

# **Electronic Instant Bingo Portion**

**of the**

**Attorney General's Charitable Bingo School Presentation**

**Saturday, January 22, 2022.**

**American Legion Department of Ohio Mid-Winter Conference**

**Columbus, Ohio**

## **Electronic Instant Bingo - Eligibility**

Ohio Revised Code Section 2915.14(A) – No charitable organization shall conduct electronic instant bingo unless all of the following are true:

- (1) The organization is a veteran's organization described in division (J) of section 2915.01 of the Revised Code, or is a fraternal organization described in division (L) of section 2915.01 of the Revised Code, and the organization qualified as a veteran's organization or fraternal organization, as applicable, on or before June 30, 2021.
- (2) The organization is a veteran's organization described in subsection 501(c)(4) of the Internal Revenue Code or is, and has received from the internal revenue service a determination letter that is currently in effect stating that the organization is, exempt from federal income taxation under subsection 501(a), and is described in subsection 501(c)(7), 501(c)(8), 501(c)(10), or 501(c)(19) of the Internal Revenue Code.
- (3) The organization has not conducted a raffle in violation of division (B) of section 2915.092 of the Revised Code using an electronic raffle machine, as described in *Ohio Veterans and Fraternal Charitable Coalition v. DeWine*, Case No. 13-CV-13610 (C.P. Franklin Co. February 23, 2018), at any time on or after January 1, 2022.

## Electronic Instant Bingo – Licensing

- Applications for electronic instant bingo accepted beginning 1/1/22
- If you were licensed to conduct bingo in 2021, the option to select electronic bingo was available when you completed your renewal application
- Select “Yes” for Type II Electronic Instant Bingo and/or Type III Electronic Instant Bingo if you wish to conduct electronic instant bingo
- Licenses will be issued April 1, 2022. •

All licensing requirements have to be met in order to be eligible for electronic instant bingo.

## Electronic Instant Bingo

(New Rules- Ohio Administrative Code 109:1-5; 109:1-6; 109:1-7)

- **Overview of the rules in this presentation.**
- **OAC 109:1-5-04(A)** The number of electronic instant bingo devices at a time shall not exceed ten at the single licensed location per organization.
- **OAC 109:1-5-04(B)** The organization shall limit the sale of electronic instant bingo to its own premises and to its own members and invited guests.
- **OAC 109:1-5-05** No organization may conduct electronic instant bingo on any day of the week or during any time period not specified on its license.
- **OAC 109:1-5-05(B)** No organization may sell electronic instant bingo tickets before ten a.m. or after two a.m. and the sale of electronic instant bingo tickets must be limited to no more than twelve hours during any day.
- **OAC 109:1-5-14** Quarterly Reporting - all licensed e-bingo organizations shall file a quarterly report with the attorney general upon a form prescribed by the attorney general. The report will require electronic instant bingo records to be kept and reported separately.
- **OAC 109:1-5-17** Each deal must be made up of a fixed number of electronic instant bingo tickets not to exceed twenty-five thousand tickets and Electronic instant bingo tickets shall not be commingled.

## Electronic Instant Bingo Overview of Rules – continued

- **OAC 109:1-5-18** Each licensed e-bingo organization shall designate at least one member of the organization to serve as an electronic instant bingo operator. Electronic instant bingo operators may be subject to an additional background check by the attorney general.
  
- **OAC 109:1-5-19** Each licensed e-bingo organization shall designate a member in good standing of the organization to complete and submit its application to obtain a bingo license. The application to conduct bingo shall not be completed or submitted by anyone outside the organization including but not limited to the contracted charity, distributor, manufacturer, or any other third party

## **Electronic Instant Bingo - Signage (OAC 109:1-5-06)**

**The following must be prominently posted, legible and visible:**

- Organization name and license;
- Ohio problem gambling helpline number;
- Statement that illegal gambling is prohibited;
- Statement that a player may play only one electronic instant bingo device at a time;
- Statement that a player must be eighteen or older to play electronic instant bingo;
- Any materials or information directed to be posted by the attorney general.

## **Electronic Instant Bingo Bank Account**

**(OAC 109:1-5-20)**

- All proceeds from the sale of electronic instant bingo s hall be kept in a checking account devoted exclusively to the organizations electronic instant bingo activities. The checking account shall be with a financial institution with a physical presence and licensed to do business in Ohio.
- All required charitable distributions shall be made directly from the checking account devoted exclusively to electronic instant bingo.
- The licensed e-bingo organization shall have sole and exclusive control of all withdrawals from the checking account. No distributor, manufacturer, contracted charity, or any other third party shall be given the authority to initiate withdrawals of any deposited funds from the account.

## **Electronic Instant Bingo– Internal Controls**

### **(OAC 109:1-5-21)**

Each licensed e-bingo organization shall establish, maintain and update an internal control system and must ensure:

- Assets associated with the operation of the e-bingo system are safeguarded
- Financial records are accurate and reliable
- A separate cash register for all e-bingo monies. And all monies shall be locked in a safe devoted exclusively to e-bingo
- Access to said cash register and safe are limited to e-bingo game operators listed on the application
- At any time during the month, e-bingo proceeds must be deposited if in excess of \$2k over start up
- At the end of the month, all excess monies over start up cash must be deposited within 4 days
- Access to e-bingo system assets is limited to authorized personnel • A log must be maintained for access to each device with date, reason for access and initials
- A ticket voucher is only valid for 24 hours of the end of the bingo session in which it was won
- The internal control procedures must be in writing and available upon request



## **Electronic Instant Bingo (Prohibitions)**

**This presentation provides a summary of some key points of the law and rules ONLY. Organizations are responsible for familiarizing themselves with the changes and regulations governing electronic instant bingo in the law and rules.**

Ohio Revised Code Section 2915.14(B)

- Possess an ebingo system not obtained in accordance with this section
- Conduct ebingo on a day/time or on a premises not specified on the Type II or III license
- Conduct ebingo on any premises other than the principal place of business
- Fail to display the bingo license and serial number of each deal being sold
- Permit anyone under 18 to play
- Sell an ebingo ticket for a price different from the price displayed on the game flare for that deal
- Fail to sell all tickets for a deal until ALL prizes have been awarded.
- Permit any person with a felony or gambling related offense to be a bingo game operator
- Permit a bingo game operator to play electronic instant bingo
- Pay compensation to a bingo game operator for conducting electronic instant bingo
- Pay consulting fees to any person in relation to electronic instant bingo

## **Electronic Instant Bingo (Prohibitions-continued)**

**OAC 109:1-5-21(A)(9) An organization may not:**

- Knowingly redeem a ticket voucher that has been defaced, tampered with, or counterfeited. If a player attempts to redeem a voucher that has been defaced, tampered with, or counterfeited, the organization, if possible, shall retain and void the credit ticket voucher;
- Knowingly redeem a ticket voucher that was issued at another site or a voucher that was issued prior to the bingo session at which it is presented for redemption. If a player attempts to redeem a voucher that was issued prior to the bingo session in which it was presented for redemption, the organization, if possible, shall retain and void the credit ticket voucher;
- Modify the assembly or operational functions of an electronic instant bingo