



# Ohio Legislative Service Commission

## Bill Analysis

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### S.B. 153

128th General Assembly  
(As Passed by the Senate)

**Sens.** Patton, Kearney, Cafaro, D. Miller, Morano, Schaffer, Seitz, Gillmor, Goodman, Schiavoni, Wilson, Faber

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## BILL SUMMARY

- Changes the definition of "instant bingo ticket dispenser."
- Authorizes a charitable organization licensed to conduct instant bingo to purchase, lease, and use instant bingo ticket dispensers to sell instant bingo tickets or cards.

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## CONTENT AND OPERATION

### Existing law

Current law authorizes a charitable organization as defined in the Charitable Gambling Law (see "**What is a "charitable organization"?**" below) to obtain a license to conduct instant bingo (1) at a bingo session where regular bingo games are conducted or (2) at other than a bingo session (R.C. 2915.08, not in the bill). "Instant bingo" means a form of bingo that uses folded or banded tickets or paper cards with perforated break-open tabs, a face of which is covered or otherwise hidden from view to conceal a number, letter, or symbol, or set of numbers, letters, or symbols, some of which have been designated in advance as prize winners (R.C. 2915.01(FF)).

Current law prohibits a charitable organization that conducts instant bingo from purchasing, leasing, or using instant bingo ticket dispensers to sell instant bingo tickets or cards (R.C. 2915.091(A)(16)). "Instant bingo ticket dispenser" means a mechanical device that dispenses an instant bingo ticket or card as the sole item of value dispensed and that has the following characteristics: (1) is activated upon the insertion of United States currency, (2) performs no gaming functions, (3) does not contain a video display monitor or generate noise, (4) is not capable of displaying any numbers, letters, symbols, or characters in winning or losing combinations, (5) does not simulate or display rolling or spinning reels, (6) is incapable of determining whether a dispensed

bingo ticket or card is a winning or nonwinning ticket or card and requires a winning ticket or card to be paid by a bingo game operator, (7) may provide accounting and security features to aid in accounting for the instant bingo tickets or cards it dispenses, and (8) is not part of an electronic network and is not interactive (R.C. 2915.01(SS)).

## **The bill**

(R.C. 2915.01(SS) and 2915.091)

The bill eliminates the prohibition against a charitable organization purchasing, leasing, or using instant bingo ticket dispensers and explicitly authorizes a charitable organization to do so. The bill also changes the definition of "instant bingo ticket dispenser" by adding another characteristic in addition to the eight described above, namely, that the insertion of tickets or cards into the device and the removal of currency from the device that has been inserted into the device are controlled by two separate keys that are controlled by two separate individuals.

## **What is a "charitable organization"?**

Under the Charitable Gambling Law, a "charitable organization" is any tax-exempt religious, educational, veteran's, fraternal, sporting, service, nonprofit medical, volunteer rescue service, volunteer firefighter's, senior citizen's, historic railroad educational, amateur athletic, youth athletic, or youth athletic park organization. A charitable organization must be tax exempt under subsection 501(a) and be described in subsection 501(c)(3), 501(c)(4), 501(c)(7), 501(c)(8), 501(c)(10), or 501(c)(19) of the Internal Revenue Code. (R.C. 2915.01(H).)

Subsection 501(c)(3) concerns corporations, and any community chest, fund, or foundation, organized and operated exclusively for religious, charitable, scientific, testing for public safety, literary, or educational purposes, or to foster national or international amateur sports competition, or for the prevention of cruelty to children or animals, no part of the net earnings of which inures to the benefit of any private shareholder or individual, no substantial part of the activities of which is carrying on propaganda, or otherwise attempting, to influence legislation, and which does not participate in, or intervene in, any political campaign on behalf of or in opposition to any candidate for public office.

Subsection 501(c)(4) describes civic leagues or organizations not organized for profit, but operated exclusively for the promotion of social welfare, or local associations of employees, the membership of which is limited to employees of a designated person or persons in a particular municipality, and the net earnings of which are devoted exclusively to charitable, educational, or recreational purposes.

Subsection 501(c)(7) describes clubs organized for pleasure, recreation, and other non-profitable purposes, substantially all of the activities of which are for these purposes and no part of the net earnings of which inures to the benefit of any private shareholder.

Subsection 501(c)(8) describes fraternal organizations operating under the lodge system or for the exclusive benefit of the members of a fraternity itself operating under the lodge system, that provide payment of life, sick, accident, or other benefits to their members and their members' dependents, and subsection 501(c)(10) describes domestic fraternal organizations operating under the lodge system that devote their net earnings exclusively to religious, charitable, scientific, literary, educational, and fraternal purposes and do not provide for the payment of life, sick, accident, or other benefits.

Subsection 501(c)(19) describes certain veteran organizations and their auxiliaries.

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## HISTORY

ACTION	DATE
Introduced	07-08-09
Reported, S. Finance & Financial Institutions	01-27-10
Passed Senate (32-0)	02-03-10

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