

REPORT OF THE LICENSES, FEES AND OTHER TAXES SUBCOMMITTEE

(Rutherford, Howard, Hardee & Yow - Staff Contact: Jane Leneave)

HOUSE BILL 4137 American Heroes Bingo

Summary of Bill:

This bill proposes several changes to the South Carolina Code of Laws relating to bingo regulation, focusing on creating a new license category, Class G, for veterans' organizations and adjusting tax and fee structures accordingly. In addition, the bill defines a Veterans' Trust Fund and Veterans' Organization. The main changes and implications are as follows:

- This applies to veterans' organizations that may obtain a Class G bingo license at \$1,000
- Class G license holders may impose an entrance fee of \$5
- Prizes must not exceed \$8,000 per session
- Organizations may not conduct more than five bingo sessions a week
- Must follow the same operational procedures as Class C license holders
- No license may be issued to an organization, promoter, or individual that has not been domiciled in the State for at least two years immediately preceding the license application
- Class G license and card fees: The Department of Revenue shall charge and retain \$.25 for each dollar of face value for each bingo card sold for a G license. Of the amount charged and retained, 60% must be distributed to the Veterans' Trust Fund, and 40% equally split among the Veterans of Foreign Wars (VFW), American Legion, Daughters of the American Revolution (DAR), and AMVETS

Estimated Fiscal Impact:

Department of Revenue indicates the bill will have a minimal impact on the department to implement the Class G license, and the expenses and workload can be managed with existing staff and resources. It is unclear how many applicable veteran organizations are in the state, how many currently hold an existing class of bingo license, and how many will purchase a Class G license. Therefore, the potential shift in revenue from the General Fund and Other Funds to the Veterans' Trust Fund and specified veteran organizations is undetermined.

Subcommittee Action/Explanation:

Passed favorably with amendment. The amendment further defines American Heroes Bingo by adding sections to define terminology and how the game shall be played and operated. It changes to 6 bingo sessions a week, prizes may not exceed \$50,000, and no license may be issued unless they have been domiciled in the state for at least three years. All revenues for bingo licenses and bingo cards will be remitted in the ratio of 15% of net hold for a month to the Veterans Trust Fund and 10% equally to VFW, American Legion, and Disabled American Veterans. It also adds that other chartered Veterans' Service Organizations with membership over 4,000 may submit a claim for proceeds. For revenues to the Veterans' Trust Fund, an annual budget process must be established outlining all anticipated expenses of funds and submitted to the Secretary of Veterans Affairs for approval before disbursement of funds.

Full Committee Action/Explanation:

Other Notes/Comments:

For bingo license classes, AA-F, 100% of license fees are distributed to Other Funds, General Fund, and Counties, subject to mandatory minimum distributions. Class G will differ as the fees will be distributed to 60% Veterans' Trust Fund and 40% equally to four specified veteran organizations.

Bingo card taxes for classes AA-E, 72% is distributed to Other Funds, General Funds, and Counties (subject to mandatory minimum distributions), and 28% is refunded to nonprofit organizations. Class F is 100% to Other Funds, General Funds, and Counties (subject to mandatory minimum distributions). Class G will differ by distributing 60% to the Veterans' Trust Fund and 40% equally to four specified veteran organizations.

Below are the variations between bingo license classes:

Class	License Fee	Bingo Card Tax	Bingo Sessions Restrictions	Prize Restrictions
AA	\$4,000	10%	1 Session per Month	$\geq \$50,000$ and $\leq \$250,000$ per Session
B	\$1,000	10%	5 Sessions per Week	$\leq \$8,000$ per Session
C	\$0	4%	N/A	$\leq \$20$ per Game during a Session; and \$150 in Cash or Merchandise for Six Jackpots per Session
D	\$100 or \$200	10%	Temporary	$\leq \$50$ in Merchandise per Game
E ¹	\$500	10%	1 Session per Week	$\leq \$4,000$ per Session
F ²	\$100	5%	1 Session per Week	$\leq \$4,000$ per Session
G (new)	\$1,000	25%	5 Sessions per Week	$\leq \$8,000$ per Session

SOUTH CAROLINA
HOUSE AMENDMENT

AMENDMENT NO. _____

Samantha Allen
April 22, 2025

ADOPTED	REJECTED	TABLED	ADJOURN DEBATE	RECONSIDERED	ROO

Clerk of the House

ADOPTION NO. _____

BILL NO: H. 4137

(Reference is to the original version)

The Ways and Means Licenses, Fees and Other Taxes Subcommittee proposes the following amendment (LC-4137.SA0001H):

Amend the bill, as and if amended, SECTION 1, Section 12-21-3920, by adding items to read:

(24) “American Heroes Bingo” or “game” means a specific game of chance, commonly known as bingo, in which prizes are awarded based on designated numbers or symbols on an electronic card conforming to numbers or symbols selected at random. American Heroes Bingo uses a caller to draw balls from a cage. A new drawing of bingo balls is to be drawn daily or once the game-ending pattern is called. The caller or automatic aid inputs the resulting ball draw sequence into a location-based server via electronic interface. The player then utilizes an electronic bingo aid to purchase, play, and daub electronic cards based on the outcome of the ball draw sequence. The electronic bingo aid then communicates to the player using various stimuli of visual and audial

queues if the electronic card has accurately achieved a preannounced configuration match.

(25) “Electronic Card” means a nonprinted design, which may include an electronic representation on which there are arranged five horizontal rows and five vertical columns forming twenty-five squares. Numbers are printed in twenty-five of the squares. The five columns are denominated from left to right and must be a minimum of one-half inch by one-half inch.

(26) “Location-based server” means a computer server that is physically located on the licensed premises of the veteran’s organization. The location-based server is used in connection with the electronic bingo aids to accurately identify instances of preannounced configuration matches and nonmatches. The location-based server is not connected to any other location-based server.

(27) “Electronic bingo aids” means an electronic device used in connection with a location-based server that will identify, display, and communicate bingo outcomes accurately via automatic electronic daub. The electronic bingo aid may be equipped with currency and voucher equipment which allows for additional purchases of electronic cards and provide for a voucher or other medium considered to be appropriate to redeem prizes won in the bingo game via a medium from the electronic bingo aid. The location-based server maintains track of the player’s credit balance, while the electronic bingo aid displays the same information. The electronic bingo aid must show an electronic representation of the bingo card on screen while the player is using the device. Electronic bingo aids are excluded from the definitions included in Chapter 21, Title 12 and Chapter 19, Title 16.

(28) “Net hold” means the total revenue, coin, currency, tickets, or equivalent placed into the electronic bingo aids or otherwise paid by players, less any prizes paid out to players.

(29) “Vendor” means any individual, firm, association, limited liability company, or corporation that was a resident of, or domiciled in this State for a period of two years or more before January 1, 2026, that provides electronic bingo aids to a veteran’s organization.

Amend the bill further, SECTION 2, by striking Section 12-21-4020(7) and inserting:

(7)(a) CLASS G: A veteran's organization operating ~~a bingo~~American Heroes Bingo game offering prizes, which do not exceed ~~eight~~fifty thousand dollars ~~a session~~per game, shall obtain a Class G bingo license at a cost of one thousand dollars. The holder of a Class G license may not conduct more than ~~five~~six bingo sessions a week. ~~The bingo games must be conducted in the same manner as provided under the Class C license.~~

(b) Notwithstanding anything in this article to the contrary, American Heroes Bingo must be played in the following manner, and the following procedures apply to the conduct of the game:

(i) American Heroes Bingo is played by a player and a caller, the latter of which is associated with the veteran's organization. Each player may pay face value for each electronic card to be played during a game and may purchase additional electronic cards during the course of a session.

(ii) Before each game begins, the potential winning patterns are available to view by the players of the configuration or configurations that will win the game. A configuration consists of a number of grids covered in the manner and sequence announced by the caller. Any method of playing the game is allowed if the method is shown before each game's beginning and prominently displayed in the facility. The configuration or configurations must be prominently visible on the electronic bingo aids.

(iii) The caller shall draw and announce numbers from the cage one at a time. After the number is announced, it must be prominently displayed on the master board and on the electronic bingo aids.

(iv) A player then uses an electronic bingo aid to purchase electronic cards, participate in the game via electronic daub, and redeem prizes. The electronic bingo aid communicates to the player if the electronic card played has accurately achieved a preannounced configuration match using various visual and audial stimuli. The location-based server adjusts the player's credit balance as required by the results of the game and the electronic bingo aid displays this information to the player.

(v) Electronic bingo aids may be used to offer visual and audio feedback for all players including, but not limited to, easy to read bingo cards on screen, symbols representative of bingo card wins and bonus wins, and entertaining displays and sounds designed to easily identify accurately achieved preannounced configuration matches.

(vi) A veterans' organization may enter into any contract with any vendor for the vendor to operate electronic bingo aids, concessions, security, or any other service on behalf of the veterans' organization.

(vii) A veterans' organization may not hold more than one American Heroes Bingo license. Multiple veterans' organizations may operate or cause the operation of American Heroes Bingo in a building, provided that there is a single specified license holder per building. This applies to all buildings regardless of ownership, primary use, or original use.

Amend the bill further, SECTION 4, by striking Section 12-21-4070 and inserting:

Section 12-21-4070. No license, as provided by this article, may be issued to an organization, promoter, vendor, veteran's organization, or individual that has not been domiciled in this State for at least ~~three~~ two years immediately preceding the license application. In the case of the organization or vendor, the organization or vendor must also have been active in this State for at least two years.

Amend the bill further, SECTION 5, by striking Section 12-21-4190(A) and inserting:

(A) The department shall charge and retain ten cents for each dollar of face value for each bingo card sold for AA, B, D, and E licenses. The department shall charge and retain five cents for each dollar of face value for each bingo card sold for an F license. The department shall charge and retain four cents for each dollar of face value for each bingo card sold for a C license. ~~The department shall charge and retain twenty-five cents for each dollar of face value for each bingo card sold for a G license.~~

Amend the bill further, SECTION 5, by striking Section 12-21-4190(D) and inserting:

(D)(1) The provisions of ~~subsection~~subsections (A) and (B) do not apply to holders of a Class G licenseslicense. ~~Of the amount charged and retained from Class G licenses, sixty percent must be distributed to the Veterans' Trust Fund. An amount of forty percent must be distributed equally to the South Carolina state headquarters of the Veterans of Foreign Wars, American Legion, Daughters of the American Revolution, and AMVETS.~~ An amount of fifteen percent of the net hold for a month derived from American Heroes Bingo of each veteran's organization must be remitted to the Veteran's Trust Fund. A total amount of ten percent of the net hold for a month derived from American Heroes Bingo of each veteran's organization must be split and remitted equally to the South Carolina state headquarters of the American Legion, Veterans of Foreign Wars, and Disabled American Veterans. Other chartered Veteran's Service Organizations with membership in excess of four thousand also may submit a claim to the proceeds derived from American Heroes Bingo. Such payments are due on or before the twentieth day of the following month.

(2) All revenues received and deposited into the Veterans' Trust Fund from American Heroes Bingo are subject to an annual budget process. A budget outlining all anticipated expenditures of such funds must be prepared and submitted to the Secretary of Veterans' Affairs for approval. Disbursement of funds derived from American Heroes Bingo may not be made without the prior approval of the Secretary.

Amend the bill further, by adding an appropriately numbered SECTION to read:

SECTION X. Section 33-57-100 (A) and (D) of the S.C. Code is amended to read:

(A) A lottery or raffle of any type whatsoever is unlawful unless it is authorized by the following:

(1) Chapter 150, Title 59, the Education Lottery;

(2) Article 24, Chapter 21, Title 12, Charitable Bingo; ~~or~~

(3) Chapter 57, Title 33, Nonprofit Raffles for Charitable Purposes; ~~;~~ or

(4) Article 24, Chapter 21, Title 12, American Heroes Bingo.

(D) Except for raffles conducted by the South Carolina Lottery Commission pursuant to Chapter 150, Title 59 or Charitable Bingo authorized by Article 24, Chapter 21, Title 12, or American Heroes Bingo authorized by Article 24, Chapter 21, Title 12, the provisions of this chapter provide the sole means by which activities associated with conducting raffles are authorized. The provisions of this chapter must be narrowly construed to ensure that tax-exempt entities conducting a nonprofit raffle pursuant to this chapter are in strict compliance with the requirements of this chapter.

Renumber sections to conform.

Amend title to conform.



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE

STATEMENT OF ESTIMATED FISCAL IMPACT

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This fiscal impact statement is produced in compliance with the South Carolina Code of Laws and House and Senate rules. The focus of the analysis is on governmental expenditure and revenue impacts and may not provide a comprehensive summary of the legislation.

Bill Number: H. 4137 Introduced on March 5, 2025
Subject: American Heroes Bingo
Requestor: House Ways and Means
RFA Analyst(s): Daigle
Impact Date: March 25, 2025

Fiscal Impact Summary

This bill creates a new class of bingo license, Class G, for veteran's organizations, which costs \$1,000 per license. In addition, this bill states that the Department of Revenue (DOR) shall charge and retain \$0.25 for each \$1.00 of face value for each bingo card sold for a G license and specifies how the \$0.25 retained shall be disbursed. This bill takes effect upon approval of the Governor.

DOR indicates that this bill will have a minimal impact on the department in order to undergo system and website updates, as well as to update forms and educational materials for the new Class G bingo license. DOR anticipates that any increase in expenditures and workload for the department can be managed with existing staff and resources.

This bill may reduce General Fund, Other Funds, and county revenue by an undetermined amount and increase Veteran's Trust Fund revenue due to the new Class G bingo license fee and bingo card tax distribution, which is allocated differently from other current classes of license. Currently, revenue from the other classes of bingo licenses and bingo card taxes is distributed to the General Fund, Other Funds, counties, and refunded back to the nonprofit organization that holds the license. Veteran's organizations may already have an existing bingo license, and licenses are not required to be renewed except in specific instances. If veteran's organizations who already have a license currently elect to obtain this new Class G license, this bill may shift revenue derived from bingo card taxes from the current distribution to the General Fund, Other Funds, counties, and the nonprofit that holds the license to the Veterans' Trust Fund and four specified veteran's organizations. Alternatively, if new veteran's organizations elect to acquire a Class G License, this would increase revenue to the Veteran's Trust Fund and the four designated organizations. Based on information provided by the South Carolina Veteran's Affairs Office (SCVA), it is unclear how many applicable veteran's organizations are in the state, how many currently hold an existing class of bingo license, and how many may purchase the Class G license. Therefore, potential shift in revenue from the General Fund, Other Funds, and local revenue to the Veteran's Trust Fund and other organizations is undetermined.

Explanation of Fiscal Impact

Introduced on March 5, 2025

State Expenditure

This bill creates a new class of bingo license, Class G, for veteran's organizations, which costs \$1,000 per license. Organizations that hold the new Class G license may impose an entrance fee of five dollars. Further, DOR is directed to charge and retain \$0.25 for each \$1.00 of face value for each bingo card sold for a G license. Lastly, this bill specifies how the \$0.25 retained will be disbursed.

DOR indicates that this bill will have a minimal impact on the department for system and website updates, as well as to update forms and educational materials for the new Class G bingo license. DOR anticipates that any increase in expenditures and workload for the department can be managed with existing staff and resources.

State Revenue

This bill creates a new class of bingo license, Class G, for veteran's organizations, which costs \$1,000 per license. This bill also specifies the bingo card tax for a Class G license is \$0.25 for each \$1.00 (25 percent) of face value for each bingo card sold. Of the \$0.25 retained, 60 percent must be distributed to the Veterans' Trust Fund and 40 percent must be distributed equally to the South Carolina headquarters of the Veterans of Foreign Wars, the American Legion, the Daughters of the American Revolution, and AMVETS.

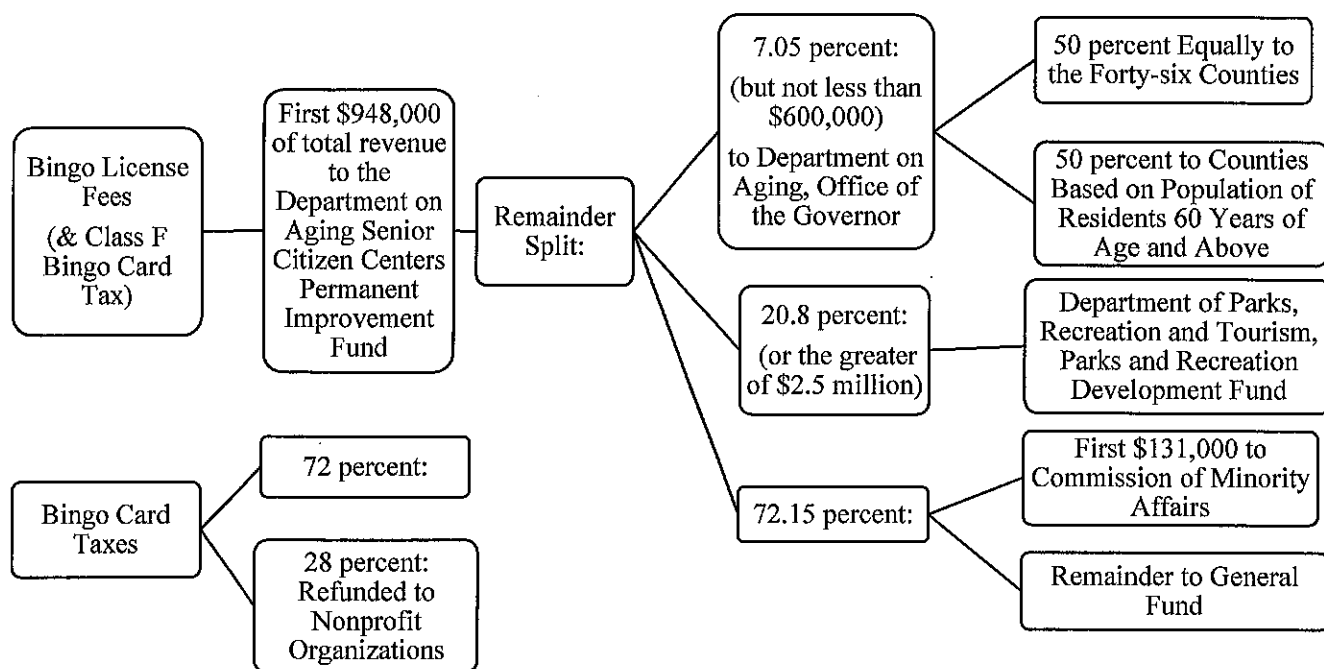
Currently, veteran's organizations may have any one of the existing classes of bingo licenses. Bingo licenses are not required to be renewed unless there are changes in the operation or location of the game, and a nonprofit organization can only hold one license. Bingo license classes vary based on the prize amounts that are offered and the number of bingo sessions an organization may hold. The table below displays the variations between bingo license classes.

Class	License Fee	Bingo Card Tax	Bingo Sessions Restrictions	Prize Restrictions
AA	\$4,000	10%	1 Session per Month	≥\$50,000 and ≤\$250,000 per Session
B	\$1,000	10%	5 Sessions per Week	≤\$8,000 per Session
C	\$0	4%	N/A	≤ \$20 per Game during a Session; and \$150 in Cash or Merchandise for Six Jackpots per Session
D	\$100 or \$200	10%	Temporary	≤\$50 in Merchandise per Game
E ¹	\$500	10%	1 Session per Week	≤\$4,000 per Session
F ²	\$100	5%	1 Session per Week	≤\$4,000 per Session
G (new)	\$1,000	25%	5 Sessions per Week	≤\$8,000 per Session

¹ Gross proceeds must not exceed \$40,000 per calendar quarter. If proceeds exceed \$30,000 in a calendar quarter, the organization has ten days to obtain a Class B license

² Gross proceeds must not exceed \$40,000 per calendar quarter, and there are restrictions on the use of proceeds.

The figure below illustrates the current flow of revenue that is derived from bingo card taxes and bingo license fees, and their allocations to the General Fund, Other Funds, and local funds, and refunds.



This bill also states that Class G bingo games must be conducted in the same manner as Class C bingo games. However, there are currently no specified differences for Class C gameplay as compared to other classes, except that Class C games have the option to qualify for hard bingo cards instead of paper. Although Class G license fees, session restrictions, and prize restrictions most closely align with the existing Class B license, which carries a bingo card tax of 10 percent. In comparison, the Class G bingo card tax is 25 percent, 40 percent of which is distributed to the Veteran's Trust Fund and 60 percent is split among four specific veteran's organizations. Thus, any revenue retained from the new Class G license holders would be dependent on organizations who want their fees and taxes to go toward the specified fund and entities, and who are willing to pay a premium on the bingo card tax. The following tables outline the differences in revenue distribution for bingo license fees and bingo card taxes, respectively.

Bingo License Fees Distribution by License Class:	AA	B	C	D	E	F	G (new)
Other Funds, General Fund and Counties, subject to mandatory minimum distributions	100%	100%	100%	100%	100%	100%	0%
Veterans' Trust Fund	0%	0%	0%	0%	0%	0%	60%
Equally to Four Specified Veteran's Organizations	0%	0%	0%	0%	0%	0%	40%

Bingo Card Taxes Distribution by License Class:	AA	B	C	D	E	F	G (new)
Other Funds, General Fund and Counties, subject to mandatory minimum distributions	72%	72%	72%	72%	72%	100%	0%
Refunded to Nonprofit Organizations	28%	28%	28%	28%	28%	0%	0%
Veterans' Trust Fund	0%	0%	0%	0%	0%	0%	60%
Equally to Four Specified Veteran's Organizations	0%	0%	0%	0%	0%	0%	40%

This bill may reduce General Fund and Other Funds revenue by an undetermined amount if organizations shift from one of the current classes of bingo license to the new Class G bingo license. However, we anticipate any revenue impact to be minimal. For reference in FY 2023-24, the mandatory transfers exceeded total bingo revenue, and the General Fund paid out \$160,000 in net revenue from bingo license fees, bingo card taxes, and bingo violations. Revenue from bingo licenses and bingo card taxes is currently distributed to the General Fund, Other Funds, and counties, and are refunded back to nonprofit organizations. This bill directs revenue retained from the Class G bingo license holders to be split 60 percent to the Veterans' Trust Fund and 40 percent equally to four specific veteran's organizations. Because veteran's organizations may already have different classes of bingo licenses, this bill may shift bingo card tax revenue collections from General Funds, Other Funds, and license holders to the Veterans' Trust Fund and four specific veteran's organizations. Further, this bill may also increase the Veterans' Trust Fund from revenue derived from Class G license fees and bingo card taxes remitted by veteran's organizations who are first-time bingo license holders.

We reached out to SCVA, the National Association of American Veterans, and the South Carolina Association of County Veterans Affairs to inquire about the number of applicable veteran's organizations in South Carolina and received a response from SCVA. SCVA indicates that it does not have a list of veteran's organizations in the state, but it did provide information on national congressionally chartered veterans service organizations. However, not all congressionally chartered veterans service organizations have chapters in South Carolina, and while some do, it is unclear whether others have chapters in the state. Additionally, there may be veteran's organizations operating in the state that are not congressionally chartered but are in

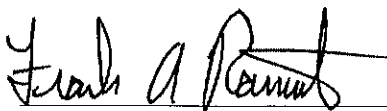
good standing with the National Veterans Association. Furthermore, it is unknown how many veteran's organizations currently hold an existing class of bingo license and whether current veterans organization license holders will obtain the new Class G license. Therefore, the number of veteran's organizations in the state that may apply for the Class G bingo license and remit the Class G bingo card tax is unknown, and thus, the net impact on the General Fund and Other revenue is undetermined.

Local Expenditure

N/A

Local Revenue

This bill may reduce local revenue by an undetermined amount due to the new bingo license fee and the new bingo card tax. Revenue from bingo licenses and bingo card taxes is currently distributed to the General Fund, Other Funds, and counties, and refunded back to nonprofit organizations. In this bill, no portion of the revenue retained from Class G license holders is distributed to counties. Thus, revenue retained from Class G license holders may shift from being distributed to counties to being distributed to the Veterans' Trust Fund and the four specified veteran's organizations. The number of veteran's organizations in the state that may purchase the Class G bingo license and remit the Class G bingo card tax is unknown, and therefore, the potential decrease in local revenue is undetermined.



Frank A. Rainwater, Executive Director

South Carolina General Assembly
126th Session, 2025-2026

H. 4137

STATUS INFORMATION

General Bill

Sponsors: Reps. B.J. Cox, Caskey, T. Moore, B.L. Cox, Wooten and Bustos

Document Path: LC-0051SA25.docx

Introduced in the House on March 5, 2025

Currently residing in the Senate

Summary: American Heroes Bingo

HISTORY OF LEGISLATIVE ACTIONS

Date	Body	Action Description with Journal page number
3/5/2025	House	Introduced and read first time (House Journal-page 38)
3/5/2025	House	Referred to Committee on Ways and Means (House Journal-page 38)
3/14/2025		Scrivener's error corrected

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VERSIONS OF THIS BILL

03/05/2025

03/14/2025

1
2
3
4
5
6
7
8
9 **A BILL**
10

11 TO AMEND THE SOUTH CAROLINA CODE OF LAWS BY AMENDING SECTION 12-21-3920,
12 RELATING TO BINGO TAX ACT DEFINITIONS, SO AS TO ADD THE DEFINITIONS OF
13 "VETERANS' TRUST FUND" AND "VETERANS' ORGANIZATION"; BY AMENDING
14 SECTION 12-21-4020, RELATING TO CLASSES OF BINGO LICENSES, SO AS TO ADD A
15 CLASS G LICENSE FOR VETERANS' ORGANIZATIONS; BY AMENDING SECTION
16 12-21-4030, RELATING TO ENTRANCE FEE SURCHARGES, SO AS TO PROVIDE THAT A
17 CLASS G LICENSE HOLDER MAY IMPOSE A CERTAIN ENTRANCE FEE; BY AMENDING
18 SECTION 12-21-4070, RELATING TO DOMICILES REQUIRED FOR LICENSE, SO AS TO
19 PROVIDE THAT AN INDIVIDUAL MUST BE DOMICILED IN THIS STATE FOR A CERTAIN
20 PERIOD BEFORE APPLYING FOR A LICENSE; AND BY AMENDING SECTION 12-21-4190,
21 RELATING TO BINGO CARD CHARGES, SO AS TO PROVIDE THAT THE DEPARTMENT
22 SHALL CHARGE AND RETAIN CERTAIN FEES.
23

24 Be it enacted by the General Assembly of the State of South Carolina:
25

26 SECTION 1. Section 12-21-3920 of the S.C. Code is amended by adding:
27

28 (22) "American Heroes Bingo" or "game" means a specific game of chance, commonly known as
29 bingo; in which prizes are awarded based on designated numbers or symbols on an electronic card
30 conforming to numbers or symbols selected at random. American Heroes Bingo uses a caller to draw
31 balls from a cage. A new drawing of bingo balls is to be drawn daily or once the game ending pattern
32 is called. The caller or automatic aid inputs the resulting ball draw sequence into a location-based server
33 via electronic interface. The player then utilizes an electronic bingo aid to purchase, play, and daub
34 electronic cards based on the outcome of the ball draw sequence. The electronic bingo aid then
35 communicates to the player using various stimuli of visual and audial queues if the card electronic card
36 has accurately achieved a preannounced configuration match.

37 (23) "Veterans' Trust Fund" means the fund established in Section 25-21-10.

38 (24) "Veteran's organization" means any individual post or state headquarters of a national veteran's
39 association or an auxiliary unit of any individual post of a national veteran's association, which post,
40 state headquarters, or auxiliary unit is incorporated as a nonprofit corporation and either has received
41 a letter from the state headquarters of the national veteran's association indicating that the individual
42 post or auxiliary unit is in good standing with the national veteran's association or has received a letter
43 from the national veteran's association indicating that the state headquarters is in good standing with

1 the national veteran's association. As used in this item, "national veteran's association" means any
2 veteran's association that has been in continuous existence as such for a period of at least five years
3 and either is incorporated by an act of the United States Congress or has a national dues-paying
4 membership of at least five thousand persons.

5 (25) "Electronic Card" means a nonprinted design, which may include an electronic
6 representation on which there are arranged five horizontal rows and five vertical columns
7 forming twenty-five squares. Numbers are printed in twenty-five of the squares. The five
8 columns are denominated from left to right and must be a minimum of one half of an inch by
9 one half of an inch.

10 (26) "Location-based server" means a computer server that is physically located on the licensed
11 premises of the veteran's organization. The location-based server is used in connection with the
12 electronic bingo aids to accurately identify instances of preannounced configuration matches and
13 nonmatches. The location-based server is not connected to any other location-based server.

14 (27) "Electronic bingo aids" means an electronic device used in connection with a location-based
15 server that will identify, display, and communicate bingo outcomes accurately via automatic electronic
16 daub. The electronic bingo aid may be equipped with currency and voucher equipment which allows
17 for additional purchases of electronic cards and provide for a voucher or other medium considered to
18 be appropriate to redeem prizes won in the bingo game via a medium from the electronic bingo aid.
19 The location-based server maintains track of the player's credit balance, while the electronic bingo aid
20 displays the same information. The electric bingo aid must show an electronic representation of the
21 bingo card on screen while the player is using the device. Electronic bingo aids shall be excluded from
22 the definitions included in Chapter 21, Title 12 and Chapter 19, Title 16.

23 (28) "Net hold" means the total revenue, coin, currency, tickets, or equivalent, placed into the
24 electronic bingo aids or otherwise paid by players, less any prizes paid out to players.

25 (29) "Vendor" means any individual, firm, association, limited liability company or corporation that
26 was a resident of, or domiciled in this state for a period of two years or more at the passage of this act
27 that provides electronic bingo aids to a veteran's organization.

28
29 SECTION 2. Section 12-21-4020 of the S.C. Code is amended by adding:
30

31 (7) CLASS G: A veteran's organization operating American Heroes Bingo game offering prizes,
32 which do not exceed fifty thousand dollars per game, shall obtain a Class G bingo license at a cost of
33 one thousand dollars. The holder of a Class G license may not conduct more than six bingo sessions a
34 week.

35 (a) Notwithstanding anything in this article to the contrary, American Heroes Bingo must be
36 played in the following manner and the following procedures apply to the conduct of the game:

1 (1) American Heroes Bingo is played by a player and a caller, the latter of which is
2 associated with the veteran's organization. Each player may pay face value for each
3 electronic card to be played during a game and may purchase additional electronic cards
4 during the course of a session.

5 (2) Before each game begins, the potential winning patterns are available to view, by the
6 players of the configuration or configurations that will win the game. A configuration consists
7 of a number of grids covered in the manner and sequence announced by the caller. Any method
8 of playing the game is allowed if the method is shown before each game's beginning and
9 prominently displayed in the facility. The configuration or configurations must be prominently
10 visible on the electronic bingo aids.

11 (3) The caller shall draw and announce numbers from the cage one at a time. After the
12 number is announced, it must be prominently displayed on the master board and on the
13 electronic bingo aids.

14 (4) A player then uses an electronic bingo aid to purchase electronic cards, participate in
15 the game via electronic daub, and redeem prizes. The electronic bingo aid communicates to
16 the player if the electronic card played has accurately achieved a preannounced configuration
17 match using various visual and audial stimuli. The location based server adjusts the player's
18 credit balance as required by the results of the game and the electronic bingo aid displays this
19 information to the player.

20 (5) Electronic bingo aids may be used to offer visual and audio feedback for all players
21 ~~including, but not limited to, easy to read bingo cards on screen, symbols representative of~~
22 bingo card wins and bonus wins, and entertaining displays and sounds designed to easily
23 identify accurately achieved preannounced configuration matches.

24 (6) A veterans' organization may enter into any contract with any vendor for the vendor to
25 operate electronic bingo aids, concessions, security or any other service on behalf of the
26 veterans' organization.

27 (7) A veterans' organization may not hold more than one American Heroes Bingo license.
28 Multiple veterans' organization may operate or cause the operation of American Heroes Bingo
29 in a building, provided that there is a single specified license holder per building. This applies
30 to all building regardless of ownership, primary use or original use.

31
32 SECTION 3. Section 12-21-4030(B) of the S.C. Code is amended to read:
33

1 (B)(1) A holder of a Class AA license shall impose an entrance fee of eighteen dollars;

2 (2) A holder of a Class B license shall impose an entrance fee of five dollars;

3 (3) A holder of a Class D or Class E license may impose a five-dollar entrance fee;

4 (4) A holder of a Class F license may impose a three-dollar entrance fee; and

5 (5) A holder of a Class G license may impose an entrance fee of five dollars.

6
7 SECTION 4. Section 12-21-4070 of the S.C. Code is amended to read:

8
9 Section 12-21-4070. No license, as provided by this article, may be issued to an organization,
10 promotor, vendor, veteran's organization, or individual that has not been domiciled in this State for at
11 least three years immediately preceding the license application. In the case of the organization or
12 vendor, the organization or vendor must also have been active in this State for at least two years.

13
14 SECTION 5. Section 12-21-4190 of the S.C. Code is amended to read:

15
16 Section 12-21-4190.

17
18 (D) The provisions of subsections (A) and (B) do not apply to holders of Class G license. An amount
19 of fifteen percent of the net hold for a month derived from American Heroes Bingo of each veteran's
20 organization must be remitted to the Veteran's Trust Fund. A total amount of ten percent of the net
21 hold for a month derived from American Heroes Bingo of each veteran's organization must be split
22 and remitted equally to the South Carolina state headquarters of the Veterans of Foreign Wars,
23 American Legion, Daughters of the American Revolution, and AMVETS. Such payments are due on
24 or before the 20th day of the following month.

25
26 SECTION 6. Section 33-57-100 of the S.C. Code is amended to read:

27
28 Section 33-57-100. (A) A lottery or raffle of any type whatsoever is unlawful unless it is
29 authorized by the following:

30 (1) Chapter 150, Title 59, the Education Lottery;

31 (2) Article 24, Chapter 21, Title 12, Veteran's Bingo;

32 (3) Chapter 57, Title 33, Nonprofit Raffles for Charitable Purposes; or

33 (4) Article 24, Chapter 21, Title 12, American Heroes Bingo.

1 (B) It is the intent of the General Assembly that only qualified tax-exempt entities, which
2 are organized and operated for charitable purposes and which dedicate raffle proceeds to
3 charitable purposes, shall operate and conduct raffles as authorized by this chapter.

4 (C)(1) Nothing in this chapter may be construed to allow electronic gambling devices or
5 machines of any type, slot machines, video poker or similar electronic play devices, or to
6 change or alter in any manner the prohibitions regarding video poker or similar electronic play
7 devices in Chapter 21, Title 12 and Chapter 19, Title 16.

8 (2) No person shall conduct a fundraising event commonly known and operated as a "casino
9 night", "Las Vegas night", or "Monte Carlo night" involving live individuals playing roulette,
10 blackjack, poker, baccarat, or other card games, or dice games, unless the event is conducted
11 only for entertainment purposes and no prizes, financial rewards, or incentives are received by
12 players.

13 (3) No events with an electronic device or machine, slot machines, electronic video gaming
14 devices, wagering on live sporting events, or simulcast broadcasts of horse races are
15 authorized.

16 (D) Except for raffles conducted by the South Carolina Lottery Commission pursuant to
17 Chapter 150, Title 59 or Charitable Bingo authorized by Article 24, Chapter 21, Title 12, or
18 American Heroes Bingo authorized by Article 24, Chapter 21, Title 12, the provisions of this
19 chapter provide the sole means by which activities associated with conducting raffles are
20 authorized. The provisions of this chapter must be narrowly construed to ensure that tax-
21 exempt entities conducting a nonprofit raffle pursuant to this chapter are in strict compliance
22 with the requirements of this chapter.

23
24 SECTION 7. This act takes effect upon approval by the Governor.

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