



Senate Finance Committee

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BILL SUMMARY

SENATE BILL 212, PN 218 (SENATOR ORIE)

Summary:

Senate Bill 212 amends the Bingo Law, further providing for rules and licensing and operation.

Amends one definition in the Bingo Law. A “bona fide member” of an association that conducts bingo would no longer be required to be a member of the association for at least a year to be considered a “bona fide member.”

This legislation also changes the licensing of bingo associations. Instead of annual licenses, the licenses would now be issued on a biennial basis. The license fees would be as follows:

- Nonprofit association \$300 biennially (from \$100 per annum)
- Senior Citizens’ Groups \$150 biennially (from \$50 per annum)
- Agricultural Association/County Fair \$300 biennially (from \$100 per annum)

Under current law, no prize awarded shall exceed \$250 with the exception of jackpot games, in which case the prize shall not exceed \$2,000. Senate Bill 212 provides that no more than \$8,000 (currently \$4,000) can be awarded in any one calendar day. Another exception to the \$250 prize limit is that winner-takes-all games (those that pay out 100% of gross revenue generated from the bingo game) may exceed the \$250 prize limit.

More than one association may lease the same premises for the conducting of bingo and each association shall have its own license. This authorizes multiple associations to lease the same premises for conducting bingo; however, each association shall have its own license. The legislation also increases from 1 to 2 the number of associations that may lease the same premises per calendar day. Bingo may only be conducted on the same premises on 5 days in any one week by two associations in a calendar day (except for bingo being played at an exposition, carnival or fair).

Each association which conducts bingo activities would be required to report all prizes awarded to the Department of Revenue as required by the Tax Reform Code of 1971. Specifically, prizes of \$600 or more would require a signature receipt by the winner and must be specifically described in the association’s records.

This legislation removes the advertising restrictions currently imposed on Bingo Associations. Currently, only licensed Bingo Associations are permitted to advertise their bingo games. Such

advertisements shall contain the date, time, location, name of the association, name of the individual in charge of the operation, whether cash or prizes will be awarded, but shall not advertise the specific prizes or their dollar values, nor can a guaranteed prize dollar value be advertised. Senate Bill 212 removes the restriction that an association cannot advertise the prizes or their dollar value.

Any person employed in the running of a bingo game would be allowed daily compensation no greater than \$100 per day.

This legislation also requires associations that conduct bingo games to submit a financial report on their bingo operations with their application for license renewal. Applications for renewal of a bingo license must be accompanied by a signed affidavit, executed by the executive officer or secretary of the association, containing a financial report detailing gross profit, allowable expenses, rent, staff per diem, cost of supplies, net profit, and contributions to charitable causes. The report shall contain information for the 12 month period immediately preceding a date 60 days prior to the filing of the report.

Educational requirements are also established in this legislation. Any licensed association that conducts bingo 30 or more times in one calendar year must provide evidence to the county treasurer that a bona fide member or designee of the association has completed four hours of bingo education seminars on any of a variety of topics as required by the Department of Revenue in a biennial license period.

The educational requirement would take effect in two years. The remainder of this legislation would take effect in 60 days.

Prior Legislation:

This legislation is the same as Senate bill 978 (Senator Folmer) of the 2007-08 legislative session and House Bill 10 (Rep. Semmel) of the 2005-06 legislative session, which were reported from the Senate Finance Committee, but were not considered by the full Senate.

Current Law:

The Bingo Law provides for all rules, regulations and guidelines for associations which conduct bingo activities. As it currently stands, there are no provisions for mega bingo games or for winner-takes-all games. The current maximum amount of prizes allowed to be awarded by such an association in one calendar day is \$4,000.