

CHAPTER 22
FORMERLY
SENATE BILL NO. 31
AS AMENDED BY
SENATE AMENDMENT NOS. 1 & 2

AN ACT TO AMEND TITLE 28 OF THE DELAWARE CODE RELATING TO NONPROFIT
CHARITABLE GAMING.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF DELAWARE:

Section 1. Amend § 1122(a)(2), Title 28 of the Delaware Code by inserting the phrase “permits and” before the word “licenses” wherever said word occurs in this subsection.

Section 2. Further Amend § 1122(a)(2), Title 28 of the Delaware Code by striking the phrase “licensees only.” as it appears therein and substituting in lieu thereof the phrase “Volunteer Fire Companies, Veterans’ Organizations, Religious or Charitable Organizations, or Fraternal Societies.”.

Section 3. Amend § 1130, Title 28 of the Delaware Code by re-designating the existing Section as subsection “(a)” and by adding a new subsection “(b)” to read as follows:

“(b) The Board may designate to the Director of the Division of Professional Regulation the authority to issue permits and licenses administratively using specified criteria agreed upon by the Board and the Director.”

Section 4. Amend § 1131(a), Title 28 of the Delaware Code by inserting the word “permit or” before the word “license” and after the word “a”.

Section 5. Further Amend § 1131(a), Title 28 of the Delaware Code by striking the word “verified” as it appears therein and substituting in lieu thereof the word “notarized”.

Section 6. Amend § 1131(b), Title 28 of the Delaware Code by striking the phrase “and by its member or members so designated to read as follows: ‘If a license’” as it appears therein and inserting in lieu thereof the phrase “to indicate that if a permit or license”.

Section 7. Further Amend § 1131(b), Title 28 of the Delaware Code by inserting the phrase “permit or” before the word “license” and after the “the”.

Section 8. Amend § 1131(c), Title 28 of the Delaware Code by striking the phrase “of exemption from federal income tax” as it appears therein and substituting in lieu thereof the phrase “that contributions are considered tax deductible”.

Section 9. Amend § 1132, Title 28 of the Delaware Code by striking the section title and inserting in lieu thereof “§ 1132. Conditions for granting permits or licenses.”.

Section 10. Amend § 1132(a), Title 28 of the Delaware Code by striking said subsection in its entirety and substituting in lieu thereof the following:

“(a) The Board or its designee shall make a review of the qualifications of each applicant and the merits of each application.”.

Section 11. Amend § 1132(b), Title 28 of the Delaware Code by adding the phrase “or its designee” after the word “Board” and before the word “may.”.

Section 12. Further Amend § 1132 (b), Title 28 by inserting the words “permit or” before the word “license”.

Section 13. Amend § 1132(b)(2), Title 28 of the Delaware Code by striking said subsection in its entirety and substituting in lieu thereof the following:

“(2) The persons who intend to conduct the games are persons of good moral character and have never been convicted of crime(s) involving moral turpitude; and a bona fide active member shall be on the premises during the conduct of the event.”.

Section 14. Amend § 1132(b)(5), Title 28 of the Delaware Code by inserting the word “unreasonable” before the word “salary,” and after the word “No”.

Section 15. Amend § 1132(b)(6), Title 28 of the Delaware Code by deleting said section in its entirety and substituting in lieu thereof the following: “In charitable gambling other than bingo, there shall be no limit on the amount a person may bet and no limit on the amount a person may win, except that no person may lose more than \$150 in a single day. In bingo, no prize will be offered or given in excess of the sum of \$250 in any single game and the aggregate of all prizes offered or given in all of such games conducted on a single occasion shall not exceed the sum or value of \$1250. For purposes of this paragraph, the value of any promotional giveaways, which value shall be no more than \$500 per annum to be distributed at an organizational anniversary date and no more than 3 holiday dates per year, shall not be counted towards the dollar amounts described herein.”

Section 16. Further Amend § 1132(b), Title 28 of the Delaware Code by inserting a new subsection “(8)” to read as follows: “(8) The value of prizes offered shall be prescribed by the rules and regulations of the Board.”.

Section 17. Amend § 1133(a), Title 28 of the Delaware Code by inserting the phrase “permit or” after the word “a” and before the word “license”.

Section 18. Further Amend § 1133(a), Title 28 of the Delaware Code by inserting the phrase “permit or” after the word “such” and before the word “license”.

Section 20. Amend § 1133(b)(1), Title 28 of the Delaware Code by renumbering the section as “(b)” and inserting the phrase “or its designee” after the word “Board” and before the word “may.”.

Section 21. Further Amend new § 1133(b), Title 28 of the Delaware Code by inserting the phrase “permit or” after the word “a” and before the word “license”.

Section 22. Amend § 1133(b)(2), Title 28 of the Delaware Code by striking said subsection in its entirety.

Section 23. Amend § 1133(c), Title 28 of the Delaware Code by striking said subsection in its entirety.

Section 24. Amend § 1134, Title 28 of the Delaware Code by striking the section title in its entirety and substituting in lieu thereof “§ 1134. Duration of Permit or License.”.

Section 25. Amend § 1134(a), Title 28 of the Delaware Code by inserting the phrase “permit or” after the word “No” and before the word “license”.

Section 26. Amend § 1135, Title 28 of the Delaware Code by striking the section title in its entirety and substituting in lieu thereof “§ 1135. Refusal to Permit or License; hearing.”.

Section 27. Further Amend § 1135, Title 28 of the Delaware Code by striking said section in its entirety and substituting in lieu thereof the following:

“No properly submitted application for a license shall be refused by the Board or its designee until a hearing is held after proper notice to the applicant. At any such hearing the applicant shall be entitled to be heard upon the qualifications of the applicant and the merits of the application. The burden of proof shall be on the applicant.”.

Section 28. Amend § 1136, Title 28 of the Delaware Code by striking the section title in its entirety and substituting in lieu thereof “§ 1136. Amendments to Permits or Licenses.”.

Section 29. Further Amend § 1136, Title 28 of the Delaware Code by adding the phrase “permit or” before the word “license” and after the word “Any”.

Section 30. Further Amend § 1136, Title 28 of the Delaware Code by adding the phrase “or its designee” after the word “Board” and before the word “if”.

Section 31. Amend § 1137, Title 28 of the Delaware Code by striking the section title in its entirety and substituting in lieu thereof “§ 1137. Permits and License Provisions; display.”.

Section 32. Amend § 1137(a), Title 28 of the Delaware Code by striking the word “license” as it appears therein and substituting in lieu thereof the word “permit”.

Section 33. Amend § 1137(a)(1), Title 28 of the Delaware Code by striking the word “licensee” as it appears therein and substituting in lieu thereof the phrase “permit holder;”.

Section 34. Further Amend § 1137(a), Title 28 of the Delaware Code by striking subsections 2, 3, 4, 5, 6 and 7 in their entirety and inserting in lieu thereof new subsections 2, 3 and 4 to read as follows:

- “(2) The number of times and the hours during which such games are to be conducted;
- (3) The prize or prizes to be offered or given and the maximum wagering limit(s);
- (4) Any other information which may be required by the rules and regulations.”.

Section 35. Amend § 1137(b), Title 28 of the Delaware Code by striking the subsection in its entirety and substituting in lieu thereof:

- “(b) Each permit or license shall be conspicuously displayed at the place where the game is to be conducted for the duration of the event.”.

Section 36. Amend § 1138(a), Title 28 of the Delaware Code by inserting the words “permit or” before the word “license” and after the words “of the”.

Section 37. Amend § 1138(b), Title 28 of the Delaware Code by redesignating said subsection as new subsection “(c)” and by inserting a new subsection “(b)” to read as follows:

- “(b) After investigation reveals that a licensee or permittee has committed a violation of this chapter or of the rules of the Delaware Gaming Control Board which the Board believes does not warrant formal action, the Board may endeavor to obtain compliance by a written letter of concern. Such letter shall be provided to the licensee or permittee, shall specify the violation and propose a time for correction of the violation. It may also provide an opportunity for a public hearing at which the Board shall hear and consider any submission relevant to the violation, corrective action, or the time frame for correcting the violation. Receipt of three letters of concern within a one year period by the same licensee or permittee shall constitute a violation warranting formal action.”

Section 38. Amend § 1139(a), Title 28 of the Delaware Code by striking the word “function” as it appears therein and substituting in lieu thereof the word “game”.

Section 39. Further Amend § 1139(a), Title 28 of the Delaware Code by striking the number “3.08(2)” as it appears therein.

Section 40. Further Amend § 1139(a), Title 28 of the Delaware Code by inserting “No Bingo or Charitable Gambling may take place after 1:00 a.m.”.

Section 41. Amend § 1139(b), Title 28 of the Delaware Code by striking the subsection in its entirety and substituting in lieu thereof:

- “(b) No person under the age of 18 years shall be permitted in the area where the game is played.”.

Section 42. Amend § 1139(c), Title 28 of the Delaware Code by striking the subsection in its entirety and substituting in lieu thereof:

“(c) The number of games which an applicant may conduct in any one (1) calendar month shall be set by the rules and regulations of the Board, provided that no bingo permit holder or licensee issued a permit or license prior to July 14, 1998 shall conduct more than ten (10) bingo events in any calendar month and no bingo permit holder or licensee issued a permit or license after July 14, 1998 shall conduct more than one (1) bingo event per week. For purposes of this subsection, a bingo permit holder or licensee prior to the enactment of this section whose permit or license lapses for six (6) months or more due to non-renewal or suspension or any other reason shall, upon issuance thereafter, be considered a permit holder or licensee after the enactment of this Section.”.

Section 43. Amend § 1139(e), Title 28 of the Delaware Code by striking said subsection in its entirety.

Section 44. Amend § 1139(f), Title 28 of the Delaware Code by redesignating said subsection as subsection “e”.

Section 45. Amend § 1139(g), Title 28 of the Delaware Code by striking said subsection in its entirety.

Section 46. Amend § 1139(h), Title 28 of the Delaware Code by striking said section and all subsections in their entirety and substituting in lieu thereof new subsections “(f)(1)” and “(2)” to read as follows:

“(f) (1) A permitted or licensed sponsoring organization may charge an admission fee to a game event in any room or area in which a game is to be conducted. The admission fee shall entitle the game player:

- a. To a card enabling the player to participate without additional charge in all regular games to be played under license at the event; or
- b. To free refreshments. The permitted or licensed sponsoring organization may charge an additional fee to a game player for a single opportunity to participate in a special game to be played under license at the event.

(2) Unless a bingo permit holder or licensee has been issued a permit or license prior to July 14, 1998 only one (1) licensed organization may hold bingo games in a licensed organization’s building during any given week.”.

Section 48. Amend § 1139(j), Title 28 of the Delaware Code by striking said subsection in its entirety and substituting in lieu thereof a new subsection “(g)” to read as follows:

“(g) Any permitted or licensed game sponsoring organization(s) shall have discretionary authority to promulgate rules and regulations on the eligibility of persons permitted to participate in the game(s); provided, however, they have been approved by the Board, and further provided, that if approved by the Board, such rules and regulations shall be conspicuously displayed at the main entrance where all patrons can observe same.”.

Section 49. Amend § 1139(k), Title 28 of the Delaware Code by striking subsection “(k)” and substituting in lieu thereof “(h)”.

Section 50. Further Amend § 1139(i), Title 28 of the Delaware Code by inserting “Sponsoring organizations shall be allowed to use third party vendors to supply equipment and workers for Charitable Gambling events permitted under this Chapter. Sponsoring organizations shall contract with the third party vendors on terms agreed to by the parties. However, no third party vendor shall receive compensation based on a percentage of funds received by the sponsoring organization as a result of the event.”

Section 51. Amend § 1140(a), Title 28 of the Delaware Code by striking the number “15” as it appears therein and substituting in lieu thereof the number “30”.

Section 52. Further Amend § 1140(a), Title 28 the Delaware Code by deleting the word “member” as it appears therein and substituting in lieu thereof the word “member(s)”.

Section 53. Further Amend § 1140(a), Title 28 of the Delaware Code by striking the word “verified” as it appears therein and substituting in lieu thereof the word “sworn”.

Section 54. Amend § 1140(d), Title 28 of the Delaware Code by striking said subsection in its entirety.

Section 55. Amend § 1154, of Title 28 of the Delaware Code by inserting “The Board may impose a fine upon a licensee for violations of the law or regulations of not more than \$1,000 per violation. The Board may impose a fine upon a third party vendor for violating or participating in a violation of the law or regulations of not more than \$5,000 per violation. In addition the Board may upon finding a violation of the law or regulations, temporarily or permanently enjoin a third party vendor from contracting with or participating with an organization in regard to Charitable Gambling”.

Section 56. Amend § 1501(a), Title 28 of the Delaware Code by striking the phrase “sports, amusements, and” as it appears therein.

Section 57. Amend § 1502(a), Title 28 of the Delaware Code by striking the phrase “equally divided between all sports, amusements and other activities under the Board’s jurisdiction” as it appears therein.

Section 58. Amend § 1502(c)(6), Title 28 of the Delaware Code by striking the phrase “shall not succeed himself” as it appears therein and substituting in lieu thereof the phrase “is eligible to succeed himself for an additional year”.

Section 59. Amend § 1502(f)(1), Title 28 of the Delaware Code by striking the phrase “at least once each quarter of a calendar year” as it appears therein and substituting in lieu thereof the word “monthly”.

Section 60. Amend § 1503, Title 28 of the Delaware Code by striking the phrase “those sports, amusements and” as it appears therein.

Approved May 14, 2009