

COUNCIL OF THE DISTRICT OF COLUMBIA

NOTICE

D.C. Law 3-172

"Law to Legalize Lotteries, Daily Numbers Games, and Bingo and Raffles for Charitable Purposes in the District of Columbia."

Pursuant to Amendment #1 of the District of Columbia Self Government and Governmental Reorganization Act, P.L. 93-198, "the Act", the electors of the District of Columbia voted on Initiative No. 6 on November 4, 1980. On November 21, 1980, the Board of Elections and Ethics certified the Election results as 104,899 for the Initiative and 59,833 against the Initiative. Following the certification of the results, the Chairman of the Council of the District of Columbia transmitted Initiative No. 6 to Congress on December 1, 1980. This Initiative was resubmitted January 19, 1981 for a 30-day review, in accordance with Section 602 (c)(1) of the Act.

The Council of the District of Columbia hereby gives notice that the 30-day Congressional Review Period has expired, and therefore, cites this enactment as D.C. Law 3-172, effective March 10, 1981.


ARRINGTON DIXON
Chairman of the Council

Dates Counted During the 30-day Congressional Review Period:

January 19, 20, 21, 22, 23, 26, 27, 28, 29, 30

February 2, 3, 4, 5, 6, 17, 18, 19, 20, 23, 24, 25, 26, 27

March 2, 3, 4, 5, 6, 9

INITIATIVE MEASURE NO. 6

To legalize lotteries, daily numbers games, and bingo and raffles for charitable purposes in the District of Columbia, to establish the Lottery and Charitable Games Control Board to control all authorized forms of gambling, and for other purposes.

BE IT ENACTED BY THE ELECTORS OF THE DISTRICT OF COLUMBIA,
That this measure may be cited as the "Law to
Legalize Lotteries, Daily Numbers Games, and Bingo
and Raffles for Charitable Purposes in the
District of Columbia."

Sec. 2. Amend Chapter 15 of Title 22 of the
District of Columbia Code by adding the words
"Subchapter I" as a heading preceding Section 22-
1401 and substituting the word "Subchapter" for
the word "Chapter" wherever the same shall appear
therein.

CODIFICATION
D.C. Code,
title 22,
subchapter II,
sec. 22-1516 et seq.

Sec. 3. Amend Chapter 15 of Title 22 of the
District of Columbia Code by adding a new
Subchapter II to read as follows:

"Subchapter II.

Section 22-1516. Statement of Purpose.

It is the purpose of this subchapter to
legalize lotteries, daily numbers games, bingo and

raffles, which activities are to be conducted by the District of Columbia and only those licensed by the District of Columbia and subject to the jurisdiction, authority and control of the District of Columbia. These activities will provide revenue to the District of Columbia and will provide the citizens of the District of Columbia financial benefits.

Section 22-1517. Excepted, Permissible Gambling Activities.

Nothing in Sections 22-1501 to 22-1515, inclusive, of Subchapter I, hereof, shall be construed to prohibit the operation of or participation in lotteries and/or daily numbers games operated by and for the benefit of the District of Columbia by the Lottery and Charitable Games Control Board; bingo and raffles organized for educational and charitable purposes, regulated by the District of Columbia Lottery and Charitable Games Control Board.

Section 22-1518. Excepted, Permissible Gambling Activities - Advertising and Promotion - Sale and Possession of Lottery and Numbers Tickets and Slips.

Nothing in Sections 22-1501 to 22-1515, inclusive of Subchapter I, hereof, shall be

construed to prohibit the advertising and promotion of excepted, permissible gambling activities pursuant to Section 22-1517, hereof, including but not limited to: the sale, by agents authorized by the District of Columbia, and the possession of tickets, certificates, or slips for lottery and daily numbers games excepted and permissible pursuant to Section 22-1517, hereof; and the sale, lease, purchase, or possession of tickets, slips, certificates, or cards for bingo and raffles, excepted and permissible pursuant to Section 22-1517, hereof.

Sec. 4. Amend Title 2 of the District of Columbia Code by adding a Chapter 25 to read as follows:

New
D.C. Code,
title 2,
chapter 25,
sec. 2-2501 et seq.
(As shown in text)

Chapter 25. District of Columbia Lottery and Charitable Games Control Board.

Section 2-2501. Establishment of Board - Appointment - Qualifications - Terms - Compensation.

(a) There is hereby created for the District of Columbia the District of Columbia Lottery and Charitable Games Control Board, hereinafter referred to as the Board. The first Board shall be appointed as hereinafter specified within sixty

(60) days of the effective date of this Act. The Board shall consist of five (5) members who shall be appointed by the Mayor of the District of Columbia with the consent of the Council of the District of Columbia. Of the members first appointed, one (1) shall be designated as Chairperson of the Board by the Mayor of the District of Columbia.

(b) Each member of the Board, at the time of appointment and qualification, shall be a registered voter in the District for at least five (5) years preceding appointment and qualification and shall be not less than twenty-one (21) years of age. In the event of a vacancy on the Board as a consequence of resignation, disability, death, or for other reasons, the Mayor of the District of Columbia shall appoint, with the consent of the Council of the District of Columbia, another person to fill the vacancy.

(c) Of the members of the Board first appointed, two (2) shall hold office for two (2) years; from 19__ to 19__; two (2) for three (3) years from that date, and the Chairperson, four (4) years from that date. Thereafter, members

shall be appointed for terms of four (4) years from the first day of July in the year of their appointment and until their successors are appointed and have qualified.

(d) Each member of the Board shall receive a stipend of Fifteen Thousand Dollars (\$15,000) annually, except the Chairperson of the Board, who shall receive an additional stipend of Three Thousand Dollars (\$3,000) annually for a total of Eighteen Thousand Dollars (\$18,000).

Section 2-2502. Oath - Action by the Board.

Before entering upon the duties of office, each member of the Board shall take oath that he or she will faithfully execute the duties of office according to the laws of the District of Columbia. In addition thereto, each member of the Board shall take and subscribe to an oath or affirmation that he or she is not pecuniarily interested, voluntarily or involuntarily, directly or indirectly, in any firm, partnership, association, organization or corporation engaged in any activity related to legalized or illegal gambling. Each member shall file with the Office of the Mayor a Financial Disclosure Statement.

The powers of the Board are vested in the Board Members. All actions shall be taken and motions and resolutions adopted by the Board at any meeting thereof by the affirmative vote of at least three (3) members; provided the Board may establish subcommittees of the Board, composed of three (3) members of the Board, to conduct hearings, inquiries, and investigations under this Chapter or the regulations promulgated hereunder, and so report its findings and recommendations to the Board; provided, further, however, that no license authorized pursuant to this Chapter may be issued or subsequently revoked or suspended unless approved by the affirmative vote of at least four (4) Board members upon recommendation by any such subcommittee. Three (3) members of the Board shall constitute a quorum except for matters involving issuance, revocation, or suspension of license authorized pursuant to this Chapter.

Section 2-2503. Executive Director - Salary - Duties - Employees - Residence Requirements.

(a) The Board shall appoint an Executive Director who shall devote his or her full time and attention to the duties of the office and who

shall serve at the pleasure of the Board. The Board shall determine the salary of the Executive Director, which shall not be less than that of a GS-16 or the equivalent thereof under the applicable law of the District of Columbia at the time this Chapter becomes effective.

(D) Before entering upon the duties of such office, the Executive Director shall take and subscribe to the same oaths as that required by the Board, including an oath or affirmation that he or she is not pecuniarily interested, voluntarily or involuntarily, directly or indirectly, in any firm, partnership, association, organization, or corporation engaged in any activity related to legalized or illegal gambling. The Executive Director shall file with the Board a Financial Disclosure Statement.

(C) The Executive Director shall, subject to the supervision and control of the Board and pursuant to the Rules and Regulations of the Board, administer, supervise, and coordinate the operation of legal gambling activities in accordance with the provisions of this Chapter; appoint chiefs for each of the divisions created

in this Chapter; employ such other professional, technical, and clerical personnel as are required to implement the provisions of this Chapter. All persons employed pursuant to this section shall be residents of the District of Columbia at the time of and during the term of their employment.

(d) The Executive Director shall, subject to the supervision and control of the Board and pursuant to the Rules and Regulations of the Board: supervise preparation of all reports, financial, accounting, revenue, and other statements and publications which are and may be required of the Board by the provisions of this Chapter; and negotiate contracts, as may be required, for the operation of legalized gambling or any part thereof, pursuant to this Chapter and the applicable laws of the District of Columbia relating to public contracts.

(e) The Executive Director shall confer regularly, at least once every month, with the Board on the administration and operation of gambling activities pursuant to this Chapter. Upon request of the Board, or any member thereof, the Executive Director shall make available all

information with respect to such administration and operation and render advice and recommendations to the Board regarding such administration and operation.

(f) The Board may delegate to the Executive Director such other responsibilities and authority as it may deem proper and necessary for the efficient implementation and administration of the provisions of this Chapter.

Section 2-2504. Bonding of Employees - Fingerprinting.

The Board may, if it determines it necessary, require all or any of its employees to give bond in such amount as the Board may determine. Every such bond shall be filed in the Office of the District of Columbia Treasurer. The cost of any such bond so given shall be part of the necessary expenses of the Board. Further, all persons employed by the Board shall be fingerprinted before, and as a condition of employment.

Section 2-2505. Conflict of Interest.

No member of the Board, Chairperson of the Board, Executive Director, or employee of the Board during their tenure of appointment or employment shall hold any other elected or

appointed position; or have, directly or indirectly, individually or as a member of a partnership, or as an officer, director, or shareholder of a corporation, any interest whatsoever in any lottery or daily numbers game, bingo or raffles enterprise or in the ownership or leasing of any equipment, property, or premises used by or for any lottery or daily numbers game, bingo or raffles enterprise.

Section 2-2506. Enforcement - Regulations.

(a) The Board shall have the power to enforce provisions of this Chapter and shall make all necessary Rules and Regulations for this purpose and for carrying out, enforcing, and preventing any violation of any provision of this Chapter; for investigation of potential and existing licenses of the Board; for inspecting licenses premises or enterprises; for insuring proper, safe, and orderly conduct of licenses premises or enterprises; and for protecting the public against fraud, deceit, deception, or overcharge. The Board shall have power generally to do whatever is reasonably necessary for the carrying out of the intent of this Chapter and

Subchapter 2 of Chapter 15 of Title 22 and is empowered to call upon other administrative departments and agencies of the city government, as well as the Police Department and the Office of the Corporation Counsel for such information and assistance as it deems necessary to the performance of its duties.

(b) The Board shall, each year, on or before December thirty-first, publish in convenient pamphlet form, all Rules and Regulations then in effect and shall furnish copies of such pamphlets to every establishment and enterprise engaged in activities authorized pursuant to this Chapter and Subchapter 2 of Chapter 15 of Title 22. Amendments, changes, modifications, deletions, or additions to the Rules and Regulations shall be published and distributed at more frequent intervals as the Board deems necessary.

Section 2-2507. Reports.

The Board shall make an annual report in writing to the Mayor no later than December thirty-first of each year for the preceding fiscal year. This annual report shall include a statement of the receipts and disbursements of the

Board, a summary of its activities, and any additional information and recommendations which the Board may deem of value to the Mayor or which the Mayor may request. The Board shall also make such additional reports as the Mayor may reasonably request.

Section 2-2508. Power to Administer Oaths and Take Testimony - Subpoena Power.

The Board or any subcommittee thereof authorized to conduct any inquiry, investigation, or hearing pursuant to this Chapter, shall have the power to administer oaths and take testimony under oath relative to the matter of inquiry or investigation. At any hearing ordered by the Board, the Board or subcommittee thereof, or such agent having authority by law to issue such process, may subpoena witnesses and require production of records, papers, and documents relevant to such inquiry. The refusal or failure to provide relevant testimony or produce relevant records, papers, and documents pursuant to the properly issued subpoena of the Board by any applicant before the Board or licensee or agent authorized by the Board, or any officer, director, or employee of such applicant, licensee, or agent,

may subject such applicant to summary denial of its application and summary termination of license or authorization of such licensee or agent. If any person disobeys such process, or having appeared in obedience thereto, refuses to answer any relevant or pertinent questions propounded by the Board or subcommittee thereof, the Board or subcommittee thereof may apply to the Superior Court of the District of Columbia, or to any Judge of said Court if the Court is not in session, setting forth such disobedience to process or refusal to answer, and said Court or Judge shall cite such person to appear before said Court or Judge to answer such questions or to produce such records and papers and, upon refusal to do so, shall take such punitive action, in accord with the appropriate provisions of the District of Columbia Code, as said Court or Judge may deem necessary and appropriate. Notwithstanding the imposition of any such punitive action, the Board or subcommittee thereof may proceed with such inquiry or investigation as if the witness had not previously been called to testify.

Section 2-2509. Record of Proceedings.

The Board shall provide books in which shall be kept a true, faithful, and correct record of all of its proceedings, which books shall be open and available to the public.

Section 2-2510. Divisions of the Board.

There shall be established within the Board a City Lottery and Numbers Game Division, and a Bingo and Raffles Division. Each Division shall have a Division Chief (hereinafter referred to as "Chief") who shall administer and coordinate operation of authorized activities in the respective Division. Each Chief shall maintain full and complete records of the operation of the Division which shall include, but not be limited to, a statement of revenues and/or license fees; prize disbursements, where applicable; and administrative expenses of the Division. Such records shall be open and available to the public.

Section 2-2541. Appropriations.

The Board shall submit to the Mayor a consolidated budget covering all anticipated income, expenses (including all start-up costs), and capital outlays of the District of Columbia Lottery and Charitable Games Control Board, which

budget shall show the net amount for which it requests an appropriation during its first year of operation. Said budget shall be submitted on the date that all District government agencies are required to submit their budgets to the Mayor.

The Mayor shall transmit to the Council the budget as requested by the Board. The Mayor may also submit such modified budget as he deems appropriate. The net amount for which the Board requests an appropriation shall be the difference between the anticipated expenses for the coming fiscal year, including debt service for capital expenses as a reserve for bad debts, as shown in the consolidated budget, and the anticipated income shown in that budget. Said appropriation shall be in the form of one lump-sum amount and shall be transferred to the Board. The Board shall, upon final determination of the amount of such appropriation by the Council, support such amount in all further budgetary deliberations.

Section 2-2512. District of Columbia Lottery and Charitable Games Fund.

(a) A District of Columbia Lottery and Charitable Games Fund (hereinafter referred to as the "Fund") shall be established and controlled by

the Board to receive all funds and fees generated by the specific forms of gambling operated or licensed by the Board. All funds generated by gambling activites operated or licensed by the Board shall be deposited in the Fund or a division thereof as created by the Board.

(b) Any monies of the Board, from whatever source derived (including gifts to the Board), shall be for the sole use of the Fund and shall be deposited as soon as practicable in that Fund and shall be disbursed from the Fund according to the terms of this Act. Said disbursements from the Fund in amounts up to Five Hundred Dollars (\$500) shall be paid out in checks signed by the Executive Director or his designee. Disbursements in excess of Five Hundred Dollars (\$500) shall be paid out in checks signed by the Executive Director and a member of the Board authorized and designated by the Board. All deposits of such monies shall be secured in a manner consistent with deposits made by the government of the District of Columbia with respect to the deposit of revenue.

(c) From the Fund, the Board shall first pay for the operation, administration, and capital expenses of the specific forms of gambling operated and licensed by the Board as authorized by this Act, including the payment of prizes to winners of the games, as specified in this Act pursuant to Regulations promulgated by the Board. The remainder shall be paid over by the Board on a monthly basis promptly after the first of the month for the preceding month into the general fund of the District of Columbia as general purpose revenue funds of the District of Columbia.

Section 2-2513. Operation of Lottery - Proceeds - Prizes.

The Board shall operate and conduct a lottery and shall determine the number of times a lottery shall be held each year, the form and price of tickets therefor, the number and value of the prizes to winning participants, determined in a manner and on a basis designated by the Board.

The proceeds of the sale of tickets shall be deposited in the Fund from which prizes shall be paid according to Regulations established by the Board under Section 2-2512 of this Chapter. The

Board may provide by regulation for the payment of prizes to winners directly by licensed agents.

Section 2-2514. Operation of Daily Numbers Games - Proceeds - Prizes.

The Board shall operate and conduct a daily numbers game. The proceeds of the sale of tickets shall be deposited in the Fund from which prizes shall be paid in the manner specified in 2-2512 of this Chapter. The Board shall authorize daily numbers games sales agents to distribute monies from the fund to holders of winning tickets pursuant to Regulations established by the Board. The Board may provide by regulation for the payment of prizes to winners directly by licensed agents.

Section 2-2515. Sale of Lottery and Daily Numbers Games Tickets - Penalty for Unauthorized Sale.

The Board may license as agents to sell lottery and daily numbers game tickets, such persons and establishments as in its judgment, possess the requisite qualifications of the person and his business or activity; the accessibility of the place of business or activity to the public; the sufficiency of existing licenses to serve the public convenience; and the volume of expected

sales. No license as an agent shall be issued to any person to engage in business primarily as a lottery agent. The Board may authorize compensation to such agents in such manner and amounts and subject to such limitations as it may determine are necessary to assure adequate availability of lottery and daily numbers games tickets. The Board shall also require that an agent be bonded in such amounts and in such manner as determined by the Board. The Board shall condition the issuance of a license upon the written agreement of the licensee to indemnify and to save harmless the District of Columbia against any and all actions, claims, and demands of whatever kind of nature which the District of Columbia may incur by reason of or in consequence of issuing such license. No lottery or daily numbers games tickets shall be sold at other than the price fixed by the Board, and no sale shall be made by other than a licensee or his employee. Any person convicted of violating this section shall be subject to a fine not to exceed One Thousand Dollars (\$1,000) or imprisonment not to exceed six (6) months, or both.

Section 2-2516. Lottery and Daily Numbers Games Sales Agent Special Accounts.

The Board, in its discretion, may require lottery and daily numbers games sales agents to deposit in the Fund or a special escrow account, in the name of the Board, to the credit of the Board, which the Board is authorized to establish, in institutions designated by it which are legal for the deposit of municipal funds, all monies received by such agents from the sale of lottery and daily numbers games tickets less the amount of authorized compensation to licensed agents and prizes, if any, authorized under Section 2-2514 of this Chapter, and to file with the Board reports of their receipts and transactions in the sale of lottery and daily numbers games tickets in such form and containing such information as the Board may require.

Section 2-2517. Compensation to Depositories.

The Board may authorize compensation to such depositories in such manner and amounts and subject to such limitations as the Board may determine. The depositories referred to in Section 2-2516 of this Chapter shall transfer the

deposits made pursuant to Section 2-2516 of this Chapter to the designated accounts of the Board, less any compensation for services rendered by the depositories to the fund, and less any amounts due the agents or depositories by adjustments authorized by the Board because of depository or agency error. The depositories shall file reports of their receipts and transactions in such form and containing such information as the Board may require.

Section 2-2518. Unclaimed Prizes.

Unclaimed prizes for a winning ticket or share shall be retained by the Board for the person entitled thereto for one (1) year after the drawing in which the prize was won. If no claim is made for the prize within the one (1) year period, the prize shall be paid over to the general fund of the District of Columbia. Nothing in this Section shall be construed to prohibit the holding of bonus games or drawings with a preannounced period for claiming of prizes if other than one (1) year.

Section 2-2519. Post Audit of Accounts and Transactions of the Board in Operating Lottery and Daily Numbers Games.

The Auditor of the District of Columbia shall cause to be conducted a regular post audit of all accounts and transactions of the Board with respect to the operation of lottery and daily numbers games.

Section 2-2520. Persons Ineligible to Purchase Tickets or Shares or Receive Prizes.

No ticket or share shall be purchased by, and no prize shall be paid to, any of the following persons: any member or employee of the Board or any spouse, child, brother, sister, or parent residing as a member in the same household in the principal place of abode of any member or employee of the Board.

Section 2-2521. Rules and Regulations Governing the Conduct of Lottery and Daily Numbers Games.

The Board shall adopt Rules and Regulations governing the conduct of lotteries and daily numbers games to insure the integrity of the conduct of lotteries and daily numbers games to protect the economic welfare and interests in fair and honest play of lotteries and daily numbers games participants. Such Rules and Regulations shall include, but not be limited to: specific application requirements and the form thereof; the

terms, conditions, and rules for lotteries or daily numbers games, amount of or value of prizes; and the occasions on and frequency with which lotteries and daily numbers games may be conducted. The Board shall have the authority to impose a fine of not more than One Thousand Dollars (\$1,000) for any violation of such Rules and Regulations. The Board also shall have the authority to suspend licenses of any person, firm, partnership, association, organization, or corporation for a period not to exceed sixty (60) days for violation of such Rules and Regulations. All fines imposed pursuant to this section shall be paid over to the Board which shall place such fines in the Fund. Any person, firm, partnership, association, organization, or corporation fined or suspended pursuant to this section shall have a right to a hearing before the Board and, in the event of its affirmation of such fine or suspension, the right to appeal such fine or suspension to the Superior Court of the District of Columbia.

Section 2-2522. Operation of Binoo - Raffles
- Definitions.

The Board may authorize the operation of bingo and raffles in the District of Columbia. Bingo means that form of gambling in which the winning chances are determined by a random drawing of a subset of numbered objects among a total set of seventy-five (75) objects, consecutively numbered from one (1) to seventy-five (75); and the card, or cards, held by the player, which card or cards is or are sold, rented, or used only at the time of the gambling activity, and contains five (5) rows of five (5) spaces each, each spaced imprinted with a number between one (1) and seventy-five (75) inclusive, except the central space which is marked "FREE". For the purpose of this section, raffle is a lottery, other than that operated by the District of Columbia pursuant to this Chapter, in which a prize is won by at least one of numerous persons buying chances.

Section 2-2523. Licenses and Applications
for Bingo and Raffles - Qualifying
Organizations - Required Information -
Exemption.

No person, firm, partnership, association, organization, or corporation shall conduct or hold a bingo game or raffle in the District of Columbia unless such person, firm, partnership,

association, organization, or corporation is issued a license by the Board. Only persons, firms, partnerships, associations, organizations or corporations engaged in or existing for charitable, benevolent, eleemosynary, humane, religious, philanthropic, recreational, social, educational, civic, fraternal, or other nonprofit purpose, to which contributions are deductible for federal or municipal income tax purposes, may apply to the Board for a license to conduct bingo and raffles. The Board shall also require that such person, firm, partnership, association, organization, or corporation be incorporated in the District of Columbia as a not-for-profit corporation or organized in the District of Columbia as a religious or not-for-profit organization. Further, the Board shall also require that the applicant have at least twenty (20) members in good standing, all of whom are residents of the District of Columbia; be authorized by its constitution, articles, charter, or bylaws to further a lawful purpose in the District of Columbia; operate without profit to its members; permit no part of any net earnings to

insure to the benefit of any private shareholder, partner, employee, or individual; and have been in existence for not less than one (1) year immediately preceding application for license, during which one (1) year period, a bona fide membership actively engaged in furthering the lawful purpose authorized by its constitution, articles, charter, or bylaws.

Nothing in this Section shall be construed to prohibit senior citizens groups from organizing and conducting bingo and raffles pursuant to the Rules and Regulations which may be adopted by the Board pursuant to this Chapter.

Section 2-2524. Rules and Regulations Governing the Conduct of Bingo and Raffles.

The Board shall adopt Rules and Regulations governing the conduct of bingo and raffles to insure the integrity of the conduct of bingo and raffles, to protect the economic welfare and interests in fair and honest play of bingo and raffles participants. Such Rules and Regulations shall include, but not be limited to: specific application requirements and the form thereof; the terms, conditions, and rules for bingo and raffles; amount of or value of prizes; the

premises to be utilized and the terms of such use; the occasions on and frequency with which bingo and raffles may be conducted; and the definition and use of gross receipts from the conduct of bingo and raffles. The Board shall have the authority to impose a fine or not more than One Thousand Dollars (\$1,000) for any violation of such Rules and Regulations. The Board also shall have the authority to suspend the license of any person, firm, partnership, association, organization, or corporation for a period not to exceed sixty (60) days for violation of such Rules and Regulations. All fines imposed pursuant to this section shall be paid over to the Board which shall place any such fines in the Fund. Any person, firm, partnership, association, organization, or corporation fined or suspended pursuant to this section shall have the right to a hearing before the Board, and in the event of its affirmation of such fine or suspension, the right to appeal such fine or suspension to the Superior Court of the District of Columbia.

Section 2-2525. Bond for Responsible Member
- Fees.

Each person, firm, partnership, association, organization, or corporation conducting bingo and raffles shall designate an individual as responsible for the proper utilization of gross receipts in a manner not in violation of or contrary to the Rules and Regulations of the Board and to insure that utilization of such gross receipts is in accordance with and sanctioned by such Rules and Regulations. A financial responsibility bond with sufficient sureties shall be given to the Board to insure the faithful discharge of the duties of the responsible member for the proper utilization of gross receipts and payment of all required fees and taxes. Said financial responsibility bond and said fees shall be determined by the Board. Each person, firm, partnership, association, organization, or corporation shall pay to the Board a license fee for each occasion proposed for the conduct of bingo and raffles; an annual license fee for each person designated to conduct bingo and raffles on each proposed occasion; and an annual license fee

for each member responsible for the proper utilization of gross receipts.

Section 2-2526. License to Supply Bingo Equipment and Supplies - Application - Required Information.

No person, firm, partnership, association, organization, or corporation licensed by the Board to conduct bingo shall purchase or receive bingo equipment and supplies, as defined by the Rules and Regulations of the Board, except from a person, firm, partnership, association,

organization, or corporation licensed by the Board to supply such equipment. Any person, firm, partnership, association, organization, or corporation intending to sell, supply, or distribute bingo equipment and supplies shall apply for a supplier's license on an application form prescribed by the Board. Such application shall include, but not be limited to: the name and address of the applicant; a designation of the type of business organization of the applicant and the date and place of its original establishment; the name and address of each officer, director, shareholder, partner, or other person with an ownership interest in the applicant business; a

statement showing the gross receipts realized in the preceding year on the sale or distribution of bingo supplies and equipment to licensed organizations; the name and address of any supplier of bingo supplies and equipment to the applicant; the number of years the applicant has been in the business of supplying bingo supplies and equipment; and, if the applicants business is organized outside of the District, the name and address of a resident agent who is authorized to be served legal documents and receive notices, orders, and directives of the Board.

Section 2-2527. Suppliers' Price List - Application and Supplementary Fees - Maintenance of Books and Records.

Each application for a suppliers' license, or renewal thereof, shall be accompanied by a certified copy of the price list of the applicant's bingo supplies and equipment, a fee, and a financial responsibility bond. Said fees and financial responsibility bonds shall be set by the Board. Each licensed supplier shall maintain books and records in such manner as to enable the Board to determine the gross sales of bingo supplies and equipment.

Section 2-2528. Persons Ineligible for Suppliers' License.

The Board, in its discretion, may determine the following persons not to be eligible to receive a suppliers' license; a person convicted of a felony who either has not received a pardon or has not been released from parole or probation for at least five (5) years; a person who is or has been a professional gambler or gambling promoter; a public officer or employee, or a business in which a person disqualified under provisions of this Section is employed or active or in which a person is married or related in the first degree of kinship to such person who has an interest of more than ten percent (10%) in the business.

Section 2-2529. Prohibited Suppliers' Activities.

No person shall sell or distribute bingo samples or equipment to any licensed organization without first having obtained a suppliers' license, but an organization which is or has been during the preceding twelve (12) months, or licensed to conduct bingo in the District of Columbia may sell bingo supplies and equipment

actually used by it in the conduct of bingo to another licensed organization. No licensed supplier shall sell bingo cards unless there is printed thereon the name, mark, or symbol of the printer or manufacturer which the supplier has registered with the Board. No person directly or indirectly connected with the manufacture, sale, or distribution of bingo supplies or equipment and no agent, servant, or employee of such person, shall conduct, advise or assist in the conduct of bingo; render any service to anyone conducting or assisting in the conduct of bingo; or prepare any form required of a licensed organization pertaining to bingo. No licensed supplier, or his agent, salesman or representative shall, during the term of the license, sell or distribute bingo supplies or equipment to any person or organization other than a licensed supplier or licensed organization. No licensed supplier, or his authorized agent, salesman, or representative shall be present to transact business during the conduct of bingo.

Section 2-2520. Bingo Equipment and Supplies
- Definitions and Standards - Requirements -
Advertising.

D.C.Code,
sec. 2-2530

A standard set of bingo cards shall consist of at least three thousand (3,000) cards numbered in sequence. Each card in a set differs from all others with respect to the distribution of playing numbers. Any number of cards may be supplied to a licensed organization and sold or rented to players at any bingo occasion, provided that all cards so supplied or sold or rented are drawn from a standard set of bingo cards. On a bingo card there shall be twenty-five (25) playing spaces which shall be contained within an area not less than four (4) square inches. Before any bingo card becomes the property of any person, firm, partnership, association, organization, or corporation licensed to conduct bingo by the Board, there shall be imprinted or otherwise permanently marked on it a symbol assigned to the supplier by the Board and the name of the licensed person, firm, partnership, association, organization, or corporation which owns such cards. Such symbol and name need not be marked more than once on such cards. The Board shall

adopt such other definitions and standards for special bingo cards, groupings of cards, and methods of securing numbers as it deems necessary. No advertising matter shall be printed or otherwise marked on any bingo card or grouping of bingo cards, except the name, mark or symbol of its manufacturer or printer, the code symbol of its licensed supplier, and the name of the licensed organization which owns it.

Section 2-2531. License Suspension and Revocation.

Any license granted under the provisions of this Chapter shall be subject to the regulations set forth by the Board and shall be subject to suspension or revocation for good cause, after giving the licensee a reasonable opportunity for a hearing, at which he shall have the right to be represented by counsel. If any license is suspended or revoked, the Board shall state the reasons for such suspension or revocation and cause an entry of such reasons to be made on the record books of the Board. Any licensee aggrieved by action of the Board may appeal therefrom to the Superior Court to the District of Columbia within

thirty (30) days of the final decision of the Board.

Section 2-2532. Aiding or Abetting Unauthorized Bingo or Raffles Games.

No person shall aid or abet in the conduct of any bingo or raffles games, except in accordance with a license duly issued and unsuspended or unrevoked by the Board. Any person convicted of violating this Section shall be subject to a fine not to exceed One Thousand Dollars (\$1,000) or imprisonment not to exceed six (6) months, or both.

Section 2-2533. Forgery - Counterfeiting - Altering of Tickets - Penalty.

No person shall: forge or counterfeit any ticket made for the purposes of any lottery or daily numbers games; alter any number imprinted on such a ticket; offer for sale or sell any such forged, counterfeited, or altered ticket, knowing it to be such; or present any such forged, counterfeited, or altered ticket to any person engaged in carrying out this Chapter; with the intent to defraud the District of Columbia or any person participating in any such lottery or daily numbers games. Any person convicted of violating

this Section shall be subject to a fine not to exceed Five Thousand Dollars (\$5,000) or imprisonment not to exceed one (1) year or both.

Section 2-2534. Gambling by Minor - Penalty.

No person shall knowingly permit any person under the age of eighteen (18) to participate in a game of bingo or to wager in any gambling activity authorized under this Chapter. No person shall knowingly permit a person under the age of eighteen (18) years, unless accompanied by an adult, to be present in any room, office, building, or establishment where bingo or raffles is being played. Any person convicted of violating this Section shall be subject to a fine not to exceed Three Hundred Dollars (\$300) or imprisonment not to exceed (30) days or both.

Section 2-2535. Payment of Claims for Winnings by or on Behalf of a Minor.

If a person entitled to a lottery prize is under eighteen (18) years of age and the prize is less than Five Thousand Dollars (\$5,000), the Board may require that payment of the prize be directed to an adult member of the minor's family or to a guardian of the minor in a check or draft payable to the order of the minor. If the person

entitled to the prize is under eighteen (18) years of age and the prize if Five Thousand Dollars (\$5,000) or more, the Board may direct payment to the minor by depositing the amount of the prize in any bank, to the credit of an adult member of the minor's family or to a guardian of the minor, as custodian of the minor. The person so named as custodian shall have the same duties and powers as a custodian designated under Uniform Gifts to Minors Law D.C. Code, Section 21-3. The Board is discharged of all further liability upon payment of the prize to a minor under this Section.

Section 2-2536. Competitive Bid Contracts.

(a) No Board member, officer, or employee of the Board designated to enter into contracts for the operation of any of the forms of gambling authorized by this Act, shall have any material interest, either directly or indirectly, in any contract with a vendor for the purchase of supplies, materials, equipment, machinery, work, or other items relating to or necessary for the operation of such gambling form.

(b) The Board shall let, in respect to all

contracts for One Thousand Dollars (\$1,000) or

more for supplies, materials, equipment, machinery, work, or other items relating to or necessary for the operation of any gambling firm, formally on a competitive bid basis. All such contracts shall be awarded for a period of years, not exceeding five (5), to the lowest and most technically competent bidder taking into account secondary cost benefits and the resulting projected net revenue which would accrue to the benefit of the District of Columbia over the term of the contract.

(c) Such contracts shall be signed on behalf of the Board by the Chairperson of the Board and by any other officer as the Board may designate.

(d) No contract awarded or entered into by the Board may be assigned by the holder thereof except by specific approval of the Board.

(e) The Board shall promulgate regulations establishing competitive bid procedures to carry out the terms of this Section.

(f) Nothing in this Section shall abrogate the right of the Board to participate in General Service Administration purchasing.

(q) Contracts awarded by the Board for more than one (1) year shall not be governed by the provisions of the "Antideficiency Act" (31 U.S.C. 665, et seq.).

Section 2-2537. Exemption from Income Tax.

Prizes from lotteries, daily numbers games, bingo and raffles shall be exempt from the payment of District of Columbia income taxes.

Section 5. Severability

In any provision or section of this measure or the application thereof shall in any circumstances be held invalid, such invalidity shall not affect the validity of the remainder of the provisions or applications.

Section 6. Effective Date

This measure shall take effect as provided for initiative measures of the electors of the District of Columbia in Section 5 of Public Law 95-526 sec. 1(3), amending the Initiative, Referendum, and Recall Charter Amendment Act of 1977 (D.C. Law 2-46), and in section 602(c) of the District of Columbia Self-Government and Governmental Reorganization Act.