

§ 14-309.7. Licensing procedure.

(a) An exempt organization shall not operate a bingo game at a location without a license. Application for a bingo license shall be made to the Alcohol Law Enforcement Division of the Department of Public Safety on a form prescribed by the Division. The Division shall charge an annual application fee of two hundred dollars (\$200.00) to defray the cost of issuing bingo licenses and handling bingo audit reports. The fees collected shall be deposited in the General Fund of the State. The license shall expire one year after issuance and may be renewed annually if the applicant pays the application fee and files an audit with the Division pursuant to G.S. 14-309.11. A copy of the application and license shall be furnished to the local law-enforcement agency in the county or municipality in which the licensee intends to operate before bingo is conducted by the licensee.

(b) Each application and renewal application shall contain the following information:

- (1) The name and address of the applicant and if the applicant is a corporation, association, or other similar legal entity, the name and home address of each of the officers of the organization as well as the name and address of the directors, or other persons similarly situated, of the organization.
- (2) The name and home address of each member of the special committee described in G.S. 14-309.10.
- (3) A copy of the application for recognition of exemptions and a determination letter from the Internal Revenue Service and the Department of Revenue that indicates the applicant is an exempt organization and stating the section under which that exemption is granted. If the applicant is a State or local branch, lodge, post, or chapter of a national organization, a copy of the determination letter of the national organization satisfies this requirement.
- (4) The location at which the applicant will conduct the bingo games. If the premises are leased, a copy of the lease or rental agreement.

(c) In order for an exempt organization to have a member familiar with the operation of bingo present on the premises at all times when bingo is being played and for this member to be responsible for the receiving, reporting, and depositing of all revenues received, the exempt organization may pay one member for conducting a bingo game. The pay shall be on an hourly basis only for the time bingo is actually being played and shall not exceed one and one-half times the existing minimum wage in North Carolina. The member paid under this subsection shall be a member in good standing of the exempt organization for at least one year and shall not be the lessor or an employee or agent of the lessor. No other person shall be compensated for conducting a bingo game from funds derived from any activities occurring in, or simultaneously with, the playing of bingo, including funds derived from concessions. An exempt organization shall not contract with any person for the purpose of conducting a bingo game.

(c1) Except as provided in subsection (e) of this section, an exempt organization may hold a bingo game only in or on property owned, either legally or equitably, or leased, but not subleased, by the organization from the owner or bona fide property management agent. The buildings shall be permanent with approved plumbing for bathrooms and shall not be movable or temporary such as a tent or lean-to. The total monthly payment for leased premises shall not exceed one and one-quarter percent (1 1/4%) of the total assessed ad valorem tax value of the portion of the building actually used for the bingo games and the land on which the building is located; the land shall not exceed two acres. The lease shall be for all activities conducted on the leased premises, including the playing of bingo for a period of not less than one year, and the leased premises shall be actually occupied and used by that organization on a regular basis for purposes other than bingo for at least six months before the first game. All equipment used by the exempt organization in conducting the bingo game shall be owned by the organization. Unless the exempt organization leases the property in accordance with this subsection, an exempt

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organization may conduct a bingo game only in or on property that is exempt from property taxes levied under Subchapter II of Chapter 105 of the General Statutes, or that is classified and not subject to any property taxes levied under Subchapter II of Chapter 105 of the General Statutes. It is unlawful for any person to operate beach bingo games at a location that is being used by any licensed exempt organization for the purpose of conducting bingo games.

(d) Conduct of a bingo game or raffle in accordance with this Part does not operate to defeat an exemption or classification under Subchapter II of Chapter 105 of the General Statutes.

(e) An exempt organization that wants to conduct only an annual or semiannual bingo game may apply to the Alcohol Law Enforcement Division of the Department of Public Safety for a limited occasion permit. The Division may require any information necessary to determine that the bingo game is conducted in accordance with this Part. The Division shall not require more information for a limited occasion permit than it requires for a license under this section. The application shall be made to the Division on prescribed forms at least 30 days prior to the scheduled date of the bingo game. In lieu of the reporting requirements of G.S. 14-309.11(b), the exempt organization shall file with the Division and local law-enforcement a report on prescribed forms no later than 30 days following the bingo game for which the permit was obtained. The forms may require any information necessary to determine that the bingo game was conducted in accordance with this Part. The forms shall not require more information than specified in G.S. 14-309.11(b). Any licensed exempt organization may donate or loan its equipment or use of its premises to an exempt organization that has secured a limited occasion permit as long as the arrangement is disclosed in the limited occasion permit application and is approved by the Division. Except as provided in this subsection, all provisions of this Part apply to an exempt organization operating a bingo game under this subsection. (1983, c. 896, s. 3; c. 923, s. 217; 1983 (Reg. Sess., 1984), c. 1107, ss. 2, 4, 6; 1987, c. 866, ss. 1, 2; 1987 (Reg. Sess., 1988), c. 1001, s. 1; 1997-443, s. 11A.118(a); 2002-159, ss. 3(a), 3(b); 2009-451, s. 17.6; 2011-145, s. 19.1(g); 2016-27, s. 3; 2017-102, s. 5.1(a); 2020-72, s. 1(a).)