

**Substitute for HOUSE BILL No. 2383**

By Committee on Federal and State Affairs

2-26

1 AN ACT creating the Kansas charitable bingo and raffle act; amending  
2 K.S.A. 2014 Supp. 21-6403, 75-5133, 79-3603, 79-4701, 79-4703, 79-  
3 4704, 79-4705, 79-4706, 79-4707, 79-4710, 79-4711, 79-4712a, 79-  
4 4713 and 79-4716 and repealing the existing sections; also repealing  
5 K.S.A. 79-4708 and K.S.A. 2014 Supp. 79-4701a, 79-4717, 79-4718  
6 and 79-4719.

7  
8 *Be it enacted by the Legislature of the State of Kansas:*

9 New Section 1. K.S.A. 79-4701 through 79-4716 and sections 1  
10 through 14, and amendments thereto, shall be known and may be cited as  
11 the Kansas charitable bingo and raffle act.

12 New Sec. 2. (a) The legislature hereby declares that charitable raffles  
13 conducted by charitable organizations are an important method of raising  
14 funds for legitimate charitable purposes and are in the public interest. The  
15 purpose of this act is to establish an effective and efficient mechanism for  
16 regulating charitable raffles which includes:

- 17 (1) Defining the scope of charitable raffles;  
18 (2) setting standards for the conduct of charitable raffles which insure  
19 honesty and integrity;  
20 (3) providing for means of accounting for all moneys generated  
21 through the conduct of charitable raffles; and  
22 (4) providing suitable penalties for violations of applicable laws and  
23 administrative rules and regulations.

24 (b) The intent of this act is to:

- 25 (1) Prevent the commercialization of charitable raffles;  
26 (2) prevent participation in charitable raffles by criminal and other  
27 undesirable elements; and  
28 (3) prevent the diversion of funds from legitimate charitable  
29 purposes.

30 (c) In order to carry out the purpose and intent of this act, the  
31 provisions of this act and any administrative rules and regulations  
32 promulgated in accordance with this act shall be construed in the public  
33 interest and strictly enforced.

34 New Sec. 3. As used in this act:

- 35 (a) "Act" means the Kansas charitable bingo and raffle act.  
36 (b) "Administrator" means the administrator of charitable raffles

1 designated by the secretary pursuant to section 12, and amendments  
2 thereto.

3 (c) "Charitable raffle" means a raffle conducted by a nonprofit  
4 religious, charitable, fraternal, educational or veterans' organization.

5 (d) "Department" means the department of revenue.

6 (e) "Director" means the director of taxation.

7 (f) "Electronic gaming device" means a device that, as a result of the  
8 insertion of a coin or other object, operates, either completely  
9 automatically or with the aid of some physical act by the player, in such a  
10 manner that, depending upon elements of chance, it may eject something  
11 of value.

12 (g) "Licensee" means any nonprofit organization holding a license to  
13 manage, operate or conduct charitable raffles issued under section 5, and  
14 amendments thereto.

15 (h) "Net proceeds" means the gross receipts received by the licensee  
16 from charges imposed on players for participation in charitable raffles and  
17 any admission fees or charges less amounts actually paid as prizes in  
18 charitable raffles.

19 (i) The terms "nonprofit religious organization," "nonprofit charitable  
20 organization," "nonprofit fraternal organization," "nonprofit educational  
21 organization" and "nonprofit veterans' organization" shall have the same  
22 meaning ascribed to those terms in K.S.A. 79-4701, and amendments  
23 thereto.

24 (j) "Person" means any natural person, corporation, partnership, trust  
25 or association.

26 (k) "Raffle" means a game of chance in which each participant buys a  
27 ticket or tickets from a nonprofit organization with each ticket providing  
28 an equal chance to win a prize and the winner being determined by a  
29 random drawing.

30 (l) "Secretary" means the secretary of revenue or the secretary's  
31 designee.

32 New Sec. 4. (a) The power to regulate and license the management,  
33 operation and conduct of and participation in charitable raffles is hereby  
34 vested exclusively in the state.

35 (b) No nonprofit religious, charitable, fraternal, educational or  
36 veterans' organization shall use an electronic gaming device to sell raffle  
37 tickets or to conduct charitable raffles. No such organization shall contract  
38 with a professional raffle or lottery vendor to manage, operate or conduct  
39 any charitable raffle.

40 New Sec. 5. (a) Any bona fide nonprofit religious, charitable,  
41 fraternal, educational or veterans' organization desiring to manage, operate  
42 or conduct charitable raffles within the state of Kansas may make  
43 application for a license therefor in the manner provided under this

1 section. Application for licenses required under the provisions of this act  
2 shall be made to the administrator upon forms prescribed by the  
3 administrator. The application shall contain:

4 (1) The name and address of the organization;

5 (2) the particular place or location or multiple locations or premises  
6 for which a license is desired;

7 (3) a sworn statement verifying that such organization is a bona fide  
8 nonprofit religious, charitable, fraternal, educational or veterans'  
9 organization authorized to operate within the state of Kansas signed by the  
10 presiding officer and secretary of the organization;

11 (4) a sworn statement that the individual signing the application has  
12 not been convicted of, pleaded guilty to or pleaded nolo contendere to a  
13 violation of gambling laws of this state or of the United States, and has not  
14 forfeited any bond to appear in court to answer charges for any such  
15 violation, and has not been convicted of, pleaded guilty to or pleaded nolo  
16 contendere to the violation of any law of this or any other state which is  
17 classified as a felony under the laws of such state; and

18 (5) such other information as may be required by the administrator.

19 (b) An application for a license required under the provisions of this  
20 act shall be accompanied by a fee of \$25.

21 (c) All licenses issued under the provisions of this act shall be issued  
22 in the name of the organization licensed. Licenses issued under the  
23 provisions of this act shall not be transferred or assignable.

24 (e) No license shall be issued to any bona fide nonprofit religious,  
25 charitable, fraternal, educational or veterans' organization if any of its  
26 officers or directors:

27 (1) Have been convicted of, have pleaded guilty to or pleaded nolo  
28 contendere to a violation of gambling laws of any state or the gambling  
29 laws of the United States, or shall have forfeited bond to appear in court to  
30 answer charges for any such violation; or

31 (2) at the time of application for renewal of license issued hereunder  
32 would not be eligible for such license upon a first application.

33 (f) Each license issued shall expire at midnight on June 30 following  
34 its date of issuance.

35 (g) The provisions of this section shall not apply to any bona fide  
36 nonprofit religious, charitable, fraternal, educational or veterans'  
37 organization that conducts charitable raffles for which the aggregate gross  
38 receipts from such raffles in the calendar year does not exceed \$25,000.

39 New Sec. 6. (a) For the purpose of determining the receipts of any  
40 licensee, the administrator may examine any books, papers, records or  
41 memoranda, bearing upon the matters required to be included in the  
42 records of the licensee. The administrator may require the attendance of  
43 the licensee in the county where the licensee resides, or where the

1 charitable raffles are conducted, or of any person having knowledge  
2 relating to such records, and may take testimony and require proof of such  
3 person or persons.

4 (b) The administrator may issue subpoenas to compel access to or for  
5 the production of such books, papers, records or memoranda in the custody  
6 of or to which the licensee has access, or to compel the appearance of such  
7 persons. The administrator may issue interrogatories to any such person to  
8 the same extent and subject to the same limitations as would apply if the  
9 subpoena or interrogatories were issued or served in aid of a civil action in  
10 the district court. The administrator may administer oaths and take  
11 depositions to the same extent and subject to the same limitations as would  
12 apply if the deposition was in aid of a civil action in the district court. In  
13 case of the refusal of any person to comply with any subpoena or  
14 interrogatory or to testify to any matter regarding which such person  
15 lawfully may be questioned, the district court of any county, upon  
16 application of the administrator, may order such person to comply with  
17 such subpoena or interrogatory or to testify. Failure to obey the court's  
18 order may be punished by the court as contempt. Subpoenas or  
19 interrogatories issued under the provisions of this section may be served  
20 upon individuals and corporations in the manner provided in K.S.A. 60-  
21 304, and amendments thereto, for the service of process by any officer  
22 authorized to serve subpoenas in civil actions or by the administrator.

23 New Sec. 7. (a) No person may receive any remuneration or profit for  
24 participating in the management, conduct or operation of any charitable  
25 raffle managed, conducted or operated by a licensee. Any employee of the  
26 licensee, however, may assist in the conduct of any charitable raffle.

27 (b) Charitable raffle licensees shall report to the department the name  
28 and address of all raffle winners of any prize the value of which is \$1,199  
29 or more. The retail value of any merchandise received by a winner of a  
30 charitable raffle shall be considered as the cash value for the purposes of  
31 determining the value of the prize.

32 (c) The raffle of a motor vehicle shall be deemed an isolated or  
33 occasional sale of such motor vehicle to the raffle winner and subject to  
34 retailer's sales tax pursuant to K.S.A. 79-3603(o), and amendments thereto.

35 (d) Each licensee shall keep a record of all charitable raffles  
36 managed, operated or conducted by such licensee for a period of three  
37 years following the date the raffle is managed, operated or conducted.

38 New Sec. 8. (a) The administrator, after a hearing in accordance with  
39 the provisions of the Kansas administrative procedure act, may revoke or  
40 suspend any license issued under the provisions of this act for any of the  
41 following reasons:

42 (1) The licensee has obtained the license by giving false information  
43 in the application therefor;

1 (2) the licensee has violated any of the laws of the state of Kansas or  
2 provisions of this act or any rules and regulations adopted pursuant thereto  
3 for the licensing, management, conduct or operation of charitable raffles;  
4 or

5 (3) the licensee has become ineligible to obtain a license under this  
6 act.

7 (b) Any action of the administrator pursuant to subsection (a) is  
8 subject to review in accordance with the Kansas judicial review act. In  
9 case of the revocation of the license of any licensee, no new license shall  
10 be issued to such organization, or any person acting for or on its behalf, for  
11 a period of six months thereafter. No revocation or suspension of a license  
12 shall be for a period in excess of one year if the applicant otherwise is  
13 qualified on the date the applicant makes a new application therefor.

14 (c) The administrator is hereby authorized to enjoin any person from  
15 managing, operating or conducting any charitable raffle, if such person  
16 does not possess a valid license issued pursuant to the provisions of this  
17 act. The administrator shall be entitled to have an order restraining such  
18 person from managing, operating or conducting any charitable raffle or for  
19 any other purpose contrary to the provisions of this act. No bond shall be  
20 required for any such restraining order, nor for any temporary or  
21 permanent injunction issued in such proceedings.

22 New Sec. 9. (a) All amounts received by or for the administrator from  
23 license fees pursuant to this act shall be remitted to the state treasurer in  
24 accordance with the provisions of K.S.A. 75-4215, and amendments  
25 thereto. Upon receipt of each such remittance, the state treasurer shall  
26 deposit the entire amount in the state treasury to the credit of the state  
27 charitable raffle regulation fund, except as provided by section 10, and  
28 amendments thereto.

29 (b) There is hereby created in the state treasury the state charitable  
30 raffle regulation fund. Except as provided by subsection (c), all moneys in  
31 the state charitable raffle regulation fund shall be expended for the  
32 administration and enforcement of the Kansas charitable bingo and raffle  
33 act, and rules and regulations adopted pursuant thereto. Such expenditures  
34 shall be made upon vouchers approved by the administrator.

35 (c) Except as otherwise provided by this act, all operating expenses of  
36 the administrator related to the administration and enforcement of the  
37 Kansas charitable bingo and raffle act appropriated by the legislature shall  
38 be paid from the state charitable raffle regulation fund. At the end of each  
39 fiscal year, the director of accounts and reports shall transfer to the state  
40 general fund any moneys in the state charitable raffle regulation fund on  
41 each such date in excess of the amount required to pay all operating  
42 expenses of the administrator related to the administration and  
43 enforcement of the Kansas charitable bingo and raffle act.

1 New Sec. 10. There is hereby created the charitable raffle refund fund  
2 in the state treasury. The Kansas charitable raffle refund fund shall be a  
3 refund clearing fund and refunds of the fees imposed under section 5, and  
4 amendments thereto, shall be made from such fund. The charitable raffle  
5 refund fund shall be maintained by the administrator from the license and  
6 registration fees received and taxes collected under the Kansas charitable  
7 bingo and raffle act in an amount sufficient for such refunds not to exceed  
8 \$10,000.

9 New Sec. 11. (a) In addition to or in lieu of any other civil or criminal  
10 penalty provided by law, the administrator, upon a finding that a licensee  
11 has violated any provision of the Kansas charitable bingo and raffle act or  
12 any rule and regulation adopted pursuant thereto, shall impose on such  
13 licensee a civil fine not exceeding \$500 for each violation.

14 (b) No fine shall be imposed pursuant to this section except upon the  
15 written order of the administrator to the licensee who committed the  
16 violation. Such order shall state the violation, the fine to be imposed and  
17 the right of the licensee to appeal the order. Such order shall be subject to  
18 appeal and review in the manner provided by the Kansas administrative  
19 procedure act.

20 (c) Any fine collected pursuant to this section shall be remitted to the  
21 state treasurer in accordance with the provisions of K.S.A. 75-4215, and  
22 amendments thereto. Upon receipt of each such remittance, the state  
23 treasurer shall deposit the entire amount in the state treasury to the credit  
24 of the state charitable raffle regulation fund.

25 New Sec. 12. (a) The secretary of revenue shall designate an  
26 administrator of charitable bingo and raffles. The administrator of  
27 charitable bingo and raffles shall be in the unclassified service and shall  
28 receive an annual salary fixed by the secretary of revenue and approved by  
29 the governor.

30 (b) Under the supervision of the secretary, the administration and  
31 enforcement of the Kansas charitable bingo and raffle act and any rules  
32 and regulations adopted pursuant thereto shall be vested in the  
33 administrator. The administrator's exclusive duties shall be the  
34 administration and enforcement of the Kansas charitable bingo and raffle  
35 act and any rules and regulations adopted pursuant thereto. The  
36 administrator shall be solely accountable to and report to the secretary of  
37 revenue.

38 (c) Upon recommendation of the administrator, the secretary shall  
39 adopt all rules and regulations necessary for the administration and  
40 enforcement of the Kansas charitable bingo and raffle act by the  
41 administrator.

42 New Sec. 13. If any provision of the Kansas charitable bingo and  
43 raffle act or the application thereof to any person or circumstances is held

1 unconstitutional or otherwise invalid, such unconstitutionality or invalidity  
2 shall not affect other provisions or applications of the act which can be  
3 given effect without the unconstitutional or invalid provision or  
4 application, and, to this end, the provisions of this act are severable.

5 New Sec. 14. The secretary of revenue shall adopt rules and  
6 regulations governing the conduct of bingo and raffles by nonprofit  
7 religious, charitable, fraternal, educational and veterans' organizations. The  
8 rules and regulations may include, but not be limited to, standards for the  
9 preparation, sale and accountability of tickets, the conduct of drawings and  
10 the awarding of prizes.

11 Sec. 15. K.S.A. 2014 Supp. 21-6403 is hereby amended to read as  
12 follows: 21-6403. As used in K.S.A. 2014 Supp. 21-6403 through 21-  
13 6409, and amendments thereto:

14 (a) "Bet" means a bargain in which the parties agree that, dependent  
15 upon chance, one stands to win or lose something of value specified in the  
16 agreement. A bet does not include:

17 (1) Bona fide business transactions which are valid under the law of  
18 contracts including, but not limited to, contracts for the purchase or sale at  
19 a future date of securities or other commodities, and agreements to  
20 compensation for loss caused by the happening of the chance including,  
21 but not limited to, contracts of indemnity or guaranty and life or health and  
22 accident insurance;

23 (2) offers of purses, prizes or premiums to the actual contestants in  
24 any bona fide contest for the determination of skill, speed, strength or  
25 endurance or to the bona fide owners of animals or vehicles entered in  
26 such a contest;

27 (3) a lottery as defined in this section;

28 (4) any bingo game by or for participants managed, operated or  
29 conducted in accordance with the laws of the state of Kansas by an  
30 organization licensed by the state of Kansas to manage, operate or conduct  
31 games of bingo;

32 (5) a lottery operated by the state pursuant to the Kansas lottery act;

33 (6) any system of parimutuel wagering managed, operated and  
34 conducted in accordance with the Kansas parimutuel racing act; ~~or~~

35 (7) tribal gaming; *or*

36 (8) *charitable raffles managed, operated and conducted in*  
37 *accordance with the Kansas charitable bingo and raffle act, K.S.A. 79-*  
38 *4701 et seq., and amendments thereto;*

39 (b) "lottery" means an enterprise wherein for a consideration the  
40 participants are given an opportunity to win a prize, the award of which is  
41 determined by chance. A lottery does not include:

42 (1) A lottery operated by the state pursuant to the Kansas lottery act;

43 or

1 (2) tribal gaming;

2 (c) "consideration" means anything which is a commercial or  
3 financial advantage to the promoter or a disadvantage to any participant.  
4 Mere registration without purchase of goods or services; personal  
5 attendance at places or events, without payment of an admission price or  
6 fee; listening to or watching radio and television programs; answering the  
7 telephone or making a telephone call and acts of like nature are not  
8 consideration. "Consideration" shall not include sums of money paid by or  
9 for:

10 (1) Participants in any bingo game managed, operated or conducted  
11 in accordance with the laws of the state of Kansas by any bona fide  
12 nonprofit religious, charitable, fraternal, educational or veteran  
13 organization licensed to manage, operate or conduct bingo games under  
14 the laws of the state of Kansas and it shall be conclusively presumed that  
15 such sums paid by or for such participants were intended by such  
16 participants to be for the benefit of the sponsoring organizations for the use  
17 of such sponsoring organizations in furthering the purposes of such  
18 sponsoring organizations, as set forth in the appropriate paragraphs of  
19 ~~subsection (e) or (d) of section 501(c) or (d)~~ of the internal revenue code  
20 of 1986 and as set forth in K.S.A. 79-4701, and amendments thereto;

21 (2) participants in any lottery operated by the state pursuant to the  
22 Kansas lottery act;

23 (3) participants in any system of parimutuel wagering managed,  
24 operated and conducted in accordance with the Kansas parimutuel racing  
25 act; or

26 (4) a person to participate in tribal gaming;

27 (d) (1) "gambling device" means any:

28 (A) So-called "slot machine" or any other machine, mechanical  
29 device, electronic device or other contrivance an essential part of which is  
30 a drum or reel with insignia thereon, and:

31 (i) Which when operated may deliver, as the result of chance, any  
32 money or property; or

33 (ii) by the operation of which a person may become entitled to  
34 receive, as the result of chance, any money or property;

35 (B) other machine, mechanical device, electronic device or other  
36 contrivance including, but not limited to, roulette wheels and similar  
37 devices, which are equipped with or designed to accommodate the addition  
38 of a mechanism that enables accumulated credits to be removed, is  
39 equipped with or designed to accommodate a mechanism to record the  
40 number of credits removed or is otherwise designed, manufactured or  
41 altered primarily for use in connection with gambling, and:

42 (i) Which when operated may deliver, as the result of chance, any  
43 money or property; or



1 (ii) by the operation of which a person may become entitled to  
2 receive, as the result of chance, any money or property;

3 (C) subassembly or essential part intended to be used in connection  
4 with any such machine, mechanical device, electronic device or other  
5 contrivance, but which is not attached to any such machine, mechanical  
6 device, electronic device or other contrivance as a constituent part; or

7 (D) any token, chip, paper, receipt or other document which  
8 evidences, purports to evidence or is designed to evidence participation in  
9 a lottery or the making of a bet.

10 The fact that the prize is not automatically paid by the device does not  
11 affect its character as a gambling device.

12 (2) "Gambling device" shall not include:

13 (A) Any machine, mechanical device, electronic device or other  
14 contrivance used or for use by a licensee of the Kansas racing commission  
15 as authorized by law and rules and regulations adopted by the commission  
16 or by the Kansas lottery or Kansas lottery retailers as authorized by law  
17 and rules and regulations adopted by the Kansas lottery commission;

18 (B) any machine, mechanical device, electronic device or other  
19 contrivance, such as a coin-operated bowling alley, shuffleboard, marble  
20 machine, a so-called pinball machine, or mechanical gun, which is not  
21 designed and manufactured primarily for use in connection with gambling,  
22 and:

23 (i) Which when operated does not deliver, as a result of chance, any  
24 money; or

25 (ii) by the operation of which a person may not become entitled to  
26 receive, as the result of the application of an element of chance, any  
27 money;

28 (C) any so-called claw, crane or digger machine and similar devices  
29 which are designed and manufactured primarily for use at carnivals or  
30 county or state fairs; or

31 (D) any machine, mechanical device, electronic device or other  
32 contrivance used in tribal gaming;

33 (e) "gambling place" means any place, room, building, vehicle, tent  
34 or location which is used for any of the following: Making and settling  
35 bets; receiving, holding, recording or forwarding bets or offers to bet;  
36 conducting lotteries; or playing gambling devices. Evidence that the place  
37 has a general reputation as a gambling place or that, at or about the time in  
38 question, it was frequently visited by persons known to be commercial  
39 gamblers or known as frequenters of gambling places is admissible on the  
40 issue of whether it is a gambling place;

41 (f) "tribal gaming" means the same as in K.S.A. 74-9802, and  
42 amendments thereto; and

43 (g) "tribal gaming commission" means the same as in K.S.A. 74-

1 9802, and amendments thereto.

2 Sec. 16. K.S.A. 2014 Supp. 75-5133 is hereby amended to read as  
3 follows: 75-5133. (a) Except as otherwise more specifically provided by  
4 law, all information received by the secretary of revenue, the director of  
5 taxation or the director of alcoholic beverage control from returns, reports,  
6 license applications or registration documents made or filed under the  
7 provisions of any law imposing any sales, use or other excise tax  
8 administered by the secretary of revenue, the director of taxation, or the  
9 director of alcoholic beverage control, or from any investigation conducted  
10 under such provisions, shall be confidential, and it shall be unlawful for  
11 any officer or employee of the department of revenue to divulge any such  
12 information except in accordance with other provisions of law respecting  
13 the enforcement and collection of such tax, in accordance with proper  
14 judicial order or as provided in K.S.A. 74-2424, and amendments thereto.

15 (b) The secretary of revenue or the secretary's designee may:

16 (1) Publish statistics, so classified as to prevent identification of  
17 particular reports or returns and the items thereof;

18 (2) allow the inspection of returns by the attorney general or the  
19 attorney general's designee;

20 (3) provide the post auditor access to all such excise tax reports or  
21 returns in accordance with and subject to the provisions of ~~subsection (g)~~  
22 ~~of~~ K.S.A. 46-1106(g), and amendments thereto;

23 (4) disclose taxpayer information from excise tax returns to persons  
24 or entities contracting with the secretary of revenue where the secretary  
25 has determined disclosure of such information is essential for completion  
26 of the contract and has taken appropriate steps to preserve confidentiality;

27 (5) provide information from returns and reports filed under article 42  
28 of chapter 79 of the Kansas Statutes Annotated, and amendments thereto,  
29 to county appraisers as is necessary to insure proper valuations of property.  
30 Information from such returns and reports may also be exchanged with any  
31 other state agency administering and collecting conservation or other taxes  
32 and fees imposed on or measured by mineral production;

33 (6) provide, upon request by a city or county clerk or treasurer or  
34 finance officer of any city or county receiving distributions from a local  
35 excise tax, monthly reports identifying each retailer doing business in such  
36 city or county or making taxable sales sourced to such city or county,  
37 setting forth the tax liability and the amount of such tax remitted by each  
38 retailer during the preceding month, and identifying each business location  
39 maintained by the retailer and such retailer's sales or use tax registration or  
40 account number;

41 (7) provide information from returns and applications for registration  
42 filed pursuant to K.S.A. 12-187, and amendments thereto, and K.S.A. 79-  
43 3601, and amendments thereto, to a city or county treasurer or clerk or

1 finance officer to explain the basis of statistics contained in reports  
2 provided by subsection (b)(6);

3 (8) disclose the following oil and gas production statistics received by  
4 the department of revenue in accordance with K.S.A. 79-4216 et seq., and  
5 amendments thereto: Volumes of production by well name, well number,  
6 operator's name and identification number assigned by the state  
7 corporation commission, lease name, leasehold property description,  
8 county of production or zone of production, name of purchaser and  
9 purchaser's tax identification number assigned by the department of  
10 revenue, name of transporter, field code number or lease code, tax period,  
11 exempt production volumes by well name or lease, or any combination of  
12 this information;

13 (9) release or publish liquor brand registration information provided  
14 by suppliers, farm wineries, microdistilleries and microbreweries in  
15 accordance with the liquor control act. The information to be released is  
16 limited to: Item number, universal numeric code, type status, product  
17 description, alcohol percentage, selling units, unit size, unit of  
18 measurement, supplier number, supplier name, distributor number and  
19 distributor name;

20 (10) release or publish liquor license information provided by liquor  
21 licensees, distributors, suppliers, farm wineries, microdistilleries and  
22 microbreweries in accordance with the liquor control act. The information  
23 to be released is limited to: County name, owner, business name, address,  
24 license type, license number, license expiration date and the process agent  
25 contact information;

26 (11) release or publish cigarette and tobacco license information  
27 obtained from cigarette and tobacco licensees in accordance with the  
28 Kansas cigarette and tobacco products act. The information to be released  
29 is limited to: County name, owner, business name, address, license type  
30 and license number;

31 (12) provide environmental surcharge or solvent fee, or both,  
32 information from returns and applications for registration filed pursuant to  
33 K.S.A. 65-34,150 and 65-34,151, and amendments thereto, to the secretary  
34 of health and environment or the secretary's designee for the sole purpose  
35 of ensuring that retailers collect the environmental surcharge tax or solvent  
36 fee, or both;

37 (13) provide water protection fee information from returns and  
38 applications for registration filed pursuant to K.S.A. 82a-954, and  
39 amendments thereto, to the secretary of the state board of agriculture or the  
40 secretary's designee and the secretary of the Kansas water office or the  
41 secretary's designee for the sole purpose of verifying revenues deposited to  
42 the state water plan fund;

43 (14) provide to the secretary of commerce copies of applications for

1 project exemption certificates sought by any taxpayer under the enterprise  
2 zone sales tax exemption pursuant to ~~subsection (cc) of~~ K.S.A. 79-  
3 3606(cc), and amendments thereto;

4 (15) disclose information received pursuant to the Kansas cigarette  
5 and tobacco act and subject to the confidentiality provisions of this act to  
6 any criminal justice agency, as defined in ~~subsection (c) of~~ K.S.A. 22-  
7 4701(c), and amendments thereto, or to any law enforcement officer, as  
8 defined in K.S.A. 2014 Supp. 21-5111, and amendments thereto, on behalf  
9 of a criminal justice agency, when requested in writing in conjunction with  
10 a pending investigation;

11 (16) provide to retailers tax exemption information for the sole  
12 purpose of verifying the authenticity of tax exemption numbers issued by  
13 the department;

14 (17) provide information concerning remittance by sellers, as defined  
15 in K.S.A. 2014 Supp. 12-5363, and amendments thereto, of prepaid  
16 wireless 911 fees from returns to the local collection point administrator,  
17 as defined in K.S.A. 2014 Supp. 12-5363, and amendments thereto, for  
18 purposes of verifying seller compliance with collection and remittance of  
19 such fees; and

20 (18) release or publish charitable gaming information obtained in  
21 bingo *and charitable raffle* licensee and registration applications and  
22 renewals in accordance with the ~~bingo~~ *Kansas charitable bingo and raffle*  
23 act, K.S.A. 79-4701 et seq., and amendments thereto. The information to  
24 be released is limited to: The name, address, phone number, license  
25 registration number and email address of the organization, distributor or of  
26 premises.

27 (c) Any person receiving any information under the provisions of  
28 subsection (b) shall be subject to the confidentiality provisions of  
29 subsection (a) and to the penalty provisions of subsection (d).

30 (d) Any violation of this section shall be a class A, nonperson  
31 misdemeanor, and if the offender is an officer or employee of this state,  
32 such officer or employee shall be dismissed from office. Reports of  
33 violations of this paragraph shall be investigated by the attorney general.  
34 The district attorney or county attorney and the attorney general shall have  
35 authority to prosecute any violation of this section if the offender is a city  
36 or county clerk or treasurer or finance officer of a city or county.

37 Sec. 17. K.S.A. 2014 Supp. 79-3603 is hereby amended to read as  
38 follows: 79-3603. For the privilege of engaging in the business of selling  
39 tangible personal property at retail in this state or rendering or furnishing  
40 any of the services taxable under this act, there is hereby levied and there  
41 shall be collected and paid a tax at the rate of 6.15%. Within a  
42 redevelopment district established pursuant to K.S.A. 74-8921, and  
43 amendments thereto, there is hereby levied and there shall be collected and

1 paid an additional tax at the rate of 2% until the earlier of the date the  
2 bonds issued to finance or refinance the redevelopment project have been  
3 paid in full or the final scheduled maturity of the first series of bonds  
4 issued to finance any part of the project upon:

5 (a) The gross receipts received from the sale of tangible personal  
6 property at retail within this state;

7 (b) the gross receipts from intrastate, interstate or international  
8 telecommunications services and any ancillary services sourced to this  
9 state in accordance with K.S.A. 2014 Supp. 79-3673, and amendments  
10 thereto, except that telecommunications service does not include: (1) Any  
11 interstate or international 800 or 900 service; (2) any interstate or  
12 international private communications service as defined in K.S.A. 2014  
13 Supp. 79-3673, and amendments thereto; (3) any value-added nonvoice  
14 data service; (4) any telecommunication service to a provider of  
15 telecommunication services which will be used to render  
16 telecommunications services, including carrier access services; or (5) any  
17 service or transaction defined in this section among entities classified as  
18 members of an affiliated group as provided by section 1504 of the federal  
19 internal revenue code of 1986, as in effect on January 1, 2001;

20 (c) the gross receipts from the sale or furnishing of gas, water,  
21 electricity and heat, which sale is not otherwise exempt from taxation  
22 under the provisions of this act, and whether furnished by municipally or  
23 privately owned utilities, except that, on and after January 1, 2006, for  
24 sales of gas, electricity and heat delivered through mains, lines or pipes to  
25 residential premises for noncommercial use by the occupant of such  
26 premises, and for agricultural use and also, for such use, all sales of  
27 propane gas, the state rate shall be 0%; and for all sales of propane gas, LP  
28 gas, coal, wood and other fuel sources for the production of heat or  
29 lighting for noncommercial use of an occupant of residential premises, the  
30 state rate shall be 0%, but such tax shall not be levied and collected upon  
31 the gross receipts from: (1) The sale of a rural water district benefit unit;  
32 (2) a water system impact fee, system enhancement fee or similar fee  
33 collected by a water supplier as a condition for establishing service; or (3)  
34 connection or reconnection fees collected by a water supplier;

35 (d) the gross receipts from the sale of meals or drinks furnished at any  
36 private club, drinking establishment, catered event, restaurant, eating  
37 house, dining car, hotel, drugstore or other place where meals or drinks are  
38 regularly sold to the public;

39 (e) the gross receipts from the sale of admissions to any place  
40 providing amusement, entertainment or recreation services including  
41 admissions to state, county, district and local fairs, but such tax shall not  
42 be levied and collected upon the gross receipts received from sales of  
43 admissions to any cultural and historical event which occurs triennially;

1 (f) the gross receipts from the operation of any coin-operated device  
2 dispensing or providing tangible personal property, amusement or other  
3 services except laundry services, whether automatic or manually operated;

4 (g) the gross receipts from the service of renting of rooms by hotels,  
5 as defined by K.S.A. 36-501, and amendments thereto, or by  
6 accommodation brokers, as defined by K.S.A. 12-1692, and amendments  
7 thereto, but such tax shall not be levied and collected upon the gross  
8 receipts received from sales of such service to the federal government and  
9 any agency, officer or employee thereof in association with the  
10 performance of official government duties;

11 (h) the gross receipts from the service of renting or leasing of tangible  
12 personal property except such tax shall not apply to the renting or leasing  
13 of machinery, equipment or other personal property owned by a city and  
14 purchased from the proceeds of industrial revenue bonds issued prior to  
15 July 1, 1973, in accordance with the provisions of K.S.A. 12-1740 through  
16 12-1749, and amendments thereto, and any city or lessee renting or leasing  
17 such machinery, equipment or other personal property purchased with the  
18 proceeds of such bonds who shall have paid a tax under the provisions of  
19 this section upon sales made prior to July 1, 1973, shall be entitled to a  
20 refund from the sales tax refund fund of all taxes paid thereon;

21 (i) the gross receipts from the rendering of dry cleaning, pressing,  
22 dyeing and laundry services except laundry services rendered through a  
23 coin-operated device whether automatic or manually operated;

24 (j) the gross receipts from the rendering of the services of washing  
25 and washing and waxing of vehicles;

26 (k) the gross receipts from cable, community antennae and other  
27 subscriber radio and television services;

28 (l) (1) except as otherwise provided by paragraph (2), the gross  
29 receipts received from the sales of tangible personal property to all  
30 contractors, subcontractors or repairmen for use by them in erecting  
31 structures, or building on, or otherwise improving, altering, or repairing  
32 real or personal property.

33 (2) Any such contractor, subcontractor or repairman who maintains  
34 an inventory of such property both for sale at retail and for use by them for  
35 the purposes described by paragraph (1) shall be deemed a retailer with  
36 respect to purchases for and sales from such inventory, except that the  
37 gross receipts received from any such sale, other than a sale at retail, shall  
38 be equal to the total purchase price paid for such property and the tax  
39 imposed thereon shall be paid by the deemed retailer;

40 (m) the gross receipts received from fees and charges by public and  
41 private clubs, drinking establishments, organizations and businesses for  
42 participation in sports, games and other recreational activities, but such tax  
43 shall not be levied and collected upon the gross receipts received from: (1)

1 Fees and charges by any political subdivision, by any organization exempt  
2 from property taxation pursuant to ~~paragraph Ninth of~~ K.S.A. 79-201  
3 *Ninth*, and amendments thereto, or by any youth recreation organization  
4 exclusively providing services to persons 18 years of age or younger  
5 which is exempt from federal income taxation pursuant to section 501(c)  
6 (3) of the federal internal revenue code of 1986, for participation in sports,  
7 games and other recreational activities; and (2) entry fees and charges for  
8 participation in a special event or tournament sanctioned by a national  
9 sporting association to which spectators are charged an admission which is  
10 taxable pursuant to subsection (e);

11 (n) the gross receipts received from dues charged by public and  
12 private clubs, drinking establishments, organizations and businesses,  
13 payment of which entitles a member to the use of facilities for recreation  
14 or entertainment, but such tax shall not be levied and collected upon the  
15 gross receipts received from: (1) Dues charged by any organization exempt  
16 from property taxation pursuant to ~~paragraphs Eighth and Ninth of~~ K.S.A.  
17 79-201 *Eighth and Ninth*, and amendments thereto; and (2) sales of  
18 memberships in a nonprofit organization which is exempt from federal  
19 income taxation pursuant to section 501(c)(3) of the federal internal  
20 revenue code of 1986, and whose purpose is to support the operation of a  
21 nonprofit zoo;

22 (o) the gross receipts received from the isolated or occasional sale of  
23 motor vehicles or trailers but not including: (1) The transfer of motor  
24 vehicles or trailers by a person to a corporation or limited liability  
25 company solely in exchange for stock securities or membership interest in  
26 such corporation or limited liability company; or (2) the transfer of motor  
27 vehicles or trailers by one corporation or limited liability company to  
28 another when all of the assets of such corporation or limited liability  
29 company are transferred to such other corporation or limited liability  
30 company; or (3) the sale of motor vehicles or trailers which are subject to  
31 taxation pursuant to the provisions of K.S.A. 79-5101 et seq., and  
32 amendments thereto, by an immediate family member to another  
33 immediate family member. For the purposes of ~~clause paragraph~~ (3),  
34 immediate family member means lineal ascendants or descendants, and  
35 their spouses. Any amount of sales tax paid pursuant to the Kansas  
36 retailers sales tax act on the isolated or occasional sale of motor vehicles or  
37 trailers on and after July 1, 2004, which the base for computing the tax  
38 was the value pursuant to ~~subsections (a), (b)(1) and (b)(2) of~~ K.S.A. 79-  
39 5105(a), (b)(1) and (b)(2), and amendments thereto, when such amount  
40 was higher than the amount of sales tax which would have been paid under  
41 the law as it existed on June 30, 2004, shall be refunded to the taxpayer  
42 pursuant to the procedure prescribed by this section. Such refund shall be  
43 in an amount equal to the difference between the amount of sales tax paid

1 by the taxpayer and the amount of sales tax which would have been paid  
2 by the taxpayer under the law as it existed on June 30, 2004. Each claim  
3 for a sales tax refund shall be verified and submitted not later than six  
4 months from the effective date of this act to the director of taxation upon  
5 forms furnished by the director and shall be accompanied by any  
6 additional documentation required by the director. The director shall  
7 review each claim and shall refund that amount of tax paid as provided by  
8 this act. All such refunds shall be paid from the sales tax refund fund, upon  
9 warrants of the director of accounts and reports pursuant to vouchers  
10 approved by the director of taxation or the director's designee. No refund  
11 for an amount less than \$10 shall be paid pursuant to this act. In  
12 determining the base for computing the tax on such isolated or occasional  
13 sale, the fair market value of any motor vehicle or trailer traded in by the  
14 purchaser to the seller may be deducted from the selling price;

15 (p) the gross receipts received for the service of installing or applying  
16 tangible personal property which when installed or applied is not being  
17 held for sale in the regular course of business, and whether or not such  
18 tangible personal property when installed or applied remains tangible  
19 personal property or becomes a part of real estate, except that no tax shall  
20 be imposed upon the service of installing or applying tangible personal  
21 property in connection with the original construction of a building or  
22 facility, the original construction, reconstruction, restoration, remodeling,  
23 renovation, repair or replacement of a residence or the construction,  
24 reconstruction, restoration, replacement or repair of a bridge or highway.

25 For the purposes of this subsection:

26 (1) "Original construction" shall mean the first or initial construction  
27 of a new building or facility. The term "original construction" shall include  
28 the addition of an entire room or floor to any existing building or facility,  
29 the completion of any unfinished portion of any existing building or  
30 facility and the restoration, reconstruction or replacement of a building,  
31 facility or utility structure damaged or destroyed by fire, flood, tornado,  
32 lightning, explosion, windstorm, ice loading and attendant winds,  
33 terrorism or earthquake, but such term, except with regard to a residence,  
34 shall not include replacement, remodeling, restoration, renovation or  
35 reconstruction under any other circumstances;

36 (2) "building" shall mean only those enclosures within which  
37 individuals customarily are employed, or which are customarily used to  
38 house machinery, equipment or other property, and including the land  
39 improvements immediately surrounding such building;

40 (3) "facility" shall mean a mill, plant, refinery, oil or gas well, water  
41 well, feedlot or any conveyance, transmission or distribution line of any  
42 cooperative, nonprofit, membership corporation organized under or subject  
43 to the provisions of K.S.A. 17-4601 et seq., and amendments thereto, or



1 municipal or quasi-municipal corporation, including the land  
2 improvements immediately surrounding such facility;

3 (4) "residence" shall mean only those enclosures within which  
4 individuals customarily live;

5 (5) "utility structure" shall mean transmission and distribution lines  
6 owned by an independent transmission company or cooperative, the  
7 Kansas electric transmission authority or natural gas or electric public  
8 utility; and

9 (6) "windstorm" shall mean straight line winds of at least 80 miles per  
10 hour as determined by a recognized meteorological reporting agency or  
11 organization;

12 (q) the gross receipts received for the service of repairing, servicing,  
13 altering or maintaining tangible personal property which when such  
14 services are rendered is not being held for sale in the regular course of  
15 business, and whether or not any tangible personal property is transferred  
16 in connection therewith. The tax imposed by this subsection shall be  
17 applicable to the services of repairing, servicing, altering or maintaining an  
18 item of tangible personal property which has been and is fastened to,  
19 connected with or built into real property;

20 (r) the gross receipts from fees or charges made under service or  
21 maintenance agreement contracts for services, charges for the providing of  
22 which are taxable under the provisions of subsection (p) or (q);

23 (s) on and after January 1, 2005, the gross receipts received from the  
24 sale of prewritten computer software and the sale of the services of  
25 modifying, altering, updating or maintaining prewritten computer  
26 software, whether the prewritten computer software is installed or  
27 delivered electronically by tangible storage media physically transferred to  
28 the purchaser or by load and leave;

29 (t) the gross receipts received for telephone answering services;

30 (u) the gross receipts received from the sale of prepaid calling service  
31 and prepaid wireless calling service as defined in K.S.A. 2014 Supp. 79-  
32 3673, and amendments thereto; ~~and~~

33 ~~(v) the gross receipts received from the sales of bingo cards, bingo~~  
34 ~~faces and instant bingo tickets by licensees under K.S.A. 79-4701 et seq.,~~  
35 ~~and amendments thereto, shall be taxed at a rate of: (1) 4.9% on July 1,~~  
36 ~~2000, and before July 1, 2001; and (2) 2.5% on July 1, 2001, and before~~  
37 ~~July 1, 2002. From and after July 1, 2002, all sales of bingo cards, bingo~~  
38 ~~faces and instant bingo tickets by licensees under the Kansas charitable~~  
39 ~~bingo and raffle act, K.S.A. 79-4701 et seq., and amendments thereto,~~  
40 ~~shall be exempt from taxes imposed pursuant to this section; and~~

41 *(w) all sales of charitable raffle tickets in accordance with the*  
42 *Kansas charitable bingo and raffle act, K.S.A. 79-4701 et seq., and*  
43 *amendments thereto, shall be exempt from taxes imposed pursuant to this*

1 *section.*

2 Sec. 18. K.S.A. 2014 Supp. 79-4701 is hereby amended to read as  
3 follows: 79-4701. As used in ~~this act~~ *K.S.A. 79-4701 through 79-4716, and*  
4 *amendments thereto:*

5 (a) "Act" means the ~~bingo~~ *Kansas charitable bingo and raffle act.*

6 (b) "Administrator" means the administrator of charitable gaming  
7 designated by the secretary pursuant to ~~K.S.A. 2014 Supp. 79-4717-~~  
8 *section 12, and amendments thereto.*

9 (c) "Bingo" or "games of bingo" means the games of call bingo and  
10 instant bingo.

11 (d) "Bingo card" or "card" means a reusable card which is marked off  
12 into 25 squares arranged in five horizontal rows of five squares each and  
13 five vertical rows of five squares each, with each square being designated  
14 by a number, letter or combination of numbers and letters. Only the center  
15 square shall be designated with the word "free." No two cards in the same  
16 game shall be identical.

17 (e) "Bingo face" or "face" means a piece of paper which is marked off  
18 into 25 squares arranged in five horizontal rows of five squares each and  
19 five vertical rows of five squares each, with each square being designated  
20 by a number, letter or combination of numbers and letters. Only the center  
21 square shall be designated with the word "free." No two bingo faces in the  
22 same game shall be identical. Faces shall be disposable and shall not be  
23 reused after the game in which a player has used such face.

24 (f) (1) "Call bingo" means a game in which: (1) (A) Each player pays  
25 a charge; (2) (B) a prize or prizes are awarded to the winner or winners; (3)  
26 (C) each player receives one or more cards or faces; and (4) (D) each  
27 player covers the squares on each card or face as the operator of such  
28 game announces a number, letter or combination of numbers and letters  
29 appearing on an object selected by chance, either manually or  
30 mechanically from a receptacle in which have been placed objects bearing  
31 numbers, letters or combinations of numbers and letters corresponding to  
32 the system used for designating the squares. The winner of each game is  
33 the player or players first covering properly a predetermined and  
34 announced pattern of squares upon the card or face being used by such  
35 player or players.

36 (2) "Call bingo" shall include any regular, special, mini and  
37 progressive game of bingo.

38 (3) "Call bingo" shall not include any game utilizing an electronic or  
39 computerized card system.

40 (g) "Department" means the department of revenue.

41 (h) "Director" means the director of taxation.

42 (i) "Distributor" means any person or entity that sells or distributes  
43 instant bingo tickets, bingo cards or bingo faces.

1 (j) (1) "Instant bingo" means a game: (1) (A) In which each player  
2 pays a charge; (2) (B) in which a prize or prizes are awarded to the winner  
3 or winners; (3) (C) in which each player receives one or more disposable  
4 pull-tab or break-open tickets which accord a player an opportunity to win  
5 something of value by opening or detaching the paper covering from the  
6 back of the ticket to reveal a set of numbers, letters, symbols or  
7 configurations, or any combination thereof; (4) (D) which is conducted by  
8 a licensee under this act; (5) (E) the conduct of which must be in the  
9 presence of the players; and (6) (F) which does not utilize any dice,  
10 normal playing cards, instant ticket with a removable latex covering or slot  
11 machines. Winners of instant bingo shall be determined either: (1) (A) By a  
12 combination of letters, numbers or symbols determined and posted prior to  
13 the sale of instant bingo tickets; (2) (B) by matching a letter, number or  
14 symbol under a tab of an instant bingo ticket with the winning letter,  
15 number or symbol in a designated call game of bingo during the same  
16 session; or (3) (C) by matching a letter, number or symbol under a tab of  
17 an instant bingo ticket with one or more letters, numbers or symbols  
18 announced in, or as a continuation of, a designated call game of bingo  
19 during the same session.

20 (2) "Instant bingo" shall not include any game utilizing electronically  
21 generated or computer-generated tickets.

22 (k) "Lessor" means the owner, co-owner, lessor or sublessor of  
23 premises upon which a licensee is permitted to manage, operate or conduct  
24 games of bingo, ~~whether or not a written lease has been entered into and~~  
25 ~~submitted to the administrator as required in subsection (c) of K.S.A. 79-~~  
26 ~~4703, and amendments thereto,~~ and includes all political subdivisions and  
27 other public agencies.

28 (l) "Licensee" means any nonprofit organization holding a license to  
29 manage, operate or conduct games of bingo pursuant to K.S.A. 79-4701 et  
30 seq., and amendments thereto.

31 (m) "Mini bingo" means a game of call bingo in which the prizes  
32 awarded are not less than 50% of the gross receipts derived from the sale  
33 of cards or faces for participation in the game, but not more than \$50.

34 (n) "Net proceeds" means the gross receipts received by the licensee  
35 from charges imposed on players for participation in games of bingo and  
36 any admission fees or charges less amounts actually paid as prizes in  
37 games of bingo and any tax payable by the licensee.

38 (o) "Nonprofit religious organization" means any organization,  
39 church, body of communicants, or group, gathered in common  
40 membership for mutual support and edification in piety, worship, and  
41 religious observances, or a society of individuals united for religious  
42 purposes at a definite place and of which no part of the net earnings inures  
43 to the benefit of any private shareholder or individual member of such

1 organization, and which religious organization maintains an established  
2 place of worship within this state and has a regular schedule of services or  
3 meetings at least on a weekly basis and has been determined by the  
4 administrator to be organized and created as a bona fide religious  
5 organization and which has been exempted from the payment of federal  
6 income taxes as provided by section 501(c)(3) or section 501(d) of the  
7 federal internal revenue code of 1986, as amended, or determined to be  
8 organized and operated as a bona fide nonprofit religious organization by  
9 the administrator.

10 (p) "Nonprofit charitable organization" means any organization which  
11 is organized and operated for:

12 (1) The relief of poverty, distress, or other condition of public  
13 concern within this state; or

14 (2) for financially supporting the activities of a charitable  
15 organization as defined in paragraph (1); or

16 (3) for conferring direct benefits on the community at large; and of  
17 which no part of the net earnings inures to the benefit of any private  
18 shareholder or individual member of such organization and has been  
19 determined by the administrator to be organized and operated as a bona  
20 fide charitable organization and which has been exempted from the  
21 payment of federal income taxes as provided by sections 501(c)(3), 501(c)  
22 (4), 501(c)(5), 501(c)(6) and 501(c)(7) of the federal internal revenue code  
23 of 1986, as amended, or determined to be organized and operated as a  
24 bona fide nonprofit charitable organization by the administrator.

25 (q) "Nonprofit fraternal organization" means any organization within  
26 this state which exists for the common benefit, brotherhood, or other  
27 interests of its members and is authorized by its written constitution,  
28 charter, articles of incorporation or bylaws to engage in a fraternal, civic or  
29 service purpose within this state and has been determined by the  
30 administrator to be organized and operated as a bona fide fraternal  
31 organization and which has been exempted from the payment of federal  
32 income taxes as provided by section 501(c)(8) or section 501(c)(10) of the  
33 federal internal revenue code of 1986, as amended, or determined to be  
34 organized and operated as a bona fide nonprofit fraternal organization by  
35 the administrator.

36 (r) "Nonprofit educational organization" means any public or private  
37 elementary or secondary school or institution of higher education which  
38 has been determined by the administrator to be organized and operated as a  
39 bona fide educational organization and which has been exempted from the  
40 payment of federal income taxes as provided by section 501(c)(3) of the  
41 federal internal revenue code of 1986, as amended, or determined to be  
42 organized and operated as a bona fide nonprofit educational organization  
43 by the administrator.

1 (s) "Nonprofit veterans' organization" means any organization within  
2 this state or any branch, lodge, or chapter of a national or state  
3 organization within this state, the membership of which consists  
4 exclusively of individuals who qualify for membership because they were  
5 or are members of the armed services or forces of the United States, or an  
6 auxiliary unit or society of such a nonprofit veterans' organization the  
7 membership of which consists exclusively of individuals who were or are  
8 members of the armed services or forces of the United States, or are  
9 cadets, or are spouses, widows or widowers of individuals who were or are  
10 members of the armed services or forces of the United States, and of  
11 which no part of the net earnings inures to the benefit of any private  
12 shareholder or individual member of such organization, and has been  
13 determined by the administrator to be organized and operated as a bona  
14 fide veterans' organization and which has been exempted from the  
15 payment of federal income taxes as provided by section 501(c)(4) or  
16 501(c)(19) of the federal internal revenue code of 1986, as amended, or  
17 determined to be organized and operated as a bona fide nonprofit veterans'  
18 organization by the administrator.

19 (t) "Person" means any natural person, corporation, partnership, trust  
20 or association.

21 (u) "Premises" means any room, hall, building, enclosure or outdoor  
22 area used for the management, operation or conduct of a game of bingo by  
23 a licensee.

24 (v) "Progressive bingo" means a game of call bingo in which either  
25 the established prize amount or number of bingo balls or objects called, or  
26 both, may be increased from one session to the next scheduled session if  
27 no player completes the required pattern within the specified number of  
28 bingo balls or objects drawn. The player's opportunity to win shall increase  
29 as the prize amount increases.

30 (w) "Regular game of bingo" means any game of bingo which is  
31 subject to ~~the 25 game limit and \$50 prize limit imposed by~~ K.S.A. 79-  
32 4706, and amendments thereto.

33 (x) "Secretary" means the secretary of revenue or the secretary's  
34 designee.

35 (y) "Session" means a day on which a licensee conducts games of  
36 bingo.

37 Sec. 19. K.S.A. 2014 Supp. 79-4703 is hereby amended to read as  
38 follows: 79-4703. (a) Any bona fide nonprofit religious, charitable,  
39 fraternal, educational or veterans' organization desiring to manage, operate  
40 or conduct games of bingo within the state of Kansas may make  
41 application for a license therefor in the manner provided under this  
42 section. Application for licenses required under the provisions of this act  
43 shall be made to the administrator upon forms prescribed by the

1 administrator. The application shall contain:

2 (1) The name and address of the organization;

3 (2) the particular place or location for which a license is desired;

4 (3) a sworn statement verifying that such organization is a bona fide  
5 nonprofit religious, charitable, fraternal, educational or veterans'  
6 organization authorized to operate within the state of Kansas signed by the  
7 presiding officer and secretary of the organization; and

8 (4) such other information as may be required by the administrator.

9 (b) No bingo license shall be issued to any bona fide nonprofit  
10 religious, charitable, fraternal, educational or veterans' organization if any  
11 of its officers, directors or officials or persons employed on the premises:

12 (1) Has been convicted of, has pleaded guilty to or pleaded nolo  
13 contendere to a violation of gambling laws of any state or the gambling  
14 laws of the United States, or shall have forfeited bond to appear in court to  
15 answer charges for any such violation, or has been convicted or pleaded  
16 guilty or pleaded nolo contendere to the violation of any law of this or any  
17 other state which is classed as a felony under the laws of such state;

18 (2) at the time of application for renewal of a bingo license issued  
19 hereunder would not be eligible for such license upon a first application.

20 (c) An application for a license required under the provisions of this  
21 act shall be accompanied by a fee of \$25 and if such organization is to  
22 conduct bingo on any leased premises, the terms of the lease shall be  
23 reduced to writing and a copy of the lease shall be submitted to the  
24 administrator. The administrator shall have the power and authority to  
25 approve or disapprove any lease submitted. No lease, which has been  
26 approved by the administrator, shall be amended, modified or renewed in  
27 any manner until such amendments, modifications or renewals of such  
28 lease have been approved by and are on file with the administrator. No  
29 lease submitted to the administrator shall be approved unless:

30 (1) ~~The rental cost of the premises itself is fair and reasonable. The~~  
31 ~~rent charged for any session of bingo shall not exceed 50% of the net~~  
32 ~~proceeds for the session or the fair and reasonable rental value determined~~  
33 ~~by the administrator, whichever is less. The rental costs so charged shall be~~  
34 ~~substantiated to the administrator under rules and regulations adopted~~  
35 ~~pursuant to the bingo act.~~

36 (2) ~~Any costs additional to the costs under paragraph (1) of this~~  
37 ~~subsection (c) which are to be borne by the lessee shall reflect the actual~~  
38 ~~costs incurred by the lessor and first shall be substantiated to the~~  
39 ~~administrator under rules and regulations adopted pursuant to the bingo~~  
40 ~~act.~~

41 (3) ~~No costs shall be borne by the lessee unless such costs are~~  
42 ~~enumerated in the lease submitted to the administrator.~~

43 (d) Each license issued shall expire at midnight on June 30 following

1 its date of issuance. A licensee may hold only one license and that license  
2 is valid for only one location. However, any licensee may operate or  
3 conduct games of bingo, ~~not to exceed five days in any one year,~~ at  
4 locations other than that specified in the license. If any licensee does  
5 operate or conduct games of bingo under this provision at a location other  
6 than that specified in the license, such licensee shall submit a written  
7 notification to the administrator, at least three days prior to operating or  
8 conducting bingo at such other location. No organization shall be issued a  
9 license to operate or conduct games of bingo at any location outside the  
10 county *or an adjoining county* within which such organization is located as  
11 reported in its application for licensure pursuant to subsection (a). ~~No~~  
12 ~~licensee shall operate or conduct games of bingo at any location outside~~  
13 ~~the county within which such licensee is located.~~ Licenses issued under the  
14 provisions of this act shall not be transferred or assignable. If any  
15 organization licensed to play bingo changes any of its officers, directors or  
16 officials during the term of its bingo license, such organization shall report  
17 the names and addresses of such individuals to the administrator  
18 immediately with the sworn statement of each such individual as required  
19 by this section on forms prescribed by the administrator. No organization  
20 which denies its membership to persons for the reason of their race, color  
21 or physical handicap, shall be granted or allowed to retain a license issued  
22 under the authority of this act. Except for nonprofit adult care homes  
23 licensed under the laws of the state of Kansas, no license shall be issued to  
24 any organization under the provisions of this act which has not been in  
25 existence continuously within the state of Kansas for a period of 18  
26 months immediately preceding the date of making application for a  
27 license. The licensee shall display the license in a prominent place in the  
28 vicinity of the area where it is to conduct bingo.

29 (e) No lessor of premises used for the management, operation or  
30 conduct of any games of bingo shall permit the management, operation or  
31 conduct of bingo games on such premises unless such lessor has been  
32 issued a registration certificate by the administrator. Application for  
33 registration shall be accompanied by a fee of \$100. Such application shall  
34 be made upon forms prescribed by the administrator and shall be  
35 submitted to the administrator. The application shall contain:

36 (1) The name or names of the lessor of premises which will be used  
37 for the management, operation or conduct of any games of bingo  
38 including, in the case of a corporation, partnership, association, trust or  
39 other entity, the names of all individuals having more than a 10%  
40 ownership interest, either directly or indirectly in such entity;

41 (2) the address of such premises;

42 (3) the name or names of any and all organizations which will  
43 manage, operate or conduct any games of bingo on such premises during

1 the period for which the registration certificate is valid; *and*

2 (4) such other information as may be required by the administrator.

3 (f) Each registration certificate, or renewal thereof, issued under the  
4 provisions of subsection (e) shall expire at midnight on June 30 following  
5 its date of issuance. The certificate of registration shall be valid for only  
6 one premises and shall be displayed in a prominent place in the registered  
7 premises.

8 (g) No registration certificate *issued under subsection (e)* shall be  
9 issued for any premises if any individual who is connected in any way,  
10 directly or indirectly, with the owner or lessor of the premises, within five  
11 years prior to registration, has been convicted of or pleaded guilty or nolo  
12 contendere to any felony or illegal gambling activity or purchased a tax  
13 stamp for wagering or gambling activity.

14 Sec. 20. K.S.A. 2014 Supp. 79-4704 is hereby amended to read as  
15 follows: 79-4704. For the purpose of providing revenue which may be  
16 used by the state and for the privilege of operating or conducting games of  
17 bingo under the authority of this act:

18 (a) There is hereby levied and there shall be collected and paid by  
19 each licensee a tax at the rate of 3% upon the gross receipts received by  
20 the licensee from charges for participation in call bingo games using bingo  
21 cards and any admission fees or charges. The tax imposed by this section  
22 shall be in addition to the license fee imposed under K.S.A. 79-4703, and  
23 amendments thereto.

24 (b) There is hereby levied and there shall be collected and paid by  
25 each distributor a tax at a rate of \$0.002 upon each bingo face sold or  
26 distributed by the distributor to each licensee conducting call bingo games  
27 within the state of Kansas. The distributor shall include the tax due under  
28 this subsection in the sales price of each bingo face paid by the licensee  
29 and such tax shall be itemized separately on the invoice provided to the  
30 licensee.

31 (c) There is hereby levied and there shall be collected and paid by  
32 each distributor a tax at a rate of 1% upon the total of the printed retail  
33 sales price of all tickets in each box of instant bingo tickets sold or  
34 distributed by the distributor to each licensee conducting instant bingo  
35 games within the state of Kansas. The distributor shall include the tax due  
36 under this subsection in the sales price of each box paid by the licensee  
37 and such tax shall be itemized separately on the invoice provided to the  
38 licensee.

39 (d) *If a distributor does not receive payment in full from a licensed*  
40 *organization within 60 days of the delivery of call bingo and instant bingo*  
41 *supplies, the supplier shall notify the administrator in writing of the*  
42 *delinquency. Upon receipt of the notice of delinquency, the administrator*  
43 *may revoke or suspend the license of such delinquent organization.*



1       ~~(d)~~ (e) Whenever, in the judgment of the administrator, it is necessary,  
2 in order to secure the collection of the tax due under subsection (b), the  
3 administrator shall require any distributor subject to such tax to file a bond  
4 with the director under conditions established by and in such form and  
5 amount as prescribed by rules and regulations adopted by the secretary.

6       Sec. 21. K.S.A. 2014 Supp. 79-4705 is hereby amended to read as  
7 follows: 79-4705. (a) On dates prescribed by the administrator, every  
8 ~~operator~~ licensee shall make a return to the administrator upon forms  
9 prescribed by the administrator. Such form shall contain:

10       (1) The name and address of the licensee;

11       (2) the amount of the gross receipts received from charges for  
12 participation in games using bingo cards during the preceding reporting  
13 period;

14       (3) the number of bingo faces and the name of the distributor from  
15 whom such faces were purchased or otherwise obtained during the  
16 preceding reporting period;

17       (4) the amount of the gross receipts received from charges for  
18 admission to the premises for participation in games of bingo during the  
19 preceding reporting period;

20       (5) the number of each denomination of instant bingo tickets sold  
21 during the preceding reporting period; and

22       (6) such other information as the administrator may deem necessary.

23       (b) At the time of making such return, licensees conducting call bingo  
24 games using bingo cards shall remit to the administrator the amount of the  
25 tax then due under ~~subsection (a) of~~ K.S.A. 79-4704(a), and amendments  
26 thereto. The administrator may extend the time for the payment of such  
27 taxes for a period not exceeding 60 days under rules and regulations  
28 adopted pursuant to ~~the bingo~~ this act.

29       (c) On dates prescribed by the administrator, every distributor shall  
30 make a return to the administrator upon forms prescribed by the  
31 administrator. Such form shall state:

32       (1) The number of instant bingo tickets sold or distributed to each  
33 licensee;

34       (2) the amount of the retail sales price of such tickets;

35       (3) the number of bingo cards sold or distributed to each licensee;

36       (4) the number of bingo faces sold or distributed to each licensee; and

37       (5) and such other information as the administrator may deem  
38 necessary. At the time of making such return, the distributor shall remit to  
39 the administrator an amount equal to 98% of the tax due under ~~subsection~~  
40 ~~(b) of~~ K.S.A. 79-4704(b), and amendments thereto.

41       (d) If any licensee or distributor fails to make a return or remit any  
42 tax, when required to do so by the provisions of this act, except in the case  
43 of an extension of time granted by the administrator, there shall be added

1 to the tax determined to be due a penalty of 25% of the amount of such  
2 tax, together with interest at the rate per month prescribed by ~~subsection~~  
3 ~~(a)~~ of K.S.A. 79-2968(a), and amendments thereto, from the date the tax  
4 was due until paid.

5 (e) If any tax determined and assessed by the administrator is not  
6 remitted due to fraud with intent to evade the tax imposed by this act, there  
7 shall be added thereto a penalty of 50% of the amount of such tax, together  
8 with interest at the rate per month prescribed by subsection (a) of K.S.A.  
9 79-2968, and amendments thereto, from the date the tax was due until  
10 paid.

11 (f) Whenever, in the judgment of the administrator, the failure of any  
12 licensee or distributor to comply with the provisions of subsection (a), (b)  
13 or (c) was due to reasonable cause, the administrator, in the administrator's  
14 discretion, may waive or reduce any of the penalties or interest imposed by  
15 this section, upon making a record of the reason therefor.

16 (g) The penalties imposed under this section shall be in addition to all  
17 other penalties imposed by law.

18 Sec. 22. K.S.A. 2014 Supp. 79-4706 is hereby amended to read as  
19 follows: 79-4706. Games of bingo shall be managed, operated and  
20 conducted in accordance with ~~the bingo~~ *this* act and rules and regulations  
21 adopted pursuant thereto and the following restrictions:

22 (a) The entire gross receipts received by any licensee from the  
23 operation or conduct of games of bingo, except that portion utilized for the  
24 payment of the cost of prizes and license fees and taxes on games of bingo  
25 imposed under the provisions of this act, shall be used exclusively for the  
26 lawful purposes of the licensee permitted to conduct that game.

27 (b) Games of bingo managed, conducted or operated by a licensee,  
28 shall be managed, conducted or operated only by a bona fide member or  
29 spouse of a bona fide member of the licensee or parent organization or an  
30 auxiliary unit or society of such licensee or of the beneficiary organization.  
31 During each session of bingo there must be at least one member of the  
32 licensee organization on duty and assisting with the game. Such member  
33 must be listed with the office of charitable gaming.

34 ~~(c) No lessor, employee of such lessor or employee, officer or~~  
35 ~~shareholder of a for profit corporation which is the lessor shall play any~~  
36 ~~game of bingo or participate in any drawing on premises leased by any~~  
37 ~~such lessor nor shall such person be responsible for or assist in the~~  
38 ~~management, operation or conduct of any game of bingo or drawing on~~  
39 ~~such premises.~~

40 ~~(d)~~ (c) No person may participate in the management, conduct or  
41 operation of bingo games by a licensee if such person, within five years  
42 prior to such participation, has been convicted of or pleaded guilty or nolo  
43 contendere to any felony or illegal gambling activity or purchased a tax

1 stamp for wagering or gambling activity.

2 ~~(e) (d)~~ No person may receive any remuneration or profit for  
3 participating in the management, conduct or operation of any game of  
4 bingo managed, conducted or operated by a licensee. ~~Food offered in the~~  
5 ~~course of a volunteer duty shift and consumed on the premises shall not be~~  
6 ~~considered remuneration, provided the retail value of such food offered~~  
7 ~~does not exceed \$10 per volunteer Any employee of the licensee may assist~~  
8 ~~in the conduct of any bingo game.~~

9 ~~(f) (e)~~ The aggregate value of all prizes including the retail value of  
10 all merchandise awarded or offered by a licensee in a single session to  
11 winners of games of regular and special call bingo shall not exceed  
12 \$1,200. ~~The administrator shall increase the call bingo cap on July 1,~~  
13 ~~each year to reflect changes in the consumer price index for all urban~~  
14 ~~consumers as published by the United States department of labor for the~~  
15 ~~preceding calendar year.~~ The value of a prize awarded in a progressive or  
16 mini bingo game shall not be included when determining the limit imposed  
17 by this subsection. Any monetary prize of ~~\$500~~ \$1,199 or more awarded in  
18 games of bingo shall be paid by a check drawn on the bingo trust bank  
19 account of the licensee. Any monetary prize awarded in games of bingo  
20 shall be paid by a check on the bingo trust bank account of the licensee  
21 upon the request of the winner of such award.

22 ~~(g)~~ The total number of regular, special and progressive call bingo  
23 games managed, operated or conducted by any licensee in any session  
24 shall not exceed 25 and not more than five of such games shall be special  
25 games. ~~Not more than one licensee may conduct bingo games at a given~~  
26 ~~location or registered premises in any one session.~~

27 ~~(h)~~ The prize awarded by a licensee in any one regular call bingo  
28 game shall not exceed \$50. ~~The prize in any one special call bingo game~~  
29 ~~shall not exceed \$500.~~

30 ~~(i) (f)~~ The retail value of any merchandise received by a winner of a  
31 bingo game shall be considered as the cash value for the purposes of  
32 determining the value of the prize.

33 ~~(j)~~ The charge made by a licensee for a single instant bingo ticket  
34 shall not exceed \$2.

35 ~~(k)~~ Games of bingo shall not be managed, operated or conducted by  
36 any licensee on more than two calendar days in any one week.

37 ~~(l) (g)~~ All licenses issued under the provisions of this act shall be  
38 issued in the name of the organization licensed.

39 ~~(m) (h)~~ Each licensee shall keep a record of all games of bingo  
40 managed, operated or conducted by it for a period of three years following  
41 the date the game is managed, operated or conducted.

42 ~~(n) (i)~~ No person under the age of 18 years shall participate in the  
43 management, operation or conduct of any game of bingo managed,

1 operated or conducted by a licensee under the provisions of this act and no  
2 licensee shall sell any instant bingo ticket to a person under the age of 18  
3 years.

4 ~~(o) A lessor of premises used for the management, operation or~~  
5 ~~conduct of games of bingo or a licensee may not advertise games of bingo~~  
6 ~~except to the extent and in the manner prescribed by the rules and~~  
7 ~~regulations adopted pursuant to the bingo act. Any advertisement of any~~  
8 ~~game of bingo by or on behalf of such lessor or licensee shall specify the~~  
9 ~~organization which is managing, operating or conducting such game. The~~  
10 ~~announcement of the cancellation of a game of bingo shall not be~~  
11 ~~considered to be an advertisement.~~

12 ~~(p) (1) Except as provided by paragraph (2) of this subsection, no~~  
13 ~~game of chance or contest where a prize is awarded, other than games of~~  
14 ~~bingo, shall be conducted on any premises where licensees are conducting~~  
15 ~~games of bingo, where the intent of such game of chance or contest is to~~  
16 ~~induce participation in such games of bingo.~~

17 ~~(2) One drawing during a session may be conducted by the licensee~~  
18 ~~or the lessor of the premises. Only a nonmonetary prize having a value not~~  
19 ~~exceeding \$25 shall be awarded to the winner of such drawing. There shall~~  
20 ~~be no charge for participation in such drawing. There shall be no~~  
21 ~~requirement to purchase anything of value in order to participate in such~~  
22 ~~drawing. No more than four such drawings shall be conducted by each~~  
23 ~~licensee or lessor during any calendar year.~~

24 ~~(q) No licensee shall manage, operate or conduct bingo on any leased~~  
25 ~~premises or with leased equipment unless all of the terms and conditions~~  
26 ~~of rental or use, including the rental of chairs, bingo equipment, tables,~~  
27 ~~security guards, janitor service or any other services, are set forth in a lease~~  
28 ~~submitted, approved and on file with the administrator.~~

29 ~~(r) No premises shall be used for the management, operation or~~  
30 ~~conduct of games of bingo by licensees on more than three calendar days~~  
31 ~~in any one week.~~

32 ~~(s) No premises shall be subdivided to provide multiple premises~~  
33 ~~where games of bingo are managed, operated or conducted by licensees,~~  
34 ~~whether or not the multiple premises have different addresses.~~

35 ~~(t) No game of bingo shall be managed, operated or conducted by~~  
36 ~~licensees on leased premises if at any time during the immediately~~  
37 ~~preceding 44 hours the premises, or any leased premises within 1,000 feet~~  
38 ~~of them, have been used for the management, operation or conduct of a~~  
39 ~~game of bingo.~~

40 ~~(u) (j) Every licensee who has gross receipts of \$1,000 or more~~  
41 ~~received from participation in games, admission fees or charges and from~~  
42 ~~any other source directly related to the operation or conduct of any games~~  
43 ~~of bingo in any calendar month shall maintain a bingo trust bank account~~

1 into which all such receipts are deposited daily and from which all  
2 payments are made relating to the management, operation or conduct of  
3 any games of bingo, ~~except payment of prizes of less than \$200.~~ Having  
4 once established such bingo trust bank account, the licensee shall continue  
5 to make deposits of all receipts therein. Every licensee shall notify the  
6 administrator of the name of the bank in which the bingo trust bank  
7 account is maintained, together with the number and name of the account.  
8 Every licensee who maintains a bingo trust bank account shall maintain a  
9 complete record of all deposits and withdrawals from such bank account  
10 and the same shall be available to the administrator to audit at any  
11 reasonable time.

12 The records required under this subsection are in addition to all other  
13 records required to be kept by the licensee. The records required by this  
14 subsection shall be maintained in the same place as all other records  
15 required to be kept by the licensee.

16 ~~(v) No instant bingo ticket shall be sold by a licensee more than two~~  
17 ~~hours prior to the start of the first regular or special game of call bingo of a~~  
18 ~~session or one hour after the termination of the last game of call bingo~~  
19 ~~operated or conducted by the licensee for such session.~~

20 ~~(w)~~ (k) No licensee shall purchase or obtain bingo faces or instant  
21 bingo tickets from any person or entity other than a distributor registered  
22 pursuant to K.S.A. 79-4712a, and amendments thereto.

23 ~~(x)~~ (l) All instant bingo tickets sold or distributed to licensees shall  
24 bear on the face thereof a unique serial number which shall not be repeated  
25 on the same manufacturer's form number less than every three years. All  
26 instant bingo tickets shall be sold or distributed in boxes. Each box shall  
27 be sealed by the manufacturer with a seal which includes a warning to the  
28 purchaser that the box may have been tampered with if the box was  
29 received by the purchaser with the seal broken. Each box of instant bingo  
30 tickets shall contain tickets printed in such a manner as to insure that at  
31 least 60% of the gross revenues generated by the ultimate sale of all tickets  
32 from such box shall be returned to the final purchasers of such tickets. No  
33 box of instant bingo tickets may be opened by a licensee unless all tickets  
34 contained in a previously opened box with the same form number have  
35 been sold.

36 ~~(y)~~ (m) Each box of instant bingo tickets sold or distributed to  
37 licensees shall be accompanied by a flare which contains the following  
38 information: (1) The name of the game; (2) the manufacturer's name or  
39 logo; (3) the game form number; (4) the ticket count in the game; (5) the  
40 prize structure for the game, which includes the number of winning tickets  
41 by denomination and their respective winning symbol or number  
42 combinations; (6) the cost per ticket; (7) the game serial number; and (8)  
43 the winning numbers or symbols for the top three winning tiers set out in

1 such a manner that each prize may be marked off as the prize is won and  
2 awarded; ~~(9) the business name of the distributor; and (10) if sold or~~  
3 ~~distributed to a licensee under the bingo act, the Kansas bingo license~~  
4 ~~number of the licensee to which the game is sold.~~

5 ~~(z) (1) No progressive game may exceed 20 consecutive sessions~~  
6 ~~conducted by a licensee prior to the awarding of the established prize.~~

7 ~~(2) No more than two progressive bingo games may be conducted in~~  
8 ~~any one session.~~

9 ~~(3) A prize for a progressive game may start at an amount not to~~  
10 ~~exceed \$400.~~

11 ~~(4) (n) (1) Progressive bingo games may be conducted in conjunction~~  
12 ~~with a session of bingo.~~

13 (2) If the progressive bingo game prize is not awarded at a bingo  
14 session, the progressive bingo game shall be continued at a future occasion  
15 until such time a winner is determined. The winning prize shall be the full  
16 amount. If there is no winner of a progressive bingo game at a session, a  
17 stated consolation prize in an amount not to exceed ~~\$400~~ \$1,000 may be  
18 awarded. Any consolation prize shall be less than the value of the  
19 progressive bingo game prize amount.

20 ~~(5) (3) All progressive bingo games and rules for such games shall be~~  
21 ~~described fully and posted in the house rules prior to the start of the~~  
22 ~~session. Such games shall comply with requirements imposed under the~~  
23 ~~bingo this act and any rules and regulations adopted pursuant thereto.~~

24 ~~(6) (4) When a person achieves the first preannounced winning~~  
25 ~~combination, the game shall be completed and the next progressive bingo~~  
26 ~~game and winning combination shall be commenced with a new bingo~~  
27 ~~card or face and all objects or balls in the receptacle.~~

28 ~~(7) (5) The rules for a progressive bingo game shall remain in effect~~  
29 ~~until the game ends and the winner is determined.~~

30 ~~(8) (6) Progressive bingo games may not be conducted in conjunction~~  
31 ~~with a session of bingo conducted at a location other than that specified in~~  
32 ~~the license as authorized by subsection (c) of K.S.A. 79-4703, and~~  
33 ~~amendments thereto No progressive bingo game may exceed 20~~  
34 ~~consecutive sessions conducted by a licensee prior to the awarding of the~~  
35 ~~established prize.~~

36 ~~(9) (7) A licensee shall not cease bingo operations unless all~~  
37 ~~progressive bingo games are completed and prizes are awarded, unless~~  
38 ~~prior approval has been received from the secretary.~~

39 ~~(aa) Except as specifically provided by rules and regulations adopted~~  
40 ~~pursuant to the bingo act, the distribution, sale or use of bingo cards is~~  
41 ~~prohibited from and after July 1, 2003, and thereafter, only bingo faces~~  
42 ~~shall be distributed, sold or used in call bingo games operated and~~  
43 ~~conducted by licensees.~~

1       ~~(bb) There shall be no limit on the number of games of instant bingo,~~  
2 ~~in which the winner or winners of such game is determined by matching a~~  
3 ~~letter, number or symbol under a tab of an instant bingo ticket with the~~  
4 ~~winning letter, number or symbol in a designated call game of bingo~~  
5 ~~during the same session, which may be played in any one session. There~~  
6 ~~shall be no limit on the number of instant bingo tickets which may be sold~~  
7 ~~for participation in any such game of instant bingo.~~

8       ~~(cc) The total number of mini games of bingo managed, operated or~~  
9 ~~conducted by a licensee during a session shall not exceed 30 games. No~~  
10 ~~mini bingo game shall be conducted by a licensee more than two hours~~  
11 ~~prior to the first regular or special game of call bingo operated or~~  
12 ~~conducted by the licensee for such session, or one hour after the~~  
13 ~~termination of, the last regular or special game of call bingo operated or~~  
14 ~~conducted by the licensee for such session.~~

15       Sec. 23. K.S.A. 2014 Supp. 79-4707 is hereby amended to read as  
16 follows: 79-4707. (a) The administrator, after a hearing in accordance with  
17 the provisions of the Kansas administrative procedure act, may revoke or  
18 suspend any license or registration certificate issued under the provisions  
19 of this act for any of the following reasons:

20       (1) The licensee or registrant has obtained the license or registration  
21 certificate by giving false information in the application therefor;

22       (2) the licensee or registrant has violated any of the laws of the state  
23 of Kansas or provisions of this act or any rules and regulations adopted  
24 pursuant thereto for the registration, licensing, taxing, management,  
25 conduct or operation of games of bingo; or

26       (3) the licensee or registrant has become ineligible to obtain a license  
27 under this act.

28       (b) Any action of the administrator pursuant to subsection (a) is  
29 subject to review in accordance with the Kansas judicial review act. In  
30 case of the revocation of the license of any licensee or the registration of  
31 any registrant, no new license or registration shall be issued to such lessor,  
32 sublessor or organization, or any person acting for or on its behalf, for a  
33 period of six months thereafter. No revocation or suspension of a license or  
34 registration certificate shall be for a period in excess of one year if the  
35 applicant otherwise is qualified on the date the applicant makes a new  
36 application therefor.

37       (c) The administrator is hereby authorized to enjoin any person from  
38 managing, operating or conducting any games of bingo, or from leasing  
39 any premises for such purposes, if such person does not possess a valid  
40 license or registration certificate issued pursuant to the provisions of ~~the~~  
41 ~~bingo~~ *this* act. The administrator shall be entitled to have an order  
42 restraining such person from managing, operating or conducting any  
43 games of bingo or for any other purpose contrary to the provisions of ~~the~~

1 ~~bingo this~~ act or from leasing premises for any of such purposes. No bond  
2 shall be required for any such restraining order, nor for any temporary or  
3 permanent injunction issued in such proceedings.

4 Sec. 24. K.S.A. 2014 Supp. 79-4710 is hereby amended to read as  
5 follows: 79-4710. (a) All amounts received by or for the administrator  
6 from license and registration fees pursuant to this act shall be remitted to  
7 the state treasurer in accordance with the provisions of K.S.A. 75-4215,  
8 and amendments thereto. Upon receipt of each such remittance, the state  
9 treasurer shall deposit the entire amount in the state treasury to the credit  
10 of the state bingo regulation fund, except as provided by K.S.A. 79-4711,  
11 and amendments thereto.

12 (b) All amounts received by or for the administrator from the tax  
13 levied pursuant to K.S.A. 79-4704, and amendments thereto, shall be  
14 remitted to the state treasurer in accordance with the provisions of K.S.A.  
15 75-4215, and amendments thereto. Upon receipt of each such remittance,  
16 the state treasurer shall deposit the entire amount in the state treasury.

17 (c) There is hereby created, in the state treasury, the state bingo  
18 regulation fund. Except as provided by K.S.A. 79-4711, and amendments  
19 thereto,  $\frac{1}{3}$  of each deposit remitted to the state treasurer pursuant to  
20 subsection (b) shall be credited to the state bingo regulation fund and the  
21 balance shall be credited to the state general fund. Except as provided by  
22 subsections (d) and (e), all moneys in the state bingo regulation fund shall  
23 be expended for the administration and enforcement of ~~the bingo this~~ act,  
24 and amendments thereto, and rules and regulations adopted pursuant  
25 thereto. Such expenditures shall be made upon vouchers approved by the  
26 administrator.

27 (d) Except as otherwise provided by this act, all operating expenses  
28 of the administrator related to the administration and enforcement of ~~the~~  
29 ~~bingo this~~ act appropriated by the legislature shall be paid from the state  
30 bingo regulation fund. At the end of each fiscal year, the director of  
31 accounts and reports shall transfer to the state general fund any moneys in  
32 the state bingo regulation fund on each such date in excess of the amount  
33 required to pay all operating expenses of the administrator related to the  
34 administration and enforcement of ~~the bingo this~~ act.

35 (e) On July 1 of each year or as soon thereafter as sufficient moneys  
36 are available, \$20,000 credited to the state bingo regulation fund shall be  
37 transferred and credited to the problem gambling *and addictions* grant  
38 fund, established by K.S.A. 2014 Supp. 79-4805, and amendments thereto.

39 (f) Upon the effective date of this act, the director of accounts and  
40 reports shall transfer all moneys in the county and city bingo tax fund to  
41 the state bingo regulation fund. Upon the effective date of this act, all  
42 liabilities of the county and city bingo tax fund existing prior to the  
43 effective date are hereby imposed on the state bingo regulation fund. The



1 county and city bingo tax fund is hereby abolished.

2 Sec. 25. K.S.A. 2014 Supp. 79-4711 is hereby amended to read as  
3 follows: 79-4711. There is hereby created the bingo refund fund in the  
4 state treasury. The bingo refund fund shall be a refund clearing fund and  
5 refunds of the fees imposed under K.S.A. 79-4703, and amendments  
6 thereto, and of the tax levied under K.S.A. 79-4704, and amendments  
7 thereto, shall be made from such fund. The bingo refund fund shall be  
8 maintained by the administrator from the license and registration fees  
9 received and taxes collected under ~~the bingo~~ *this act* in an amount  
10 sufficient for such refunds not to exceed \$10,000.

11 Sec. 26. K.S.A. 2014 Supp. 79-4712a is hereby amended to read as  
12 follows: 79-4712a. (a) No person or entity shall sell or distribute any bingo  
13 faces, bingo cards or instant bingo tickets to any licensee unless such  
14 person or entity has been issued a distributor registration certificate by the  
15 administrator. Application for registration shall be submitted to the  
16 administrator and shall be accompanied by a fee of \$500 and shall be made  
17 upon forms prescribed by the administrator.

18 (b) Each distributor registration certificate shall expire at midnight on  
19 June 30 following its date of issuance. Application for renewal of a  
20 registration certificate shall be submitted to the administrator and shall be  
21 accompanied by a fee of \$500 and shall be made upon forms prescribed by  
22 the administrator.

23 (c) The administrator shall establish, by rules and regulations adopted  
24 under ~~the bingo~~ *this act*, reasonable criteria for approval of applications for  
25 registration. The administrator shall refuse to register a distributor if any  
26 owner, manager or employee thereof, within five years prior to  
27 registration, has been convicted of or pleaded guilty or nolo contendere to  
28 any felony or illegal gambling violation in this or any other jurisdiction.

29 (d) All distributors shall maintain for a period of not less than three  
30 years full and complete records of all bingo cards, bingo faces and instant  
31 bingo tickets sold or distributed to licensees. Such records shall be made  
32 available for inspection by any authorized representative of the  
33 administrator.

34 Sec. 27. K.S.A. 2014 Supp. 79-4713 is hereby amended to read as  
35 follows: 79-4713. (a) In addition to or in lieu of any other civil or criminal  
36 penalty provided by law, the administrator, upon a finding that a licensee,  
37 lessor or distributor has violated any provision of ~~the bingo act~~ *this act* or  
38 any rule and regulation adopted pursuant thereto, shall impose on such  
39 licensee, lessor or distributor a civil fine not exceeding \$500 for each  
40 violation.

41 (b) No fine shall be imposed pursuant to this section except upon the  
42 written order of the administrator to the licensee, lessor or distributor who  
43 committed the violation. Such order shall state the violation, the fine to be

1 imposed and the right of the licensee, lessor or distributor to appeal the  
2 order. Such order shall be subject to appeal and review in the manner  
3 provided by the Kansas administrative procedure act.

4 (c) Any fine collected pursuant to this section shall be remitted to the  
5 state treasurer in accordance with the provisions of K.S.A. 75-4215, and  
6 amendments thereto. Upon receipt of each such remittance, the state  
7 treasurer shall deposit the entire amount in the state treasury to the credit  
8 of the state bingo regulation fund.

9 Sec. 28. K.S.A. 2014 Supp. 79-4716 is hereby amended to read as  
10 follows: 79-4716. The administrator shall require, pursuant to rules and  
11 regulations adopted pursuant to ~~the bingo~~ *this* act, identification of each  
12 sheet of bingo faces in order to insure compliance with the provisions of  
13 this act. Each package of bingo faces sold or distributed to licensees shall  
14 be accompanied by a printed statement which contains the following  
15 information:

- 16 (a) The number of bingo faces contained in the package;  
17 (b) the wholesale cost of each package, including the tax paid;  
18 (c) identification of the manufacturer;  
19 (d) the business name of the distributor;  
20 (e) the Kansas bingo license number of the licensee to which the  
21 package is sold; and  
22 (f) any other information required by the administrator.

23 Sec. 29. K.S.A. 79-4708 and K.S.A. 2014 Supp. 21-6403, 75-5133,  
24 79-3603, 79-4701, 79-4701a, 79-4703, 79-4704, 79-4705, 79-4706, 79-  
25 4707, 79-4710, 79-4711, 79-4712a, 79-4713, 79-4716, 79-4717, 79-4718  
26 and 79-4719 are hereby repealed.

27 Sec. 30. This act shall take effect and be in force from and after its  
28 publication in the Kansas register.