

FIRST REGULAR SESSION

HOUSE BILL NO. 207

92ND GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE WAGNER.

Read 1st time January 16, 2003, and copies ordered printed.

STEPHEN S. DAVIS, Chief Clerk

0351L.011

AN ACT

To repeal sections 313.005, 313.007, 313.010, 313.025, 313.030, 313.040, 313.045, 313.050, 313.052, 313.055, 313.057, 313.065, 313.070, 313.075, 313.080 and 313.085, RSMo, and to enact in lieu thereof twenty-one new sections relating to bingo and satellite bingo, with penalty provisions.

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

Section A. Sections 313.005, 313.007, 313.010, 313.025, 313.030, 313.040, 313.045, 2 313.050, 313.052, 313.055, 313.057, 313.065, 313.070, 313.075, 313.080 and 313.085, RSMo, 3 are repealed and twenty-one new sections enacted in lieu thereof, to be known as sections 4 313.005, 313.007, 313.010, 313.025, 313.030, 313.040, 313.045, 313.050, 313.052, 313.055, 5 313.057, 313.065, 313.070, 313.075, 313.080, 313.085, 313.090, 313.095, 313.100, 313.105 and 6 313.110, to read as follows:

313.005. As used in sections 313.005 to [313.080] **313.110**, the following terms shall 2 mean:

3 (1) "Bingo", a game in which each participant receives one or more cards, including, but 4 not limited to, pull-tab cards, marked off into twenty-five squares arranged on five horizontal 5 rows of five squares each; or, one or more cards marked off into twenty-five squares arranged 6 on five horizontal rows of five squares each which are not pull-tab cards and, in addition thereto, 7 one or more pull-tab cards. Each square is designated by number, letter or by a combination of 8 numbers and letters, except that the center square on the card shall be designated with the word 9 "free". No two cards shall be identical. As the announcer of the game announces a number, 10 letter or a combination of numbers and letters, each player covers the square corresponding to

EXPLANATION — Matter enclosed in bold faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law. Matter in boldface type in the above law is new proposed language.

11 the announced number, letter or combination by marking such card in ink. The numbers, letters
12 or combination of numbers and letters which are announced shall appear on an object selected
13 by chance, either manually or mechanically, from a receptacle containing the objects bearing
14 numbers, letters or combinations of numbers and letters. The winner of each game shall be the
15 player or players who are first to properly cover a predetermined and announced pattern of
16 squares upon the card or cards used by such player or players. A prize or prizes may be awarded
17 to the winner or winners of a game;

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

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

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

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

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

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

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

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

45 (10) "**Member**", **any organization who participates in the satellite bingo network;**

46 (11) "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)]~~ **(12) "Religious organization"**, any organization, church, body of communicants,
52 or group, gathered in common membership for mutual support and edification in piety, worship
53 and religious observances. Such an organization may be a society of individuals united for
54 religious purposes at a definite place. In order to qualify as a religious organization, no part of
55 the net earnings of the organization may inure to the benefit of any private shareholder or any
56 individual member of such organization. Religious organizations shall maintain an established
57 place of worship within this state and shall have a regular schedule of services or meetings at
58 least on a weekly basis. Religious organizations must have obtained an exemption from the
59 payment of federal income taxes as provided by section 501(c)(3) or section 501(d) of the
60 Internal Revenue Code of 1954, as amended;

61 ~~[(12)]~~ **(13) "Satellite bingo"**, a game in which the satellite bingo producer conducts,
62 televises, and video records a game of bingo as defined in this section which is
63 simultaneously broadcast live by the satellite bingo broadcaster to every member of the
64 satellite bingo network;

65 **(14) "Satellite bingo broadcaster"**, a satellite network which broadcasts satellite
66 bingo games to members of the satellite bingo network;

67 **(15) "Satellite bingo equipment"**, all paraphernalia used to produce or conduct a
68 satellite bingo game including selection equipment, number display boards, bingo cards
69 and faces, satellite dishes and receivers, conference call systems, telephone lines, fax
70 machines, audio and video recording equipment, video cameras, television monitors, and
71 other such related equipment as may be defined by the rules and regulations of the
72 commission;

73 **(16) "Satellite bingo network"**, a group of organizations licensed by the state
74 pursuant to this chapter to operate or participate in the game of satellite bingo;

75 **(17) "Satellite bingo producer"**, a satellite bingo member who produces satellite
76 bingo games that are simultaneously transmitted live by the satellite bingo broadcaster to
77 the other members of the satellite bingo network;

78 **(18) "Service organization"**, any organization commonly known as a civic club or county
79 fair or other organization if such organization is a religious, charitable, fraternal, veteran or
80 service organization as described in article III, section 39(a) of the Missouri Constitution and of
81 which no part of the net earnings inures to the benefit of any private shareholder or individual
82 member of such organization. Service organizations must have obtained an exemption from the

83 payment of federal income taxes as provided in section 501(c)(4), 501(c)(5) or 501(c)(7) of the
84 Internal Revenue Code of 1954, as amended;

85 [(13)] (19) "Supplier", a person or business entity that sells, markets or otherwise
86 provides bingo equipment, **satellite bingo equipment**, or supplies to any bona fide religious,
87 charitable, fraternal, veteran or service organization;

88 [(14)] (20) "Veterans' organization", a post or organization of veterans, or an auxiliary
89 unit or society of, or a trust or foundation for, any such post or organization:

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

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

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

313.007. 1. Notwithstanding any other provisions of law to the contrary, all net proceeds
2 derived from the state taxes contained in this chapter relating to bingo **or satellite bingo** shall
3 be deposited in the "Bingo Proceeds for Education Fund", which is hereby created in the state
4 treasury. Moneys in this fund shall be considered state funds pursuant to article IV, section 15
5 of the Missouri Constitution. All interest received on bingo proceeds for education fund shall
6 be credited to the bingo proceeds for education fund. Appropriations of the moneys deposited
7 in the bingo proceeds for education fund shall be pursuant to state law. The provisions of section
8 33.080, RSMo, requiring all unexpended balances remaining in various state funds to be
9 transferred and placed to the credit of the ordinary revenue fund of this state at the end of each
10 biennium shall not apply to the bingo proceeds for education fund. All net tax receipts collected
11 pursuant to subsection 10 of section 313.057 shall be paid over immediately to the state treasurer
12 to be deposited to the credit of the bingo proceeds for education fund.

13 2. This section shall become effective July 1, 1993.

313.010. 1. Any bona fide religious, charitable, fraternal, veteran or service
2 organization, which has been in existence for at least five years immediately prior to making an
3 application for a license and which, during that period, has had twenty bona fide members, may
4 conduct [the game of] bingo **or satellite bingo games** upon receiving a license from the
5 commission. Any combination of unlicensed but eligible organizations, not to exceed five, may
6 join in making an application and may receive a single license to conduct [the game of] bingo
7 **or satellite bingo games**. Any information or report required by sections 313.005 to 313.080
8 from an organization shall contain the required information regarding all of the organizations

9 joined in the license and all requirements under sections 313.005 to 313.080 shall apply with
10 respect to all joined organizations and the membership thereof.

11 2. Notwithstanding any other provisions to the contrary, the commission shall require
12 only an abbreviated license, pursuant to the provisions of section 313.020, and an abbreviated
13 licensing fee of ten dollars per event, for any bona fide religious, charitable, fraternal, veteran
14 or service organization which conducts a bingo game on not more than four occasions annually
15 at which only pull-tab cards may be used. The organization shall have been in existence for at
16 least five years immediately prior to the first occasion on which such organization conducts a
17 bingo pull-tab game and during this period shall have had twenty bona fide members. For the
18 purposes of this subsection, "occasion" means an event having a duration of less than twenty-four
19 hours. An organization that has been granted an abbreviated license shall be exempt from the
20 provisions of subdivisions (11) and (14) of section 313.040.

313.025. 1. If any applicant for licensure or organization licensed under sections
2 313.005 to 313.080 proposes to conduct bingo **or satellite bingo** on leased premises or use
3 leased equipment, the terms of the lease shall be reduced to writing and a copy of the lease shall
4 be submitted to the commission. The commission may approve or disapprove any such lease.
5 No lease which has been approved by the commission shall be amended, modified or renewed
6 in any manner until such amendments, modifications or renewals have been approved by the
7 commission. No lease providing for a rental arrangement for premises or equipment for use in
8 the game shall provide for payment in excess of the reasonable market rental rate for such
9 premises or equipment and in no case shall any payment be based on a percentage of gross
10 receipts or proceeds. The reasonable market rental rate shall be determined by the commission.

11 2. If any applicant for licensure or any organization licensed under the provisions of
12 sections 313.005 to 313.080 proposes to purchase or lease bingo supplies, **satellite bingo**
13 **supplies**, bingo equipment, **satellite bingo equipment**, or bingo services or premises in which
14 bingo **or satellite bingo** will be conducted, the applicant or licensee may be required at the
15 discretion of the commission to submit in writing a detailed listing of the supplies to be
16 purchased or leased together with the quoted price therefor and a copy of the lease, if such
17 supplies are to be leased. No purchase or lease of bingo supplies **or satellite bingo supplies**
18 shall provide for payment in excess of the reasonable market purchase price or reasonable market
19 rental rate for such equipment and in no case shall any payment be based on a percentage of
20 gross receipts or proceeds. The reasonable market purchase price or reasonable market rental
21 rate shall be determined by the commission.

22 3. Persons who lease premises, sell or lease supplies or equipment, or furnish
23 commodities or services to sponsoring organizations to conduct bingo games **or satellite bingo**
24 **games** shall take no part in operating such bingo games **or satellite bingo games**.

313.030. Any organization licensed to play bingo which changes any of its officers, directors or officials during the term of the bingo license shall immediately report the names and addresses of such individuals to the director, along with a sworn statement of each such individual as required on forms furnished by the director. Each licensee shall display the license in a prominent place in the area where it is to conduct bingo. The license issued by the commission shall authorize the licensee to conduct only the [game] **games** commonly known as bingo **or satellite bingo**.

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

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

(b) Proceeds from the [game] **games** of bingo **or satellite bingo** may not be loaned to any person, except that this provision shall not prohibit the investment of the proceeds in any licensed banking or savings institution, instrument of the United States, Missouri, or any political subdivision thereof. Any person who violates the provisions of this paragraph shall be guilty of a class C misdemeanor; and

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

a. The cost of the prizes;

b. The purchasing of the bingo cards from a licensed supplier **or satellite broadcaster**;

c. The purchasing or leasing of the equipment used in conducting the [game] **games**;

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

e. The actual cost of providing reasonable janitorial services. The cost of such services shall not be above the fair market rate charged for similar services in the community where the bingo [game is] **games are** being conducted;

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

(2) No person shall participate in conducting or managing the [game] **games** of bingo **or satellite bingo** except a person who has been a bona fide member of the licensed organization

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

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

62 (4) The aggregate retail value of all prizes or merchandise awarded, except prizes or
63 merchandise awarded by pull-tab cards [and], progressive bingo games, **and satellite bingo**
64 **games**, in any single day of bingo may not exceed three thousand six hundred dollars and the
65 prize awarded for any one game, other than progressive bingo games authorized pursuant to

66 section 313.013, **and all satellite bingo games**, may not exceed five hundred dollars cash or its
67 equivalent. No more than one five-hundred-dollar prize, other than prizes in progressive bingo
68 **games and satellite bingo games**, shall be awarded on any single day of bingo;

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

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

79 (7) The number of bingo days conducted by a licensee under the provisions of sections
80 313.005 to 313.080 shall be limited to one day per week;

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

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

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

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

98 (12) No licensee shall pay any consulting fees to any person for any service performed
99 in relation to the [bingo game] **games of bingo or satellite bingo**;

100 (13) No licensee shall pay concession fees to any person who provides refreshments to
101 the participants in the [bingo game] **games of bingo or satellite bingo**;

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

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

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

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

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

313.045. Each licensee which awards to winners of bingo games **or satellite bingo**
2 **games** prizes or merchandise having an aggregate retail value of more than seven thousand five
3 hundred dollars annually shall report annually to the commission on forms prescribed by the
4 commission the following information:

- 5 (1) The number of games it has conducted during the reporting year;
- 6 (2) The location at which and the days it conducted games;
- 7 (3) The gross receipts it received from each game;
- 8 (4) An itemization of the cost of conducting each game, other than for prizes, and the
9 names and addresses of the person to whom said expenses were paid;
- 10 (5) The purposes for which the net proceeds of the game were used and the amounts so
11 used;
- 12 (6) Any other information that the director may require by rule or regulation.

313.050. Each licensee shall keep a complete record of bingo games **and satellite bingo**
2 **games** conducted within the previous three years. Such records shall be open to inspection by
3 the commission.

313.052. A holder of any license shall be subject to imposition of penalties, suspension
2 or revocation of such license, or other action for any act or failure to act by [himself] **the license**
3 **holder** or his **or her** agents or employees, that is injurious to the public health, safety, good order
4 and general welfare of the people of the state of Missouri, or that would discredit or tend to
5 discredit charitable bingo operations in Missouri or the state of Missouri unless the licensee
6 proves by clear and convincing evidence that he **or she** is not guilty of such action. The
7 commission shall take appropriate action against any licensee who violates the law or the rules
8 and regulations of the commission. Without limiting other provisions of sections 313.005 to

9 [313.085] **313.110**, the following acts or omissions may be grounds for such discipline:

10 (1) Failing to comply with or make provision for compliance with the provisions of
11 sections 313.005 to [313.085] **313.110**, the rules and regulations of the commission or any
12 federal, state or local law or regulation;

13 (2) Failing to comply with any rule, order or ruling of the commission or its agents
14 pertaining to bingo **or satellite bingo**;

15 (3) Receiving or purchasing goods or services from a person or business entity who does
16 not hold a supplier's or manufacturer's license issued pursuant to sections 313.005 to 313.085,
17 but who is required to hold such license by the provisions of sections 313.005 to 313.085 or the
18 rules and regulations of the commission;

19 (4) Associating with, either socially or in business affairs, or employing persons of
20 notorious or unsavory reputation or who have extensive police records, or who have failed to
21 cooperate with any officially constituted investigatory or administrative body and would
22 adversely affect public confidence and trust in gaming;

23 (5) Employing in any bingo **or satellite bingo** operation any person known to have been
24 found guilty of cheating or using any improper device in connection with any bingo game **or**
25 **satellite bingo game**;

26 (6) Use of fraud, deception, misrepresentation or bribery in securing any permit or
27 license issued pursuant to the provisions of sections 313.005 to 313.085;

28 (7) Obtaining or attempting to obtain any fee, charge, or other compensation by fraud,
29 deception, or misrepresentation;

30 (8) Incompetence, misconduct, gross negligence, fraud, misrepresentation or dishonesty
31 in the performance of the functions or duties regulated by the provisions of sections 313.005 to
32 [313.085] **313.110**.

313.055. 1. Until January 1, 1995, a tax is hereby imposed on each organization
2 conducting the game of bingo which awards to winners of bingo games prizes or merchandise
3 having an aggregate retail value of more than five thousand dollars annually and more than one
4 hundred dollars in any single day. The tax shall be in an amount equal to two and one-half
5 percent of the total gross receipts realized from each game of bingo conducted, shall be paid on
6 a monthly basis to the commission, by each person or licensee conducting a game or games of
7 bingo and shall be due on the fifteenth day of the month following the month in which each
8 bingo game was conducted. Beginning January 1, 1995, the tax shall be in the amount of
9 two-tenths of one cent upon each bingo card [and], progressive bingo game card, **and satellite**
10 **bingo game card** sold in Missouri to be paid by the supplier. The taxes, less two percent of the
11 total amount paid which may be retained by the supplier, shall be paid on a monthly basis to the
12 commission, by each supplier of bingo supplies **or satellite bingo supplies** and shall be due on

13 the last day of the month following the month in which the bingo card was sold, with the date
14 of sale being the date on the invoice evidencing the sale, along with such reports as may be
15 required by the commission. The taxes shall be deposited in the state treasury, credited to the
16 bingo proceeds for education fund.

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

313.057. 1. It is unlawful for any person, either as an owner, lessee or employee, to
2 operate, carry on, conduct or maintain any form of manufacturing, selling, leasing or distribution
3 of any bingo equipment or supplies **or satellite bingo equipment or supplies** without having
4 first procured and maintained a Missouri bingo equipment and supplies manufacturer or supplier
5 license.

6 2. The holder of a state bingo license may, within two years of cessation of conducting
7 bingo **or satellite bingo** or upon specific approval by the commission, dispose of by sale in a
8 manner approved by the commission, any or all of his **or her** bingo equipment and supplies **or**
9 **satellite bingo equipment and supplies**, without a supplier's license. In case of foreclosure of
10 a lien by a bank or other person holding a security interest for which bingo equipment **or satellite**
11 **bingo equipment** is security in whole or in part for the lien, the commission may authorize the
12 disposition of the bingo equipment **or satellite bingo equipment** without requiring a supplier's
13 license.

14 3. Any person whom the commission determines to be a suitable person to receive a
15 license under the provisions of this section may be issued a manufacturer's or supplier's license.
16 The commission may require suppliers to post a bond with the commission in an amount and in
17 the manner prescribed by the commission. The burden of proving his qualification to receive
18 or hold a license under this section is at all times on the applicant or licensee.

19 4. The commission shall charge and collect from each applicant for a supplier's license
20 a one-time application fee set by the commission, not to exceed five thousand dollars. The
21 commission shall charge and collect an annual renewal fee for each supplier licensee not to
22 exceed one thousand dollars.

23 5. The commission shall charge and collect from each applicant for a manufacturer's
24 license a one-time application fee set by the commission, not to exceed one thousand dollars.
25 The commission shall charge and collect an annual renewal fee for each manufacturer licensee

26 not to exceed five hundred dollars.

27 6. The commission shall charge and collect from each applicant for a hall provider's
28 license a one-time application fee set by the commission, not to exceed seven hundred fifty
29 dollars. The commission shall charge and collect an annual renewal fee for each hall provider
30 licensee not to exceed five hundred dollars.

31 7. All licenses issued under this section shall be issued for the calendar year and shall
32 expire on December thirty-first of each year. Regardless of the date of application or issuance
33 of the license, the fee to be charged and collected under this section shall be the full annual fee.

34 8. All license fees collected pursuant to this section shall be paid over immediately to
35 the state treasurer to be deposited to the credit of the gaming commission bingo fund.

36 9. All licensees under this section shall maintain for a period of not less than three years
37 full and complete records of all business carried on in this state and shall make same available
38 for inspection to any duly authorized representative of the commission. If a supplier does not
39 receive payment in full from an organization within thirty days of the delivery of bingo supplies
40 **or satellite bingo supplies**, the supplier shall notify the commission in writing, or in a manner
41 specified by the commission in its rules and regulations, of the delinquency. Upon receipt of the
42 notice of delinquency, the commission shall notify all suppliers that until further notice from the
43 commission, all sales of bingo supplies **or satellite bingo supplies** to the delinquent
44 organizations shall be on a cash-only basis. Upon receipt of the notice from the commission, no
45 supplier may extend credit to the delinquent organization until such time as the commission
46 approves credit sales. If a manufacturer does not receive payment in full from a supplier within
47 ninety days of the delivery of bingo supplies **or satellite bingo supplies**, the manufacturer shall
48 notify the commission in writing, or in a manner specified by the commission in its rules and
49 regulations, of the delinquency. Upon receipt of the notice of delinquency, the commission shall
50 notify all manufacturers that until further notice from the commission, all sales of bingo supplies
51 **or satellite bingo supplies** to the delinquent supplier shall be on a cash-only basis. Upon receipt
52 of the notice from the commission, no manufacturer may extend credit to the delinquent supplier
53 until such time as the commission approves credit sales.

54 10. Until January 1, 1995, all suppliers shall pay a tax on all pull-tab cards distributed
55 by them in the amount of ten dollars per box when sold by any organization licensed to conduct
56 bingo under the provisions of sections 313.005 to 313.080. No box sold shall contain more than
57 twenty-four hundred pull-tab cards. Beginning January 1, 1995, a tax is hereby imposed in the
58 amount of two percent of the gross receipts of the retail sales value charged for each pull-tab card
59 sold in Missouri to be paid by the supplier. The taxes, less two percent of the total amount paid
60 which may be retained by the supplier, if timely filed and paid, shall be paid on a monthly basis
61 to the commission by each supplier of pull-tabs and shall be due on the last day of each month

62 following the month in which the pull-tabs were sold. The taxes shall be deposited in the state
63 treasury, credited to the bingo proceeds for education fund. All pull-tab cards sold by suppliers
64 in this state shall bear on the face thereof the amount for which such pull-tab cards will be sold,
65 and the license number of the supplier shall be printed on the inventory statement commonly
66 called the flare, enclosed in each unit container. Each unit container shall contain cards printed
67 in such a manner as to ensure that at least sixty percent of the gross revenues generated by the
68 ultimate sale of such cards shall be returned to the final purchasers of such cards. Any supplier
69 who fails to pay the tax imposed under this subsection shall have his **or her** license issued under
70 this section revoked and shall be guilty of a class A misdemeanor.

313.065. The administration of sections 313.005 to [313.080] **313.110** shall be vested
2 in the commission which shall have power to adopt and enforce rules and regulations to regulate
3 and license the management, operation and conduct of games of bingo **and satellite bingo** and
4 participants therein and to properly administer and enforce the provisions of sections 313.005
5 to [313.080] **313.110**. No rule or portion of a rule promulgated under the authority of sections
6 313.005 to [313.080] **313.110** shall become effective unless it has been promulgated pursuant
7 to the provisions of section 536.024, RSMo.

313.070. Any license issued under sections 313.005 to 313.080 shall be suspended or
2 revoked by the commission if it is found that the licensee or any person connected therewith has
3 violated any provision of sections 313.005 to [313.080] **313.110** or any rule or regulation of the
4 commission adopted pursuant to sections 313.005 to [313.080] **313.110**.

313.075. The conduct or playing games of bingo **or satellite bingo** under the provisions
2 of sections 313.005 to [313.080] **313.110** does not constitute gambling or gambling activities and
3 the power of the division of liquor control to prohibit the licensing of any premises on which
4 gambling or gambling activities are conducted or played, or to prohibit the sale or consumption
5 of beer or alcoholic beverage on any premises on which gambling or gambling activities are
6 conducted or played, shall not apply where the only activity is the conduct or playing of games
7 of bingo **or satellite bingo** under the provisions of sections 313.005 to [313.080] **313.110**. Any
8 licensee under sections 313.005 to 313.080 may, if such licensee meets all other requirements
9 of the liquor licensing laws of this state, be licensed by the division of liquor control as provided
10 in chapters 311 and 312, RSMo, and the conduct or playing of games of bingo **or satellite bingo**
11 under the provisions of sections 313.005 to [313.080] **313.110** shall not, by itself, be a reason
12 for refusal to license or for suspension or revocation of a license under the provisions of chapter
13 311 or 312, RSMo.

313.080. Any person who violates any provision of sections 313.005 to [313.080]
2 **313.110** shall be guilty of a class A misdemeanor.

313.085. In addition to the exemptions granted under the provisions of section 144.030,

2 RSMo, there is hereby specifically exempted from the provisions of sections 144.010 to 144.525
3 and 144.600 to 144.745, RSMo, section 238.235, RSMo, and any local sales tax law, as defined
4 in section 32.085, RSMo, and from the computation of the tax levied, assessed or payable under
5 sections 144.010 to 144.525 and 144.600 to 144.745, RSMo, section 238.235, RSMo, and any
6 local sales tax law, as defined in section 32.085, RSMo, all sales of bingo supplies, **satellite**
7 **bingo supplies, bingo** equipment, **satellite bingo equipment**, or cards, including pull-tab cards,
8 to any organization duly licensed to conduct bingo **or satellite bingo** pursuant to sections
9 313.005 to [313.085] **313.110**.

313.090. Any organization licensed to conduct bingo games pursuant to sections
2 **313.005 to 313.085 may also conduct satellite bingo games as defined in section 313.005, if**
3 **such organization has chosen to become a member of the satellite bingo network.**

313.095. 1. A satellite bingo broadcaster may market the satellite bingo concept to
2 **any organization that is licensed to operate bingo in this state pursuant to sections 313.005**
3 **to 313.085. The satellite bingo broadcaster shall determine the minimum number of**
4 **licensees necessary to establish a satellite bingo network.**

5 **2. Once a satellite bingo network has been established the satellite bingo**
6 **broadcaster shall install the necessary equipment to allow each member participating in**
7 **the satellite bingo network to receive the satellite bingo games. The satellite bingo**
8 **broadcaster shall also provide orientation and training of the volunteer staff of the**
9 **members within the satellite bingo network with respect to use of the satellite equipment.**
10 **All satellite equipment shall be inspected and maintained by the satellite bingo**
11 **broadcaster.**

12 **3. The satellite bingo broadcaster shall do the following:**

13 **(1) Sell bingo cards at a set price per card to each of the members of the satellite**
14 **bingo network to enable each member to play satellite bingo games simultaneously;**

15 **(2) Inform the members of the satellite network which bingo cards to use for each**
16 **satellite bingo game;**

17 **(3) Install a satellite dish and receiver, conference call system, and two telephone**
18 **lines, one for satellite bingo games conference calls and one for a date line, in the bingo hall**
19 **of each member of the satellite bingo network;**

20 **(4) Simultaneously transmit satellite bingo games live to each of the members of the**
21 **satellite bingo network;**

22 **(5) Maintain complete control and management of the transmission of the game to**
23 **the bingo halls of the members of the satellite bingo network; and**

24 **(6) Establish a separate bank account to be used by the bingo halls of each of the**
25 **members of the satellite bingo network for deposit of the appropriate previously**

26 **determined amount per card for purchase of bingo cards from the satellite bingo**
27 **broadcaster.**

2 **313.100. 1. Any member of the satellite bingo network may volunteer to be a**
3 **candidate for becoming the satellite bingo producer.**

4 **2. The satellite bingo producer shall be selected from among the volunteer members**
5 **by a majority vote of the members of the satellite bingo network and must then be**
6 **approved by the commission. If the commission fails to approve the member who received**
7 **the majority of the votes the members shall vote again and select a different member who**
8 **must then be approved by the commission. This process shall be repeated until an elected**

9 **3. The satellite bingo producer shall do the following:**

10 **(1) Develop and maintain a studio in one of its bingo halls and install in that studio**
11 **a stage including lighting, backdrop, and one or more video cameras that display an**
12 **electronic bingo machine from which balls are ejected along with other appropriate**
13 **satellite bingo equipment necessary to produce, televise, and record satellite bingo games**
14 **which shall be simultaneously transmitted live by the satellite bingo broadcaster to all**
15 **other members of the satellite bingo network;**

16 **(2) Maintain complete control and management of the conduct of satellite bingo**
17 **games;**

18 **(3) Televise and video record each satellite bingo game for simultaneous live**
19 **transmission by the satellite bingo broadcaster to each member of the satellite bingo**
20 **network;**

21 **(4) After being informed of the revenues collected by each member of the satellite**
22 **bingo network from the sale of bingo cards to customers for a particular satellite bingo**
23 **game, inform each of those members of the total prize money available for that game;**

24 **(5) Establish a separate bank account to be used by the bingo halls of each of the**
25 **members of the satellite bingo network for deposit of the appropriate percentage of total**
26 **revenues collected by them from the sale of bingo cards to customers; and**

27 **(6) Pay all winners of the progressive prizes and all winners of bonus prizes out of**
28 **the funds in the account established pursuant to subdivision (5) of subsection 3 of this**
29 **section.**

2 **313.105. 1. Each member of the satellite bingo network shall provide a volunteer**
3 **caller at their bingo halls to announce the identity of each ball as it is displayed on the**
4 **video monitor in their halls.**

5 **2. The satellite bingo producer and each member of the satellite bingo network**
6 **shall supply the bingo halls, bingo supplies, and the volunteer staff necessary for the**

6 operation of satellite bingo games.

7 3. Each member of the satellite bingo network shall provide one or more video
8 monitors which shall be used exclusively for providing the visual display of the satellite
9 bingo games. They shall also provide a facsimile machine capable of receiving and
10 transmitting telefax messages to and from the location where the satellite bingo game is
11 being broadcast and a telephone capable of receiving and transmitting voice messages to
12 and from the studio of the satellite bingo producer.

13 4. Each member of the satellite bingo network shall, pursuant to section 313.110,
14 pool a percentage of the proceeds from the sale of bingo cards to the customers, so that
15 their customers can play for the progressive prize.

16 5. Only volunteer staff at each of the members of the satellite bingo network shall
17 manage, control, and operate the satellite bingo games. Such volunteer staff shall provide
18 all management, service, and host personnel necessary to manage the satellite bingo games
19 in each of their bingo halls. The conduct of customers and other occupants of the bingo
20 halls of each member of the satellite bingo network is the responsibility of and under the
21 supervision of the volunteer staff of each of the members.

22 6. Only volunteer staff shall be allowed to do the following:

23 (1) Solicit customers to play the satellite bingo games;

24 (2) Sell satellite bingo cards to the customers;

25 (3) Collect all revenues from the sale of the bingo cards;

26 (4) Add up all revenues collected from the sale of the bingo cards and immediately
27 contact the satellite bingo producer and inform the producer of the amount collected;

28 (5) Call or announce the winning balls as they are displayed on the video monitors;

29 (6) Verify all winners;

30 (7) Notify the satellite bingo producer of the names of any winners;

31 (8) Pay winners of the consolation prizes in cash; and

32 (9) Prepare reports and deposit an appropriate percentage of the total revenues
33 from the sale of bingo cards in an account set up by the producer that will be used to pay
34 winners of the progressive prizes and bonus prizes, and deposit in an account set up by the
35 satellite bingo broadcaster the previously agreed upon amount per bingo card to pay the
36 satellite bingo broadcaster for purchase of the bingo cards.

37 7. Members of the satellite bingo network shall return all unsold bingo cards to the
38 satellite bingo broadcaster and pay the satellite bingo broadcaster a set price per bingo
39 card for each bingo card used. Payment for each bingo card used shall be the only
40 remuneration that the satellite bingo broadcaster receives from the members of the satellite
41 bingo network.

2 **313.110. 1. No more than one satellite bingo game shall be played per day and only**
3 **three types of prizes may be awarded for any one game, the progressive prize, the bonus**
4 **prize or prizes and the consolation prizes.**

5 **2. Fifty percent of the total revenues collected from the sale of bingo cards at all of**
6 **the bingo halls of all of the members of the satellite bingo network shall be used to pay out**
7 **the three types of prizes as follows:**

8 **(1) Forty percent of the fifty percent of revenues collected shall be pooled and**
9 **committed to the progressive prize. A limited and predetermined number of balls is**
10 **allowed to be called for the progressive prize. If no customer at any of the bingo halls of**
11 **any of the members of the satellite bingo network wins the progressive prize for a**
12 **particular game then that money accumulates or rolls over and is added to the next game's**
13 **progressive prize until the progressive prize is won. Each day after the first day the**
14 **progressive prize is not won until the progressive prize is won an additional bingo number**
15 **is called. Once the progressive prize is won the process starts over again;**

16 **(2) The bonus prize shall be a continuation of the progressive prize game. Of the**
17 **fifty percent of total revenues collected from all the bingo halls of all of the members of the**
18 **satellite bingo network for a particular game, forty percent of that money is committed to**
19 **the bonus prize. After the limited predetermined number of balls is called for the**
20 **progressive prize, more numbers are called until at least one customer playing the game**
21 **wins at one of the bingo halls of the members of the satellite network. If there is more than**
22 **one winner the winners shall split the bonus prize money equally;**

23 **(3) The consolation prize shall be a continuation of the progressive and bonus prize**
24 **game. Of the fifty percent of total revenues collected from all the bingo halls of all the**
25 **members of the satellite bingo network for a particular game, twenty percent of that money**
26 **shall be committed to the consolation prizes. After the limited and predetermined number**
27 **of balls is called for the progressive prize and the bonus prize more numbers are called**
28 **until at least one customer of each bingo hall of each member of the satellite bingo network**
29 **wins. If there is more than one winner at any particular bingo hall the winners at that**
30 **particular bingo hall shall split the consolation prize equally.**

31 **3. Consolation prize winners shall be paid in cash by each bingo hall of each**
32 **member of the satellite bingo network out of the twenty percent of this fifty percent of total**
33 **revenues collected at the bingo hall where the prize is won.**

34 **4. This fifty percent of total revenues collected by each bingo hall of each member**
35 **of the satellite bingo network shall be used to pay out the progressive prize, if any,**
36 **pursuant to subdivision (1) of subsection 2 of this section, and the bonus prize or prizes**
37 **pursuant to subdivision (2) of subsection 2 of this section, less any cash paid out to**

37 **consolation prize winners pursuant to subdivision (3) of subsection 2 of this section, and**
38 **shall be deposited in an account set up by the satellite bingo producer who shall pay the**
39 **bonus prize winner or winners and the progressive prize winner if any.**

40 **5. The next banking day following the completion of each satellite bingo game each**
41 **bingo hall of each member of the satellite bingo network shall pay to the satellite bingo**
42 **broadcaster, out of the remaining fifty percent of total revenues collected from the sale of**
43 **bingo cards which is not used to pay out prizes, a previously agreed upon amount for each**
44 **bingo card sold. Each member of the satellite bingo network may then keep the remainder**
45 **of this half of the total revenues collected and shall only use these revenues for charitable**
46 **purposes.**

47 **6. Any revenues required by the state of Missouri shall be paid by the satellite**
48 **bingo broadcaster based on the collective number of bingo cards sold.**