



# HOUSE BILL 292: Beach Bingo Licenses.-AB

2016-2017 General Assembly

<b>Committee:</b>	Senate Finance	<b>Date:</b>	June 14, 2016
<b>Introduced by:</b>	Rep. Hurley	<b>Prepared by:</b>	Nicholas Giddings
<b>Analysis of:</b>	PCS to First Edition H292-CSBAf-4		Committee Co-Counsel

**SUMMARY:** *House Bill 292 would require a license to operate a beach bingo game. The initial application fee would be \$300, and the annual renewal fee would be \$300. House Bill 292 would also criminalize operating a beach bingo game without a license and providing false information on a license application as Class 2 misdemeanors. The PCS makes changes to the effective date and replaces references to the Department of Public Safety with the State Bureau of Investigation.*

**CURRENT LAW:** G.S. 14-309.6 defines a bingo game as a game of chance played with individual cards having numbered squares from 1 to 75 and with prizes awarded on the basis of designated numbers on the cards conforming to a predetermined pattern of numbers. A beach bingo game is a bingo game with prizes of \$10 or less or merchandise with a value of \$10 or less.

G.S. 14-309.5(b) authorizes tax-exempt organizations to conduct bingo games. A licensed tax-exempt organization conducting a bingo game in violation of the statute is guilty of a Class 2 misdemeanor, and, upon conviction, the organization may not conduct a bingo game for one year. The following activities are punished as a Class I felony: operating a bingo game without a license; operating a bingo game while license is revoked or suspended; misusing any moneys received in connection with a bingo game; or contracting for consulting services.

G.S. 14-309.7 requires a license to operate a bingo game. The annual application fee is \$200.

G.S. 14-309.14 exempts beach bingo games from the general rules for bingo games. Any person offering a prize greater than the \$10 maximum value for beach bingo is guilty of a Class 2 misdemeanor if the prize is worth less than \$50 and is guilty of a Class I felony if the prize is worth more than \$50. No beach bingo game may be held in conjunction with any other lawful bingo game, violation is a Class I felony. No alcoholic beverage may be sold or consumed during a beach bingo game. Upon conviction, any person violating the statute may not conduct a bingo game for 1 year.

**BILL ANALYSIS:** House Bill 292 would require beach bingo games to be licensed in the same manner as bingo games. Any organization operating a beach bingo game without a license would be guilty of a Class 2 misdemeanor. The application for a beach bingo license would be made to the State Bureau of Investigation. The initial application fee would be \$300, and the annual renewal fee would be \$300. The fees are deposited in the General Fund and used to defray the cost of issuing beach bingo licenses and handling enforcement.

Providing false information in an application would be a Class 2 misdemeanor and cause for suspension of that license. All books and records relevant to determining whether an individual has acted in compliance must be open to inspection by the State Bureau of Investigation at reasonable times and during reasonable hours.

The PCS replaces any reference of the Department of Public Safety with the State Bureau of Investigation.

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**EFFECTIVE DATE:** Beginning October 1, 2016, the State Bureau of Investigation may accept applications, charge and collect application fees, and issue licenses. Providing false information on an application would be a Class 2 misdemeanor beginning October 1, 2016. The remainder of Section 1 of House Bill 292 would be effective December 1, 2016. The remainder of House Bill 292 would be effective when it becomes law.

**BACKGROUND:** Session Law 2014-100 removed the State Bureau of Investigation from the Department of Justice and transferred it to the Department of Public Safety. However, Session Law 2015-241, as codified in G.S. 143B-915, clarified that for operational and investigative purposes, the State Bureau of Investigation serves as an independent agency that reports to the Governor. Session Law 2014-100 also transferred the Alcohol Law Enforcement division to the State Bureau of Investigation.

*Greg Roney, counsel to House Finance, substantially contributed to this summary.*