

HOUSE BILL No. 2183

By Representative Reardon

2-4

AN ACT concerning bingo; amending K.S.A. 2002 Supp. 79-4706 and repealing the existing section.

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

Section 1. K.S.A. 2002 Supp. 79-4706 is hereby amended to read as follows: 79-4706. Games of bingo shall be managed, operated and conducted in accordance with the bingo act and rules and regulations adopted pursuant thereto and the following restrictions:

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

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

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

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

(e) No person may receive any remuneration or profit for participating in the management, conduct or operation of any game of bingo managed, conducted or operated by a licensee.

(f) The aggregate value of all prizes including the retail value of all merchandise awarded or offered by a licensee in a single session to winners of games of regular and special call bingo shall not exceed \$1,200. The value of a prize awarded in a progressive or mini bingo game shall

1 not be included when determining the limit imposed by this subsection.
2 Any monetary prize of \$500 or more awarded in games of bingo shall be
3 paid by a check drawn on the bingo trust bank account of the licensee.
4 Any monetary prize awarded in games of bingo shall be paid by a check
5 on the bingo trust bank account of the licensee upon the request of the
6 winner of such award.

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

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

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

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

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

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

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

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

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

1 sidered to be an advertisement.

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

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

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

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

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

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

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

1 time.

2 The records required under this subsection are in addition to all other
3 records required to be kept by the licensee. The records required by this
4 subsection shall be maintained in the same place as all other records
5 required to be kept by the licensee.

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

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

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

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

38 (z) (1) No progressive game may exceed 20 consecutive sessions con-
39 ducted by a licensee prior to the awarding of the established prize.

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

42 (3) A prize for a progressive game may start at an amount not to
43 exceed \$250 and may be increased by no more than \$100 for each session

1 during which the progressive game is continued. The prize awarded at
2 the end of any progressive game shall not exceed \$1,000.

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

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

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

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

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

24 (9) A licensee shall not cease bingo operations unless all progressive
25 bingo games are completed and prizes are awarded, unless prior approval
26 has been received from the secretary.

27 ~~(aa) Except as specifically provided by rules and regulations adopted~~
28 ~~pursuant to the bingo act, The distribution, sale or use of bingo cards is~~
29 ~~prohibited from and after July 1, 2003, and thereafter, and only bingo~~
30 ~~faces shall be distributed, sold or used in call bingo games operated and~~
31 ~~conducted by licensees except:~~

32 (1) *Bingo cards may be distributed, sold and used in call bingo games*
33 *operated and conducted by a licensee which has average annual net rev-*
34 *enues from the operation and conduct of bingo games not exceeding*
35 *\$6,000, based on net revenues for the three most recent preceding years,*
36 *and a distributor registered pursuant to K.S.A. 79-4712a, and amend-*
37 *ments thereto, may sell and distribute bingo cards to such licensee; and*

38 (2) *as specifically provided by rules and regulations adopted pursuant*
39 *to the bingo act.*

40 (bb) Only three games of instant bingo in which the winner or win-
41 ners of such game is determined by matching a letter, number or symbol
42 under a tab of an instant bingo ticket with the winning letter, number or
43 symbol in a designated call game of bingo during the same session shall

1 be played in any one session. There shall be no limit on the number of
2 instant bingo tickets which may be sold for participation in any such game
3 of instant bingo.

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

9 Sec. 2. K.S.A. 2002 Supp. 79-4706 is hereby repealed.

10 Sec. 3. This act shall take effect and be in force from and after its
11 publication in the statute book.

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