

# HOUSE RESEARCH

## Bill Summary

**FILE NUMBER:** H.F. 3397

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**Version:** First engrossment

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**Subject:** Lawful Gambling Changes

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### Overview

This bill is the omnibus lawful gambling bill for 2008.

#### Section

- 1 Gambling equipment.** Includes promotional tickets within the definition of gambling equipment.
- 2 Promotional ticket.** Clarifies the definition of promotional ticket to specify that they are created and printed by a licensed manufacturer.
- 3 Expenditure restrictions.** Allows a one year period for higher expense payments, an increase from 70 to 75 percent of gross profits from bingo, and from 60 to 65 percent of other forms of lawful gambling.
- 4 Civil penalty.** Allows suspension of licenses or civil penalties for exceeding expense limitations. Allows civil penalties to be greater than \$500, specifies matters the board must consider in levying these penalties.
- 5 Prohibited acts; licenses required.** Allows bingo cards and equipment to be loaned from one licensed organization to another.
- 6 Prohibition.** Technical.
- 7 Licenses; summary suspension.** Adds an additional ground for summary suspensions of gambling managers, failing to receive required training.
- 8 Gambling managers; licenses.** Clarifies the conditions for suspension of a manager's license.
- 9 Training of gambling managers.** Requires continuing education to come at least once per year, instead of once per two year period.

**Section**

- 10      Gambling manager examination.** Allows new gambling managers, after a resignation, to have the 90 day grace period before passing an examination. Removes a clause allowing an exam to substitute for taking required class work.
- 11      Bar bingo.** Prohibits lessors or family members involved with the operation of bar bingo from playing the game.
- 12      Linked bingo games.** Allows electronic bingo devices to be used in linked bingo games.
- 13      Lease or ownership required; rent limitations.** Clarifies that a paddlewheel has 32 tickets, not 30.
- 14      Pull-tab records.** Technical adjustment of language requiring records for a pull-tab dispensing device.
- 15      Credit and sales to delinquent organizations.** Lowers the number of days that limit credit extensions from distributors to organizations, from 35 days to 30.
- 16      Credit and sales to delinquent distributors.** Lowers the days for credit extensions from 35 to 30, for manufacturer loans to distributors.
- 17      Progressive bingo games.** Removes a cap on total progressive bingo prizes; the current cap is \$48,000 per calendar year.
- 18      Pull-tab prizes.** Increases prizes for pull-tab games, allowing \$899 for \$3 pull-tabs, \$1,199 for \$4 pull-tabs, and \$1,499 for \$5 pull-tabs.
- 19      Tipboard prizes.** Increases tipboard prizes; allows \$899 for \$3 tickets; \$1,199 for \$4 tickets; and \$1,499 for \$5 tickets.
- 20      Raffle prizes.** Removes annual limits on raffle prizes; institutes a cap of \$50,000 for any one prize.
- 21      Other gambling.** Technical, to comply with Section 0.
- 22      Prize value.** Clarifies that there are 32 tipboard tickets, not 30.
- 23      Prize payout limit.** Technical.
- 24      Report.** Requires the gambling control board to convene a public advisory committee to review multiple aspects of gambling regulation and taxation, and report to the legislature by February 1, 2009 .
- 25      Effective Date.** Makes this act effective the day following final enactment.