



2022 South Dakota Legislature
Senate Bill 37
ENROLLED

AN ACT

ENTITLED An Act to repeal the bingo distributor license and bingo manufacturer license and to repeal the bingo tax.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

Section 1. That § 22-25-25 be AMENDED:

22-25-25. The game, bingo, as defined in § 22-25-23, or lottery, as defined in § 22-25-24, may not be construed as gambling or as a lottery within the meaning of § 22-25-1, if:

- (1) The bingo game or lottery is conducted by a bona fide congressionally chartered veterans' organization; a religious, charitable, educational, or fraternal organization; a local civic or service club; a political party; a volunteer fire department; a local industrial development corporation as defined in § 5-14-23; or a political action committee or political committee on behalf of any candidate for a political office which exists under the laws of the State of South Dakota;
- (2) The proceeds therefrom do not inure to the benefit of any individual;
- (3) No separate organization or professional person is employed to conduct the bingo game or lottery or assist therein;
- (4) No compensation of any kind in excess of the state minimum wage per hour or sixty dollars, whichever is greater, in value is paid to any person for services rendered during any bingo session in connection with the conduct of the bingo game or in consideration of any lottery. However, the provisions of this subdivision do not apply to games or lotteries conducted in connection with any of the following events: a county fair conducted pursuant to § 7-27-3, the state fair conducted pursuant to chapter 1-21, or a civic celebration recognized by resolution or other similar official action of the governing body of a county, municipality, or village;
- (5) No prize in excess of two thousand dollars is awarded at any one play of bingo;

- (6) The actual value of any lottery prize is stated before any chances for the lottery are sold. A lottery prize of a stated amount of dollars in value may be given to a person who sells a winning lottery ticket or share as long as the winning lottery ticket or share is selected at random;
- (7) The organizations authorized under subdivision (1) of this section, before conducting a bingo game or before selling any chances for a lottery, give thirty days' written notice of the time and place thereof to the governing body or designated administrative official of the county or municipality in which it intends to conduct the bingo game or lottery, and the governing body does not pass a resolution objecting thereto. However, any organization that conducts a lottery and sells tickets or shares for the lottery state-wide shall provide written notice of the lottery pursuant to this subdivision only to the secretary of state and to the governing body where the drawing for the lottery is held. A municipality pursuant to § 9-29-5 may by ordinance prohibit within the municipality the sale of lottery tickets or shares for the lottery issued pursuant to this section; and
- (8) No organization authorized to conduct a bingo game or lottery under subdivision (1) of this section may enter into any lease or agreement with any other person or organization to provide equipment or services associated with the conduct of a bingo game or lottery. However, this subdivision does not apply to any lease or agreement with a distributor to provide bingo or lottery equipment and supplies.

Section 2. That § 22-25-28 be AMENDED:

22-25-28. For the purpose of this chapter, a distributor is any person who purchases bingo or lottery equipment or supplies from a manufacturer and sells, offers for sale, or otherwise furnishes bingo or lottery equipment or supplies in this state, excluding any person who rents bingo equipment to another for noncommercial recreational use. For the purposes of this section, the term, noncommercial recreational use, means games played for amusement only, not for gain or profit, and not conducted by any person or organization which receives compensation for sponsoring or operating bingo games.

Section 3. That § 22-25-29 be AMENDED:

22-25-29. For the purpose of this chapter, a manufacturer is any person who assembles from raw materials or subparts completed pieces of bingo or lottery equipment or supplies.

Section 4. That § 22-25-30 be REPEALED.

Section 5. That § 22-25-31 be REPEALED.

Section 6. That § 22-25-36 be REPEALED.

Section 7. That § 22-25-37 be REPEALED.

Section 8. That § 22-25-38 be REPEALED.

Section 9. That § 22-25-41 be AMENDED:

22-25-41. No coin-operated machine or mechanical pull-tab dispensing device may be sold or otherwise furnished to any organization in this state by a distributor or manufacturer. However, a distributor or manufacturer may sell or furnish a coin or bill operated mechanical pull-tab dispensing device if the device is only sold or furnished to and only used by a fraternal or charitable organization, local civic or service club, volunteer fire department, or a congressionally chartered veteran's organization that qualifies under § 22-25-25.1.

Section 10. That § 22-25-48 be REPEALED.

Section 11. That § 22-25-49 be REPEALED.

Section 12. That § 22-25-50 be AMENDED:

22-25-50. Any person who violates any provision of §§ 22-25-32 to 22-25-35, inclusive, or 22-25-39 to 22-35-47, inclusive, is guilty of a Class 1 misdemeanor. Any person convicted of a second or subsequent violation of the provisions of §§ 22-25-32 to 22-25-35, inclusive, or 22-25-39 to 22-35-47, inclusive, is guilty of a Class 6 felony.

Section 13. That § 22-25-51 be REPEALED.

Section 14. That § 10-59-1 be AMENDED:

10-59-1. The provisions of this chapter may only apply to proceedings commenced under this chapter concerning the taxes, the fees, the surcharges, or the persons subject to the taxes, fees, or surcharges imposed by, or any civil or criminal investigation authorized by, chapters 10-33A, 10-39, 10-39A, 10-39B, 10-43, 10-45, 10-45D, 10-46, 10-46A, 10-46B, 10-46E, 10-47B, 10-50C, 10-52, 10-52A, 10-62, 32-3, 32-3A, 32-5, 32-

5B, 32-6B, 32-9, 32-10, 34-45, and 34A-13 and §§ 49-31-51 and 50-4-13 to 50-4-17, inclusive.

An Act to repeal the bingo distributor license and bingo manufacturer license and to repeal the bingo tax.

I certify that the attached Act originated in
the:
Senate as Bill No. 37

Received at this Executive Office
this ____ day of _____,
2022 at _____ M.

Secretary of the Senate

By _____
for the Governor

President of the Senate

The attached Act is hereby
approved this _____ day of
_____, A.D., 2022

Attest:

Secretary of the Senate

Governor

STATE OF SOUTH DAKOTA,

ss.

Office of the Secretary of State

Speaker of the House

Attest:

Filed _____, 2022
at _____ o'clock __ M.

Chief Clerk

Secretary of State

Senate Bill No. 37
File No. _____
Chapter No. _____

By _____
Asst. Secretary of State