

Chapter 109
(House Bill 1201)

An Act to authorize the use of bingo games, lotteries, and pull-tab devices by booster clubs.

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~~:
 - (a) Bona fide congressionally chartered veterans' organization; ~~a religious~~
 - (b) Religious, charitable, educational, or fraternal organization; ~~a local~~
 - (c) Local civic or service, or booster club; ~~a political~~
 - (d) Political party; ~~a volunteer~~
 - (e) Volunteer fire department; ~~a local~~
 - (f) Local industrial development corporation as defined in § 5-14-23; ~~or a political~~
 - (g) 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~~ this state;
- (2) The proceeds therefrom do not ~~inure to the~~ directly benefit of any individual;
- (3) No separate organization or professional person is employed to conduct the bingo game or lottery, or assist therein, except as provided in § 22-25-41;
- (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~~ The provisions of this subdivision do not apply to games or lotteries conducted in connection with ~~any of the following events: a:~~
 - (a) A county fair conducted pursuant to § 7-27-3, ~~the~~;
 - (b) The state fair conducted pursuant to chapter 1-21, ~~or a~~;
 - (c) 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~~ 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~~ enters 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~~ This subdivision does not apply to any device provided under § 22-25-41, or to any lease or agreement with a distributor to provide bingo or lottery equipment and supplies.

Section 2. That § 22-25-41 be AMENDED:

22-25-41. ~~No~~ Except as otherwise provided in this section, 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~~

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~~;

- (1) Fraternal or charitable organization, ~~local~~;
- (2) Local civic ~~or~~ service, ~~or booster~~ club, ~~volunteer~~;
- (3) Volunteer fire department, ~~or a congressionally~~; or
- (4) Congressionally chartered veteran's organization that qualifies under § 22-25-25.1.

A device sold or furnished under this section may be used at an establishment licensed pursuant to subdivision 35-4-2(4), (6), (12), or (16) that is not owned or operated by the person authorized to purchase the device. Each person authorized to purchase the device is limited to placing one device in no more than two establishments that are not owned or operated by the person. No establishment may have more than one device placed within it. All proceeds from the operation of the device must be retained by the person authorized to purchase the device.

Signed February 26, 2026
