

# State of South Dakota

EIGHTY-FIRST SESSION  
LEGISLATIVE ASSEMBLY, 2006

716M0382

HOUSE STATE AFFAIRS COMMITTEE ENGROSSED

NO. **HB 1054** - 01/23/2006

Introduced by: Representatives Rhoden, Brunner, Buckingham, Jensen, Michels, and Putnam  
and Senators McNenny and Napoli

1 FOR AN ACT ENTITLED, An Act to revise certain provisions regarding an increase of the  
2 prizes that certain lotteries may award.

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

4 Section 1. That § 22-25-25 be amended to read as follows:

5 22-25-25. The game, bingo, as defined in § 22-25-23 or lottery as defined in § 22-25-24 may  
6 not be construed as gambling or as a lottery within the meaning of § 22-25-1, if:

7 (1) The bingo game or lottery is conducted by a bona fide congressionally chartered  
8 veterans' organization; a religious, charitable, educational, or fraternal organization;  
9 a local civic or service club; a political party; a volunteer fire department; or a  
10 political action committee or political committee on behalf of any candidate for a  
11 political office which exists under the laws of the State of South Dakota;

12 (2) The proceeds therefrom do not inure to the benefit of any individual;

13 (3) No separate organization or professional person is employed to conduct the bingo  
14 game or lottery or assist therein;

15 (4) No compensation of any kind in excess of the state minimum wage per hour or sixty



1 dollars, whichever is greater, in value is paid to any person for services rendered  
2 during any bingo session in connection with the conduct of the bingo game or in  
3 consideration of any lottery. However, the provisions of this subdivision do not apply  
4 to games or lotteries conducted in connection with any of the following events: a  
5 county fair conducted pursuant to § 7-27-3, the state fair conducted pursuant to  
6 chapter 1-21, or a civic celebration recognized by resolution or other similar official  
7 action of the governing body of a county, municipality, or village;

8 (5) No prize in excess of two thousand dollars is awarded at any one play of bingo ~~and~~  
9 ~~no lottery prize is in excess of thirty thousand dollars in value. However, a;~~

10 (5A) The actual value of any lottery prize is stated before any chances for the lottery are  
11 sold. A lottery prize of ~~thirty thousand dollars or less~~ a stated amount of dollars in  
12 value may also be given to a person who sells a winning lottery ticket or share as long  
13 as the winning lottery ticket or share is selected at random;

14 (6) The organizations authorized under subdivision (1) of this section, before conducting  
15 a bingo game or before selling any chances for a lottery give thirty days' written  
16 notice of the time and place thereof to the governing body of the county or  
17 municipality in which it intends to conduct the bingo game or lottery, and the  
18 governing body does not pass a resolution objecting thereto. However, any  
19 organization that conducts a lottery and tickets or shares for such lottery are sold  
20 state-wide shall provide written notice of such lottery pursuant to this subdivision  
21 only to the secretary of state and to the governing body where the drawing for such  
22 lottery is held. A municipality pursuant to § 9-29-5 may by ordinance prohibit within  
23 the municipality the sale of lottery tickets or shares for such lottery issued pursuant  
24 to this section; and

1       (7) No organization authorized to conduct a bingo game or lottery under subdivision (1)  
2           of this section may enter into any lease or agreement with any other person or  
3           organization to provide equipment or services associated with the conduct of a bingo  
4           game or lottery. However, this subdivision does not apply to any lease or agreement  
5           with a distributor licensed pursuant to §§ 22-25-28 to 22-25-51, inclusive, to provide  
6           bingo or lottery equipment and supplies.