.--A participating
24 organization may conduct a progressive jackpot game which shall
25 be in conjunction with the organization's regular bingo games.

26 (c) Contents.--A progressive jackpot shall consist of all
27 contributions made by participating organizations.

28 (d) Method of winning.--A progressive jackpot is won along
29 with a regular jackpot prize when a player achieves a win in a
30 predetermined number of balls or less. If the win is not

1 obtained in the predetermined number of balls or less, the
2 organization's regular game shall continue.

3 (e) Checking account.--A separate checking account shall be
4 opened by the participating organization for the progressive
5 jackpot. The following shall apply:

6 (1) The account shall be in the name of "Charitable
7 Gaming Progressive Jackpot Account" which shall be imprinted
8 on all checks. Checks from this account shall require two
9 signatures.

10 (2) If the organizations are using a lessor, the lessor
11 shall designate a representative who shall make deposits of
12 all funds contributed to the progressive jackpot by 10:00
13 a.m. on the next banking day and who shall be responsible for
14 maintaining the checking account in accordance with generally
15 accepted accounting principles.

16 (3) Designated representatives of the lessor and each
17 participating organization shall be authorized signatories on
18 the account and shall be in attendance at the location at the
19 conclusion of each respective organization's progressive
20 jackpot game for the purpose of issuing a check bearing
21 signatures of the lessor representative and the organization
22 representative from the special account to the winner. If no
23 lessor is involved, the organization shall have two of its
24 representatives at the location to sign and issue a check.

25 (4) All banking fees and costs shall be borne by the
26 lessor or the organization, if no lessor is involved.

27 (f) Contribution.--Each participating organization shall
28 submit a check to the designated lessor representative for the
29 predetermined amount prior to the commencement of the
30 organization's scheduled call bingo session made payable to the

1 charitable gaming progressive jackpot account. The contribution
2 shall be nonrefundable except in the event of premises closure.
3 Each predetermined contribution shall constitute part of the
4 total amount of prizes awarded during that call bingo session.
5 If no lessor is involved, the organization shall make a check
6 payable to its charitable gaming progressive jackpot account.
7 The contribution shall be nonrefundable except in the event of
8 premises closure. Each predetermined contribution shall
9 constitute part of the total amount of prizes awarded during
10 that call bingo session. The following shall apply:

11 (1) The dollar amount of the progressive jackpot shall
12 be continuously and conspicuously displayed during all bingo
13 sessions conducted by participating organizations at the
14 location within view of all patrons purchasing progressive
15 jackpot cards.

16 (2) All checks written to a charitable gaming
17 progressive jackpot account shall be reported as part of the
18 bingo reports when requested by the local district attorney's
19 office.

20 (3) The organization involved in the progressive jackpot
21 may establish a maximum cap. Participating organizations may,
22 prior to the progressive jackpot being won, raise but may not
23 lower the maximum jackpot or cap. The following shall apply:

24 (i) In the event that the maximum progressive
25 jackpot or cap established is reached, the organizations
26 may continue to make contributions to the charitable
27 gaming progressive jackpot account in order to accumulate
28 a second or subsequent jackpot. Once the maximum jackpot
29 or cap is reached, the participating organizations shall
30 not offer any subsequent progressive jackpot prize until

1 the time that the first progressive jackpot prize is won.

2 (ii) The dollar amount of the maximum jackpot or cap
3 as established by the organizations shall be continuously
4 and conspicuously displayed with the current dollar
5 amount of the progressive jackpot.

6 Section 4. Section 6 of the act, amended December 15, 1982
7 (P.L.1299, No.293), is amended to read:

8 Section 6. Revocation of licenses.

9 (a) Grounds.--The licensing authority shall revoke or refuse
10 to renew the license of any association whenever the district
11 attorney finds upon investigation that:

12 (1) Any of the funds derived from the operation of the
13 game of bingo are used for any purpose which does not support
14 the nonprofit purposes of the association.

15 (2) Any person under the age of 18 unaccompanied by an
16 adult is playing bingo as herein defined.

17 (3) The facility in which any game of bingo is played
18 does not have adequate means of ingress and egress or does
19 not have adequate sanitary facilities available in the area.

20 (4) [Greater compensation than is herein authorized has
21 been paid to or received by any person, or that a person or
22 persons other than those authorized in section 5 have been
23 involved in managing, setting up, operating or running the
24 game.] (Reserved).

25 (5) The association conducts bingo using bingo equipment
26 which it does not own solely or jointly with another licensed
27 association or which it leases in violation of the statement
28 contained in its license application provided by section
29 5(d)(3).

30 (6) The association conducts bingo upon premises which

1 it does not own or with personal property it does not own and
2 is either:

3 (i) leasing such premises or personal property used
4 in the conduct of the game from the owner thereof under
5 an oral agreement;

6 (ii) leasing such premises or personal property from
7 the owner thereof under a written agreement at a rental
8 which is determined by either the amount of receipts
9 realized from the playing of bingo or the number of
10 people attending bingo games; or

11 (iii) leasing such premises or personal property
12 from a person who has been convicted of a felony or a
13 violation of this act.

14 (7) False or erroneous information was provided in the
15 original notarized application.

16 (8) An association has been convicted of a violation of
17 this act as evidenced by a certified record of the
18 conviction.

19 (b) Production of records.--The district attorney may
20 require the licensees to produce their books, accounts and
21 records relating to the conduct of bingo in order to determine
22 whether a license should be revoked or renewal thereof denied.
23 Licensees shall also be required to produce their license,
24 books, accounts and records relating to the conduct of bingo to
25 other law enforcement officials upon proper request.

26 (c) Possible revocation.--The licensing authority may revoke
27 the license of any association if he finds that the association
28 has knowingly employed any person in the operation of their
29 bingo game who has been convicted of a violation of this act.

30 Section 5. This act shall take effect in 60 days.