

HOUSE RESEARCH

Bill Summary

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Overview

This bill allows organizations licensed to conduct lawful (charitable) gambling to participate in bingo games that are electronically linked together among organizations to provide a single prize pool. It also provides for the licensing by the gambling control board of the operators of linked bingo game systems.

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- 1 **Bingo definition.** Provides that the definition of "bingo" in lawful gambling law includes linked bingo.
- 2 **Gambling equipment.** Provides that the definition of "gambling equipment" includes linked bingo paper sheets.
- 3 **Linked bingo game definition.** Defines "linked bingo game" as a bingo game played at multiple locations where bingo is permitted, with a common prize pool and common selection of winning numbers and transmission of the game by satellite, telephone, or other means.
- 4 **Linked bingo game provider.** Defines "linked bingo game provider" as a person who provides the means to link bingo prizes in a linked game, provides paper sheets to participants, manages the game, and provides the game system.
- 5 **Linked bingo game system.** Defines "linked bingo game system" as equipment used by a provider to conduct, transmit, and track a linked bingo game. Requires a system to be approved by the board and to have dial-up or other capability that allows the board to monitor its operation remotely.
- 6 **Linked bingo prize pool.** Defines "linked bingo prize pool" as the total of all prize money

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that each organization has contributed. Prohibits organizations from contributing more than \$300 per occasion to a linked pool.

7 **Powers and duties of board.** Expands the powers and duties of the gambling control board to include licensing linked bingo game providers.

8 **Conflict of interest.** Adds references to linked bingo game providers in the law prohibiting conflict of interest by gambling board members or employees.

9 **Disqualifications.** Adds references to linked bingo game providers in the law setting out mandatory disqualifiers for licensing.

10 **Sales by manufacturer.** Allows licensed manufacturers to sell gambling equipment used exclusively in a linked bingo game directly to a provider without going through a licensed distributor.

11 **Linked bingo game provider license.** Requires a license from the board to (1) provide the means to link prizes in a linked bingo game, (2) provide linked bingo game management, (3) provide a linked bingo system, or (4) provide linked bingo paper sheets to an organization. Sets a fee of \$5,000 per year. Requires a bond of \$250,000 with the license application conditioned on payment of all prizes. Prohibits a provider from participating in the conduct of other lawful gambling. Prohibits a provider from also being a bingo hall or gambling equipment distributor. Prohibits sale or lease of equipment to anyone other than a licensed organization. Prohibits purchase of equipment from anyone other than a licensed manufacturer. Allows inspection of books and records by board employees and agents of the division of alcohol and gambling enforcement.

12 **Excluded bingo.** Excludes linked bingo from the list of bingo games that may be played without a gambling license.

13 **Exempt bingo.** Excludes linked bingo from another list of bingo games that may be played without a license.

14 **Recruitment of gambling managers.** Adds linked bingo game providers to the list of board licensees who may not recruit gambling managers for organizations.

15 **Bingo winners.** Allows linked bingo prizes to be delivered within three days of the occasion where won, instead of the day of the occasion as with other bingo prizes.

16 **Technical.** Makes a similar change in the law governing awarding of bingo prizes as marking the completion of a game.

17 **Noon hour bingo.** Prohibits linked bingo games from being played as "noon hour bingo."

18 **Conduct of linked bingo games.** Allows licensed organizations to participate in linked bingo games. Limits organizations to \$300 in contributions to each prize awarded. Allows the board to adopt rules governing play of linked bingo games.

19 **Activities on leased premises.** Adds linked bingo game providers to the list of board licensees that may not conduct activities on leased premises where lawful gambling is being conducted.

20 **Pool account.** Requires organizations participating in linked bingo to maintain a separate account for the organization's portion of linked bingo game prize pools.

21 **Credit restrictions.** Prohibits linked bingo game providers from extending credit to an organization.

22 **Sales to delinquent organizations.** Requires linked bingo game providers to report to the board when organizations are delinquent in their accounts.

23 **Prize limits.** Exempts linked bingo game prizes from bingo prize limits.

24 **Linked bingo prize pool contribution limits.** Limits organizations from contributing more than \$300 per occasion to a linked bingo prize pool. Provides that where an organization

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contributes to a linked pool the amount is deducted from the maximum prize that the organization may award in cover-all games in that occasion (the cover-all limit is \$3,500 per occasion).