

Senate Bill 272

By: Senator Harbison of the 15th

A BILL TO BE ENTITLED  
AN ACT

1 To amend Article 2 of Chapter 12 of Title 16 of the Official Code of Georgia Annotated,  
2 relating to gambling and related offenses, so as to define certain terms; to provide that certain  
3 veterans organizations may sell certain pull tab games of chance; to transfer the  
4 responsibility for regulation of bingo games and issuance of bingo licenses from the Georgia  
5 Bureau of Investigation to the Department of Revenue; to amend Article 2 of Chapter 4 of  
6 Title 38 of the Official Code of Georgia Annotated, relating to veterans benefits, so as to  
7 provide for certain bingo games for veterans; to provide for definitions; to provide for  
8 licensing required to operate bingo games; to provide for a procedure for licensing, fees, and  
9 renewals; to provide for revocation of licenses; to provide for certification of tax-exempt  
10 status of veterans organizations; to provide for restrictions as to ownership of premises used  
11 for bingo and age restrictions; to provide for an annual report to be filed with the  
12 commissioner of revenue; to provide for rules and regulations; to provide for penalties; to  
13 provide for related matters; to provide an effective date; to repeal conflicting laws; and for  
14 other purposes.

15 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

16 style="text-align:center">**SECTION 1.**

17 Article 2 of Chapter 12 of Title 16 of the Official Code of Georgia Annotated, relating to  
18 gambling and related offenses, is amended by adding a new Code section to read as follows:

19 "16-12-39.

20 (a) As used in this Code section, the term:

21 (1) 'Pull tab games' means multilayered paper tickets containing symbols hidden behind  
22 perforated tabs with two sides, with one side listing the winning combination of symbols,  
23 the cash payout for each combination, the total number of tickets that contain each  
24 winning combination, and the total number of tickets in the game. This information may  
25 also be posted on a printed sheet called a flare. The other side of the ticket contains

26 perforated tabs which, upon purchase, the player pulls to reveal his or her winnings, if  
 27 any. Winnings are limited to \$500.00 per person per 24 hour time period.

28 (2) 'Veterans organization' means any organization or association chartered by the  
 29 Congress of the United States which is exempt from federal income taxes but only if such  
 30 organization is a post or organization of past or present members of the armed forces of  
 31 the United States organized in the State of Georgia at least 75 percent of the members of  
 32 which are past or present members of the armed forces of the United States, and no part  
 33 of the net earnings of which inures to the benefit of any private shareholder or individual.

34 (b) Any veterans organization shall be authorized to sell pull tab games, and such sale shall  
 35 be exempt from the laws of this state proscribing gambling."

### 36 **SECTION 2.**

37 Said article is further amended by replacing "Director" with "Commissioner" and "director"  
 38 with "commissioner" each time those terms appear in:

39 (1) Code Section 16-12-51, relating to definitions pertaining to bingo;

40 (2) Code Section 16-12-52, relating to license required to operate bingo game and  
 41 recreational bingo exception;

42 (3) Code Section 16-12-53, relating to bingo licensing procedure, fee, and renewal;

43 (4) Code Section 16-12-54, relating to revocation of licenses and access to premises by law  
 44 enforcement agencies;

45 (5) Code Section 16-12-55, relating to certification of tax-exempt status of organization and  
 46 issuance of certificate of licensure;

47 (6) Code Section 16-12-56, relating to issuance of annual one-day license to nonprofit,  
 48 tax-exempt school and application;

49 (7) Code Section 16-12-59, relating to annual report to be filed with the director;

50 (8) Code Section 16-12-61, relating to promulgation of necessary rules and regulations by  
 51 director authorized; and

52 (9) Code Section 16-12-62, relating to penalties.

### 53 **SECTION 3.**

54 Said article is further amended by replacing "Georgia Bureau of Investigation" with  
 55 "Department of Revenue" each time the term appears in:

56 (1) Code Section 16-12-51, relating to definitions pertaining to bingo; and

57 (2) Code Section 16-12-53, relating to bingo licensing procedure, fee, and renewal.

58 **SECTION 4.**

59 Article 2 of Chapter 4 of Title 38 of the Official Code of Georgia Annotated, relating to  
60 veterans benefits, is amended by adding a new Part 1A to read as follows:

61 "Part 1A62 38-4-40.63 As used in this part, the term:64 (1) 'Bingo game' means:

65 (A) A game of chance played on cards with numbered squares in which counters or  
66 indicators are placed on numbers chosen by lot and won by covering a previously  
67 specified number or order of numbered squares; and

68 (B) A game of chance played on cards with numbered sections listing winning  
69 combinations of letter and number symbols and containing hidden letter and number  
70 symbols where each participant receives one or more cards which afford a participant  
71 an opportunity to win something of value by opening, detaching, or otherwise removing  
72 one or more covers from the card to reveal a set of number and letter symbols.

73 A bingo game may be played manually or with an electronic or computer device that  
74 stores the numbers from a player's card or cards, tracks the numbers chosen by lot when  
75 such numbers are entered by the player, and notifies the player of a winning combination.

76 (2) 'Bingo session' means a time period during which bingo games are played.77 (3) 'Commissioner' means the commissioner of revenue.

78 (4) 'Operate,' 'operated,' or 'operating' means the direction, supervision, management,  
79 operation, control, or guidance of activity.

80 (5) 'Veterans organization' means any organization or association chartered by the  
81 Congress of the United States which is exempt from federal income taxes and exempt  
82 from state income tax laws under Code Section 48-7-25 but only if such organization is  
83 a post or organization of past or present members of the armed forces of the United States  
84 organized in the State of Georgia at least 75 percent of the members of which are past or  
85 present members of the armed forces of the United States and no part of the net earnings  
86 of which inures to the benefit of any private shareholder or individual.

87 38-4-41.

88 Any other law to the contrary notwithstanding, no veterans organization shall be permitted  
89 to operate a bingo game until the commissioner issues a license to such organization  
90 authorizing it to do so. In the event of any controversy concerning whether or not a certain  
91 activity constitutes a bingo game for which a license may be issued, the decision of the

92 commissioner shall control. The license described in this Code section shall be in addition  
93 to and not in lieu of any other licenses which may be required by this state or any political  
94 subdivision thereof, and no bingo game shall be operated until such time as all requisite  
95 licenses have been obtained.

96 38-4-42.

97 (a) Any veterans organization desiring to obtain a license to operate bingo games shall  
98 make application to the commissioner on forms prescribed by the Department of Revenue  
99 and shall pay an annual fee of \$100.00. No license shall be issued to any veterans  
100 organization unless the organization has been in existence for 12 months immediately prior  
101 to the issuance of the license. The license shall expire at 12:00 Midnight on December 31  
102 following the granting of the license. Renewal applications for each calendar year shall be  
103 filed with the commissioner prior to January 1 of each year and shall be on a form  
104 prescribed by the Department of Revenue.

105 (b) Each application for a license and each application for renewal of a license shall  
106 contain the following information:

107 (1) The name and home address of the applicant, and if the applicant is an organization  
108 or association or other similar legal entity, the names and home addresses of each of the  
109 officers of the organization as well as the names and addresses of the directors, or other  
110 persons similarly situated, of the organization;

111 (2) The names and home addresses of each of the persons who will be operating,  
112 advertising, or promoting the bingo game;

113 (3) The names and home addresses of any persons, organizations, or other legal entities  
114 that will act as surety for the applicant or to which the applicant is financially indebted  
115 or to which any financial obligation is owed by the applicant;

116 (4) A determination letter from the federal Internal Revenue Service certifying that the  
117 applicant is an organization exempt under federal tax law;

118 (5) A statement affirming that the applicant is exempt under the income tax laws of this  
119 state under Code Section 48-7-25;

120 (6) The location at which the applicant will conduct the bingo games, and if the premises  
121 on which the bingo games are to be conducted is to be leased, a copy of the lease or rental  
122 agreement;

123 (7) A statement showing the convictions, if any, for criminal offenses other than minor  
124 traffic offenses of each of the persons listed in paragraphs (1), (2), and (3) of this  
125 subsection; and

126 (8) Any other necessary and reasonable information which the commissioner may  
127 require.

128 (c) The commissioner shall refuse to grant a bingo license to any applicant who fails to  
129 provide fully the information required by this Code section.

130 (d) When a veterans organization which operates or intends to operate bingo games for  
131 residents and patients of a retirement home, nursing home, or hospital operated by that  
132 veterans organization at which gross receipts are or will be limited to \$100.00 or less  
133 during each bingo session and pays or will pay prizes having a value of \$100.00 or less  
134 during each bingo session, then notwithstanding any other provision of this part or any rule  
135 or regulation promulgated by the commissioner pursuant to the provisions of subsection (j)  
136 of Code Section 38-4-48, neither the applicant nor any of the persons whose names and  
137 addresses are required under paragraphs (1) and (2) of subsection (b) of this Code section  
138 shall be required to submit or provide fingerprints or photographs as a condition of being  
139 granted a license.

140 (e) If the commissioner determines that a veterans organization has one or more  
141 auxiliaries, the members of any such auxiliary may assist in such veterans organization's  
142 bingo operations, whether or not such auxiliary holds a license under this part, and the  
143 members of the main veterans organization may assist in the bingo operations of any such  
144 licensed auxiliary.

145 38-4-43.

146 (a) The commissioner shall have the specific authority to suspend or revoke any license  
147 for any violation of this part or for any violation of any rule or regulation promulgated  
148 under this part. Any licensee accused of violating any provision of this part or of any rule  
149 or regulation promulgated hereunder shall be entitled, unless waived, to a hearing on the  
150 matter of the alleged violation conducted in accordance with Chapter 13 of Title 50, the  
151 'Georgia Administrative Procedure Act.'

152 (b) By making application for a license under this part, every applicant consents that the  
153 commissioner, as well as any of his or her agents, together with any prosecuting attorney,  
154 as well as any of his or her agents, may come upon the premises of any licensee or upon  
155 any premises on which any licensee is conducting a bingo game for the purpose of  
156 examining the accounts and records of the licensee to determine if a violation of this part  
157 has occurred.

158 38-4-44.

159 The commissioner shall upon the request of any prosecuting attorney or his or her designee  
160 certify the status of any veterans organization as to that veterans organization's exemption  
161 from payment of state income taxes as a nonprofit veterans organization. The  
162 commissioner shall also upon request issue a certificate indicating whether any particular

163 veterans organization holds a currently valid license to operate a bingo game. Such  
164 certificates properly executed shall be admissible in evidence in any prosecution and shall  
165 be subject to disclosure notwithstanding Code Section 48-7-60, relative to the disclosure  
166 of income tax information, and shall not apply to the furnishing of such certificate.

167 38-4-45.

168 Bingo games shall be operated only on premises owned by the veterans organization  
169 operating the bingo game or on any property leased or rented by the veterans organization.  
170 The veterans organization shall notify the commissioner of all locations at which the  
171 veterans organization conducts bingo games.

172 38-4-46.

173 No person under the age of 18 years shall be permitted to play any bingo game conducted  
174 pursuant to any license issued under this part unless accompanied by an adult. No person  
175 under the age of 18 years shall be permitted to conduct or assist in the conducting of any  
176 bingo game conducted pursuant to any license issued under this part.

177 38-4-47.

178 On or before April 15 of each year, every veterans organization engaged in operating bingo  
179 games shall file with the commissioner a report disclosing all receipts and expenditures  
180 relating to the operation of bingo games in the previous year. Such report shall be in  
181 addition to all other reports required by law. The report shall be prepared and signed by  
182 a certified public accountant competent to prepare such a report and shall be deemed a  
183 public record subject to public inspection.

184 38-4-48.

185 (a) A licensee that conducts or operates a bingo session shall maintain the following  
186 records for at least three years from the date on which such bingo session is conducted:

187 (1) An itemized list of the gross receipts for each bingo session;

188 (2) An itemized list of all expenses other than prizes that are incurred in the conducting  
189 of the bingo session as well as the name of each person to whom the expenses are paid  
190 and a receipt for all of the expenses;

191 (3) A list of all prizes awarded during the bingo session and the name and address of all  
192 persons who are winners of prizes of \$50.00 or more in value;

193 (4) An itemized list of the recipients other than the licensee of the proceeds of the bingo  
194 game, including the name and address of each recipient to whom such funds are  
195 distributed; and

- 196 (5) A record of the number of persons who participate in any bingo session conducted  
197 by the licensee.
- 198 (b) A licensee shall:
- 199 (1) Own or lease all the equipment used to conduct a bingo game;  
200 (2) Display its bingo license conspicuously at the location where the bingo game is  
201 conducted;  
202 (3) Conduct bingo games only at the single location specified in the licensee's  
203 application; and  
204 (4) Not conduct more than one bingo session during any one calendar day, which bingo  
205 session shall not exceed five hours.
- 206 (c) No veterans organization shall enter into any contract with any individual, firm,  
207 association, or corporation to have such individual, firm, association, or corporation operate  
208 bingo games or concessions on behalf of the veterans organization.
- 209 (d) A veterans organization shall not lend its name nor allow its identity to be used by any  
210 individual, firm, association, or corporation in the operating or advertising of a bingo game  
211 in which such veterans organization is not directly and solely operating the bingo game.
- 212 (e) It shall be unlawful for two or more veterans organizations which are properly licensed  
213 pursuant to this part to operate bingo games jointly or to operate bingo games upon the  
214 same premises during any 18 hour period.
- 215 (f) It shall be unlawful for any veterans organization to award prizes in excess of  
216 \$7,500.00 in cash or gifts of equivalent value during any calendar day or \$15,000.00 in  
217 cash or gifts of equivalent value during any calendar week. It shall be unlawful to exceed  
218 such cash limits at any combination of locations operated by a single licensee or such  
219 licensee's agents or employees. It shall be unlawful for two or more licensees to pyramid  
220 the valuation of cash prizes in such manner as to exceed the limits contained in this Code  
221 section. Noncash prizes shall be permitted in bingo games as defined in subparagraphs (A)  
222 and (B) of paragraph (1) of Code Section 38-4-40 and shall be subject to all applicable state  
223 sales and other taxes as provided by law.
- 224 (g) No person or organization by whatever name or composition thereof shall take any  
225 salary, expense money, or fees for the operation of any bingo game, except that not more  
226 than \$75.00 per day may be paid to one or more individuals for assisting in the conduct of  
227 such games on such day.
- 228 (h) No person shall pay consulting fees to any person for any services performed in  
229 relation to the operation or conducting of a bingo game.
- 230 (i) A person who is a member of more than one veterans organization shall be permitted  
231 to participate in the bingo operations of the veterans organizations of which such person  
232 is a member; provided, however, that such person shall not receive more than \$75.00 per

233 day for assisting in the conduct of bingo games regardless of whether such person assists  
234 both veterans organizations in the same day.

235 (j) The commissioner is authorized to promulgate rules and regulations which he or she  
236 deems necessary for the proper administration and enforcement of this part.

237 38-4-49.

238 Any person who operates a bingo game for which a license is required without a valid  
239 license issued by the commissioner as provided in this part commits the offense of  
240 commercial gambling as defined in Code Section 16-12-22, and upon conviction thereof  
241 shall be punished accordingly. Any person who knowingly aids, abets, or otherwise assists  
242 in the operation of a bingo game for which a license is required and has not been obtained  
243 as provided in this part similarly commits the offense of commercial gambling. Any  
244 person who violates any other provision of this part shall be guilty of a misdemeanor of a  
245 high and aggravated nature. Any person who commits any such violation after having  
246 previously been convicted of any violation of this part shall be guilty of a felony, and upon  
247 conviction thereof shall be punished by imprisonment for not less than one nor more than  
248 five years or by a fine not to exceed \$10,000.00, or both."

249 **SECTION 5.**

250 This Act shall become effective upon its approval by the Governor or its becoming law  
251 without such approval.

252 **SECTION 6.**

253 All laws and parts of laws in conflict with this Act are repealed.