



DAVE YOST
OHIO ATTORNEY GENERAL

Charitable Law Section
Office 614-466-3181
Fax 614-466-9788

March 4, 2022

Sons of Italy #2798
2660 Mahoning Ave NW
Warren, OH 44483

Certified Mail # 7018 1830 0000 2709 0587

Re: Revised cover letter with Adjudication Order

Dear Board Members and Operatives:

Enclosed please find a copy of the Adjudication Order of the Attorney General issued February 24, 2022. Please be advised that to appeal this Order, a Notice of Appeal must be filed with this Office and with the Court of Common Pleas of the county in which the place of business of the appellant is located within fifteen (15) days of the mailing of this Order.

Should you have any questions or concerns please feel free to contact me at (614) 466-3181.

Very respectfully,

DAVE YOST
OHIO ATTORNEY GENERAL

Daniel W. Fausey
Chief, Charitable Law Section

Enclosures: Certification
Adjudication Order
Delegation Letter



CERTIFICATION

The State of Ohio,
County of Franklin, SS

In accordance with Ohio Revised Code 119.09, I, the undersigned Chief of the Charitable Law Section, hereby certify that the foregoing is a true and exact reproduction of the original Order of the Ohio Attorney General entered on its journal, on the 24th day of February, 2022.

A handwritten signature in blue ink, appearing to read "Daniel W. Fausey".

Daniel W. Fausey
Chief, Charitable Law Section

Sons of Italy #2798
Application for 2021 Charitable Bingo License Application (Type III)



DAVE YOST

OHIO ATTORNEY GENERAL

Charitable Law Section
Office 614-466-3181
Fax 614-466-9788

June 10, 2021

RE: Designate Authorization for Charitable Bingo Adjudications

Deputy Attorney General, Jonathan Fulkerson will serve as designee of Attorney General Yost for Charitable Bingo Adjudications in matters involving bingo organizations, distributors of bingo supplies and manufacturers of bingo supplies licensed under Ohio Revised Code (ORC) Section 2915. The adjudications are issued pursuant to ORC Chapters 119 and 2915.

The Charitable Law Section will transmit the record of proceedings to Deputy Attorney General Fulkerson within ten (10) days of the deadline to file objections to the hearing officer's report and recommendation pursuant to ORC 119.09.

Upon receipt of an adjudication order, the Charitable Law Section will enter the order in its journal and serve a copy to the party affected in accordance with ORC 119.09.

DAVE YOST
Ohio Attorney General

**IN THE MATTER OF SONS OF ITALY #2798
2021 CHARITABLE BINGO LICENSE APPLICATION/RENEWAL**

DECISION

Sons of Italy #2798's 2021 Ohio Charitable Bingo License Renewal Application is denied.

INTRODUCTION AND SUMMARY

Sons of Italy #2798 (SOI) applied to renew its Ohio Bingo License (Exs. 3 & 4) and was issued a temporary permit on December 30, 2020. (NOH, pg. 1). On September 15, 2021, the Ohio Attorney General proposed to reject the application because SOI's IRS tax-exempt status had been revoked in October of 2020. (NOH, pg. 1). A valid IRS exemption is required by Ohio law to conduct charitable bingo.

No request for a hearing was filed. Evidentiary materials were submitted in support of the denial of the application. Upon independent review of the record, the Attorney General hereby denies the application.

Exhibits in the hearing record are abbreviated as "Ex" in this decision. The Notice of Opportunity for Hearing is abbreviated as "NOH" in this decision. The affidavit of Ms. Denise White is abbreviated as "Aff." in this decision.

PROCEDURAL POSTURE

SOI was issued an Ohio Charitable Bingo License (#0903-45) in 2009 which it has renewed each year. On or about December 29, 2020, SOI applied to renew that license for 2021. (Exs 3 & 4). SOI received a temporary permit on December 30, 2020. (NOH, pg. 1, Aff. ¶ 4).

On September 15, 2021, the Ohio Attorney General sent by certified mail a Notice of Intent to Reject and Opportunity for Hearing to SOI. (Ex. 1 and NOH). SOI did not request a hearing.

In the Notice of Intent, the Attorney General proposed to reject the 2021 Bingo License Application for two reasons, summarized as follows:

1. To conduct bingo, SOI must be a “charitable organization” as that term is defined in R.C. 2915.08(A)(1) and 2915.07. To be a charitable organization, SOI must have a tax-exempt status determination from the IRS. That status was revoked by the IRS in October 2020 and has not been renewed. Because SOI is no longer a charitable organization, it is not eligible to conduct bingo.
2. To conduct bingo, SOI must not make false statements in its application/renewal documents under R.C. 2915.08(B)(2). By asserting that SOI had tax exempt status when it did not, it made a false statement within the meaning of Ohio law.

Certified mail of the NOH was accomplished on September 17, 2021. (Ex. 2). Additionally, Compliance Examiner Denise White testified that she spoke to a SOI representative named Carol Pawcio on September 29, 2021 who confirmed receipt of the NOH. (Aff., ¶ 9). No hearing request was filed. Evidentiary materials were submitted by the Attorney General in support of the denial of the application on November 18, 2021. No evidentiary material was submitted on behalf of SOI.

Attorney General Dave Yost delegated responsibility for issuing final orders on these matters to Deputy Attorney General Jonathan Fulkerson pursuant to a letter of authority dated June 10, 2021 which is appended to this decision.

ANALYSIS

The Attorney General concurs with the proposal to reject SOI’s 2021 bingo license application.¹ Accordingly, SOI’s Application for a 2021 Bingo License is denied and rejected.

SOI’s failure to have proper IRS registration is detailed in the Affidavit of Ms. Denise White. Ms. White is employed as a Compliance Examiner. Ms. White said in her November, 2021 affidavit she became aware of the lack of IRS exemption while reviewing SOI’s application. (Aff. ¶ 6).

¹ Technically SOI applied to renew its license and did not file for an initial license. Those terms are used interchangeably here.

There are two renewal applications in the record marked as Exhibits 3 and 4. Both are time-stamped as having been filed by Carol Pawcio (Exs. 3 & 4, pgs 7). Exhibit 3 indicates filing on 12/29/2020 and Exhibit 4 indicates filing on 09/23/2021. The applications are slightly different (see e.g. pg 1, question 9) in formatting. (Aff. ¶ 4). These distinctions are not material to the issues here. Both documents indicate (falsely) the organization's tax-exempt status is covered under Sec. 501(c)(7). (Exs. 3 & 4, question 4) in contradiction to Ms. White's affidavit.

An additional, but small, piece of evidence exists in the record suggesting SOI did not have an IRS charitable determination that is entitled to slight weight. Both application documents contain a question where the applicant can voluntarily upload a copy of the organization's IRS determination letter regarding its tax-exempt status (Question 20). A letter itself is not in the record but the attachment is entitled "SOI #2798 Lease Agreement.pdf." This title suggests that no such IRS determination letter existed or was voluntarily uploaded. It is reasonable to presume that if such a letter had been uploaded with the application documents, it would have a title in some way reflecting the nature of the IRS determination and not a lease agreement. Both application documents state that SOI leases its premises (Exs 3 & 4, question 17 under "Premises").

Ms. White's affidavit stated that SOI's status was revoked by the IRS. (Aff. ¶ 6). While short, the un rebutted affidavit is sufficient to prove the lack of the required IRS exemption. The Attorney General has proven Count I.

Additionally, because the false statement of the existence of a valid IRS exemption was made in SOI's renewal (Exs. 3 & 4, question 10), the Attorney General has proven Count II.

Counts I and II are sustained.

CONCLUSION

The Attorney General denies and rejects the application of Sons of Italy # 2798's application for a 2021 Bingo License.

ADJUDICATION

IT IS ORDERED, ADJUDGED AND DECREED THAT THE 2021 BINGO LICENSE APPLICATION BY SONS OF ITALY #2798 IS HEREBY REJECTED.

Any appeal from this Adjudication must be pursued by filing a Notice of Appeal (a copy or the original) with the Ohio Attorney General's Office, Charitable Law Section, 30 East Broad Street, 25th Floor, Columbus, Ohio, 43215.

The appeal must set forth the order appealed from and state that the Order is not supported by reliable, probative and substantial evidence and is not accordance with law. A copy or the original of such Notice of Appeal shall also be filed by the appellant with the Court of Common Pleas of the county in which the place of business of the appellant is located. Such Notice of Appeal shall be filed within fifteen (15) days after the mailing of the notice of the Ohio Attorney General's Order as provided in Section 119.12 of the Ohio Revised Code.

By Order of the Ohio Attorney General
DAVE YOST

/s/ Jonathan Fulkerson

February 24, 2022

Jonathan Fulkerson
Deputy Attorney General

Appendix – Delegation Letter