

NORTH CAROLINA GENERAL ASSEMBLY
1981 SESSION

CHAPTER 962
HOUSE BILL 1214

AN ACT TO AMEND THE LAWS REGULATING BINGO AND RAFFLES.

The General Assembly of North Carolina enacts:

Section 1. G.S. 14-292. 1(b) is amended by adding a new subdivision (4) to read:

"(4) 'Local law enforcement agency' means:

- (i) the county police force; or
- (ii) the county sheriff's office in a county with no county police force for any raffle or bingo game conducted outside the corporate limits of a municipality or inside the corporate limits of a municipality having no municipal police force. 'Local law enforcement agency' means the municipal police for any raffle or bingo game conducted within the corporate limits of a municipality having a police force."

Sec. 2. G.S. 14-292. 1(d) is amended by rewriting the first sentence to read:

"(d) The exempt organization may expend proceeds derived from a raffle or bingo game only for auditing expenses, prizes, utilities and the purchase of supplies and equipment used in conducting the raffle and in playing bingo, taxes related to raffles and bingo, and the payment of compensation and rent as authorized by subsection (e) of this section. In no event shall the price for purchase of supplies and equipment exceed the fair market value thereof."

Sec. 3. G.S. 14-292. 1(e) is amended by rewriting the second and third sentences to read:

"An exempt organization shall not contract with any person for the purpose of conducting a raffle or bingo game except that an exempt organization may rent space under a written lease agreement for such purpose at a fixed sum not to exceed fair market value. Such leases shall be at a fixed rate not subject to change during the term of the lease and not based on a percentage of receipts or proceeds."

Sec. 4. G.S. 14-292. 1(h) is amended by deleting the words "sheriff of the county in which" and inserting in lieu thereof: "local law enforcement agency in whose jurisdiction".

Sec. 5. G.S. 14-292. 1(i) is amended by rewriting the fourth and fifth sentences to read:

"An audit of the account shall be prepared annually for the period July 1 to June 30 by a public accountant and shall be filed with the local law enforcement agency in whose jurisdiction the raffle or bingo game is conducted. The audit shall be prepared on a form approved by the Department of Justice and shall include the following information:

- (1) the number of raffles or bingo games conducted or sponsored by the exempt organization;
- (2) the location and date at which each raffle or bingo game was conducted and the prize awarded;
- (3) the gross receipts of each raffle or bingo game;
- (4) the cost or amount of any prize given at each raffle or bingo game;
- (5) the amount paid in prizes at each session;
- (6) the net return to the exempt organization; and

(7) the disbursements from the separate account and the purpose of those disbursements, including the date of each transaction and the name and address of each payee.

Quarterly statements prepared by the special committee which contain an itemized listing of all expenditures and receipts shall also be filed with the local law enforcement agency together with copies of any leases for rental of space.

Any person who shall willfully furnish, supply, or otherwise give false information in any audit or quarterly statement filed pursuant to this section shall be guilty of a misdemeanor."

Sec. 6. This act shall become effective October 1, 1981.

In the General Assembly read three times and ratified, this the 10th day of July, 1981.