

FIRST REGULAR SESSION

[PERFECTED]

HOUSE COMMITTEE SUBSTITUTE FOR

HOUSE BILL NO. 1318

98TH GENERAL ASSEMBLY

2509H.02P

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal sections 313.055 and 313.040, RSMo, and to enact in lieu thereof one new section relating to bingo, with a contingent effective date.

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

Section A. Sections 313.055 and 313.040, RSMo, are repealed and one new section
2 enacted in lieu thereof, to be known as section 313.040, to read as follows:

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 E 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

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.

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] **six**
29 **months** 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. Subject to
32 constitutional restrictions, if any, no person shall participate in the actual operation of the game
33 of bingo under the direction of a person conducting or managing the game of bingo, except a
34 person who has been a bona fide member of the licensed organization for at least [one year] **six**
35 **months** immediately preceding such participation, who is not a paid staff person of the licensed
36 organization employed and compensated specifically for operating the game of bingo and who
37 volunteers the time and service necessary to operate the game. If any post or organization, by
38 its national charter, has established an auxiliary organization for spouses, then members of the
39 auxiliary organization shall be considered bona fide members of the licensed organization and
40 members of the post or organization shall be considered bona fide members of the auxiliary
41 organization for the purposes of this subdivision. Any person who is a duly ordained member
42 of the clergy and any person who is a full-time employee or staff member of the licensed
43 organization employed for at least [two years] **six months** by that organization in a capacity not
44 directly related to the conducting or managing of the game of bingo, who has specific assigned
45 duties under a definite job description with the licensed organization, and who volunteers time
46 and assistance to the organization without compensation for such time and assistance in the
47 conducting and managing of the game of bingo by the organization shall not be considered a paid
48 staff person for the purposes of this subdivision. No full-time employee or staff member shall
49 volunteer such time and assistance to more than one organization nor more than one day in any
50 week. The commission shall establish guidelines for the determination of whether a person is
51 a paid staff person within the meaning of this subdivision and shall specifically approve any
52 full-time employee or staff member of the organization before such employee or staff member

53 may volunteer time and assistance in the conducting and managing of bingo games for any
54 organization. The commission may suspend the approval of any employee or staff member;

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

59 (4) The aggregate retail value of all prizes or merchandise awarded, except prizes or
60 merchandise awarded by pull-tab cards and progressive bingo games, in any single day of bingo
61 may not exceed the amount set by the commission per regulation;

62 (5) The number of games may not exceed sixty-two in any one day, including regular and
63 special games. For purposes of this subdivision, the use of a pull-tab card and progressive bingo
64 games shall not count as one of the sixty-two games per day, as limited by this subdivision, but
65 no pull-tab card may be used except in conjunction with one of such sixty-two games;

66 (6) The price paid for a single bingo card under the license may not exceed one dollar.
67 The commission may establish by rule or regulation the number of bingo cards which may be
68 placed on a single bingo sheet. The price for a single pull-tab card may not exceed one dollar.
69 A licensee may not require a player to purchase more than a standard pack in order to participate
70 in the bingo occasion;

71 (7) The number of bingo days conducted by a licensee under the provisions of sections
72 313.005 to 313.080 shall be limited to two days per week;

73 (8) Any person, officer or director of any firm or corporation, and any partner of any
74 partnership renting or leasing to a licensed organization equipment or premises for use in a game
75 shall meet all the qualifications set forth in subdivisions (1) to (5) and (8) of subsection 1 of
76 section 313.035 and shall not be a paid staff person of the licensee. Proof of compliance with
77 this subdivision shall be submitted to the commission by the licensee in the manner required by
78 the commission;

79 (9) Subject to constitutional restrictions, if any, an organization licensed to conduct
80 bingo in the state of Missouri may advertise a bingo occasion or special event bingo if
81 expenditures for advertisement do not exceed ten percent of the total amount expended from
82 receipts of bingo conducted by the licensed organization for charitable, religious or philanthropic
83 purposes;

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

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

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

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

93 (14) No licensee shall conduct a bingo session at any time during the period between
94 1:00 a.m. and 7:00 a.m.;

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

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

100 (17) No rented or reusable bingo cards may be used to conduct any game. All games
101 must be conducted with disposable paper bingo cards that are marked by permanent ink as
102 prescribed by the rules and regulations of the commission, or by electronic bingo card monitoring
103 device as approved by the commission;

104 (18) No licensee shall purchase or use any bingo supplies from a person who is not
105 licensed by the state of Missouri as a bingo supplier.

2 [313.055. 1. A tax is hereby imposed on each organization conducting
3 the game of bingo which awards to winners of bingo games prizes or
4 merchandise having an aggregate retail value of more than five thousand dollars
5 annually and more than one hundred dollars in any single day. The tax shall be
6 in the amount of two-tenths of one cent upon each bingo card and progressive
7 bingo game card sold in Missouri to be paid by the supplier. The taxes, less two
8 percent of the total amount paid which may be retained by the supplier, shall be
9 paid on a monthly basis to the commission, by each supplier of bingo supplies
10 and shall be due on the last day of the month following the month in which the
11 bingo card was sold, with the date of sale being the date on the invoice
12 evidencing the sale, along with such reports as may be required by the
13 commission. The taxes shall be deposited in the state treasury, credited to the
14 bingo proceeds for education fund.

15 2. All taxes not paid to the commission by the person or licensee required
16 to remit the same on the date when the same becomes due and payable to the
17 commission under the provisions of sections 313.005 to 313.085 shall bear
18 interest at the rate to be set by the commission not to exceed two percent per
19 calendar month, or fraction thereof, from and after such date until paid. In
20 addition, the commission may impose a penalty not to exceed three times the
21 amount of taxes due for failure to submit the reports required by this section and
22 pay the taxes due.]

Section B. Section A of this act shall become effective only upon the passage and
2 approval by the voters of a constitutional amendment submitted to them by the general assembly
3 regarding a reduction in the duration of organizational membership requirement for the
4 administration of a game of bingo.

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