

SENATE BILL No. 441

By Committee on Federal and State Affairs

1-24

AN ACT concerning bingo; relating to the regulation thereof; amending K.S.A. 79-4715 and K.S.A. 2001 Supp. 79-4701, 79-4704, 79-4705, 79-4706, 79-4713 and 79-4717 and repealing the existing sections; also repealing K.S.A. 2001 Supp. 79-4708.

Be it enacted by the Legislature of the State of Kansas:

Section 1. K.S.A. 2001 Supp. 79-4701 is hereby amended to read as follows: 79-4701. As used in this act:

(a) "Act" means the bingo act.

(b) "Administrator" means the administrator of charitable gaming designated by the secretary pursuant to K.S.A. 2001 Supp. 79-4717, and amendments thereto.

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

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

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

(f) "Call bingo" means a game in which: (1) Each player pays a charge; (2) a prize or prizes are awarded to the winner or winners; (3) each player receives one or more cards or faces; and (4) each player covers the squares on each card or face as the operator of such game announces a number, letter or combination of numbers and letters appearing on an object selected by chance, either manually or mechanically from a receptacle in which have been placed objects bearing numbers, letters or com-

1 binations of numbers and letters corresponding to the system used for
2 designating the squares. The winner of each game is the player or players
3 first covering properly a predetermined and announced pattern of squares
4 upon the card or face being used by such player or players. *A licensee*
5 *may require that a player have the last number called in order to win.*

6 “Call bingo” shall include any regular, special, mini and progressive
7 game of bingo.

8 “Call bingo” shall not include any game utilizing an electronic or com-
9 puterized card system.

10 (g) “Department” means the department of revenue.

11 (h) “Director” means the director of taxation.

12 (i) “Distributor” means any person or entity that sells or distributes
13 instant bingo tickets, bingo cards or bingo faces.

14 (j) “Instant bingo” means a game: (1) In which each player pays a
15 charge; (2) in which a prize or prizes are awarded to the winner or win-
16 ners; (3) in which each player receives one or more disposable pull-tab
17 or break-open tickets which accord a player an opportunity to win some-
18 thing of value by opening or detaching the paper covering from the back
19 of the ticket to reveal a set of numbers, letters, symbols or configurations,
20 or any combination thereof; (4) which is conducted by a licensee under
21 this act; (5) the conduct of which must be in the presence of the players;
22 and (6) which does not utilize any dice, normal playing cards, instant ticket
23 with a removable latex covering or slot machines. Winners of instant bingo
24 shall be determined either (1) by a combination of letters, numbers or
25 symbols determined and posted prior to the sale of instant bingo tickets
26 or (2) by matching a letter, number or symbol under a tab of an instant
27 bingo ticket with the winning letter, number or symbol in a designated
28 call game of bingo during the same session.

29 “Instant bingo” shall not include any game utilizing electronically gen-
30 erated or computer-generated tickets.

31 (k) “Lessor” means the owner, coowner, lessor or sublessor of prem-
32 ises upon which a licensee is permitted to manage, operate or conduct
33 games of bingo, whether or not a written lease has been entered into and
34 submitted to the administrator as required in subsection (c) of K.S.A. 79-
35 4703, and amendments thereto, and includes all political subdivisions and
36 other public agencies.

37 (l) “Licensee” means any nonprofit organization holding a license to
38 manage, operate or conduct games of bingo pursuant to K.S.A. 79-4701
39 *et seq.*, and amendments thereto.

40 (m) “Mini bingo *game*” means a game of call bingo in which the prizes
41 awarded are not less than 50% of the gross receipts derived from the sale
42 of cards or faces for participation in the game, but not more than \$50.

43 (n) “Net proceeds” means the gross receipts received by the licensee

1 from charges imposed on players for participation in games of bingo and
2 any admission fees or charges less amounts actually paid as prizes in
3 games of bingo and any tax payable by the licensee.

4 (o) "Nonprofit religious organization" means any organization,
5 church, body of communicants, or group, gathered in common member-
6 ship for mutual support and edification in piety, worship, and religious
7 observances, or a society of individuals united for religious purposes at a
8 definite place and of which no part of the net earnings inures to the
9 benefit of any private shareholder or individual member of such organi-
10 zation, and which religious organization maintains an established place of
11 worship within this state and has a regular schedule of services or meet-
12 ings at least on a weekly basis and has been determined by the adminis-
13 trator to be organized and created as a bona fide religious organization
14 and which has been exempted from the payment of federal income taxes
15 as provided by section 501(c)(3) or section 501(d) of the federal internal
16 revenue code of 1986, as amended, or determined to be organized and
17 operated as a bona fide nonprofit religious organization by the
18 administrator.

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

21 (1) The relief of poverty, distress, or other condition of public con-
22 cern within this state; or

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

25 (3) for conferring direct benefits on the community at large; and of
26 which no part of the net earnings inures to the benefit of any private
27 shareholder or individual member of such organization and has been de-
28 termined by the administrator to be organized and operated as a bona
29 fide charitable organization and which has been exempted from the pay-
30 ment of federal income taxes as provided by sections 501(c)(3), 501(c)(4),
31 501(c)(5), 501(c)(6) and 501(c)(7) of the federal internal revenue code of
32 1986, as amended, or determined to be organized and operated as a bona
33 fide nonprofit charitable organization by the administrator.

34 (q) "Nonprofit fraternal organization" means any organization within
35 this state which exists for the common benefit, brotherhood, or other
36 interests of its members and is authorized by its written constitution,
37 charter, articles of incorporation or bylaws to engage in a fraternal, civic
38 or service purpose within this state and has been determined by the ad-
39 ministrator to be organized and operated as a bona fide fraternal organi-
40 zation and which has been exempted from the payment of federal income
41 taxes as provided by section 501(c)(8) or section 501(c)(10) of the federal
42 internal revenue code of 1986, as amended, or determined to be organ-
43 ized and operated as a bona fide nonprofit fraternal organization by the

1 administrator.

2 (r) “Nonprofit educational organization” means any public or private
3 elementary or secondary school or institution of higher education which
4 has been determined by the administrator to be organized and operated
5 as a bona fide educational organization and which has been exempted
6 from the payment of federal income taxes as provided by section 501(c)(3)
7 of the federal internal revenue code of 1986, as amended, or determined
8 to be organized and operated as a bona fide nonprofit educational organ-
9 ization by the administrator.

10 (s) “Nonprofit veterans’ organization” means any organization within
11 this state or any branch, lodge, or chapter of a national or state organi-
12 zation within this state, the membership of which consists exclusively of
13 individuals who qualify for membership because they were or are mem-
14 bers of the armed services or forces of the United States, or an auxiliary
15 unit or society of such a nonprofit veterans’ organization the membership
16 of which consists exclusively of individuals who were or are members of
17 the armed services or forces of the United States, or are cadets, or are
18 spouses, widows or widowers of individuals who were or are members of
19 the armed services or forces of the United States, and of which no part
20 of the net earnings inures to the benefit of any private shareholder or
21 individual member of such organization, and has been determined by the
22 administrator to be organized and operated as a bona fide veterans’ or-
23 ganization and which has been exempted from the payment of federal
24 income taxes as provided by section 501(c)(4) or 501(c)(19) of the federal
25 internal revenue code of 1986, as amended, or determined to be organ-
26 ized and operated as a bona fide nonprofit veterans’ organization by the
27 administrator.

28 (t) “Person” means any natural person, corporation, partnership, trust
29 or association.

30 (u) “Premises” means any room, hall, building, enclosure or outdoor
31 area used for the management, operation or conduct of a game of bingo
32 by a licensee.

33 (v) “Progressive bingo *game*” means a game of call bingo in which
34 either the established prize amount or number of bingo balls or objects
35 called, or both, ~~may shall~~ be increased from one session to the next sched-
36 uled session if no player completes the required pattern within the spec-
37 ified number of bingo balls or objects drawn. ~~The player’s opportunity to~~
38 ~~win shall increase as the prize amount increases.~~

39 (w) “Regular ~~game of~~ bingo *game*” means any game of bingo which
40 is subject to the 25 game limit, \$50 prize limit and the \$1 charge limit
41 imposed under subsections (g), (h) and (j) of K.S.A. 79-4706, and amend-
42 ments thereto.

43 (x) “Secretary” means the secretary of revenue or the secretary’s

1 designee.

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

4 (z) "*Special bingo game*" means a game of call bingo which is subject
5 to the five game limit, \$500 prize limit and the \$1 charge limit imposed
6 under subsections (g), (h) and (j) of K.S.A. 79-4706, and amendments
7 thereto.

8 Sec. 2. K.S.A. 2001 Supp. 79-4704 is hereby amended to read as
9 follows: 79-4704. For the purpose of providing revenue which may be
10 used by the state and for the privilege of operating or conducting games
11 of bingo under the authority of this act:

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

18 (b) There is hereby levied and there shall be collected and paid by
19 each distributor a tax at a rate of \$0.002 upon each bingo face sold or
20 distributed by the distributor to each licensee conducting call bingo
21 games within the state of Kansas. The distributor shall include the tax
22 due under this subsection in the sales price of each bingo face paid by
23 the licensee and such tax shall be itemized separately on the invoice pro-
24 vided to the licensee.

25 (c) There is hereby levied and there shall be collected and paid by
26 each distributor a tax at a rate of 1% upon the total of the printed retail
27 sales price of all tickets in each box of instant bingo tickets sold or dis-
28 tributed by the distributor to each licensee conducting instant bingo
29 games within the state of Kansas. The distributor shall include the tax
30 due under this subsection in the sales price of each box paid by the li-
31 censee and such tax shall be itemized separately on the invoice provided
32 to the licensee.

33 (d) Whenever, in the judgment of the administrator, it is necessary,
34 in order to secure the collection of the tax due under subsection (b), the
35 administrator shall require any distributor subject to such tax to file a
36 bond with the ~~director~~ administrator under conditions established by and
37 in such form and amount as prescribed by rules and regulations adopted
38 by the secretary.

39 Sec. 3. K.S.A. 2001 Supp. 79-4705 is hereby amended to read as
40 follows: 79-4705. (a) On dates prescribed by the administrator, every op-
41 erator licensee shall make a return to the administrator upon forms pre-
42 scribed by the administrator. Such form shall contain:

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

1 (2) the amount of the gross receipts received from charges for par-
2 ticipation in games using bingo cards during the preceding reporting
3 period;

4 (3) the number of bingo faces and the name of the distributor from
5 whom such faces were purchased or otherwise obtained during the pre-
6 ceding reporting period;

7 (4) the amount of the gross receipts received from charges for ad-
8 mission to the premises for participation in games of bingo during the
9 preceding reporting period;

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

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

13 (b) At the time of making such return, licensees conducting call bingo
14 games using bingo cards shall remit to the administrator the amount of
15 the tax then due under subsection (a) of K.S.A. 79-4704, and amendments
16 thereto. The administrator may extend the time for the payment of such
17 taxes for a period not exceeding 60 days under rules and regulations
18 adopted pursuant to the bingo act.

19 (c) On dates prescribed by the administrator, every distributor shall
20 make a return to the administrator upon forms prescribed by the admin-
21 istrator. Such form shall state:

22 (1) the number of instant bingo tickets sold or distributed to each
23 licensee;

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

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

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

28 (5) and such other information as the administrator may deem nec-
29 essary. At the time of making such return, the distributor shall remit to
30 the administrator an amount equal to 98% of the tax due under subsection
31 (b) of K.S.A. 79-4704, and amendments thereto.

32 (d) If any licensee or distributor fails to make a return or remit any
33 tax, when required to do so by the provisions of this act, except in the
34 case of an extension of time granted by the administrator, there shall be
35 added to the tax determined to be due a penalty of 25% of the amount
36 of such tax, together with interest at the rate per month prescribed by
37 subsection (a) of K.S.A. 79-2968, and amendments thereto, from the date
38 the tax was due until paid.

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

1 due until paid.

2 (f) Whenever, in the judgment of the administrator, the failure of any
3 licensee or distributor to comply with the provisions of subsection (a), (b)
4 or (c) was due to reasonable cause, the administrator, in the administra-
5 tor's discretion, may waive or reduce any of the penalties or interest im-
6 posed by this section, upon making a record of the reason therefor.

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

9 Sec. 4. K.S.A. 2001 Supp. 79-4706 is hereby amended to read as
10 follows: 79-4706. Games of bingo shall be managed, operated and con-
11 ducted in accordance with the bingo act and rules and regulations adopted
12 pursuant thereto and the following restrictions:

13 (a) The entire gross receipts received by any licensee from the op-
14 eration or conduct of games of bingo, except that portion utilized for the
15 payment of the cost of prizes and license fees and taxes on games of bingo
16 imposed under the provisions of this act, shall be used exclusively for the
17 lawful purposes of the licensee permitted to conduct that game.

18 (b) Games of bingo managed, conducted or operated by a licensee,
19 shall be managed, conducted or operated only by a bona fide member or
20 spouse of a bona fide member of the licensee or parent organization or
21 an auxiliary unit or society of such licensee.

22 (c) No lessor, employee of such lessor or employee, officer or share-
23 holder of a for profit corporation which is the lessor shall play any game
24 of bingo or participate in any drawing on premises leased by any such
25 lessor nor shall such person be responsible for or assist in the manage-
26 ment, operation or conduct of any game of bingo or drawing on such
27 premises.

28 (d) No person may participate in the management, conduct or op-
29 eration of bingo games by a licensee if such person, within five years prior
30 to such participation, has been convicted of or pleaded guilty or *nolo*
31 *contendere* to any felony or illegal gambling activity or purchased a tax
32 stamp for wagering or gambling activity.

33 (e) No person may receive any remuneration or profit for participat-
34 ing in the management, conduct or operation of any game of bingo man-
35 aged, conducted or operated by a licensee.

36 (f) The aggregate value of all prizes including the ~~retail~~ *fair market*
37 value of all merchandise awarded or offered by a licensee in a single
38 session to winners of games of regular and special call bingo shall not
39 exceed \$1,200. The value of a prize awarded in a progressive or mini
40 bingo game shall not be included when determining the limit imposed
41 by this subsection. Any monetary prize of \$500 or more awarded in games
42 of bingo shall be paid by a check drawn on the bingo trust bank account
43 of the licensee. Any monetary prize awarded in games of bingo shall be

1 paid by a check on the bingo trust bank account of the licensee upon the
2 request of the winner of such award.

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

8 (h) The prize awarded by a licensee in any one regular call bingo
9 game shall not exceed \$50. The prize in any one special call bingo game
10 shall not exceed \$500.

11 (i) The retail value of any merchandise received by a winner of a
12 bingo game shall be considered as the cash value for the purposes of
13 determining the value of the prize.

14 (j) The charge made by a licensee for a bingo card or equivalent
15 number of bingo faces to play in regular bingo games in any one session
16 shall not exceed \$1. Such bingo card or equivalent number of bingo faces
17 shall be valid for all such regular bingo games conducted or operated by
18 the licensee in any one session. The charge made by a licensee for a single
19 bingo card or bingo face to play in any ~~single~~ *special*, mini or progressive
20 special game shall not exceed \$1. The charge made by a licensee for a
21 single instant bingo ticket shall not exceed \$1.

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

24 (l) All licenses issued under the provisions of this act shall be issued
25 in the name of the organization licensed.

26 (m) Each licensee shall keep a record of all games of bingo managed,
27 operated or conducted by it for a period of three years following the date
28 the game is managed, operated or conducted.

29 (n) No person under the age of 18 years shall participate in the man-
30 agement, operation or conduct of any game of bingo managed, operated
31 or conducted by a licensee under the provisions of this act and no licensee
32 shall sell any instant bingo ticket to a person under the age of 18 years.

33 (o) A lessor of premises used for the management, operation or con-
34 duct of games of bingo or a licensee may not advertise games of bingo
35 except to the extent and in the manner prescribed by the rules and reg-
36 ulations adopted pursuant to the bingo act. Any advertisement of any
37 game of bingo by or on behalf of such lessor or licensee shall specify the
38 organization which is managing, operating or conducting such game. The
39 announcement of the cancellation of a game of bingo shall not be con-
40 sidered to be an advertisement.

41 (p) (1) Except as provided by paragraph (2) of this subsection, no
42 game of chance or contest where a prize is awarded, other than games of
43 bingo, shall be conducted on any premises where licensees are conducting

1 games of bingo, where the intent of such game of chance or contest is to
2 induce participation in such games of bingo.

3 (2) One drawing during a session may be conducted by the licensee
4 or the lessor of the premises. Only a nonmonetary prize having a value
5 not exceeding \$25 shall be awarded to the winner of such drawing. There
6 shall be no charge for participation in such drawing. There shall be no
7 requirement to purchase anything of value in order to participate in such
8 drawing. No more than four of such drawings shall be conducted by each
9 licensee or lessor during any ~~calendar~~ license year.

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

15 (r) No premises shall be used for the management, operation or con-
16 duct of games of bingo by licensees on more than three calendar days in
17 any one week.

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

21 (t) No game of bingo shall be managed, operated or conducted by
22 licensees on leased premises if at any time during the immediately pre-
23 ceding 44 hours the premises, or any leased premises within 1,000 feet
24 of them, have been used for the management, operation or conduct of a
25 game of bingo.

26 (u) Every licensee who has gross receipts of \$1,000 or more received
27 from participation in games, admission fees or charges and from any other
28 source directly related to the operation or conduct of any games of bingo
29 in any calendar month shall maintain a bingo trust bank account into
30 which all such receipts are deposited daily and from which all payments
31 are made relating to the management, operation or conduct of any games
32 of bingo, except payment of prizes of less than ~~\$200~~ \$500. Having once
33 established such bingo trust bank account, the licensee shall continue to
34 make deposits of all receipts therein. Every licensee shall notify the ad-
35 ministrator of the name of the bank in which the bingo trust bank account
36 is maintained, together with the number and name of the account. Every
37 licensee who maintains a bingo trust bank account shall maintain a com-
38 plete record of all deposits and withdrawals from such bank account and
39 the same shall be available to the administrator to audit at any reasonable
40 time.

41 The records required under this subsection are in addition to all other
42 records required to be kept by the licensee. The records required by this
43 subsection shall be maintained in the same place as all other records

1 required to be kept by the licensee.

2 (v) No instant bingo ticket shall be sold by a licensee more than one
3 hour prior to the start of the first regular or special game of call bingo of
4 a session or after the termination of the last game of call bingo operated
5 or conducted by the licensee for such session.

6 (w) No licensee shall purchase or obtain bingo faces or instant bingo
7 tickets from any person or entity other than a distributor registered pur-
8 suant to K.S.A. 79-4712a, and amendments thereto.

9 (x) All instant bingo tickets sold or distributed to licensees shall bear
10 on the face thereof a unique serial number which shall not be repeated
11 on the same manufacturer's form number less than every three years. All
12 instant bingo tickets shall be sold or distributed in boxes. Each box shall
13 be sealed by the manufacturer with a seal which includes a warning to
14 the purchaser that the box may have been tampered with if the box was
15 received by the purchaser with the seal broken. Each box of instant bingo
16 tickets shall contain tickets printed in such a manner as to insure that at
17 least 60% of the gross revenues generated by the ultimate sale of all
18 tickets from such box shall be returned to the final purchasers of such
19 tickets. No box of instant bingo tickets may be opened by a licensee unless
20 all tickets contained in a previously opened box with the same form num-
21 ber have been sold.

22 (y) Each box of instant bingo tickets sold or distributed to licensees
23 shall be accompanied by a flare which contains the following information:
24 (1) The name of the game; (2) the manufacturer's name or logo; (3) the
25 game form number; (4) the ticket count in the game; (5) the prize struc-
26 ture for the game, which includes the number of winning tickets by de-
27 nomination and their respective winning symbol or number combinations;
28 (6) the cost per ticket; (7) the game serial number; (8) the winning num-
29 bers or symbols for the top three winning tiers set out in such a manner
30 that each prize may be marked off as the prize is won and awarded; (9)
31 the business name of the distributor; and (10) if sold or distributed to a
32 licensee under the bingo act, the Kansas bingo license number of the
33 licensee to which the game is sold.

34 (z) (1) No progressive *bingo* game may exceed 20 consecutive ses-
35 sions conducted by a licensee prior to the awarding of the established
36 prize.

37 (2) No more than two progressive bingo games may be conducted in
38 any one session.

39 (3) A prize for a progressive *bingo* game may start at an amount not
40 to exceed \$250 and may be increased by no more than \$100 for each
41 session during which the progressive *bingo* game is continued. The prize
42 awarded at the end of any progressive *bingo* game shall not exceed \$1,000.

43 (4) If the progressive bingo game prize is not awarded at a bingo

1 session, the progressive bingo game shall be continued at ~~a future occa-~~
2 ~~sion~~ *the next bingo session* until such time a winner is determined. The
3 winning prize shall be the full amount. If there is no winner of a pro-
4 gressive bingo game at a session, a stated consolation prize in an amount
5 not to exceed \$250 may be awarded. Any consolation prize shall be less
6 than the value of the progressive bingo game prize amount.

7 (5) All progressive bingo games and rules for such games shall be
8 described fully and posted in the house rules prior to the start of the
9 session. Such games shall comply with requirements imposed under the
10 bingo act and any rules and regulations adopted pursuant thereto.

11 (6) When a person achieves the first preannounced winning combi-
12 nation, the game shall be completed ~~and the next progressive bingo game~~
13 ~~and winning combination shall be commenced with a new bingo card or~~
14 ~~face and all objects or balls in the receptacle.~~

15 (7) The rules for a progressive bingo game shall remain in effect until
16 the game ends and the winner is determined.

17 (8) Progressive bingo games may not be conducted in conjunction
18 with a session of bingo conducted at a location other than that specified
19 in the license as authorized by subsection (c) of 79-4703, and amendments
20 thereto.

21 (9) A licensee shall not cease bingo operations unless all progressive
22 bingo games are completed and prizes are awarded, unless prior approval
23 has been received from the ~~secretary~~ *administrator*.

24 (aa) Except as specifically provided by rules and regulations adopted
25 pursuant to the bingo act, the distribution, sale or use of bingo cards is
26 prohibited from and after July 1, 2003, and thereafter, only bingo faces
27 shall be distributed, sold or used in call bingo games operated and con-
28 ducted by licensees.

29 (bb) Only three games of instant bingo in which the winner or win-
30 ners of such game is determined by matching a letter, number or symbol
31 under a tab of an instant bingo ticket with the winning letter, number or
32 symbol in a designated call game of bingo during the same session shall
33 be played in any one session. There shall be no limit on the number of
34 instant bingo tickets which may be sold for participation in any such game
35 of instant bingo.

36 (cc) The total number of mini games of bingo managed, operated or
37 conducted by a licensee during a session shall not exceed 20 games. No
38 mini bingo game shall be conducted by a licensee more than one hour
39 prior to, or after the commencement of, the first regular or special game
40 of call bingo operated or conducted by the licensee for such session.

41 Sec. 5. K.S.A. 2001 Supp. 79-4713 is hereby amended to read as
42 follows: 79-4713. (a) In addition to or in lieu of any other civil or criminal
43 penalty provided by law, the administrator, upon a finding that a licensee,

1 lessor or distributor has violated any provision of the bingo act *or* any rule
2 and regulation adopted pursuant thereto, shall impose on such licensee,
3 lessor or distributor a civil fine not exceeding \$500 for each violation.

4 (b) No fine shall be imposed pursuant to this section except upon the
5 written order of the administrator to the licensee, lessor or distributor
6 who committed the violation. Such order shall state the violation, the fine
7 to be imposed and the right of the licensee, lessor or distributor to appeal
8 the order. Such order shall be subject to appeal and review in the manner
9 provided by the Kansas administrative procedure act.

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

15 Sec. 6. K.S.A. 79-4715 is hereby amended to read as follows: 79-
16 4715. ~~The director of alcoholic beverage control of the department of~~
17 ~~revenue~~ *administrator* shall submit to the Kansas racing and gaming com-
18 mission semiannual activity reports concerning inspections and investi-
19 gations of bingo operations in this state.

20 Sec. 7. K.S.A. 2001 Supp. 79-4717 is hereby amended to read as
21 follows: 79-4717. (a) The secretary of revenue shall designate an admin-
22 istrator of charitable gaming. Any person designated the administrator of
23 charitable gaming shall have at least five years' experience in the area of
24 charitable gaming regulation. The administrator of charitable gaming shall
25 be in the unclassified service and shall receive an annual salary fixed by
26 the secretary of revenue and approved by the governor.

27 (b) Under the supervision of the secretary, the administrator of char-
28 itable gaming shall administer and enforce the provisions of the bingo act
29 and any rules and regulations adopted pursuant thereto. The administra-
30 tor's exclusive duties shall be the administration and enforcement of the
31 bingo act and any rules and regulations adopted pursuant thereto. The
32 administrator shall be solely accountable to and report to the secretary of
33 revenue.

34 (c) *Upon recommendation of the administrator, the secretary shall*
35 *adopt all rules and regulations necessary for the administration and en-*
36 *forcement of the bingo act by the administrator.*

37 Sec. 8. K.S.A. 79-4715 and K.S.A. 2001 Supp. 79-4701, 79-4704, 79-
38 4705, 79-4706, 79-4708, 79-4713 and 79-4717 are hereby repealed.

39 Sec. 9. This act shall take effect and be in force from and after its
40 publication in the statute book.

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