

DEPARTMENT OF STATE
DIVISION OF PROFESSIONAL REGULATION
100 Gaming Control Board

103 Regulations Governing Charitable Gaming Other Than Raffles

1.0 Definitions

The following words and terms, when used in this regulation, shall have the following meanings:

"Board" means the Delaware Board of Charitable Gaming.

"Charitable gaming" means any game or scheme operated by an organization which has been in existence for 2 years or longer in which chance is the dominant factor in determining the allocation of a prize, excluding slot machines, roulette, craps, baccarat games, or raffles as defined in 10 **DE Admin. Code** 102.

"Charitable gaming vendor" means a "third-party vendor" as that term appears in Title 28 of the **Delaware Code**. It is an entity licensed to do business in Delaware which is in the business of assisting charitable organizations in conducting gaming functions through leasing of premises for the functions, providing personnel or equipment to help conduct events or providing other assistance which helps the organization to provide the function.

"Consolation prize" means any prize awarded to a Queen of Hearts ticket purchaser other than the jackpot prize.

"Division" means the Delaware Division of Professional Regulation.

"Function" means a licensed occurrence of charitable gaming maintained and conducted by a sponsoring organization for the disposal of awards of merchandise, cash, or its equivalent by means of a game as defined in this section. This includes so-called Las Vegas, Casino, or Monte Carlo Nights.

"Game" means without limitation card games such as draw poker, stud poker, or blackjack, devices such as big six wheels or similar devices, dice games other than craps, horse racing games, Nevada cards or pull tabs or any other activity similar to these mentioned games approved by the Board.

"Gross receipts" means the total amount of money or other consideration received as admission fees, income from gambling and except for a bazaar, carnival, festival, or similar affair, from the sale of food and beverages from any 1 function or game.

"Instant bingo" means any game of chance played with sealed or covered cards which must be opened in some fashion by the holder, such that the cards reveal instantly whether the holder has won a prize. This game includes games commonly known as "rip-offs" and "Nevada pull-tabs."

"Net proceeds" means gross receipts less license fee, prizes, and reasonable and necessary expenses ordinarily incidental to the conduct of a function.

"Officer" as used in these regulations includes owners, directors, partners, members, investors, managers, shareholders, or any other person involved in the operation of the business of a charitable gaming vendor.

"Prize fund" means the total amount of gross receipts (minus any consolation prizes) contributed to the jackpot that is carried forward and awarded when the winning card is drawn in Queen of Hearts and the game is concluded.

"Queen of Hearts" means a game recognized by the Board as charitable gaming in which all prizes may not be awarded at a single function or game. It is subject to the requirements of subsections 11.1.2 and 12.4. "Queen of Hearts" may be played as the same game under a different name, such as "Ace of Diamonds" or "Jack of Spades."

"Queen of Hearts board" means a gaming board that must be purchased from a charitable gaming vendor approved in Delaware in which there are 54 standard playing cards (including 2 jokers), ensuring that each card is represented on the board, secured, and laminated, so as not to be visible to the person making a selection.

"SBI" means State Bureau of Identification.

"Sponsoring organization" means any veterans, religious, or charitable organization, volunteer fire company or fraternal society as defined in Article II, §17A or §17B of the State Constitution.

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16 DE Reg. 219 (08/01/12)

28 DE Reg. 391 (11/01/24)

2.0 Licensing List Required To Be Kept: Membership List

Each licensed organization must maintain a list of its current membership by name, address, and a description of the type of membership in the organization which shall be kept available for inspection at all reasonable times.

28 DE Reg. 391 (11/01/24)

3.0 Conduct of Games

3.1 Workers.

3.1.1 Member-in-Charge. Every sponsoring organization shall designate a bona fide, active member of the licensee to be in charge of and primarily responsible for each function. The member-in-charge shall have been a member in good standing of the sponsoring organization for at least 2 years. The member-in-charge shall supervise all activities and be responsible for the conduct of all games during the function of which the individual is in charge, including the preparation of any financial reports required by law or these regulations. The member-in-charge or the member-in-charge's qualified designee shall be present on the premises continually during the function and shall be familiar with the provisions of this regulation, and the terms of the license. Neither the member-in-charge nor the member-in-charge's designee may be employed by or in any way assist a third-party vendor in performing its duties during the function.

3.1.2 List of Workers. A sponsoring organization conducting a function shall prepare and have available on the premises a list of all persons taking part in the management or operation of the function. Such list shall be maintained as part of the licensee's records of the function and shall be made available to any member or agent of the Board or law enforcement officer.

3.1.3 Bona Fide Member. For the purposes of eligibility to participate in managing or otherwise assisting in the operation of a function, a person is a bona fide member of the sponsoring organization only when the person:

3.1.3.1 Has become a member prior to the commencement of the function and such membership was not dependent upon, or in any way related to the payment of consideration to participate in, any gambling activity; and

3.1.3.2 Has held full and regular membership status in the sponsoring organization for a period of not less than 3 consecutive months prior to the subject function; and

3.1.3.3 Has paid any reasonable initiation or admission fees for membership, or any dues, consistent with the nature and purpose of the sponsoring organization and with the type of membership obtained and is not in arrears in payment of any such fees or dues; and

3.1.3.4 Has met all other conditions required by the sponsoring organization for membership and in all respects is a member in good standing at the time of the subject function; and

3.1.3.5 Has met all of the standards respecting the member's own organization, and the individual is a bona fide member of a bona fide charitable or bona fide nonprofit organization affiliated with or auxiliary to the member's sponsoring organization, or to which the member's own sponsoring organization is auxiliary; and

3.1.3.6 Has met all of the standards respecting the member's own organization, and this organization has prior to July 6, 1984, assisted the sponsoring organization to conduct charitable gaming; and

3.1.3.7 Has met all of the standards respecting the member's own sponsoring organization, and this organization is assisting another similar sponsoring organization (i.e. fire company assisting another fire company; fraternal society assisting another fraternal society; charitable, religious or veterans organization assisting another charitable, religious, or veterans organization) to conduct charitable gaming.

3.1.4 Identification Required. The member-in-charge and those assisting the member-in-charge in any capacity shall possess and display identification.

3.1.5 Member Responsible for Gross Receipts. The member responsible for gross receipts shall not be employed by or perform any duties for a third-party vendor during the function.

- 3.1.6 No unreasonable commission, salary, compensation, reward, recompense, reimbursement of expenses or gift, or other consideration shall be paid directly or indirectly, to any person for conducting or assisting in the conduct of any function. Sponsoring organizations may contract with third-party vendors to conduct or assist in conducting the function, and may agree to pay reasonable compensation to the vendor. No tip, gratuity or gift, or other consideration shall be given or accepted by any person conducting or assisting in the conduct of a function either directly or indirectly, and 1 or more signs prohibiting tipping shall be prominently displayed in each playing area. No tip cups may be placed upon tables, nor may cups intended for donations to the charitable organization be placed upon the table. Donations may be made to the charitable organization but a container to receive such donations must be placed near the entrance to the function and must be accessible to the member in charge. Nothing in this subsection prohibits any person from sharing food and beverages made available at the functions, or the collection of bar tips for the benefit of the sponsoring organization.

13 DE Reg. 107 (07/01/09)

13 DE Reg. 1355 (04/01/10)

13 DE Reg. 1580 (06/01/10)

16 DE Reg. 219 (08/01/12)

28 DE Reg. 391 (11/01/24)

28 DE Reg. 391 (11/01/24)

4.0 Limitation of Participation of Certain Persons

No person directly or indirectly connected with the manufacture, sale, lease, or distribution of gaming equipment or supplies, or the premises where the function is held if the premises are not owned by a sponsoring organization, or the agents, servants, or employees of such person, shall conduct, participate, advise or assist in the conduct of a function or render any service to anyone conducting, participating, or assisting in the conduct of a function including preparation of any form relating thereto.

28 DE Reg. 391 (11/01/24)

5.0 Equipment and Premises

- 5.1 Ownership of Equipment. The sponsoring organization shall conduct games only with equipment owned by it, borrowed from another qualified sponsoring organization or leased or borrowed from a licensed third-party vendor. The rental fee contained in this type of a lease shall be a sum certain and shall be commercially reasonable.
- 5.2 Equipment. Equipment used in the conduct of a charitable gaming function must be maintained in good repair and sound working condition. Equipment shall be used and operated so that each player is given an equal opportunity to win.
- 5.3 The function shall be held on premises owned or regularly leased by the applicant. If the applicant desires to hold the function at other premises, a separate written request with supporting reasons shall accompany the application. The Board reserves the right to accept or reject any application for the conduct of a function on specially leased or donated premises.

16 DE Reg. 219 (08/01/12)

18 DE Reg. 157 (08/01/14)

28 DE Reg. 391 (11/01/24)

6.0 Operation of Games

- 6.1 House Rules. Prior to conducting a function, each sponsoring organization shall develop a set of house rules which will govern the type, scope and manner of all games to be conducted. Among other information, these rules shall establish the maximum amount of wagers consistent with these regulations which may be placed by persons participating in games. In addition, the rules shall prohibit the giving of anything of value to any person involved in the management or operation of the function and prohibit anyone involved in the management or operation of the function from accepting anything of value. A copy of the rules shall be posted conspicuously on the premises where the function is being conducted at all times during the occasion, and a copy thereof shall be made available upon request, to any law enforcement officer or agent of the Board. The maximum wager and a no tipping sign shall be displayed at the location of each game, so as to be conspicuous to those

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persons participating in said games. The rules for the individual games should be available on the premises for review upon request.

- 6.2 Monitoring of Poker Tables. An association which has obtained the proper license or permit to conduct poker shall assign 1 monitor during the playing of poker.
- 6.3 In charitable gaming other than bingo and Texas Hold 'Em, there shall be no limit on the amount a person may bet or win, except that no person may lose more than \$150 in a single day or function. This limit applies to the entire function approved to begin on a certain day. If a function continues past midnight, no new limit shall apply. Any person who has lost \$150 during the function shall not be permitted to participate again after midnight.
- 6.4 Rules Specific to Queen of Hearts
 - 6.4.1 Disclosure. In any Queen of Hearts game conducted pursuant to Title 28 of the Delaware Code, the sponsoring organization must disclose the following information and prominently post it in at least 4 locations within the area where Queen of Hearts is being conducted. The sponsoring organization shall provide the same information to the Board, on a Board approved form, no fewer than 15 days prior to the start of each new Queen of Hearts game.
 - 6.4.1.1 The name of the winning card;
 - 6.4.1.2 A full and fair description of all prizes, including the prize fund and consolation prizes;
 - 6.4.1.3 If there is a minimum number of tickets to be sold, what that minimum is and the procedure to be employed to secure a refund in the event the minimum is not reached;
 - 6.4.1.4 The drawing date for the game;
 - 6.4.1.5 The exact nature of the charitable purpose for which proceeds will be used.
 - 6.4.2 Additional obligations of the sponsoring organization for Queen of Hearts include:
 - 6.4.2.1 If for any reason the game is not completed and a prize is not awarded on the scheduled drawing date, the sponsoring organization must take all steps necessary to notify ticket purchasers of that fact and return all money received from ticket purchasers within 30 days of the scheduled game.
 - 6.4.2.2 Members, employees, and their immediate families may purchase tickets, but may not sell tickets to members of their immediate family. The sale of tickets alone shall not constitute the promotion and operation of Queen of Hearts for purposes of these regulations. Nothing in this section prohibits the award of a prize to a person for selling a winning ticket, however, no salary, compensation, or reward whatsoever will be paid or given to any member under whom the game is conducted.
 - 6.4.2.3 The sponsoring organization shall take such steps as are necessary to ensure that each ticket purchaser has a chance to be selected as the winner and that the winner is selected in an entirely random manner.
 - 6.4.2.4 All tickets must cost the same to purchase and no tickets may be given away;
 - 6.4.2.5 The sponsoring organization shall structure Queen of Hearts in such a way that it may reasonably be anticipated that the sponsoring organization will retain at least 50% of gross receipts and shall retain all net proceeds for the purpose specified on their application under Title 28 of the Delaware Code.
 - 6.4.2.6 The sponsoring organization shall not offer houses or real property as prizes.
 - 6.4.2.7 No tickets for Queen of Hearts may be sold until the sponsoring organization receives permission from the Board to conduct the game through permit or license.
 - 6.4.3 Conduct of Queen of Hearts
 - 6.4.3.1 The game consists of a Queen of Hearts board.
 - 6.4.3.2 The winning card must be designated by the house rules.
 - 6.4.3.3 Queen of Hearts tickets may be sold only upon premises owned or exclusively leased by the sponsoring organization and at such times as the portion of the premises in which the tickets are sold is open only to members and their guests.
 - 6.4.3.4 Sequentially numbered tickets may be sold at the price per ticket established by the sponsoring organization, and which shall show sufficient information to identify the ticket buyer, are deposited in the receptacle for the drawing.

- 6.4.3.5 The Queen of Hearts ticket shall have at least 2 parts, 1 of which is to be retained by the purchaser, and the other to be retained by the record keeper. All such parts shall be imprinted with sequential serial numbers.
- 6.4.3.6 The time and place of the drawing shall be posted in a visible location. Tickets may be sold during a prescribed time period before the drawing.
- 6.4.3.7 At a designated time and place, all the sold tickets are placed in a receptacle and a single ticket is drawn by a qualified member of the organization from all the tickets sold during the prescribed time period. If present, the ticket holder is allowed to choose 1 of the cards from the Queen of Hearts board. If the ticket holder is not present, the qualified member of the organization must select a card on the ticket holder's behalf in the manner provided by the house rules.
- 6.4.3.8 If the card chosen by the holder of the winning ticket is the designated winning card, then the holder wins all the money in the prize fund.
- 6.4.3.9 If the card chosen by the holder of the winning ticket is not the designated winning card, then the holder may still win another consolation prize as prescribed by the sponsoring organization provided the application so specifies and consolation prize amounts are listed with corresponding card. A second or third consolation prize may be awarded during the same drawing date if authorized by the sponsoring organization.
- 6.4.3.10 If the holder of the winning ticket does not choose the designated winning card from the Queen of Hearts board a new set of tickets is sold (with all prior tickets being eliminated), and the prescribed percentage of the additional proceeds is added to the prize fund. At the time and place set for the next drawing of tickets, the procedures are repeated the same as for the previous drawing and the entire accumulated prize fund is available to be won.

11 DE Reg. 516 (10/01/07)

12 DE Reg. 357 (09/01/08)

13 DE Reg. 107 (07/01/09)

16 DE Reg. 219 (08/01/12)

28 DE Reg. 391 (11/01/24)

7.0 Prohibited Acts

- 7.1 Wagering Among Participants Not Permitted. No sponsoring organization shall permit, as part of a function, a gambling activity which involves a wagering or other items of value by 1 participant directly against another participant, if the activity does not provide for some portion of the proceeds to go to the sponsoring organization. This rule shall not be construed to prohibit games wholly administered by the sponsoring organization wherein the licensee collects wagers from among the participants and determines the winners and amount of prizes on a parimutuel basis.
- 7.2 Credit and Checks. No sponsoring organization may extend credit to any patron at a function. No checks may be cashed for more than \$20 or received by the sponsoring organization except for the receipt of checks in the exact amount for any admission charge.
- 7.3 Persons Under Age 18. No person under 18 years of age shall be permitted on that portion of the premises used for a function.
- 7.4 Transaction of Certain Business Prohibited. No person who is directly or indirectly connected with the manufacture, sale, or distribution of gaming equipment or supplies or their agents, servants, or employees may be present during a function for the transaction of business.
- 7.5 Workers Prohibited From Participating. Workers are prohibited from participating in games at any function during which they participate as workers except that they may participate during their breaks if they continue to display their identification, except that if a function is scheduled for more than 1 day, a worker may participate in games on any day on which the worker does not participate as a worker.

28 DE Reg. 391 (11/01/24)

8.0 Limitation of Functions

- 8.1 No sponsoring organization shall conduct more than 10 functions in any single calendar month except in the case of Queen of Hearts of which a sponsoring organization may hold an unlimited number of events, subject to the sponsoring organization's obligations, with a yearly license. Charitable games shall not commence prior

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to 12:00 p.m. The operation of a function shall be limited to 6 consecutive hours. Instant bingo is permitted during any event sponsored by the organization that is licensed to conduct it, regardless of the time.

- 8.2 When a function is conducted in conjunction with a bazaar, carnival, festival or similar affair scheduled for more than 1 day but less than 10 consecutive days, the function shall be considered 1 licensed event. The games may be operated during the hours when other activities of the bazaar, carnival, festival or similar affair are available to the public.

2 DE Reg. 1224 (01/01/99)

13 DE Reg. 1355 (04/01/10)

17 DE Reg. 1094 (05/01/14)

20 DE Reg. 123 (08/01/16)

28 DE Reg. 391 (11/01/24)

9.0 Record Keeping

- 9.1 Record Keeping. Accurate records and books shall be kept by each sponsoring organization including detailed financial reports of the amount and source of proceeds, the members participating in the promotion or operation of the function, all expenses and disbursements.
- 9.2 Access to Records. Board personnel shall at all times have access to all books and records of any sponsoring organization required by subsection 9.1.
- 9.3 Period for Retention of Records. All records, books of account, bank statements and all other papers incidental to the operation of events by the sponsoring organization shall be retained and available for inspection by Board personnel for a period of 2 years from the close of the calendar year to which the records apply.
- 9.4 Expenses. Each sponsoring organization should incur only those expenses which are reasonable and necessary for the promotion or operation of a function.

28 DE Reg. 391 (11/01/24)

10.0 Violations of Regulations

Failure to comply with this regulation shall be deemed a violation of 28 **Del.C.** Ch. 15.

28 DE Reg. 391 (11/01/24)

11.0 Application

- 11.1 All applications for a license to conduct a function shall be submitted on a form approved by the Board. The information supplied must include the name, address, and phone number of the sponsoring organization, a list of the games to be conducted, the wagering limit on each game, the date and time that the function will be held, the premises where the function will be held, the owner of the premises, the name, address, and phone number of the designated member-in-charge and the person responsible for the proper accounting and the exact nature of the charitable purpose for which the proceeds will be used.
- 11.1.1 An application must be submitted sufficiently in advance of the proposed date of the function as to allow the Board to consider the application at 2 consecutive board meetings before deciding whether to approve or deny the application.
- 11.1.2 If the sponsoring organization seeks a license for a function or game in which all prizes or money may not be awarded in a single night, the application must identify:
- 11.1.2.1 The manner of secure housing for unawarded prizes, which shall be subject to approval at the Board's discretion; and
- 11.1.2.2 A bank account that complies with the provisions of subsection 12.4.2, to hold safe and be subject to Board inspection, any unawarded money.
- 11.2 There shall be a license fee of \$15 for each occasion upon which the organization wishes to conduct charitable gaming under a license except in the case of Queen of Hearts where a yearly license fee of \$300 will be charged for unlimited functions.
- 11.3 The Board shall make an investigation of the qualifications of each applicant and the merits of each application. The Board shall consider the impact, if any, of the approval of a new charitable gaming license on existing licensees within the applicant's geographical location prior to granting the approval, and may deny the application if it concludes that approval of the application would be detrimental to existing licensees.

- 11.4 The Board may issue a license only after it determines that:
 - 11.4.1 The applicant is duly qualified to conduct the charitable games under the State Constitution, statutes, and rules and regulations governing charitable gaming; and
 - 11.4.2 The person or persons who intend to conduct the games are persons of good moral character and have never been convicted of crimes involving moral turpitude; and
 - 11.4.3 The proceeds are to be disposed of as provided in the State Constitution and statutes; and
 - 11.4.4 No unreasonable salary, compensation or reward whatever will be paid or given to any person under whom the game is conducted.
- 11.5 No charitable gaming license shall be effective for a period of more than 1 year from the date it was issued.
- 11.6 No charitable gaming license shall be effective after the organization to which it was granted has become ineligible to conduct the game under any provision of Article II, §17A or §17B of the State Constitution.

2 DE Reg. 1224 (01/01/99)

12 DE Reg. 357 (09/01/08)

13 DE Reg. 107 (07/01/09)

13 DE Reg. 1355 (04/01/10)

28 DE Reg. 391 (11/01/24)

12.0 Reports After the Function

- 12.1 Within 30 days of the last day of the function, the member-in-charge shall submit a report to the Board that includes all information required by Title 28 of the **Delaware Code**.
- 12.2 When no function is held on a date a licensee is authorized to hold such a function, a report to that effect shall be filed with the Board.
- 12.3 If a licensee fails to timely file a report or if a report is not properly verified, no further license shall be issued to the licensee and any existing licensee shall be suspended until such time as the deficiency has been corrected.
- 12.4 For functions and games where all prizes are not awarded on a single day, the sponsoring organization shall submit an interim report to the Board, on a form approved by the Board, every 30 days from the first day of the function or game accounting for the safekeeping of prizes and money not yet awarded.
 - 12.4.1 In the interim report the member-in-charge shall attest that all unawarded prizes are secured in a manner consistent with that disclosed in the sponsoring organization's application and approved by the Board.
 - 12.4.2 In the interim report the member-in-charge shall attest that all money not yet awarded is held in a separate account in a federally insured banking institution that has offices in Delaware.
 - 12.4.2.1 The account shall be designated solely for funds held in connection with the sponsoring organization's charitable gaming;
 - 12.4.2.2 The account shall be identified to the Board at the time of the sponsoring organization's application;
 - 12.4.2.3 The member-in-charge shall be a signatory on the account;
 - 12.4.2.4 Except for the minimum balance required by the bank and money to cover bank fees, the account shall be used only for the purpose of complying with this regulation;
 - 12.4.2.5 Any interest earned must be applied to the costs associated with maintaining the account or to increase proportionally the prize fund. The method for allocating interest shall be disclosed in the house rules for the function or game.

2 DE Reg. 1224 (01/01/99)

11 DE Reg. 516 (10/01/07)

13 DE Reg. 107 (07/01/09)

16 DE Reg. 219 (08/01/12)

28 DE Reg. 391 (11/01/24)

13.0 Suspension and Revocation of Licenses

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- 13.1 Proceedings to suspend or to revoke a license shall be brought by notifying the licensee of the ground thereof and the date set forth for hearing thereon. The Board may stop the operation of a charitable gaming function pending a hearing, in which case the hearing must be held within 5 days after such action.
- 13.2 The Board shall cause the notice of hearing to be served personally on an officer of the licensee or the member-in-charge or to be sent by registered or certified mail to the licensee at the address shown in the license. All hearing procedures shall be subject to the requirements of the Administrative Procedures Act, 29 Del.C. §10131.
- 13.3 When suspension or revocation proceedings are begun before the Board, it shall hear the matter and make written findings in support of its decision. The licensee shall be informed of the decision, and of the effective date of the suspension or revocation.
- 13.4 When a license is suspended or revoked, the licensee shall surrender up the license to the Board on or before that effective date set forth in the notice of the decision. In no case shall any license be valid beyond the effective date of suspension or revocation, whether surrendered or not.

2 DE Reg. 1224 (01/01/99)

12 DE Reg. 357 (09/01/08)

18 DE Reg. 157 (08/01/14)

28 DE Reg. 391 (11/01/24)

14.0 Ownership

If ownership of a charitable gaming vendor changes, the new owner or owners must submit a valid Delaware business license to the Board immediately. In addition, if a charitable organization was to conduct an event using that third-party vendor, the organization must inform the Board that it is aware of the change in ownership and whether it will continue with the event with the new owners.

16 DE Reg. 219 (08/01/12)

15.0 Licensure

- 15.1 A charitable gaming vendor must hold a valid business license issued by the State of Delaware, which must remain current. The vendor must inform the Board within 10 days if the license lapses. The Board may suspend or revoke a vendor's license for failure to maintain a current Delaware business license or for failing to inform the Board of the loss of a business license.
- 15.2 The vendor also must be licensed by the Board as a charitable gaming vendor. To become licensed, the vendor shall file an application prepared by the Board or by the Division. The application must be signed by all officers of the vendor.
- 15.3 Investigators assigned to the Division will conduct an investigation to determine the suitability of the applicant for licensure. The investigator will provide a recommendation of suitability of each applicant to the Delaware Board of Charitable Gaming. The Division's investigators may access the state and federal criminal history databases for the purpose of reviewing the criminal history of any individual applicant or officer of an applicant.
- 15.4 All officers of such vendors shall be required to undergo criminal background checks as a requirement for licensure. The applicant's officers must contact the SBI to make arrangements for fingerprint processing. The officers must complete a fingerprint card and form with the necessary personal information and sign an Authorization for Release of Information form to release criminal history records to the Division and the Delaware Board of Charitable Gaming. At the time of processing the officers must show proof of official identification to complete the criminal history request. A fee is required to be paid for state and federal processing of fingerprint cards and criminal history records. The fee is set by the SBI, and the officers shall make that payment directly to that agency. Certified copies of the criminal history record shall be forwarded to the Division. The SBI shall act as the intermediary for the receipt of the federal criminal history record checks performed by the Federal Bureau of Investigation. The SBI shall forward the results of these federal record checks to the attention of the Division, along with the results of a report of the individual's entire criminal history record from the SBI or a statement from the SBI that its Central Repository contains no such information relating to that person, in a confidential manner. The Division may provide the individual officer with a copy of the criminal history records upon written request. The officer shall have the opportunity to respond to the Division regarding any information obtained prior to a determination of suitability for licensure. Such a response shall be made within 10 days of the person's receipt of the criminal background information from the Division.

- 15.5 In making the determination of suitability for licensure, the Board of Charitable Gaming shall consider the background of each individual applicant or officer of the applicant. The licensure requirement shall include the satisfaction of such security, fitness and background standards as the Board may deem necessary relating to competence, honesty and integrity, such that a person's reputation, habits and associations do not pose a threat to the public interest of the State or to the reputation of or effective regulation and control of charitable gaming. It is specifically provided that any person convicted of any felony, a crime involving gambling, or a crime of moral turpitude within 10 years prior to applying for a license or any time thereafter shall be deemed unfit, and if such person is an officer of an applicant, the applicant shall be deemed unfit. The Board shall also consider the applicant's or the officer's truthfulness in disclosing requested information, particularly in regard to the criminal history.
- 15.6 The Board shall communicate the results of the determination of suitability in writing to the applicant within 60 days of receipt of the criminal history information, unless extenuating circumstances require a longer period. If the Board determines that an applicant has satisfied the licensing requirements, the applicant will be issued a license. If the Board determines that an applicant is not suitable or has not satisfied the licensing requirements, the licensee shall be entitled to a hearing before the Board to be heard upon the qualifications of the applicant and the merits of the application. The burden of proof shall be on the applicant.
- 15.7 All records pertaining to criminal background checks and suitability determinations shall be maintained in a confidential manner including the following:
- 15.7.1 Access to criminal background check records, letters of reference accompanying out-of-state criminal background checks and determination of suitability of applicants shall be limited to the Board and designated personnel within the Division;
- 15.7.2 All such records shall be kept in locked cabinets or as digital files; and
- 15.7.3 No information from such records shall be released without the signed release of the individual applicant or officer.
- 15.8 The license shall expire and be renewable every 3 years. Prior to expiration, each licensee shall contact the Division and submit a new and updated license application form and undergo an investigation as in the original licensing.
- 15.9 Officers of licensees shall notify the Division no later than 3 days after an arrest for any crime, excluding minor traffic violations. The Division will forward this information to the Board and the Board may proceed to determine the person's continuing suitability as a licensee, and may suspend the license until the criminal charges have been resolved.

15 DE Reg. 886 (12/01/11)

16 DE Reg. 219 (08/01/12)

18 DE Reg. 157 (08/01/14)

28 DE Reg. 391 (11/01/24)

16.0 Maximum Number of Permissible Events

- 16.1 Under the terms of 28 **Del.C.** §§1526(a) and 1562 and 10 **DE Admin. Code** 103 Rule 8.1, organizations are limited in the number of bingo, Texas Hold 'Em and charitable gaming events which they may conduct. The Board has held that a Delaware charitable organization that establishes a subsidiary group or groups, such as an auxiliary which does not have its own separate Employee Identification Number or Federal Identification Number from the Internal Revenue Service, will be required to share its limited number of permissible events with the subsidiary group. For example, since 5 Texas Hold 'Em tournaments are permitted in 1 year under 28 **Del.C.** §1562, the main group and the subsidiary group or groups may have a total of 5 tournaments between or among them, rather than each entity being permitted to have up to 5 tournaments.
- 16.2 If the subsidiary group obtains its own separate Employer Identification Number or Federal Identification Number from the Internal Revenue Service, then the subsidiary group may itself have the maximum number of events.
- 16.3 However, the Board views national charitable organizations with Delaware affiliates differently. If there are several affiliates of a national charitable organization in Delaware, and each is independent of the others, each affiliate may seek up to the maximum number of permissible events through use of the notice of charitable standing granted to the national organization, provided the national organization confirms that the affiliate has its permission to do so. Each Delaware affiliate of a national charitable organization may request permission to conduct up to the maximum number of permissible events.

TITLE 10 CHARITABLE GAMING, LOTTERY, AND FANTASY SPORTS
DELAWARE ADMINISTRATIVE CODE

15 DE Reg. 886 (12/01/11)

16 DE Reg. 219 (08/01/12)

28 DE Reg. 391 (11/01/24)

17.0 Severability

If any provision of these Regulations or the application of such provision to any person or circumstances shall be held invalid, the validity of the remainder of these Regulations and the applicability of such provision to other persons or circumstances shall not be affected thereby.

2 DE Reg. 1224 (01/01/99)

11 DE Reg. 516 (10/01/07)

12 DE Reg. 357 (09/01/08)

13 DE Reg. 107 (07/01/09)

13 DE Reg. 1355 (04/01/10)

15 DE Reg. 886 (12/01/11)

16 DE Reg. 219 (08/01/12)

18 DE Reg. 157 (08/01/14)

20 DE Reg. 123 (08/01/16)

28 DE Reg. 391 (11/01/24)