

CHAPTER 28

(SB 190)

AN ACT relating to charitable gaming.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

➔Section 1. KRS 238.540 (Effective July 1, 2025) is amended to read as follows:

- (1) Charitable gaming shall be conducted by a licensed charitable organization at the location, date, and time which shall be stated on the license. The licensee shall request a change in the date, time, or location of a charitable gaming event by mail, electronic mail, or facsimile transmission, and shall submit a lease and an original signature of an officer. The office shall process this request and issue or deny a license within ten (10) days.
- (2) All premises or facilities on which or in which charitable gaming is conducted shall meet all applicable federal, state, and local code requirements relating to life, safety, and health.
- (3) A license to conduct charitable gaming shall be prominently displayed on or in the premises where charitable gaming is conducted, in a conspicuous location that is readily accessible to gaming patrons as well as employees of the office, law enforcement officials, and other interested officials.
- (4) At least one (1) chairperson who is listed on the application for licensure shall be at each charitable gaming activity conducted by the charitable organization and shall be responsible for the administration and conduct of the charitable gaming activity. ~~A [No]~~ person shall **not** serve as chairperson for more than one (1) charitable organization. The chairperson shall be readily identifiable as the chairperson and shall be present on the premises continuously during the charitable gaming activity. Charitable gaming shall be conducted and administered solely by officers, members, and bona fide employees of the licensed charitable organization. Volunteer personnel, who may or may not be members of the licensed charitable organization, may be utilized if each volunteer is readily identifiable as a volunteer. ***A person may serve as volunteer personnel for up to six (6) charitable gaming events or sessions per week.*** ~~A [No]~~ person engaged in the conduct and administration of charitable gaming shall **not** receive any compensation for services related to the charitable gaming activities, including tipping. ~~[No]~~ Net receipts derived from charitable gaming shall **not** inure to the private benefit or financial gain of any individual. Any effort or attempt to disguise any other type of compensation or private inurement shall be considered an unauthorized diversion of funds and shall be actionable under KRS 238.995.
- (5) ~~A [No]~~ licensed charitable organization shall **not** contract with, or otherwise utilize the services of, any management company, service company, or consultant in managing or conducting any aspect of charitable gaming.
- (6) A licensed charitable organization shall not purchase or lease charitable gaming supplies and equipment from any person not licensed as a distributor in the Commonwealth of Kentucky.
- (7) A licensed charitable organization shall not accept any merchandise prizes donated by any owner, officer, employee, or contractee of a licensed manufacturer, distributor, charitable gaming facility, or any of their affiliates, or any member of their immediate families.
- (8)
 - (a) Each organization's gaming supplies shall be maintained in a location separate from another organization's gaming supplies.
 - (b) This location shall also be locked and access shall be controlled.
 - (c) Unless otherwise directed by the office, an organization's supplies and equipment remain the property of the organization regardless of where they are stored and must be accessible to the organization at all reasonable times upon request.
- (9) Any advertisement of charitable gaming, regardless of the medium used, shall contain the name of the charitable organization conducting the charitable gaming and its license number. An advertisement for a bingo session or sessions shall not advertise a bingo prize in excess of the limitation of five thousand dollars (\$5,000) per twenty-four (24) hour period set forth in KRS 238.545(1).

➔Section 2. KRS 238.545 (Effective July 1, 2025) is amended to read as follows:

(1) A licensed charitable organization shall be limited by the following:

- (a) In the conduct of bingo, to one (1) session per day, **three (3)**~~two (2)~~ sessions per week, for a period not to exceed five (5) consecutive hours in any day and not to exceed **fifteen (15)**~~ten (10)~~ total hours per week:
 1. A~~No~~ licensed charitable organization shall **not** conduct bingo at more than one (1) location during the same twenty-four (24) hour period;
 2. A~~No~~ licensed charitable organization shall **not** award prizes for bingo that exceed five thousand dollars (\$5,000) in fair market value per twenty-four (24) hour period, including the value of door prizes; and
 3. A~~No~~ person under the age of eighteen (18) shall **not** be permitted to purchase bingo supplies or play bingo unless he or she is playing for noncash prizes and is accompanied by a parent or legal guardian and only if the value of any noncash prize awarded does not exceed ten dollars (\$10);
 - (b)
 1. A licensed charitable organization may provide card-minding devices for use by players of bingo games.
 2. If a licensed charitable organization offers card-minding devices for use by players, the devices shall be capable of being used in conjunction with bingo cards or paper sheets at all times.
 3. The office shall have broad authority to define and regulate the use of card-minding devices and the corporation shall promulgate an administrative regulation concerning use and control of them;
 - (c) Charity game tickets shall be sold only at the address of the location designated on the license to conduct charitable gaming;
 - (d) Charity game tickets may be sold, with prior approval of the office:
 1. At any authorized special charity fundraising event conducted by a licensed charitable organization at any off-site location; or
 2. By a licensed charitable organization possessing a special limited charitable gaming license at any off-site location; and
 - (e) An automated charity game ticket dispenser may be utilized by a licensed charitable organization, with the prior approval of the office, only at the address of the location designated on the license to conduct charitable gaming. The corporation shall promulgate administrative regulations regulating the use and control of approved automated charity game ticket dispensers.
- (2)
- (a) A~~No~~ prize for an individual charity game ticket shall **not** exceed five hundred ninety-nine dollars (\$599) in value, not including the value of cumulative or carryover prizes awarded in seal card games.
 - (b) Cumulative or carryover prizes in seal card games shall not exceed two thousand four hundred dollars (\$2,400).
 - (c) Information concerning rules of the particular game and prizes that are to be awarded in excess of fifty dollars (\$50) in each separate package or series of packages with the same serial number and all rules governing the handling of cumulative or carryover prizes in seal card games shall be posted prominently in an area where charity game tickets are sold. A legible poster that lists prizes to be awarded, and on which prizes actually awarded are posted at the completion of the sale of each separate package shall satisfy this requirement.
 - (d) Any unclaimed money or prize shall return to the charitable organization.
 - (e) A~~No~~ paper charity game ticket shall **not** be sold in the Commonwealth of Kentucky that does not conform to the standards for opacity, randomization, minimum information, winner protection, color, and cutting established by the office.
 - (f) A~~No~~ electronic pulltab device representation of a charity game ticket shall **not** be sold in the Commonwealth of Kentucky that does not conform to the construction standards set forth in an administrative regulation promulgated by the corporation. Electronic pulltab devices shall only be used for charitable gaming.

- (g) ~~A [No]~~ person under the age of eighteen (18) shall **not** be permitted to purchase, or open in any manner, a charity game ticket.
- (3) (a) Tickets for a raffle shall be sold separately, and each ticket shall constitute a separate and equal chance to win.
- (b) All raffle tickets shall be sold for the price stated on the ticket, and ~~a [no]~~ person shall **not** be required to purchase more than one (1) ticket or to pay for anything other than a ticket to enter a raffle.
- (c) Raffle tickets and tickets for charity fundraising raffle games approved by the office which are offered exclusively at charity fundraising events and special limited charity fundraising events are not required to be sold separately and may be sold at discounted package rates.
- (d) Raffle tickets shall have a unique identifier on each ticket.
- (e) Winners shall be drawn at random at a date, time, and place announced in advance or printed on the ticket.
- (f) All prizes for a raffle shall be identified in advance of the drawing and all prizes identified shall be awarded.
- (4) With respect to charity fundraising events, a licensed charitable organization shall be limited as follows:
 - (a) ~~A [No]~~ licensed charitable organization shall **not** conduct a charity fundraising event or a special limited charity fundraising event unless they have a license for the respective event issued by the office;
 - (b) ~~A [No]~~ special license shall **not** be required for any wheel game, such as a cake wheel, that awards only noncash prizes the value of which does not exceed one hundred dollars (\$100);
 - (c) The office may grant approval for a licensed charitable organization to play bingo games at a charity fundraising event. Cash prizes for bingo games played during a charity fundraising event may not exceed five thousand dollars (\$5,000) for the entire event. ~~A [No]~~ person under the age of eighteen (18) shall **not** be permitted to play bingo at a charity fundraising event unless accompanied by a parent or legal guardian;
 - (d) The office may grant approval for a licensed charitable organization to play special limited charitable games at a charity fundraising event authorized under this section. The office shall not grant approval for the playing of special limited charitable games under the provisions of a charity fundraising event license unless the proposed event meets the definition of a charity fundraising event held for community, social, or entertainment purposes apart from charitable gaming in accordance with KRS 238.505(8);
 - (e) Except for state, county, city fairs, and special limited charity fundraising events, a charity fundraising event license issued under this section shall not exceed seventy-two (72) consecutive hours. A licensed charitable organization shall not be eligible for more than eight (8) total charity fundraising event licenses per year, including two (2) special limited charity fundraising event licenses. ~~A [No]~~ person under eighteen (18) years of age shall **not** be allowed to play or conduct any special limited charitable game. The office shall have broad authority to regulate the conduct of special limited charity fundraising events in accordance with the provisions of KRS 238.547; and
 - (f) Charity fundraising events may be held:
 - 1. On or in the premises of a licensed charitable organization;
 - 2. In a licensed charitable gaming facility, subject to restrictions contained in KRS 238.555(7); or
 - 3. At an unlicensed facility which shall be subject to the requirements stipulated in KRS 238.555(3), and subject to the restrictions contained in KRS 238.547(2).
- (5) Presentation of false, fraudulent, or altered identification by a minor shall be an affirmative defense in any disciplinary action or prosecution that may result from a violation of age restrictions contained in this section, if the appearance and character of the minor were such that his or her age could not be reasonably ascertained by other means.

➔Section 3. This Act takes effect July 1, 2025.

Signed by Governor March 18, 2025.

