

2022 Regular Session

SENATE BILL NO. 386

BY SENATOR MILLIGAN

CHARITABLE GAMING. Exempts certain charitable organizations conducting raffles from certain licensing and reporting requirements. (gov sig)

1 AN ACT

2 To amend and reenact R.S. 4:707(A)(1), (2) and (3), (B), (C), (E)(1), (2), (4) and (5), (F),
3 (G)(1), (H), and (I), and to repeal R.S. 4:707(J), relative to charitable raffles, bingo
4 and keno licensing; to provide for authorization to license certain organizations; to
5 provide for requirements for a state license; to provide for types of licenses; and to
6 provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 4:707(A)(1), (2) and (3), (B), (C), (E)(1), (2), (4) and (5), (F), (G)(1),
9 (H), and (I) are hereby amended and reenacted to read as follows:

10 §707. Authorization to license certain organizations; ~~exemption~~; requirement for
11 state license

12 A. The office may, consistent with the provisions of this Chapter, license
13 charitable organizations, as defined in R.S. 4:703(1), to hold and operate the
14 following specific games of chance:

15 (1) The game of chance commonly known as raffle or raffles, **and as defined**
16 **by rules of the office**, played by drawing for prizes or the allotment of prizes by
17 chance, by the selling of shares, tickets, or rights to participate in such game or

1 games, and by conducting the game or games accordingly.

2 (2) The game of chance commonly known as bingo or keno, **and as defined**
3 **by rules of the office**, played for prizes with cards bearing numbers or other
4 designations, five or more in one line, the holder covering numbers, as objects,
5 similarly numbered, are drawn from a receptacle, and the game being won by the
6 person who first covers a previously designated arrangement of numbers on such a
7 card.

8 (3) The game of chance commonly known as pull-tabs, **and as defined by**
9 **rules of the office**, played for prizes with cards or tickets and as defined in R.S.
10 4:725 or played as electronic pull-tabs as provided in R.S. 4:733.

11 * * *

12 B. ~~In addition to the licensing required in Subsection A of this Section, the~~
13 ~~governing authority of any municipality or parish may, consistent with the provisions~~
14 ~~of this Chapter, license charitable organizations as defined in R.S. 4:703(1) to hold~~
15 ~~and operate the following specific games of chance:~~

16 (1) ~~The game of chance commonly known as raffle or raffles played by~~
17 ~~drawing for prizes or the allotment of prizes by chance, by the selling of shares,~~
18 ~~tickets, or rights to participate in such game or games, and by conducting the game~~
19 ~~or games accordingly.~~

20 (2) ~~The game of chance commonly known as bingo or keno played for prizes~~
21 ~~with cards bearing numbers or other designations, five or more in one line, the holder~~
22 ~~covering numbers, as objects, similarly numbered, are drawn from a receptacle, and~~
23 ~~the game being won by the person who first covers a previously designated~~
24 ~~arrangement of numbers on such a card.~~

25 (3) ~~The game of chance commonly known as pull-tabs played for prizes with~~
26 ~~cards or tickets, as defined in R.S. 4:725, or played as electronic pull-tabs as~~
27 ~~provided in R.S. 4:733.~~

28 (4) ~~Electronic video bingo as provided for in R.S. 4:724 and as defined by~~
29 ~~rules of the office.~~

1 ~~(5) Fund-raising events generally known as "Las Vegas Nights" or "Casino~~
2 ~~Nights" as provided for in R.S. 4:729 and as defined by rules of the office. No~~
3 ~~municipal or parish governing authority shall license any organization as~~
4 ~~authorized in this Chapter until the organization has first obtained a charitable~~
5 ~~gaming license from the office. If the organization has obtained a charitable~~
6 ~~gaming license from the office as required by Subsection A of this Section and~~
7 ~~R.S. 4:705, then the municipal or parish governing authority may license the~~
8 ~~charitable organization to hold and operate only the specific games enumerated~~
9 ~~in Subsection A of this Section.~~

10 C. Any such organization so licensed may sell shares, tickets, or rights to
11 participate in such games and may conduct the games accordingly when the entire
12 net proceeds of such games of chance are to be devoted to educational, charitable,
13 patriotic, religious, or public spirited uses, and when so licensed, may hold, operate,
14 and conduct such games of chance exclusively by its members pursuant to this
15 Chapter, except to the extent that the services of members of other bona fide licensed
16 organizations as enumerated in this Section are volunteered by their organization for
17 the sole purpose of selling shares, tickets, or rights in such games. Any such
18 organization so licensed may sell shares, tickets, or rights to participate in such game
19 or games of chance pursuant to rules and regulations for the supervision and conduct
20 thereof, as prescribed by the office and, when applicable, by the governing authority
21 of the municipality or parish not inconsistent with the provisions of this Chapter.
22 Further, any person or persons not currently working or scheduled to work a shift
23 for the organization sponsoring a game may participate in and play such games
24 of chance conducted under any license, except where prohibited by rule.

25 * * *

26 E. In addition to the provisions of R.S. 4:703, the following definitions shall
27 apply for the purposes of this Section:

28 (1) "Booster club" shall mean an organization which promotes and supports
29 the activities, functions, or programs of a public or a private nonprofit elementary or

1 secondary school in this state and which has been designated by ~~the school board of~~
 2 ~~the parish or city in which such school is located~~ **its local governing authority** to
 3 collect funds in the name of that school **with the entire net proceeds being devoted**
 4 **to support the school's activities, functions, or programs.**

5 (2) "Civic or service association" shall mean an organization domiciled in
 6 this state which is operated for the purpose of promoting the social welfare or
 7 providing service to the community and which has derived five thousand dollars or
 8 less in gross receipts from its charitable games of chance during the prior calendar
 9 year **with the entire net proceeds being devoted to the stated charitable purpose**
 10 **of the organization.**

11 * * *

12 (4) "Parent-teacher association" shall mean an organization which is
 13 comprised of teachers and parents of children enrolled in a public or a private
 14 nonprofit elementary or secondary school in this state and which has been designated
 15 by ~~the school board of the parish or city in which such school is located~~ **its local**
 16 **governing authority** to collect funds in the name of that school **with the entire net**
 17 **proceeds being devoted to support the school's activities, functions, or**
 18 **programs.**

19 (5) "Public institution of higher education" includes every in-state public
 20 graduate and undergraduate institution, public junior and community college, public
 21 technical institute, and each separate school or department of the institution, college,
 22 or institute when the entire net proceeds are devoted to support the ~~institution~~
 23 **institution's activities, functions, or programs.**

24 * * *

25 F.(1)(a) ~~A bona fide senior citizen recreation club, upon application to the~~
 26 ~~municipality or parish, shall be exempt~~ **The following specific clubs, organizations,**
 27 **groups, or associations may be eligible for a limited license that results in an**
 28 **exemption** from the licensing and reporting procedure enumerated in R.S. 4:708
 29 through 716 of this Chapter in a municipality or parish whose governing authority

1 has decided to permit raffles, bingo, and keno within its limits as provided in R.S.
2 4:706.;

3 ~~(b)~~**(a)** A "senior citizen recreation club" for the purpose of this Chapter shall
4 be defined as an organization which is sanctioned by the local council on aging and
5 composed of a group of persons sixty years of age or older whose only function is
6 to provide amusement and diversion for its members.

7 ~~(2)~~**(b)** Any club, organization, group, or association which has a membership
8 comprised exclusively of children enrolled in a public or private nonprofit
9 elementary or secondary school in this state and which is ~~approved to conduct~~
10 ~~activities in such school by the principal of such school in accordance with school~~
11 ~~board policy shall be exempt from the licensing and reporting procedures~~
12 ~~enumerated in R.S. 4:708 through 716 of this Chapter in a municipality or parish~~
13 ~~whose governing authority has decided to permit raffles, bingo, and keno within its~~
14 ~~limits as provided in R.S. 4:706. Such club, organization, group, or association shall~~
15 ~~be exempted from licensing and reporting procedures only for the conducting of~~
16 ~~raffles as a means of fund-raising. has been designated by the local governing~~
17 ~~authority of the school to collect funds in the name of the school with the entire~~
18 ~~net proceeds being devoted to support the school's activities, functions, or~~
19 ~~programs.~~

20 ~~(3)~~**(a)****(c)** A charitable organization, ~~upon application to the municipality or~~
21 ~~parish, shall be exempt from the licensing and reporting requirements provided in~~
22 ~~R.S. 4:708 through 716 of this Chapter for the purpose of conducting a raffle as~~
23 ~~defined in Paragraph (A)(1) of this Section in any municipality or parish the~~
24 ~~governing authority of which has decided to permit raffles, bingo, and keno within~~
25 ~~its limits as provided in R.S. 4:706, provided the municipality or parish finds, upon~~
26 ~~such application, that the charitable organization is conducting such raffle for the~~
27 ~~purpose of providing that provides support to any **public or private nonprofit**~~
28 ~~elementary or secondary school in the municipality or parish or for other purposes~~
29 ~~of community support **with the entire net proceeds being devoted to support the**~~

1 school's activities, functions, or programs.

2 ~~(b)(d)~~ A public institution of higher education licensed pursuant to this
3 Section shall be exempt from the licensing and reporting requirements provided in
4 R.S. 4:708 through 716 of this Chapter in any municipality or parish the governing
5 authority of which has decided to permit raffles, bingo, and keno within its limits and
6 may sell shares, tickets, or rights to participate in the authorized game known as
7 raffle and may conduct the game of raffle when the entire net proceeds of the games
8 of chance are devoted to supporting the institution.

9 ~~(4)(e)~~ Any bona fide conservation organization, which is recognized by the
10 Internal Revenue Service as 501(c)(3) corporation, dedicated principally to the
11 conservation of a specific species, genus, or family of game animal, including but
12 not limited to the conservation of ducks, waterfowl generally, quail, and turkeys
13 which is otherwise permitted by law to conduct charitable gaming shall be exempted
14 from the licensing and reporting procedures enumerated in R.S. 4:708 through 716
15 of this Chapter solely for conducting raffles as a means of fund-raising in a
16 municipality or parish whose governing authority has decided to permit raffles,
17 bingo, and keno within its limits as provided in R.S. 4:706 a body of water, area of
18 land, or environment.

19 (2) The limited license only authorizes the conducting of raffles. The
20 inclusion of any other charitable fundraising activities in addition to raffles will
21 require full licensing pursuant to this Chapter.

22 G. Notwithstanding any other provision of this Chapter to the contrary, no
23 municipal or parish governing authority shall license any organization as authorized
24 in this Chapter unless that organization has first obtained a charitable gaming license
25 from the office, as further provided in R.S. 4:705.

26 H.(1) No person or organization shall hold, operate, or conduct any game of
27 chance enumerated in Subsection A of this Section without obtaining a charitable
28 gaming license, a limited license, or a special charitable gaming license from the
29 office, as further provided in R.S. 4:718.

* * *

~~¶ H.~~ Nothing in this Chapter shall prohibit a charitable organization from contributing to a qualified association of licensed charitable organizations as defined by R.S. 4:703(10). Such an association shall not be subject to audit by the office except as otherwise provided by law.

~~¶ I.~~ The governing authority of a municipality or parish may, by ordinance, transfer regulatory authority over charitable gaming in that municipality or parish to the office of charitable gaming.

Section 2. R.S. 4:707(J) is hereby repealed.

Section 3. This Act shall become effective upon signature by the governor or, if not signed by the governor, upon expiration of the time for bills to become law without signature by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If vetoed by the governor and subsequently approved by the legislature, this Act shall become effective on the day following such approval.

The original instrument was prepared by Alan Miller. The following digest, which does not constitute a part of the legislative instrument, was prepared by Dawn Romero Watson.

DIGEST

SB 386 Engrossed 2022 Regular Session Milligan

Present law provides that in addition to the licensing required with office of charitable gaming (OCG), the local governing authority may license certain charitable organizations to hold and operate the following specific games of chance:

- (1) Raffles.
- (2) Bingo or Keno.
- (3) Pull-tabs.
- (4) Electronic video bingo.
- (5) Fundraising events generally known as "Las Vegas Nights" or "Casino Nights".

Proposed law retains present law, but clarifies that the local governing authority license may be granted after the organization has first obtained a charitable gaming license from OCG, and only for the specific games enumerated in present law.

Present law authorizes any persons to participate in and play such charitable games of chance conducted under any license.

Proposed law limits present law to participation of any persons not currently working or

scheduled to work a shift for the organization sponsoring a game, except where prohibited by OCG rule.

Present law provides for definitions of charitable organizations eligible to participate and limits the type of organization to:

- (1) Booster clubs.
- (2) Civic or service associations.
- (3) Mardi Gras carnival associations.
- (4) Parent-teacher associations (PTAs).
- (5) Public institutions of higher education.
- (6) Volunteer fire companies.

Proposed law retains present law, but adds the requirement that booster clubs, civic or service associations, PTAs, and public institutions that raise funds dedicate the entire net proceeds to support the school's activities, functions, or programs, or the organization's stated charitable purpose.

Present law provides for an exemption from certain licensing and reporting procedures after the charitable organization has met all the criteria set forth in present law when holding a raffle.

Proposed law retains the same exemptions for charitable organizations after meeting all the criteria set forth in present law, but grants the organization a limited license solely for the purpose of conducting raffles.

Present law provides for the definition of "bona fide conservation organization".

Proposed law retains present law, but eliminates illustrative list of specific examples of bona fide conservation organizations.

Proposed law authorizes the limited license only to authorization for the conducting of raffles.

Effective upon signature of the governor or lapse of time for gubernatorial action.

(Amends R.S. 4:707(A)(1), (2) and (3), (B), (C), (E)(1), (2), (4) and (5), (F), (G)(1), (H), and (I); repeals R.S. 4:707(J))

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Judiciary B to the original bill

1. Makes technical correction.