

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2011

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SENATE BILL 621

Short Title: Simulated Gaming Allowed/Certain ABC Outlets. (Public)

Sponsors: Senators Bingham; and Clary.

Referred to: Commerce.

April 19, 2011

A BILL TO BE ENTITLED

AN ACT TO ALLOW CERTAIN RESTAURANTS AND HOTELS TO PERMIT
SIMULATED GAMING ON THE LICENSED PREMISES IF THE EVENT IS A
SPONSORED EVENT AND THE PERMITTEE HAS REGISTERED THE EVENT
WITH THE ALCOHOLIC BEVERAGE CONTROL COMMISSION PRIOR TO THE
GAMING EVENT TAKING PLACE.

The General Assembly of North Carolina enacts:

SECTION 1. Article 10 of Chapter 18B of the General Statutes is amended by
adding a new section to read:

"§ 18B-1010. Simulated gaming allowed at certain facilities; permit required.

(a) A hotel or restaurant that has an on-premises malt beverage permit, an on-premises unfortified wine permit, an on-premises fortified wine permit, or a mixed beverages permit may apply to the Commission to register a gaming event. The Commission may issue a registration for a gaming event if a permittee qualifies for registration pursuant to this section. If the Commission issues a registration to a permittee pursuant to this section, the Commission shall notify the ALE Division within 24 hours of the issuance of any registration for a gaming event. The Commission shall not issue a registration pursuant to this section if the permittee fails to apply at least 10 days in advance of the date for the gaming event.

(b) Notwithstanding any provision of Article 37 of Chapter 14 of the General Statutes, G.S. 18B-1005, and Chapter 18C of the General Statutes, a permittee who has been issued a registration for a gaming event pursuant to this section and the sponsor of the gaming event are authorized to possess gaming tables and operate games of chance upon a licensed premises and to allow patrons to participate in certain simulated games of chance at a gaming event and for the permittee to sell and serve alcoholic beverages to the patrons at a gaming event and for those patrons to purchase, possess, and consume alcoholic beverages at a gaming event for which a registration is issued pursuant to this section. All sales and consumption of alcoholic beverages on the licensed premises shall occur only during the hours of sales and consumption set out in G.S. 18B-1004.

(c) A natural person at least 21 years of age, a firm, or an organization may serve as the sponsor of a gaming event. An ABC permittee shall not serve as the sponsor of a gaming event. The sponsor shall provide chips or markers to be used by the patrons at the event and shall not require or accept any money or any other thing of value, directly or indirectly, from the patron or the ABC permittee for the chips or markers. All patrons shall receive the equivalent number of chips or markers from the sponsor, and no patron shall be permitted to purchase or obtain any additional chips or markers from the sponsor. Other than the chips or markers issued by the sponsor, no money or any other thing or value shall be bet, put at stake, or put at risk. The sponsor shall provide one or more prizes which may be obtained by the patrons only by the



1 exchange of the chips or markers issued by the sponsor. The prizes provided by the sponsor for
2 an event shall not exceed two thousand five hundred dollars (\$2,500) per prize or ten thousand
3 dollars (\$10,000) in the aggregate per event. The chips or markers shall not be redeemable for
4 any cash value or for any other thing of value, except for the prizes provided by the sponsor.
5 The sponsor, or its agents or employees, or the ABC permittee, or its agents or employees, may
6 operate the games only as permitted by the registration issued by the Commission. The sponsor
7 and the permittee of the facility at which the gaming event shall take place shall ensure that
8 only patrons with invitations for the event are allowed to access the gaming area or to
9 participate in the event. The gaming area shall be limited to a private room or other area of the
10 facility to which the general public is not permitted access and for which the tender of a written
11 invitation issued by the sponsor shall be required to gain access.

12 (d) The Commission may allow the games of blackjack, poker, roulette, craps, raffles,
13 and bingo at a registered game event. The Commission shall not permit punchboards, slot
14 machines, any video game machine prohibited by G.S. 14-306 or G.S. 14-306.1A, any game
15 terminal described in G.S. 14-306.3(b), or faro bank or faro table at any registered gaming
16 event.

17 (e) A permittee or a permittee's manager that has not been convicted of any ABC
18 violation within the past two years, and whose permits have not been suspended or revoked
19 within the past three years, is eligible to make application to the Commission for registration of
20 a gaming event. A registration applied for and issued pursuant to this section is not subject to
21 the provisions of G.S. 18B-900, 18B-901, 18B-902, or 18B-906. A separate application shall be
22 required for each gaming event, along with a nonrefundable fee of one hundred dollars
23 (\$100.00), and the Commission shall issue a separate registration for each gaming event. The
24 Commission shall not issue to a permittee for more than 12 gaming event registrations per
25 calendar year.

26 (f) The Commission shall develop a form of application for registration of a gaming
27 event. The application shall include the following information:

- 28 (1) The name and address of the permittee.
- 29 (2) The name, address, and signature of the permittee, sponsor, or person
30 applying on behalf of the permittee or sponsor who will be responsible for
31 the event.
- 32 (3) The time, duration, date, and place of the event.
- 33 (4) The games proposed to be operated.
- 34 (5) The name and address of the person, firm, or corporation who will operate
35 the games and the relationship, if any, of such person, firm, or corporation to
36 the permittee or sponsor.
- 37 (6) The area of the premises in which the event will be held.
- 38 (7) A description of each prize and the fair market value of each prize to be
39 made available for exchange at the event.
- 40 (8) Any other information required by the Commission to protect the health,
41 safety, and welfare of the public.

42 In issuing any registration to allow a gaming event, the Commission shall specify the games
43 permitted and may specify other requirements.

44 (g) The permittee and the sponsor shall conduct and operate the event in compliance
45 with this section and with the terms and conditions of the registration issued by the
46 Commission. A permittee that violates this section shall be guilty of a Class 1 misdemeanor and
47 shall not be eligible to apply for any other gaming event. A sponsor that violates this section
48 shall be guilty of a Class 1 misdemeanor and shall not be eligible to sponsor any other gaming
49 event. A permittee shall be solely responsible to the Commission for any administrative
50 penalties assessed pursuant to G.S. 18B-104 for violations of ABC law that occur on the
51 licensed premises."

1 **SECTION 2.** The ABC Commission shall make a report to the 2012 Regular
2 Session of the 2011 General Assembly detailing the administration of simulated gaming event
3 registrations, including the total number of applications received by permittee type, the total
4 number of registrations issued, the number of ABC violations reported at establishments where
5 gaming event registrations were issued, and any other information the ABC Commission deems
6 appropriate to report regarding this act and shall provide a recommendation as to whether the
7 General Assembly should repeal or modify this act. If the recommendation is to modify this
8 act, the ABC Commission shall submit recommended proposed legislation to the 2012 Regular
9 Session of the 2011 General Assembly.

10 **SECTION 3.** This act is effective October 1, 2011. Prosecutions for offenses
11 committed before the effective date of this act are not abated or affected by this act, and the
12 statutes that would be applicable but for this act remain applicable to those prosecutions.