GENERAL ASSEMBLY
COMMONWEALTH OF KENTUCKY

2015 REGULAR SESSION

SENATE BILL NO. 33

AS ENACTED

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ALISON LUNDERGAN GRIMES
SECRETARY OF STATE
COMMONWEALTH OF KENTUCKY
BY K. Adler

1 AN ACT relating to charitable gaming.

2 ***Be it enacted by the General Assembly of the Commonwealth of Kentucky:***

3 ➔Section 1. KRS 238.505 is amended to read as follows:

4 As used in this chapter, unless the context requires otherwise:

5 (1) "Department" means the Department of Charitable Gaming within the Public
6 Protection Cabinet;

7 (2) "Charitable gaming" means bingo, charity game tickets, raffles, and charity
8 fundraising events conducted for fundraising purposes by charitable organizations
9 licensed and regulated under the provisions of this chapter. "Charitable gaming"
10 shall not include slot machines, electronic video gaming devices, wagering on live
11 sporting events, or simulcast broadcasts of horse races;

12 (3) "Charitable organization" means a nonprofit entity organized for charitable,
13 religious, educational, literary, civic, fraternal, or patriotic purposes;

14 (4) "Bingo" means a specific game of chance in which participants use cards or paper
15 sheets, or card-minding device representations thereof, divided into horizontal and
16 vertical spaces, each of which is designated by a letter and a number, and prizes are
17 awarded on the basis of the letters and numbers on the card conforming to a
18 predetermined and preannounced configuration of letters and numbers selected at
19 random;

20 (5) "Charity game ticket" means a game of chance using a folded or banded paper
21 ticket, or a paper card with perforated break-open tabs, ***or electronic pulltab device***
22 ***representations thereof,*** the face of which is covered or otherwise hidden from
23 view to conceal a number, letter, symbol, or set of numbers, letters, or symbols,
24 some of which have been designated in advance as prize winners and shall include
25 charity game tickets that utilize a seal card. "Charity game ticket" shall include
26 pulltabs***, both paper and electronic representations thereof***;

27 (6) "Seal card" means a board or placard used in conjunction with charity game tickets,

1 that contains a seal or seals which, when removed or opened, reveal predesignated
2 winning numbers, letters, or symbols;
3 (7) "Raffle" means a game of chance in which a participant is required to purchase a
4 ticket for a chance to win a prize, with the winner to be determined by a random
5 drawing;
6 (8) "Charity fundraising event" means an activity of limited duration at which games of
7 chance approved by the department are conducted, including bingo, raffles, charity
8 game tickets, special limited charitable games, and wagering on prerecorded horse
9 races, KRS Chapter 230 notwithstanding. Examples of such activities include
10 events that attract patrons for community, social, and entertainment purposes apart
11 from charitable gaming, such as fairs, festivals, carnivals, licensed charitable
12 gaming organization conventions, and bazaars;
13 (9) "Manufacturer" means a person who assembles from raw materials or subparts any
14 charitable gaming equipment or supplies used in the conduct of charitable gaming,
15 including a person who converts, modifies, and adds to or removes parts from,
16 charitable gaming equipment and supplies. The term shall not include:
17 (a) Any person who services or repairs charitable gaming supplies and equipment,
18 so long as that person replaces or repairs an incidental, malfunctioning, or
19 nonfunctioning part with a similar or identical part; and
20 (b) Any distributor who cuts, collates, and packages for distribution any gaming
21 supplies and equipment purchased in bulk;
22 (10) "Distributor" means a person who sells, markets, leases, or otherwise furnishes to a
23 charitable organization charitable gaming equipment or supplies, or both, used in
24 the conduct of charitable gaming. "Distributor" shall not include:
25 (a) A resident printer who prints raffle tickets at the request of a licensed
26 charitable organization; and
27 (b) A licensed charitable organization that affects a one-time donation of

1 charitable gaming supplies or equipment to another licensed charitable
2 organization if the donation is first approved by the department.
3 (11) "Charitable gaming facility" means a person, including a licensed charitable
4 organization, that owns or is a lessee of premises which are leased or otherwise
5 made available to two (2) or more licensed charitable organizations***, other than***
6 ***itself,*** during a one (1) year period for the conduct of charitable gaming;
7 (12) "Gross receipts" means all moneys collected or received from the conduct of
8 charitable gaming;
9 (13) "Adjusted gross receipts" means gross receipts less all cash prizes and the amount
10 paid for merchandise prizes purchased;
11 (14) "Net receipts" means adjusted gross receipts less all expenses, charges, fees, and
12 deductions authorized under this chapter;
13 (15) "Charitable gaming supplies and equipment" means any material, device, apparatus,
14 or paraphernalia customarily used in the conduct of charitable gaming, including
15 bingo cards and paper, charity game tickets, and other apparatus or paraphernalia
16 used in conducting games of chance at charity fundraising events subject to
17 regulation under this chapter. The term shall not include any material, device,
18 apparatus, or paraphernalia incidental to the game, such as pencils, daubers, playing
19 cards, or other supplies that may be purchased from normal sources of supply;
20 (16) "Door prize" means a prize awarded to a person based solely upon the person's
21 attendance at an event or the purchase of a ticket to attend an event;
22 (17) "Special limited charitable game" means roulette; blackjack; poker; keno; money
23 wheel; baccarat; pusher-type games; any dice game where the player competes
24 against the house; and any other game of chance as identified, defined, and
25 approved by administrative regulation of the department;
26 (18) "Special limited charity fundraising event" means any type of charity fundraising
27 event, commonly known as and operated as a "casino night," "Las Vegas night," or

1 "Monte Carlo night," at which the predominant number or types of games offered
2 for play are special limited charitable games;
3 (19) "Session or bingo session" means a single gathering at which a bingo game or series
4 of successive bingo games are played, excluding bingo played at a charity
5 fundraising event;
6 (20) "Immediate family" means:
7 (a) Spouse and parents-in-law;
8 (b) Parents and grandparents;
9 (c) Children and their spouses; and
10 (d) Siblings and their spouses;
11 (21) "Affiliate" means any corporation, partnership, association, or other business or
12 professional entity or any natural person that directly or indirectly, through one or
13 more intermediaries, controls, or is controlled by, or is under common control with
14 a licensed manufacturer, distributor, or charitable gaming facility;
15 (22) "Secretary" means the secretary of the Public Protection Cabinet;
16 (23) "Commissioner" means the commissioner of the Department of Charitable Gaming
17 within the Public Protection Cabinet;
18 (24) "Chairperson" means the chief executive officer and any officer, member, or
19 employee of a licensed charitable organization who will be involved in the
20 management and supervision of charitable gaming as designated in the
21 organization's charitable gaming license application under KRS
22 238.535***(13)***~~[(9)]~~(g);
23 (25) "Year" means calendar year***,*** except as used in KRS ***238.505(11), 238.535(11),***
24 238.545(4), 238.547(1), and 238.555(7), when "year" means the licensee's license
25 year;~~[and]~~
26 (26) "Card-minding device" means any mechanical, electronic, electromechanical, or
27 computerized device that is interfaced with or connected to equipment used to

1 conduct a game of bingo and that allows a player to store, display, and mark a bingo
2 card face. A card-minding device shall not be designed and manufactured to
3 resemble any electronic gaming device that utilizes a video display monitor, such as
4 a video lottery terminal, video slot machine, video poker machine, or any similar
5 video gaming device;
6 *(27) "Electronic pulltab device" means an electronic device used only for charitable*
7 *gaming to facilitate the play of an electronic pulltab. An electronic pulltab device*
8 *shall be a tablet or other personal computing device, other than a mobile phone*
9 *or similar handheld device, as approved by the department. An electronic pulltab*
10 *device may only operate on a closed network or intranet that is confined to the*
11 *licensee's premises, and shall not be Internet accessible by patrons, but shall be*
12 *connected to a central server system solely for the purposes of monitoring,*
13 *reporting, accounting, and software maintenance. An electronic pulltab device*
14 *shall not be designed and manufactured to resemble any electronic gaming*
15 *device that utilizes a video display monitor, such as a video lottery terminal, video*
16 *slot machine, video poker machine, or any similar video gaming device; and*
17 *(28) "Electronic video gaming device," as used in this chapter and the related*
18 *administrative regulations, means any device that possesses a video display and*
19 *computer mechanism for playing a game. Electronic video gaming device shall*
20 *not mean any electronic representation of charitable gaming games identified,*
21 *defined, and approved by statute or administrative regulation of the department*.
22 ➔Section 2. KRS 238.535 is amended to read as follows:
23 (1) Any charitable organization conducting charitable gaming in the Commonwealth of
24 Kentucky shall be licensed by the department. A charitable organization qualifying
25 under subsection (8) of this section but not exceeding the limitations provided in
26 this subsection shall be exempt from the licensure requirements when conducting
27 the following charitable gaming activities:

1 (a) Bingo in which the gross receipts do not exceed a total of twenty-five
2 thousand dollars ($25,000) per year;
3 (b) A raffle or raffles for which the gross receipts do not exceed twenty-five
4 thousand dollars ($25,000) per year; and
5 (c) A charity fundraising event or events that do not involve special limited
6 charitable games and the gross gaming receipts for which do not exceed
7 twenty-five thousand dollars ($25,000) per year.
8 However, at no time shall a charitable organization's total limitations under this
9 subsection exceed twenty-five thousand dollars ($25,000).
10 (2) ***(a)*** Any charitable organization exempt from the process of applying for a license
11 under subsection (1) of this section, shall notify the department in writing, on
12 a simple form issued by the department, of its intent to engage in exempt
13 charitable gaming and the address at which the gaming is to occur. Any
14 charitable organization exempt from the process of applying for a license
15 under subsection (1) of this section, shall comply with all other provisions of
16 this chapter relating to the conduct of charitable gaming, except:
17 ***1.***~~[({a})]~~ Payment of the fee imposed under the provisions of KRS 238.570;
18 and
19 ***2.***~~[({b})]~~ The quarterly reporting requirements imposed under the provisions
20 of KRS 238.550(7), unless the exempt charitable organization obtains a
21 retroactive license pursuant to subsection (5) of this section.
22 ***(b)*** Before ***January 31 of the year immediately following the year of exemption***~~[~~
23 ~~the last day of each year]~~, a charitable organization exempt from licensure
24 under the provisions of subsection (1) of this section shall file ***a financial***
25 ***report*** with the department***, on a form issued by the department, that***
26 ***contains the following information:***
27 ***1.*** ~~[A financial report detailing]~~The type of gaming activity in which it

1 engaged during that year;[~~,~~]
2 *2.* The total gross receipts derived from gaming;[~~,~~]
3 *3.* The amount of charitable gaming expenses paid;[~~,~~]
4 *4.* The amount of net receipts derived;[~~,~~] and
5 *5.* The disposition of those net receipts[~~. This report shall be filed on a~~
6 ~~form issued by the department~~].
7 *(3) An exemption that has been granted to a charitable organization for the*
8 *preceding calendar year shall be automatically renewed on January 1 of the*
9 *following year.*
10 *(4) If upon receipt of the financial report the department determines that the*
11 *information appearing on the financial report renders the charitable*
12 *organization ineligible to possess an exemption, the department shall notify the*
13 *charitable organization that its exemption is rescinded. The organization may*
14 *request an appeal of this rescission pursuant to KRS 238.565.*
15 *(5) If the annual financial report is not received by January 31, the exemption is*
16 *automatically rescinded unless an extension of no more than thirty (30) days is*
17 *granted by the department. The organization may request an appeal of this*
18 *rescission pursuant to KRS 238.565*[~~Upon receipt of the yearly financial report, the~~
19 ~~department shall notify the charitable organization submitting it that its exemption~~
20 ~~is renewed for the next year. If the department determines that information~~
21 ~~appearing on the financial report renders the charitable organization ineligible to~~
22 ~~possess an exemption, the department shall revoke the exemption. The organization~~
23 ~~may request an appeal of this revocation pursuant to KRS 238.565~~].
24 *(6)* If an exemption is revoked because an organization has exceeded the limit imposed
25 in subsection (1) of this section, the organization shall apply for a retroactive license
26 in accordance with subsection *(7)*[~~(3)~~] of this section.
27 *(7)*[~~(3)~~] If an organization exceeds the limit imposed by any subsection of this section

1 it shall:

2 (a) Report the amount to the department; and

3 (b) Apply for a retroactive charitable gaming license.

4 ***(8)***[~~(4)~~] Upon receipt of a report and application for a retroactive charitable gaming

5 license, the department shall investigate to determine if the organization is

6 otherwise qualified to hold the license.

7 ***(9)***[~~(5)~~] If the department determines that the applicant is qualified, it shall issue a

8 charitable gaming license retroactive to the date on which the exemption limit was

9 exceeded. The retroactive charitable gaming license shall be issued in the same

10 manner as regular charitable gaming licenses.

11 ***(10)***[~~(6)~~] If the department determines that the applicant is not qualified it shall deny the

12 license and take enforcement action, if appropriate.

13 ***(11)***[~~(7)~~] Once a retroactive or regular gaming license is issued to an organization, that

14 organization shall not be eligible for exempt status in the future and shall maintain a

15 charitable gaming license if it intends to continue charitable gaming activities,

16 unless the charitable organization has not exceeded the exemption limitations of

17 subsection (1) of this section for a period of two (2) years prior to its exemption

18 request.

19 ***(12)***[~~(8)~~] In order to qualify for licensure, a charitable organization shall:

20 (a) 1. Possess a tax exempt status under 26 U.S.C. secs. 501(c)(3), 501(c)(4),

21 501(c)(8), 501(c)(10), or 501(c)(19), or be covered under a group ruling

22 issued by the Internal Revenue Service under authority of those sections;

23 or

24 2. Be organized within the Commonwealth of Kentucky as a common

25 school as defined in KRS 158.030, as an institution of higher education

26 as defined in KRS 164A.305, or as a state college or university as

27 provided for in KRS 164.290;

1 (b) Have been established and continuously operating within the Commonwealth
2 of Kentucky for charitable purposes, other than the conduct of charitable
3 gaming, for a period of three (3) years prior to application for licensure. For
4 purposes of this paragraph, an applicant shall demonstrate establishment and
5 continuous operation in Kentucky by its conduct of charitable activities from
6 an office physically located within Kentucky both during the three (3) years
7 immediately preceding its application for licensure and at all times during
8 which it possesses a charitable gaming license. However, a charitable
9 organization that operates for charitable purposes in more than ten (10) states
10 and whose principal place of business is physically located in a state other
11 than Kentucky may satisfy the requirements of this paragraph if it can
12 document that it has:
13 1. Been actively engaged in charitable activities and has made reasonable
14 progress, as defined in paragraph (c) of this subsection, in the conduct of
15 charitable activities or the expenditure of funds within Kentucky for a
16 period of three (3) years prior to application for licensure; and
17 2. Operated for charitable purposes from an office or place of business in
18 the Kentucky county where it proposes to conduct charitable gaming for
19 at least one (1) year prior to application for licensure, in accordance with
20 paragraph (d) of this subsection;
21 (c) Have been actively engaged in charitable activities during the three (3) years
22 immediately prior to application for licensure and be able to demonstrate, to
23 the satisfaction of the department, reasonable progress in accomplishing its
24 charitable purposes during this period. As used in this paragraph, "reasonable
25 progress in accomplishing its charitable purposes" means the regular and
26 uninterrupted conduct of activities within the Commonwealth or the
27 expenditure of funds within the Commonwealth to accomplish relief of

1 poverty, advancement of education, protection of health, relief from disease,
2 relief from suffering or distress, protection of the environment, conservation
3 of wildlife, advancement of civic, governmental, or municipal purposes, or
4 advancement of those purposes delineated in KRS 238.505(3). In order to
5 demonstrate reasonable progress in accomplishing its charitable purposes
6 when applying to renew an existing license, a licensed charitable organization
7 shall additionally provide to the department a detailed accounting regarding its
8 expenditure of charitable gaming net receipts for the purposes described in
9 this paragraph; and
10 (d) Have maintained an office or place of business, other than for the conduct of
11 charitable gaming, for one (1) year in the county in which charitable gaming is
12 to be conducted. The office or place of business shall be a separate and
13 distinct address and location from that of any other licensee of the Department
14 of Charitable Gaming; except that up to three (3) licensed charitable
15 organizations may have the same address if they legitimately share office
16 space. For the conduct of a raffle, the county in which charitable gaming is to
17 be conducted shall be the county in which the raffle drawing is to be
18 conducted. However, a charitable organization that has established and
19 maintained an office or place of business in the county for a period of at least
20 one (1) year may hold a raffle drawing or a charity fundraising event,
21 including special limited charity fundraising events, in a Kentucky county
22 other than that in which the organization's office or place of business is
23 located. For raffles, the organization shall notify the Department of Charitable
24 Gaming in writing of the organization's intent to change the drawing's location
25 at least thirty (30) days before the drawing takes place. This written
26 notification may be transmitted in any commercially reasonable means,
27 authorized by the department, including facsimile and electronic mail. The

1 notification shall set out the place and the county in which the drawing will
2 take place. Approval by the department shall be received prior to the conduct
3 of the raffle drawing at the new location. Any charitable organization that was
4 registered with the county clerk to conduct charitable gaming in a county on or
5 before March 31, 1992, shall satisfy this requirement if it maintained a place
6 of business or operation, other than for the conduct of charitable gaming, for
7 one (1) year prior to application in a Kentucky county adjoining the county in
8 which they were registered. Any licensed charitable organization that qualifies
9 to conduct charitable gaming in an adjoining county under this paragraph,
10 shall be permitted to conduct in its county of residence a charity fundraising
11 event.
12 *(13)*[~~(9)~~] In applying for a license, the information to be submitted shall include but not
13 be limited to the following:
14 (a) The name and address of the charitable organization;
15 (b) The date of the charitable organization's establishment in the Commonwealth
16 of Kentucky and the date of establishment in the county in which charitable
17 gaming is to be conducted;
18 (c) A statement of the charitable purpose or purposes for which the organization
19 was organized. If the charitable organization is incorporated, a copy of the
20 articles of incorporation shall satisfy this requirement;
21 (d) A statement explaining the organizational structure and management of the
22 organization. For incorporated entities, a copy of the organizations' bylaws
23 shall satisfy this requirement;
24 (e) A detailed accounting of the charitable activities in which the charitable
25 organization has been engaged for the three (3) years preceding application for
26 licensure;
27 (f) The names, addresses, dates of birth, and Social Security numbers of all

1 officers of the organization;
2 (g) The names, addresses, dates of birth, and Social Security numbers of all
3 employees and members of the charitable organization who will be involved
4 in the management and supervision of charitable gaming. No fewer than two
5 (2) employees or members of the charitable organization who are involved in
6 the management and supervision of charitable gaming, along with the chief
7 executive officer or the director of the applicant organization, shall be
8 designated as chairpersons;
9 (h) The address of the location at which charitable gaming will be conducted and
10 the name and address of the owner of the property, if it is owned by a person
11 other than the charitable organization;
12 (i) A copy of the letter or other legal document issued by the Internal Revenue
13 Service to grant tax-exempt status;
14 (j) A statement signed by the presiding or other responsible officer of the
15 charitable organization attesting that the information submitted in the
16 application is true and correct and that the organization agrees to comply with
17 all applicable laws and administrative regulations regarding charitable
18 gaming;
19 (k) An agreement that the charitable organization's records may be released by the
20 Federal Internal Revenue Service to the department; and
21 (l) Any other information the department deems appropriate.
22 ***(14)***[~~(10)~~] An organization or a group of individuals that does not meet the licensing
23 requirements of subsection ***(12)***[~~(8)~~] of this section may hold a raffle if the gross
24 receipts do not exceed one hundred fifty dollars ($150) and all proceeds from the
25 raffle are distributed to a charitable organization. The organization or group of
26 individuals may hold up to three (3) raffles each year, and shall be exempt from
27 complying with the notification, application, and reporting requirements of

1 subsections (2) and *(13)*[~~(9)~~] of this section.
2 *(15)*[~~(11)~~] The department may issue a license for a specified period of time, based on
3 the type of charitable gaming involved and the desired duration of the activity.
4 *(16)*[~~(12)~~] The department shall charge a fee for each license issued and renewed, not to
5 exceed three hundred dollars ($300). Specific fees to be charged shall be prescribed
6 in a graduated scale promulgated by administrative regulations and based on type of
7 license, type of charitable gaming, actual or projected gross receipts, or other
8 applicable factors, or combination of factors.
9 *(17)*[~~(13)~~] (a) A licensed charitable organization may place its charitable gaming
10 license in escrow if:
11 1. The licensee notifies the department in writing that it desires to place its
12 license in escrow; and
13 2. The license is in good standing and the department has not initiated
14 disciplinary action against the licensee.
15 (b) During the escrow period, the licensee shall not engage in charitable gaming,
16 and the escrow period shall not be included in calculating the licensee's
17 retention rate under KRS 238.536.
18 (c) A charitable organization may apply for reinstatement of its active license and
19 the license shall be reinstated provided:
20 1. The charitable organization continues to qualify for licensure;
21 2. The charitable organization has not engaged in charitable gaming during
22 the escrow period; and
23 3. The charitable organization pays a reinstatement fee established by the
24 department.
25 ➔Section 3. KRS 238.540 is amended to read as follows:
26 (1) Except as provided in KRS 238.535*(12)*[~~(8)~~](d), charitable gaming shall be
27 conducted by a licensed charitable organization at the location, date, and time which

1 shall be stated on the license. The licensee shall request a change in the date, time,
2 or location of a charitable gaming event by mail, electronic mail, or facsimile
3 transmission, and shall submit a lease and an original signature of an officer. The
4 department shall process this request and issue or deny a license within ten (10)
5 days.
6 (2) All premises or facilities on which or in which charitable gaming is conducted shall
7 meet all applicable federal, state, and local code requirements relating to life, safety,
8 and health.
9 (3) A license to conduct charitable gaming shall be prominently displayed on or in the
10 premises where charitable gaming is conducted, in a conspicuous location that is
11 readily accessible to gaming patrons as well as employees of the department, law
12 enforcement officials, and other interested officials.
13 (4) At least one (1) chairperson who is listed on the application for licensure shall be at
14 each charitable gaming activity conducted by the charitable organization and shall
15 be responsible for the administration and conduct of the charitable gaming activity.
16 No person shall serve as chairperson for more than one (1) charitable organization.
17 The chairperson shall be readily identifiable as the chairperson and shall be present
18 on the premises continuously during the charitable gaming activity. Charitable
19 gaming shall be conducted and administered solely by officers, members, and bona
20 fide employees of the licensed charitable organization. Volunteer personnel, who
21 may or may not be members of the licensed charitable organization, may be utilized
22 if each volunteer is readily identifiable as a volunteer. No person engaged in the
23 conduct and administration of charitable gaming shall receive any compensation for
24 services related to the charitable gaming activities, including tipping. No net
25 receipts derived from charitable gaming shall inure to the private benefit or
26 financial gain of any individual. Any effort or attempt to disguise any other type of
27 compensation or private inurement shall be considered an unauthorized diversion of

1 funds and shall be actionable under KRS 238.995.
2 (5) No licensed charitable organization shall contract with, or otherwise utilize the
3 services of, any management company, service company, or consultant in managing
4 or conducting any aspect of charitable gaming.
5 (6) A licensed charitable organization shall not purchase or lease charitable gaming
6 supplies and equipment from any person not licensed as a distributor in the
7 Commonwealth of Kentucky.
8 (7) A licensed charitable organization shall not accept any merchandise prizes donated
9 by any owner, officer, employee, or contractee of a licensed manufacturer,
10 distributor, charitable gaming facility, or any of their affiliates, or any member of
11 their immediate families.
12 ***(8) (a) Each organization's gaming supplies shall be maintained in a location***
13 ***separate from another organization's gaming supplies.***
14 ***(b) This location shall also be locked and access shall be controlled.***
15 ***(c) Unless otherwise directed by the department, an organization's supplies and***
16 ***equipment remain the property of the organization regardless of where they***
17 ***are stored and must be accessible to the organization at all reasonable times***
18 ***upon request.***
19 ***(9)***[~~(8)~~] Any advertisement of charitable gaming, regardless of the medium used, shall
20 contain the name of the charitable organization conducting the charitable gaming
21 and its license number. An advertisement for a bingo session or sessions shall not
22 advertise a bingo prize in excess of the limitation of five thousand dollars ($5,000)
23 per twenty-four (24) hour period set forth in KRS 238.545(1).
24 ➔Section 4. KRS 238.545 is amended to read as follows:
25 (1) A licensed charitable organization shall be limited by the following:
26 (a) In the conduct of bingo, to one (1) session per day, two (2) sessions per week,
27 for a period not to exceed five (5) consecutive hours in any day and not to

1 exceed ten (10) total hours per week. No licensed charitable organization shall
2 conduct bingo at more than one (1) location during the same twenty-four (24)
3 hour period. No licensed charitable organization shall award prizes for bingo
4 that exceed five thousand dollars ($5,000) in fair market value per twenty-four
5 (24) hour period, including the value of door prizes. No person under the age
6 of eighteen (18) shall be permitted to purchase bingo supplies or play bingo. A
7 charitable organization may permit persons under age eighteen (18) to play
8 bingo for noncash prizes if they are accompanied by a parent or legal guardian
9 and only if the value of any noncash prize awarded does not exceed ten dollars
10 ($10);
11 (b) A licensed charitable organization may provide card-minding devices for use
12 by players of bingo games. If a licensed charitable organization offers card-
13 minding devices for use by players, the devices shall be capable of being used
14 in conjunction with bingo cards or paper sheets at all times. The department
15 shall have broad authority to define and regulate the use of card-minding
16 devices and shall promulgate an administrative regulation concerning use and
17 control of them;
18 (c) Charity game tickets shall be sold only at the address of the location
19 designated on the license to conduct charitable gaming;
20 (d) Charity game tickets may be sold, with prior approval of the department:
21 1. At any authorized special charity fundraising event conducted by a
22 licensed charitable organization at any off-site location; or
23 2. By a licensed charitable organization possessing a special limited
24 charitable gaming license at any off-site location; and
25 (e) An automated charity game ticket dispenser may be utilized by a licensed
26 charitable organization, with the prior approval of the department, only at the
27 address of the location designated on the license to conduct charitable gaming,

1 and only during bingo sessions. The department shall promulgate
2 administrative regulations regulating the use and control of approved
3 automated charity game ticket dispensers.
4 (2) ***(a)*** No prize for an individual charity game ticket shall exceed five hundred
5 ninety-nine dollars ($599) in value, not including the value of cumulative or
6 carryover prizes awarded in seal card games.
7 ***(b)*** Cumulative or carryover prizes in seal card games shall not exceed two
8 thousand four hundred dollars ($2,400).
9 ***(c)*** Information concerning rules of the particular game and prizes that are to be
10 awarded in excess of fifty dollars ($50) in each separate package or series of
11 packages with the same serial number and all rules governing the handling of
12 cumulative or carryover prizes in seal card games shall be posted prominently
13 in an area where charity game tickets are sold. A legible poster that lists prizes
14 to be awarded, and on which prizes actually awarded are posted at the
15 completion of the sale of each separate package shall satisfy this requirement.
16 ***(d)*** Any unclaimed money or prize shall return to the charitable organization.
17 ***(e)*** No ***paper*** charity game ticket shall be sold in the Commonwealth of Kentucky
18 that does not conform to the standards for opacity, randomization, minimum
19 information, winner protection, color, and cutting established by the
20 department.
21 ***(f) No electronic pulltab device representation of a charity game ticket shall be***
22 ***sold in the Commonwealth of Kentucky that does not conform to the***
23 ***construction standards set forth in an administrative regulation***
24 ***promulgated by the department. Electronic pulltab devices shall only be***
25 ***used for charitable gaming.***
26 ***(g)*** No person under the age of eighteen (18) shall be permitted to purchase, or
27 open in any manner, a charity game ticket.

1 (3) *(a)* Tickets for a raffle shall be sold separately, and each ticket shall constitute a
2 separate and equal chance to win.
3 *(b)* All raffle tickets shall be sold for the price stated on the ticket, and no person
4 shall be required to purchase more than one (1) ticket or to pay for anything
5 other than a ticket to enter a raffle.
6 *(c)* Raffle tickets shall have a unique identifier for the ticket holder.
7 *(d)* Winners shall be drawn at random at a date, time, and place announced in
8 advance or printed on the ticket.
9 *(e)* All prizes for a raffle shall be identified in advance of the drawing and all
10 prizes identified shall be awarded.
11 (4) With respect to charity fundraising events, a licensed charitable organization shall
12 be limited as follows:
13 (a) No licensed charitable organization shall conduct a charity fundraising event
14 or a special limited charity fundraising event unless they have a license for the
15 respective event issued by the department;
16 (b) No special license shall be required for any wheel game, such as a cake wheel,
17 that awards only noncash prizes the value of which does not exceed one
18 hundred dollars ($100);
19 (c) The department may grant approval for a licensed charitable organization to
20 play bingo games at a charity fundraising event. Cash prizes for bingo games
21 played during a charity fundraising event may not exceed five thousand
22 dollars ($5,000) for the entire event. No person under the age of eighteen (18)
23 shall be permitted to play bingo at a charity fundraising event unless
24 accompanied by a parent or legal guardian;
25 (d) The department may grant approval for a licensed charitable organization to
26 play special limited charitable games at a charity fundraising event authorized
27 under this section. The department shall not grant approval for the playing of

1 special limited charitable games under the provisions of a charity fundraising
2 event license unless the proposed event meets the definition of a charity
3 fundraising event held for community, social, or entertainment purposes apart
4 from charitable gaming in accordance with KRS 238.505(8); and
5 (e) Except for state, county, city fairs, and special limited charity fundraising
6 events, a charity fundraising event license issued under this section shall not
7 exceed seventy-two (72) consecutive hours. A licensed charitable organization
8 shall not be eligible for more than four (4) total charity fundraising event
9 licenses per year, including two (2) special limited charity fundraising event
10 licenses. No person under eighteen (18) years of age shall be allowed to play
11 or conduct any special limited charitable game. The department shall have
12 broad authority to regulate the conduct of special limited charity fundraising
13 events in accordance with the provisions of KRS 238.547.
14 (5) Presentation of false, fraudulent, or altered identification by a minor shall be an
15 affirmative defense in any disciplinary action or prosecution that may result from a
16 violation of age restrictions contained in this section, if the appearance and
17 character of the minor were such that his or her age could not be reasonably
18 ascertained by other means.

President of Senate

Speaker-House of Representatives

Attest: Chief Clerk of Senate

Approved Governor

Date 3/23/15