



# DAVE YOST

OHIO ATTORNEY GENERAL

Charitable Law Section  
Office 614-466-3181  
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April 13, 2022

American Croatian Club  
4846 Oberlin Avenue  
Lorain, OH 44053  
440-960-5211  
Americancroatianclub@gmail.com

Certified Mail # 7018 1830 0000 2706 2218

Re: **Notice of Intent to Reject and Opportunity for Hearing**

Members and Operatives:

Enclosed is a Notice of Intent to Reject and Opportunity for Hearing. Please read it carefully as the information contained within concerns American Croatian Club's bingo license. Be advised if you would like to request a hearing on this matter, **you must do so within 30 days of the mailing of this Notice.**

Thank you for your time and attention to this matter.

Very respectfully yours,

DAVE YOST  
Ohio Attorney General

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Daniel W. Fausey  
Section Chief  
Ohio Attorney General's Office  
Charitable Law Section  
30 E. Broad Street, 25th Floor  
Columbus, Ohio 43215  
(614) 466-3181

Enclosure

CC: Marilyn K. Eble  
Assistant Attorney General  
Charitable Law Section  
30 East Broad Street, 25th Floor  
Columbus, Ohio 43215-3130

Megan N. Nelson  
Assistant Attorney General  
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30 East Broad Street, 25th Floor  
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**OHIO ATTORNEY GENERAL  
CHARITABLE LAW SECTION**

IN THE MATTER OF:

American Croatian Club  
4846 Oberlin Avenue  
Lorain, OH 44053  
440-960-5211  
americancroatianclub@gmail.com

April 13, 2022

EIN: 34-0668478  
Bingo License No.: 1013-27

**NOTICE OF INTENT TO REJECT AND  
OPPORTUNITY FOR HEARING**

**INTRODUCTION & JURISDICTION**

Notice is hereby given that, pursuant to Ohio Revised Code Section 2915.08(F), the Attorney General intends to reject the American Croatian Club's amended application to conduct electronic bingo. In addition, the Attorney General intends to revoke the American Croatian Club's type III license for instant bingo. We regret to inform you that on further review, the American Croatian Club does not meet the statutory requirements. In accordance with the provisions of R.C. Sections 119.06 and 119.07, you are hereby notified that you are entitled to a hearing.

American Croatian Club was first issued bingo license number 1013-27 on January 7, 2022. The organization's bingo license permits it to conduct type III instant bingo during specific times and is set to expire on December 31, 2022. On February 17, 2022, the American Croatian Club submitted an amended bingo license application, seeking a license to conduct electronic bingo as a 501(c)(7) tax exempt fraternal organization.

**Notice is hereby given that the Attorney General intends to revoke the American Croatian Club's type III license for instant bingo and reject the American Croatian Club's 2022 amended bingo license application for the following reason:**

**COUNT 1**

Only a "charitable organization" may apply for a license to conduct bingo and, if licensed, actually conduct bingo. R.C. 2915.08(A)(1); 2915.07(A). To qualify as a "charitable organization" that is eligible to apply for a license and conduct bingo, American Croatian Club must be exempt from federal income taxation under subsection 501(a) and described in subsection 501(c)(3) of the Internal Revenue Code *or* be a volunteer rescue service organization, volunteer firefighter's organization, veteran's organization, fraternal organization, or sporting organization that is exempt

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from federal income taxation under subsection 501(c)(4), (c)(7), (c)(8), (c)(10), or (c)(19) of the Internal Revenue Code. R.C. 2915.01(H).

American Croatian Club does not meet the definition of “charitable organization” in Section 2915.01(H) because, although it is a 501(c)(7) organization, it does not meet the definition of the organizations permitted to apply for a bingo license as a 501(c)(7) organization. Specifically, American Croatian Club is not a fraternal organization, as defined in Section 2915.01(L). Under Ohio law, “fraternal organization” means

any society, order, state headquarters, or association within this state, except a college or high school fraternity, that is not organized for profit, *that is a branch, lodge, or chapter of a national or state organization*, that exists exclusively for the common business or sodality of its members.

R.C. 2915.01(L) (emphasis added). Upon review of the amended application and supporting documents, the American Croatian Club is not “a branch, lodge, or chapter of a national or state organization” and is therefore neither a fraternal organization under Section 2915.01(L) nor a charitable organization under Section 2915.01(H). Because American Croatian Club is not a “charitable organization,” it fails to meet the requirements of Section 2915.08 and is therefore not eligible to conduct type III instant or electronic bingo and any instant or electronic bingo advertised or conducted by American Croatian Club would violate Section 2915.07(A). Accordingly, the attorney general intends to reject American Croatian Club’s 2022 amended application to conduct electronic bingo.

### **LAWS AND RULES**

Ohio Revised Code Section 2915.08(F)(2) states “If any of the following applies to an organization, the attorney general may refuse to grant a license to the organization, may revoke or suspend the organization’s license, or may place limits, restrictions, or probationary conditions on the organization’s license for a limited or indefinite period, as determined by the attorney general:

- (a) The organization fails or has failed at any time to meet any requirement of section 109.26, 109.31, or 1716.02, or sections 2915.07 to 2915.15 of the Revised Code, or violates or has violated any provision of sections 2915.02 or 2915.07 to 2915.13 of the Revised Code or any rule adopted by the attorney general pursuant to this chapter.
- (b) The organization makes or has made an incorrect or false statement that is material to the granting of the license in an application filed under this section.
- (c) The organization submits or has submitted any incorrect or false information relating to an application if the information is material to the granting of the license.

(d) The organization maintains or has maintained any incorrect or false information that is material to the granting of the license in the records required to be kept pursuant to section 2915.10 of the Revised Code, if applicable.

(e) The attorney general has good cause to believe that the organization will not conduct bingo in accordance with sections 2915.07 to 2915.15 of the Revised Code or with any rule adopted by the attorney general pursuant to this chapter.”

Ohio Revised Code section 2915.08(F)(3) further states,

If the attorney general has good cause to believe that any director or officer of the organization has breached the director’s or officer’s fiduciary duty to, or committed theft or any other type of misconduct related to, the organization or any other charitable organization that has been issued a bingo license under this chapter, the attorney general may refuse to grant a license to the organization, may impose limits, restrictions, or probationary conditions on the license, or may revoke or suspend the organization's license for a period not to exceed five years.

Finally, under R.C. 2915.08(F)(4),

The attorney general may impose a civil fine on an organization licensed or permitted under this chapter for failure to comply with any restrictions, limits, or probationary conditions on its license, and for failure to comply with this chapter or any rule adopted under this chapter, according to a schedule of fines that the attorney general shall adopt in accordance with Chapter 119 of the Revised Code.

### **HEARING PROCEDURES**

Pursuant to the Administrative Procedure Act, Ohio Revised Code Section 119.07, an Applicant who has been issued a Notice of Intent to Reject and Opportunity for Hearing may request a hearing before the Charitable Law Section of the Office of the Ohio Attorney General within thirty (30) days of the time of the mailing of the Notice. **The request for a hearing must be received by the Charitable Law Section of the Office of the Ohio Attorney General within thirty (30) days of the mailing of this Notice.**

The Applicant may appear in person, by his or her attorney, or by such other representative who is permitted to practice before the Ohio Attorney General’s Office. The Applicant may present evidence and examine witnesses appearing for and against the Applicant or may present a position, argument and contentions in writing in lieu of appearing at the hearing. A hearing may be continued on motion of either the Attorney General or the Applicant, if the Attorney General so approves.

Failure to request a hearing within the time prescribed may result in the Attorney General issuing an adjudication order regarding the application without conducting a formal hearing in the matter.

Requests for a hearing upon the Notice of Intent to Revoke and Opportunity for Hearing must be submitted to the undersigned at the address listed below.

Very respectfully yours,

DAVE YOST  
ATTORNEY GENERAL



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Daniel W. Fausey  
Section Chief  
Ohio Attorney General's Office  
Charitable Law Section  
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