

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

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SENATE BILL 1122  
Commerce Committee Substitute Adopted 7/29/98

Short Title: Bingo Study Recommendations.

(Public)

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Sponsors:

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Referred to: Finance.

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May 14, 1998

1 A BILL TO BE ENTITLED  
2 AN ACT TO RECODIFY EXISTING BINGO STATUTES AND TO REGULATE  
3 COMMERCIAL BINGO.

4 The General Assembly of North Carolina enacts:

5 Section 1. G.S. 14-309.5 through G.S. 14-309.14 are repealed.

6 Section 2. Part 2 of Article 37 of Chapter 14 of the General Statutes reads as  
7 rewritten:

8 **"PART 2. BINGO AND RAFFLES.**

9 **"SUBPART A. BINGO, GENERALLY.**

10 **"§ 14-309.14A. Public policy for charitable and commercial bingo.**

11 The General Assembly finds that charitable bingo provides a source of income to  
12 nonprofit organizations and that commercial bingo (formerly called 'beach bingo')  
13 provides a source of recreation and entertainment for a significant sector of North  
14 Carolina's citizens.

15 The purpose of the conduct of charitable bingo is to ensure a maximum availability of  
16 the net proceeds exclusively for application to the charitable, nonprofit causes and  
17 undertakings specified in this Part.

18 Commercial bingo serves as a form of recreation and entertainment for a significant  
19 sector of North Carolina's citizens.

1        The General Assembly finds and declares to be the public policy of this State that it is  
2 in the best interest of the public and of the charities conducting charitable bingo and  
3 persons engaged in the business of conducting commercial bingo games that this form of  
4 gaming should be subject to an effective and efficient system of strict control and  
5 regulation in order to promote the public confidence and trust in the regulatory process  
6 and the conduct of all forms of bingo.

7 **"§ 14-309.14B. North Carolina State Bingo Commission.**

8        (a) There is established the North Carolina State Bingo Commission. The  
9 Commission shall be an independent, fee-supported commission established in the  
10 Department of Crime Control and Public Safety for administrative, organizational, and  
11 budgetary purposes only. Its purpose shall be to regulate all forms of bingo in this State.

12        The Commission shall consist of three members. All members shall be residents of  
13 North Carolina. The members shall be appointed as follows:

- 14            (1) One member shall be appointed by the Governor for an initial term of  
15 three years.  
16            (2) One member shall be appointed by the General Assembly upon the  
17 recommendation of the Speaker of the House of Representatives for an  
18 initial term of two years, in accordance with G.S. 120-121.  
19            (3) One member shall be appointed by the General Assembly upon the  
20 recommendation of the President Pro Tempore of the Senate for an  
21 initial term of one year, in accordance with G.S. 120-121.

22        Terms for all members of the Commission except for the initial appointments shall be  
23 for three years.

24        At the first meeting of the Board, the member appointed by the Governor shall preside  
25 and the Board shall elect a Chair from among the membership. A member of the  
26 Commission may be removed from office by the Governor or by the appropriate  
27 recommending official, as the case may be, for cause. Each member before entering  
28 upon the duties of a member shall take and subscribe an oath to perform the duties of the  
29 office faithfully, impartially, and justly to the best of the member's ability. A record of  
30 these oaths shall be filed in the Department of the Secretary of State.

31        (b) Vacancies. – Members shall serve until their successors are appointed and have  
32 been qualified. Any vacancy in the membership of the Commission shall be filled in the  
33 same manner as the original appointment. Vacancies for members appointed by the  
34 General Assembly shall be filled in accordance with G.S. 120-122. A vacancy in the  
35 membership of the Commission other than by expiration of term shall be filled for the  
36 unexpired term only.

37        (c) Meetings. – Meetings of the Commission shall be called by the Chair or by any  
38 two members of the Commission, and meetings shall be held at least quarterly. Any two  
39 members of the Commission shall constitute a quorum at any meeting. Action may be  
40 taken and motions and resolutions adopted by the Commission at any meeting by the  
41 affirmative vote of a majority of the members of the Commission present at a meeting at  
42 which a quorum exists. Any or all members may participate in a regular or special  
43 meeting by, or conduct the meeting through the use of, any means of communication by

1 which all members participating may simultaneously hear each other during the meeting.  
2 A member participating in the meeting by this means is deemed to be present in person at  
3 the meeting.

4 (d) Rule-Making Authority of the Commission. – The Commission shall have the  
5 exclusive authority to issue rules for the regulation of all bingo games in this State. The  
6 rules shall be issued pursuant to the provisions of Chapter 150B of the General Statutes  
7 and shall comply with the remaining sections of this Part.

8 (e) Compensation. – None of the members of the Commission shall receive  
9 compensation for serving on the Commission. However, members of the Commission  
10 may be reimbursed for their expenses in accordance with the provisions of Chapter 138  
11 of the General Statutes.

12 (f) Staff Assistance. – The Commission is to be fully funded from the license and  
13 other fees collected pursuant to this Part and may hire or contract with personnel  
14 necessary to regulate all forms of bingo and enforce the provisions of this Part using only  
15 the receipts from those fees.

16 (g) Annual Budget. – The Commission shall submit an annual budget, through the  
17 Office of Budget and Management, for review and approval by the General Assembly.  
18 The budget document shall include reports on all income, expenditures, and enforcement  
19 actions.

20 **"§ 14-309.14C. Definitions.**

21 For purposes of this Part, the term:

- 22 (1) 'Bingo' means a specific game of chance played with individual cards  
23 having numbered squares ranging from one to 75, in which prizes are  
24 awarded on the basis of the pattern of positions of randomly selected  
25 numbers on the cards conforming to a predetermined pattern (but shall  
26 not include 'instant bingo' which is a game of chance played by the  
27 selection of one or more prepackaged cards, with winners determined by  
28 the appearance of a preselected designation on the card).
- 29 (2) 'Bingo game' means the game that commences when the first number  
30 randomly drawn is announced and ends when the first winner  
31 announces that he or she has covered all of the numbers in the  
32 predetermined pattern on a card. There shall be no combination of  
33 bingo games to increase the maximum per game awards authorized by  
34 this Part.
- 35 (3) 'Bingo session' means a continuous period of time in which bingo games  
36 are conducted. A session may consist of between one and 150 bingo  
37 games and shall include the intervals for rest, purchase of game cards,  
38 refreshment, and other related activities.
- 39 (4) 'Exempt organization' means an organization that has been in  
40 continuous existence for one year in the county where the bingo games  
41 are actually conducted that is exempt from taxation under either of the  
42 following:

1 a. Sections 501(c)(3), 501(c)(4), 501(c)(8), 501(c)(10), 501(c)(19),  
2 or 501(d) of the Internal Revenue Code.

3 b. Similar provisions of the General Statutes as a bona fide  
4 nonprofit charitable, civic, fraternal, patriotic, religious, or  
5 veterans' organization, volunteer fire department, or a volunteer  
6 rescue squad.

7 If the organization has local branches or chapters, then the exempt  
8 organization is the local branch or chapter actually conducting the bingo  
9 games.

10 **"SUBPART B. CHARITABLE BINGO.**

11 **"§ 14-309.14D. Charitable bingo; purpose and regulation.**

12 (a) The purpose of the conduct of charitable bingo is to ensure a maximum  
13 availability of the net proceeds exclusively for application to the charitable, nonprofit  
14 causes and undertakings specified in this Part.

15 (b) Charitable bingo shall be regulated:

16 (1) To prevent the operation of bingo by professionals for profit.

17 (2) To prevent the disguise of bingo and other game forms or promotional  
18 schemes.

19 (3) To prevent participation by criminal and other undesirable elements.

20 (4) To prevent the diversion of funds from the purposes required by this  
21 Part.

22 (c) It is lawful for an exempt organization to conduct bingo games only in  
23 accordance with the provisions of this Part and in accordance with the rules of the  
24 Commission.

25 **"§ 14-309.14E. Charitable bingo; licensing procedure.**

26 (a) An exempt organization may not operate a bingo game at a location without a  
27 license. An exempt organization shall apply to the Commission for a bingo license on a  
28 form prescribed by the Commission. The Commission shall charge license fees adequate  
29 to generate funds for the regulation of bingo and enforcement of the provisions of this  
30 Part but not to exceed three hundred dollars (\$300.00) per license. The Commission may  
31 issue annual and special licenses. The fees collected shall be used by the Commission for  
32 the regulation of bingo and the enforcement of the provisions of this Part in accordance  
33 with the budget approved pursuant to G.S. 14-309.14B(g).

34 (b) The annual license shall:

35 (1) Expire on the anniversary of its issuance.

36 (2) Be annually renewable only if the applicant:

37 a. Pays the license fee.

38 b. Files an annual audit with the Commission pursuant to G.S. 14-  
39 309.14M.

40 (c) Each application and renewal application for an annual license shall contain all  
41 of the following information:

42 (1) The name and address of the applicant and, if the applicant is a  
43 corporation, association, or other similar legal entity, the name and

1 home address of each of the officers of the organization as well as the  
2 name and address of the directors, or other persons similarly situated, of  
3 the organization.

4 (2) The name and home address of each of the members of the special  
5 bingo committee.

6 (3) A copy of the application for recognition of exemptions and a  
7 determination letter from the Internal Revenue Service and the  
8 Department of Revenue that indicates that the organization is an exempt  
9 organization and stating the section under which that exemption is  
10 granted; except that if the organization is a State or local branch, lodge,  
11 post, or chapter of a national organization, a copy of the determination  
12 letter for the national organization satisfies this requirement.

13 (4) The location at which the applicant will conduct the bingo sessions.

14 (5) If the premises at which the bingo sessions will be conducted are leased,  
15 a copy of the lease or rental agreement.

16 **"§ 14-309.14F. Charitable bingo; special bingo committee and paid personnel.**

17 (a) In order for an exempt organization to have members familiar with the contents  
18 of this Part and the rules issued by the Commission, the governing body of the exempt  
19 organization shall select, in the manner provided by the rules of the exempt organization,  
20 a special bingo committee of at least three members who shall be responsible for the  
21 organization's compliance with the relevant laws and rules.

22 (b) In order to have an individual member of the exempt organization who is  
23 familiar with the operations of bingo present on the premises at all times when bingo is  
24 being played and who is responsible for the receiving, reporting, and depositing of all  
25 revenues received, the exempt organization may pay one member for conducting bingo  
26 sessions.

27 Any pay shall be:

28 (1) On an hourly basis.

29 (2) Only for the bingo sessions.

30 (3) Not in excess of one and one-half (1 1/2) times the existing minimum  
31 wage in North Carolina.

32 A member paid pursuant to this subsection shall be a member in good standing of the  
33 exempt organization for at least one year before working at a bingo session and shall not  
34 be the lessor or an employee or agent of the lessor if the premises on which the sessions  
35 are being held are leased or rented.

36 (c) No other person may be compensated for conducting a bingo game from funds  
37 derived from any activities occurring in, or simultaneously with, the playing of bingo,  
38 including funds derived from concessions.

39 (d) An exempt organization shall not contract with any person for the purpose of  
40 conducting a bingo session.

41 **"§ 14-309.14G. Charitable bingo; location for bingo sessions.**

1 (a) Except as provided in G.S. 14-309.14I(d), an exempt organization may hold a  
2 bingo game only in or on property owned or leased by the organization directly, and not  
3 sublet, from the owner or bona fide property management agent.

4 (b) The structure in which the bingo sessions are held shall be a permanent  
5 structure with approved plumbing for bathrooms and shall not be movable or temporary  
6 such as a tent or a lean-to.

7 (c) The total monthly rent shall not exceed an amount equal to one and one-half  
8 percent (1 1/2%) of the total assessed ad valorem tax value of the portion of the building  
9 actually used for the bingo games and the value of the land, not to exceed two acres, on  
10 which the entire building is located.

11 (d) The lease shall be for a period of not less than one year.

12 (e) The building shall have been actually occupied and used by that organization  
13 on a regular basis for purposes other than bingo for at least six months before conducting  
14 the first bingo session.

15 (f) Unless the exempt organization leases the property in accordance with this  
16 subsection, an exempt organization may conduct a bingo game only in or on property that  
17 is exempt from property taxes levied under Subchapter II of Chapter 105 of the General  
18 Statutes, or that is classified and not subject to any property taxes levied under  
19 Subchapter II of Chapter 105 of the General Statutes.

20 (g) Conduct of a bingo game or raffle under this Part on such property shall not  
21 operate to defeat an exemption or classification under Subchapter II of Chapter 105 of the  
22 General Statutes.

23 **"§ 14-309.14H. Charitable bingo; equipment.**

24 All equipment used by the exempt organization in conducting the bingo sessions shall  
25 be owned by the organization.

26 **"§ 14-309.14I. Charitable bingo; special licenses.**

27 (a) Special licenses may be issued by the Commission to an exempt organization  
28 that wants to conduct one or two bingo sessions per year. The Commission may require  
29 any reasonable information needed to determine that the bingo session is conducted in  
30 accordance with the provisions of this Part and the applicable rules, but the Commission  
31 may not require more information than is required on the application for an annual  
32 license.

33 (b) Applications shall be filed with the Commission at least 30 days before the  
34 scheduled date of the bingo session.

35 (c) The fee for a special charitable bingo license shall be one hundred dollars  
36 (\$100.00).

37 (d) The exempt organization shall file with the Commission, no later than 30 days  
38 after the bingo session, a report, on the forms prescribed by the Commission, containing  
39 any reasonable information needed to determine that the bingo session was conducted in  
40 accordance with the provisions of this Part and the applicable rules.

41 (e) Any licensed exempt organization may donate or loan its equipment or use of  
42 its premises to an exempt organization with a special license provided that the donation  
43 or use is listed in the application for the special license for approval by the Commission.

**"§ 14-309.14J. Charitable bingo; limits on sessions.**

(a) No more than two bingo sessions per week shall be conducted by a licensed exempt organization.

(b) No bingo session shall last more than five hours.

(c) No two bingo sessions shall be held within a 12-hour period.

(d) No more than two bingo sessions shall be conducted in any building, hall, or structure during any one calendar week, and if there are two bingo sessions, they shall be conducted by the same licensed exempt organization.

(e) This section shall not apply to bingo games conducted at a fair or other exhibition conducted pursuant to Article 45 of Chapter 106 of the General Statutes.

**"§ 14-309.14K. Charitable bingo; limits on prizes.**

(a) If a licensed exempt organization conducts two bingo sessions during a calendar week:

(1) The maximum prize in cash or merchandise that may be offered or paid for any one bingo game is five hundred dollars (\$500.00).

(2) The maximum aggregate amount of prizes, in cash or merchandise, that may be offered or paid at any one bingo session is one thousand five hundred dollars (\$1,500).

(b) If a licensed exempt organization conducts only one bingo session during a calendar week, then the maximum aggregate amount of prizes, in cash or merchandise, that may be offered or paid at that bingo session is two thousand five hundred dollars (\$2,500).

(c) This section shall not apply to bingo games conducted at a fair or other exhibition conducted pursuant to Article 45 of Chapter 106 of the General Statutes.

**"§ 14-309.14L. Charitable bingo; use of proceeds.**

(a) All funds received in connection with any bingo games shall be placed in a separate bank account.

(b) No funds may be disbursed by the licensed exempt organization from this account except for any of the following:

(1) Prizes for each bingo session.

(2) Advertising.

(3) Utilities.

(4) Purchase of supplies and equipment.

(5) Payment of taxes and license fees related to bingo.

(6) The compensation authorized in G.S. 14-309.14F(b).

(7) The purposes set forth in subsection (d) of this section.

(c) All payments made pursuant to subsection (b) of this section shall be made by consecutively numbered checks.

(d) Any net proceeds available in the account after payments made pursuant to subdivisions (1) through (6) of subsection (b) of this section shall inure to the exempt organization to be used for any of the following:

(1) For religious, charitable, civic, scientific, testing, public safety, literary, or educational purposes.

1           (2) For purchasing, constructing, maintaining, operating, or using  
2 equipment or land, or a building or improvements to the building owned  
3 by and for the exempt organization and used for civic purposes or made  
4 available by the exempt organization for use by the general public from  
5 time to time.

6           (3) For fostering amateur sports competition.

7           (4) For the prevention of cruelty to children or animals.

8           (e) No proceeds shall be used or expended for social functions for the members of  
9 the exempt organization.

10 **"§ 14-309.14M. Charitable bingo; audit and accounting.**

11           (a) An audit of the account required by G.S. 14-309.14L(a) shall be prepared  
12 annually for the period of January 1 through December 31 or otherwise as directed by the  
13 Commission. The audit shall be prepared on a form approved by the Commission and  
14 shall include all the following information:

15           (1) The number of bingo sessions conducted or sponsored by the licensed  
16 exempt organization.

17           (2) The location, date, and prize for each bingo game.

18           (3) The gross receipts for each bingo session.

19           (4) The cost or amount of any prize given for each bingo game.

20           (5) The amount paid in prizes at each bingo session.

21           (6) The net proceeds inuring to the exempt organization.

22           (7) The disbursements from the separate account and the purpose of those  
23 disbursements, including the date of each transaction and the name and  
24 address of each payee, other than prize winners.

25           (b) Any person who shall willfully furnish, supply, or otherwise give false  
26 information in any audit or statement filed pursuant to this section shall be guilty of a  
27 Class 2 misdemeanor.

28           (c) All books, papers, records, and documents relevant to determining whether an  
29 organization has acted or is acting in compliance with this section shall be open to  
30 inspection by the Commission, or its designee, or the local district attorney, or his or her  
31 designee, at reasonable times and during reasonable hours.

32 **"§ 14-309.14N. Charitable bingo; public sessions.**

33           Any licensed exempt organization operating a bingo session that is open to persons  
34 other than members of the exempt organization, their spouses, and their children shall  
35 make that bingo session open to the general public.

36 **"SUBPART C. COMMERCIAL BINGO.**

37 **"§ 14-309.14O. Commercial bingo; regulation.**

38           The purpose for the regulation of commercial bingo is to promote the public  
39 confidence and trust in the regulatory process and the conduct of this form of bingo.  
40 Commercial bingo shall be regulated to ensure the integrity and honesty of this form of  
41 entertainment and recreation serving a significant sector of North Carolina's citizens.

42 **"§ 14-309.14P. Commercial bingo; licensing procedure.**



1       (a) A commercial bingo business may not operate a bingo game without a license.  
2 A commercial bingo business shall apply to the Commission, on a form provided by the  
3 Commission, for a bingo license for each location at which bingo sessions will be  
4 conducted. The Commission shall charge annual license fees adequate to generate funds  
5 for the regulation of bingo and the enforcement of the provisions of this Part, but not to  
6 exceed five hundred dollars (\$500.00) per license. The Commission may issue annual  
7 and special commercial bingo licenses. The fees collected shall be used by the  
8 Commission for the regulation of bingo and the enforcement of the provisions of this Part  
9 in accordance with the budget approved pursuant to G.S. 14-309.14B(g).

10       (b) The annual license shall:

11           (1) Expire on the anniversary of its issuance.

12           (2) Be annually renewable only if the applicant:

13               a. Pays the license fee.

14               b. Files an annual audit with the Commission pursuant to G.S. 14-  
15 309.14U.

16               c. Has complied with all local and state regulations for the  
17 operation of this type of business.

18       (c) Each application and renewal application for an annual license shall contain all  
19 of the following information:

20           (1) The name and address of the applicant, and if the applicant is a  
21 corporation, association, or other similar legal entity, the name and  
22 home address of each of the officers of the applicant as well as the  
23 names and addresses of the directors, or other persons similarly situated,  
24 of the applicant.

25           (2) The name and address of a formally designated natural person who shall  
26 serve as the applicant's agent for any actions related to the enforcement  
27 of this Part.

28           (3) If the applicant is a corporation, association, or other similar legal  
29 entity, a copy of the applicant's articles of incorporation and bylaws or  
30 similar documents under which the applicant operates.

31           (4) The location at which the applicant will conduct the bingo sessions.

32           (5) The days of the week and times at which the applicant will conduct the  
33 bingo sessions.

34 **"§ 14-309.14Q. Commercial bingo; designated agent.**

35 In order for the commercial bingo operator to have a natural person who shall be:

36           (1) Familiar with the operation of commercial bingo;

37           (2) Responsible for receiving, disbursing, and reporting all of the revenues;  
38 and

39           (3) Responsible for compliance with this Part and the rules governing the  
40 conduct of commercial bingo,

41 the governing body of the applicant, if the applicant is a corporation, association, or other  
42 similar legal entity, shall by formal action appoint a natural person who shall serve as the  
43 applicant's agent for any actions related to the enforcement of this Part.

**"§ 14-309.14R. Commercial bingo; location for bingo sessions.**

The commercial bingo applicant may hold commercial bingo sessions only at the location listed in the application and listed on the issued license. The structure in which the bingo sessions are held shall be a permanent structure with approved plumbing for bathrooms and shall not be movable or temporary such as a tent or a lean-to. The location at which commercial bingo sessions are held shall meet all applicable zoning and occupancy statutes, ordinances, and regulations.

**"§ 14-309.14S. Commercial bingo; special licenses.**

(a) Special licenses may be issued by the Commission to commercial bingo operators that want to conduct one or two bingo sessions per year. The Commission may require any reasonable information needed to determine that the bingo session is conducted in accordance with the provisions of this Part and the applicable rules, but the Commission may not require more information than is required on the application for an annual license.

(b) Applications shall be filed with the Commission at least 30 days before the scheduled date of the bingo session.

(c) The fee for the special commercial bingo license shall be one hundred dollars (\$100.00).

(d) The commercial bingo operator shall file with the Commission, no later than 30 days after the bingo session, a report, on the forms prescribed by the Commission, containing any reasonable information needed to determine that the bingo session was conducted in accordance with the provisions of this Part and the applicable rules.

**"§ 14-309.14T. Commercial bingo; limitations on sessions and prizes.**

(a) Commercial bingo sessions may be conducted only on days and at locations and at times approved by the Commission and listed on the license.

(b) The maximum prize in cash or merchandise that may be offered or paid for any one bingo game is ten dollars (\$10.00).

(c) No commercial bingo game may be held in conjunction with any of the following:

(1) Any other lawful bingo game.

(2) Any promotional bingo game.

(3) Any offering of an opportunity to obtain anything of value, whether for valuable consideration or not.

(d) No commercial bingo game may offer any free bingo games as a promotion, for prizes or otherwise.

**"§ 14-309.14U. Commercial bingo; audit and accounting.**

(a) An audit as required by G.S. 14-309.14P(b)(2)b. shall be prepared annually for the period of January 1 through December 31 or otherwise as directed by the Commission. The audit shall be prepared on a form approved by the Commission and shall include all of the following information:

(1) The location, date, number of bingo games, and total prizes awarded at each bingo session.

(2) The monthly total gross receipts for each bingo session.

1           (3)    The monthly net return profit to the applicant.

2           (4)    A copy of the most recent federal and North Carolina income tax forms  
3               and attached schedules filed by the applicant.

4       (b)    Any person who shall willfully furnish, supply, or otherwise give false  
5 information in any audit or statement filed pursuant to this section shall be guilty of a  
6 Class 2 misdemeanor.

7       (c)    All books, papers, records, and documents relevant to determining whether an  
8 organization has acted or is acting in compliance with this section shall be open to  
9 inspection by the law enforcement agency or its designee, or the district attorney or his  
10 designee, or the Commission at reasonable times and during reasonable hours.

11 **"§ 14-309.14V. Public sessions.**

12       All commercial bingo sessions shall be open to the general public.

13                               **"SUBPART D. ENFORCEMENT.**

14 **"§ 14-309.14W. Violations.**

15       (a)    Civil Penalties. – The Commission may:

16           (1)    Upon a finding of probable cause that a violation of any provision of  
17 this Part, or the rules issued pursuant to this Part, has occurred,  
18 temporarily revoke the violator's license for a period of up to 30 days  
19 before holding a fact-finding hearing on the alleged violation.

20           (2)    Issue an order against a licensee or other person who willfully violates  
21 any provision of this Article, imposing a civil penalty of up to one  
22 thousand dollars (\$1,000), and/or suspend the license of the licensee for  
23 up to one year for any single violation of any provision of this Part, or  
24 the rules issued pursuant to this Part.

25               No order under this subsection may be entered without prior notice  
26 and an opportunity for a contested case hearing conducted pursuant to  
27 Article 3 of Chapter 150B of the General Statutes.

28       (b)    Criminal Penalties. –

29           (1)    A willful violation of any provision of this Part, except for G.S. 14-  
30 309.14K(a) or (b) or G.S. 14-309.14T(b) or (c), shall constitute a Class  
31 2 misdemeanor.

32           (2)    A willful violation of G.S. 14-309.14K(a) or (b) or G.S. 14-309.14T(b)  
33 or (c), shall constitute a Class I felony.

34       The Commission shall refer any available evidence concerning criminal violations of  
35 this Part to the proper district attorney, who may, with or without a reference, institute the  
36 appropriate criminal proceedings.

37       (c)    Injunction. – Whenever it appears to the Commission that a person has  
38 engaged or is about to engage in an act constituting a violation of any provision of this  
39 Part or any rule or order issued pursuant to this Part, the Commission may in its  
40 discretion bring an action in any court of competent jurisdiction to enjoin those acts or  
41 practices and to enforce compliance with this Part or any rule or order issued pursuant to  
42 this Part.

1 (d) Enforcement. – The Commission may hire investigators for the purposes of  
2 investigating violations of Subparts A, B, C, and D of Part 2 of this Chapter.

3 The Commission may also hire and appoint sworn law enforcement officers, certified  
4 under Chapter 17C of the General Statutes, whose responsibility shall be limited to the  
5 enforcement of Subparts A, B, C, and D of Part 2 of this Chapter. After taking the oath  
6 prescribed for a law enforcement officer, an officer appointed under this subsection shall  
7 have authority to arrest and take other investigatory and enforcement actions for any  
8 criminal offense committed under Subparts A, B, C, and D of Part 2 of this Chapter. An  
9 officer appointed under this subsection is a State officer with jurisdiction throughout the  
10 State. While acting within the scope of the officer's responsibility as defined in this  
11 subsection, the officer shall have all the power and authority possessed by law  
12 enforcement officers when executing an arrest warrant.

13 **"SUBPART E. RAFFLES."**

14 Section 3. The North Carolina State Bingo Commission shall report annually,  
15 on or before December 1 of each year, to the Joint Legislative Corrections and Crime  
16 Control Oversight Committee on the operations of the Commission, the status of  
17 regulating bingo in the State, problems in enforcing the bingo law, and recommendations  
18 for changes in statute or operation that may be needed to improve the regulation of  
19 charitable and commercial bingo.

20 Section 4. Section 1 of this act is effective December 1, 1998, except exempt  
21 organizations with existing licenses issued pursuant to G.S. 14-309.7 prior to December  
22 1, 1998, shall be permitted to continue to operate under existing licenses until those  
23 licenses expire. The remainder of this act is effective when it becomes law, and applies  
24 to bingo games conducted on or after December 1, 1998, except exempt organizations  
25 with existing licenses issued pursuant to G.S. 14-309.7 prior to December 1, 1998, shall  
26 be permitted to continue to operate under existing licenses until those licenses expire.