

FIRST REGULAR SESSION
HOUSE COMMITTEE SUBSTITUTE FOR
HOUSE BILL NO. 566
95TH GENERAL ASSEMBLY

1238L.04C

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal sections 313.005 and 313.040, RSMo, and to enact in lieu thereof two new sections relating to bingo, with penalty provisions.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Sections 313.005 and 313.040, RSMo, are repealed and two new sections
2 enacted in lieu thereof, to be known as sections 313.005 and 313.040, to read as follows:

313.005. As used in sections 313.005 to 313.080, the following terms shall mean:

2 (1) "Bingo", a game in which each participant receives one or more cards, including, but
3 not limited to, pull-tab cards, marked off into twenty-five squares arranged on five horizontal
4 rows of five squares each; or, one or more cards marked off into twenty-five squares arranged
5 on five horizontal rows of five squares each which are not pull-tab cards and, in addition thereto,
6 one or more pull-tab cards, **and including class II gaming as defined in 25 U.S.C. Section**
7 **2703(7)(A) played on no more than one electronic device per forty members of any**
8 **veterans' organization with a congressional charter or fraternal organization.** Each square
9 is designated by number, letter or by a combination of numbers and letters, except that the center
10 square on the card shall be designated with the word "free". No two cards shall be identical. As
11 the announcer of the game announces a number, letter or a combination of numbers and letters,
12 each player covers the square corresponding to the announced number, letter or combination by
13 marking such card in ink. The numbers, letters or combination of numbers and letters which are
14 announced shall appear on an object selected by chance, either manually or mechanically, from
15 a receptacle containing the objects bearing numbers, letters or combinations of numbers and
16 letters. The winner of each game shall be the player or players who are first to properly cover
17 a predetermined and announced pattern of squares upon the card or cards used by such player or
18 players. A prize or prizes may be awarded to the winner or winners of a game;

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

19 (2) "Bingo card", an individual game face marked off into twenty-five squares arranged
20 on five horizontal rows of five squares each, one or more of which may be contained on a bingo
21 sheet;

22 (3) "Bingo equipment", all paraphernalia used to conduct a bingo game including
23 selection equipment, number display boards, and bingo cards and faces and other such related
24 equipment as may be defined by the rules and regulations of the commission. This definition
25 does not include audio or video equipment which plays no part in the conduct of the game other
26 than communicating the progress of the game or items used to mark numbers on the cards;

27 (4) "Bingo sheet", a disposable piece of paper containing one or more bingo cards;

28 (5) "Charitable organization", any organization which is organized and operated for the
29 relief of poverty, distress, or other condition of public concern within this state or organized for
30 financially supporting the activities of a charitable organization as hereinbefore defined. In order
31 to qualify as a charitable organization, no part of the net earnings of the organization may inure
32 to the benefit of any private shareholder or individual member of the organization. Charitable
33 organizations must have obtained an exemption from the payment of federal income taxes as
34 provided in section 501(c)(3) of the Internal Revenue Code of 1954, as amended;

35 (6) "Commission", the Missouri gaming commission;

36 (7) "Director", the director or other person in charge of the regulation of the game of
37 bingo, as designated by the Missouri gaming commission;

38 (8) "Fraternal organization", any organization within this state operating under the lodge
39 system which exists for the common benefit, brotherhood or other interest of its members except
40 college fraternities and sororities and of which no part of the net earnings inures to the benefit
41 of any private shareholder or any individual member of such organization and which has been
42 exempted from the payment of federal income tax as provided in section 501(c)(5), 501(c)(8),
43 or 501(c)(10) Internal Revenue Code of 1954, as amended;

44 (9) "Hall provider", a person or business entity which leases premises in which bingo
45 games are conducted;

46 (10) "Pull-tab card", any disposable card or ticket which accords a person an opportunity
47 to win something of value by opening, pulling, detaching, or otherwise removing tabs from the
48 card or ticket to reveal a set of numbers, letters, symbols, or configurations, or any combination
49 thereof. The term "pull-tab card" shall include any card known as a pickle ticket, pickle,
50 break-open, or pull-tab card;

51 (11) "Religious organization", any organization, church, body of communicants, or
52 group, gathered in common membership for mutual support and edification in piety, worship and
53 religious observances. Such an organization may be a society of individuals united for religious
54 purposes at a definite place. In order to qualify as a religious organization, no part of the net

55 earnings of the organization may inure to the benefit of any private shareholder or any individual
56 member of such organization. Religious organizations shall maintain an established place of
57 worship within this state and shall have a regular schedule of services or meetings at least on a
58 weekly basis. Religious organizations must have obtained an exemption from the payment of
59 federal income taxes as provided by section 501(c)(3) or section 501(d) of the Internal Revenue
60 Code of 1954, as amended;

61 (12) "Service organization", any organization commonly known as a civic club or county
62 fair or other organization if such organization is a religious, charitable, fraternal, veteran or
63 service organization as described in article III, section 39(a) of the Missouri Constitution and of
64 which no part of the net earnings inures to the benefit of any private shareholder or individual
65 member of such organization. Service organizations must have obtained an exemption from the
66 payment of federal income taxes as provided in section 501(c)(4), 501(c)(5) or 501(c)(7) of the
67 Internal Revenue Code of 1954, as amended;

68 (13) "Supplier", a person or business entity that sells, markets or otherwise provides
69 bingo equipment or supplies to any bona fide religious, charitable, fraternal, veteran or service
70 organization;

71 (14) "Veterans' organization", a post or organization of veterans, or an auxiliary unit or
72 society of, or a trust or foundation for, any such post or organization:

73 (a) Organized in the United States or any of its possessions;

74 (b) In which at least seventy-five percent of the members of which are war veterans and
75 substantially all of the other members of which are individuals who are veterans (but not war
76 veterans) or are cadets, or are spouses, widows or widowers of war veterans of such individuals;
77 and

78 (c) In which no part of the net earnings of which inures to the benefit of any private
79 shareholder or individual and which has been exempted from payment of federal income taxes
80 as provided by section 501(c)(19) of the Internal Revenue Code of 1954, as amended.

313.040. The conducting of bingo is subject to the following restrictions:

2 (1) (a) The entire net receipts over and above the actual cost of conducting the game
3 shall be exclusively devoted to the lawful, charitable, religious or philanthropic purposes of the
4 organization permitted to conduct that game and no receipts shall be used to compensate in any
5 manner any person who works for or is in any way affiliated with the licensed organization. Any
6 person who violates the provisions of this paragraph shall be guilty of a class D felony;

7 (b) Proceeds from the game of bingo may not be loaned to any person, except that this
8 provision shall not prohibit the investment of the proceeds in any licensed banking or savings
9 institution, instrument of the United States, Missouri, or any political subdivision thereof. Any

10 person who violates the provisions of this paragraph shall be guilty of a class C misdemeanor;
11 and

12 (c) The actual cost of conducting the game shall only include the following:

13 a. The cost of the prizes;

14 b. The purchasing of the bingo cards from a licensed supplier;

15 c. The purchasing or leasing of the equipment used in conducting the game;

16 d. The lease rental on the premises in which the game is conducted to include an
17 allocation of utility costs, if applicable, costs of providing security, including the employment
18 of a reasonable number of security personnel at a compensation level which complies with rules
19 and regulations promulgated by the commission and such personnel is actually present and
20 engaged in security duties, and bookkeeping and accounting expenses;

21 e. The actual cost of providing reasonable janitorial services. The cost of such services
22 shall not be above the fair market rate charged for similar services in the community where the
23 bingo game is being conducted;

24 f. Subject to constitutional restrictions, if any, the fair market cost of advertising each
25 bingo occasion. Such advertising shall be procured in accordance with the rules and regulations
26 of the commission;

27 (2) No person shall participate in conducting or managing the game of bingo except a
28 person who has been a bona fide member of the licensed organization for at least two years
29 immediately preceding such participation, who is not a paid staff person of the licensed
30 organization employed and compensated specifically for conducting or managing the game of
31 bingo and who volunteers the time and service necessary to conduct the game; **provided,**
32 **however, that class II gaming devices may be conducted or managed by independent**
33 **contractors.** Subject to constitutional restrictions, if any, no person shall participate in the actual
34 operation of the game of bingo under the direction of a person conducting or managing the game
35 of bingo, except a person who has been a bona fide member of the licensed organization for at
36 least one year immediately preceding such participation, who is not a paid staff person of the
37 licensed organization employed and compensated specifically for operating the game of bingo
38 and who volunteers the time and service necessary to operate the game. If any post or
39 organization, by its national charter, has established an auxiliary organization for spouses, then
40 members of the auxiliary organization shall be considered bona fide members of the licensed
41 organization and members of the post or organization shall be considered bona fide members of
42 the auxiliary organization for the purposes of this subdivision. Any person who is a duly
43 ordained member of the clergy and any person who is a full-time employee or staff member of
44 the licensed organization employed for at least two years by that organization in a capacity not
45 directly related to the conducting or managing of the game of bingo, who has specific assigned

46 duties under a definite job description with the licensed organization, and who volunteers time
47 and assistance to the organization without compensation for such time and assistance in the
48 conducting and managing of the game of bingo by the organization shall not be considered a paid
49 staff person for the purposes of this subdivision. No full-time employee or staff member shall
50 volunteer such time and assistance to more than one organization nor more than one day in any
51 week. The commission shall establish guidelines for the determination of whether a person is
52 a paid staff person within the meaning of this subdivision and shall specifically approve any
53 full-time employee or staff member of the organization before such employee or staff member
54 may volunteer time and assistance in the conducting and managing of bingo games for any
55 organization. The commission may suspend the approval of any employee or staff member;

56 (3) No person, firm, partnership or corporation shall receive any remuneration, profit or
57 gift for participating in the management, conduct or operation of the game, including the granting
58 or use of bingo cards without charge or at a reduced charge from the licensed organization or
59 from any other source;

60 (4) The aggregate retail value of all prizes or merchandise awarded, except prizes or
61 merchandise awarded by pull-tab cards [and] , progressive bingo games, **or class II gaming**
62 **devices** in any single day of bingo may not exceed three thousand six hundred dollars and the
63 prize awarded for any one game, other than progressive bingo games authorized pursuant to
64 section 313.013 **or class II gaming devices**, may not exceed five hundred dollars cash or its
65 equivalent. No more than one five-hundred-dollar prize, other than prizes in progressive bingo
66 games **or class II gaming devices**, shall be awarded on any single day of bingo;

67 (5) The number of games may not exceed sixty-two in any one day, including regular and
68 special games. For purposes of this subdivision, the use of a pull-tab card [and] , progressive
69 bingo games, **or class II gaming devices** shall not count as one of the sixty-two games per day,
70 as limited by this subdivision, but no pull-tab card may be used except in conjunction with one
71 of such sixty-two games;

72 (6) The price paid for a single bingo card under the license may not exceed one dollar.
73 The commission may establish by rule or regulation the number of bingo cards which may be
74 placed on a single bingo sheet. The price for a single pull-tab card may not exceed one dollar.
75 The price for a single special game bingo card may not exceed fifty cents. A licensee may not
76 require a minimum number of cards to be purchased by any individual;

77 (7) The number of bingo days conducted by a licensee under the provisions of sections
78 313.005 to 313.080 shall be limited to one day per week **provided, however, that this provision**
79 **shall not apply to class II gaming devices**;

80 (8) Any person, officer or director of any firm or corporation, and any partner of any
81 partnership renting or leasing to a licensed organization equipment or premises for use in a game

82 shall meet all the qualifications set forth in subdivisions (1) to (5) and (8) of section 313.035 and
83 shall not be a paid staff person of the licensee. Proof of compliance with this subdivision shall
84 be submitted to the commission by the licensee in the manner required by the commission;

85 (9) Subject to constitutional restrictions, if any, an organization licensed to conduct
86 bingo in the state of Missouri may advertise a bingo occasion or special event bingo if
87 expenditures for advertisement do not exceed two percent of the total amount expended from
88 receipts of bingo conducted by the licensed organization for charitable, religious or philanthropic
89 purposes. No advertising for any bingo occasion or occasions conducted by any organization
90 shall include any reference to an aggregate value of bingo prizes which exceed the amount
91 authorized by law to be paid out in a single bingo occasion;

92 (10) No person under the age of sixteen years may play or participate in the conducting
93 of bingo. Any person under the age of sixteen years may be within the area where bingo is being
94 played only when accompanied by his parent or guardian;

95 (11) No licensee shall lease premises in which it conducts bingo games from someone
96 who is not a hall provider licensed by the commission;

97 (12) No licensee shall pay any consulting fees to any person for any service performed
98 in relation to the bingo game;

99 (13) No licensee shall pay concession fees to any person who provides refreshments to
100 the participants in the bingo game;

101 (14) No licensee shall conduct a bingo session at any time during the ten-hour period
102 between midnight and 10:00 a.m.;

103 (15) No licensee, while a bingo game is being conducted, shall knowingly permit entry
104 to any part of the licensed premises to any person of notorious or unsavory reputation or who has
105 an extensive police record or who has been convicted of a felony;

106 (16) [No vending machine or any mechanized coin-operated machine may be used to sell
107 pull-tab cards or to pay prize money, merchandise gifts or any other form of a prize;

108 (17)] No rented or reusable bingo cards may be used to conduct any game. All games
109 must be conducted with disposable paper bingo cards that are marked by permanent ink as
110 prescribed by the rules and regulations of the commission;

111 [(18)] (17) No licensee shall purchase or use any bingo supplies from a person who is
112 not licensed by the state of Missouri as a bingo supplier.

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