

AN ACT

To repeal sections 313.005, 313.007, 313.010, 313.015, 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-two 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, 313.015, 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313.040, 313.045, 313.050, 313.052, 313.055, 313.057, 313.065, 313.070, 313.075, 313.080 and 313.085, RSMo, are repealed and twenty-two new sections enacted in lieu thereof, to be known as sections 313.005, 313.007, 313.010, 313.015, 313.025, 313.030, 313.040, 313.045, 313.050, 313.052, 313.055, 313.057, 313.065, 313.070, 313.075, 313.080, 313.085, 313.090, 313.095, 313.100, 313.105 and 313.110, to read as follows:

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

(1) "Bingo", a game in which each participant receives one or more cards, including, but not limited to, pull-tab cards, marked off into twenty-five squares arranged on five horizontal rows of five squares each; or, one or more cards marked off into twenty-five squares arranged on five horizontal rows of five squares each which are not pull-tab cards and, in addition thereto, one or more pull-tab cards. Each square is designated

by number, letter or by a combination of numbers and letters, except that the center square on the card shall be designated with the word "free". No two cards shall be identical. As the announcer of the game announces a number, letter or a combination of numbers and letters, each player covers the square corresponding to the announced number, letter or combination by marking such card in ink. The numbers, letters or combination of numbers and letters which are announced shall appear on an object selected by chance, either manually or mechanically, from a receptacle containing the objects bearing numbers, letters or combinations of numbers and letters. The winner of each game shall be the player or players who are first to properly cover a predetermined and announced pattern of squares upon the card or cards used by such player or players. A prize or prizes may be awarded to the winner or winners of a game. Bingo shall include pull-tab cards or tickets;

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

(3) "Bingo equipment", all paraphernalia used to conduct a bingo game including selection equipment, number display boards, and bingo cards and faces and other such related equipment as may be defined by the rules and regulations of the commission. This

definition does not include audio or video equipment which plays no part in the conduct of the game other than communicating the progress of the game or items used to mark numbers on the cards;

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

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

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

(7) "Director", the director or other person in charge of the regulation of the game of bingo, as designated by the Missouri gaming commission. The director of bingo shall:

(a) Enforce the provisions of chapter 313;

(b) See that the Missouri gaming commission rules and regulations are upheld;

(c) Promote a climate where charity bingo can operate and

flourish;

(d) Assist charity bingos with problems that fall within their purview;

(e) Allow innovative methods and technologies that aide in revenue production of charity bingos;

(f) Formulate procedures for events such as promotions and raffles in which bingos can participate;

(g) See that rules and regulations are in the best interest of the public;

(h) Enforce all other directives which the commission may provide from time to time;

(8) "Distribute", the selling, marketing, leasing and renting of bingo equipment, pull-tabs and bingo cards to licensed organizations;

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

[(9)] (10) "Hall provider", a person or business entity

which leases premises in which bingo games or satellite bingo games are conducted;

(11) "Manufacturer", a person or business entity that sells, markets, or otherwise provides bingo equipment, multihall bingo equipment, pull-tabs, or bingo cards that are fabricated, assembled, or significant value added by such person or entity;

[(10)] (12) "Member", any organization who participates in a multihall bingo network;

(13) "Multihall bingo", a game in which the multihall bingo producer conducts, televises, and video records a game of bingo as defined in this section which is simultaneously broadcast live by the multihall bingo broadcaster to every member of the multihall bingo network. Multihall bingo is any game in which two or more distinct facilities are joined via applicable technology to allow for the simultaneous playing of a bingo game. A multihall bingo game has the following characteristics:

(a) The game uses cards drawn from a common pool;

(b) The proceeds from the game are pooled and prizes awarded from a central source;

(c) The ball calls originate from a central source and are announced in real time at the linked halls; and

(d) Verification of a winning card or cards occurs at the location at which the balls are drawn;

(14) "Multihall bingo broadcaster", a multihall network

which broadcasts bingo games to members of the multihall bingo network;

(15) "Multihall bingo equipment", all paraphernalia used to produce or conduct a multihall bingo game, including selection equipment, number display boards, bingo cards and faces, multihall dishes and receivers, conference call systems, telephone lines, fax machines, audio and video recording equipment, video cameras, television monitors, computers, computer networks and other such equipment as may be defined by the rules and regulations of the commission;

(16) "Multihall bingo network", a group of organizations licensed by the state pursuant to this chapter to operate or participate in the game of multihall bingo;

(17) "Multihall bingo producer", a multihall bingo member who produces multihall bingo games that are simultaneously transmitted live by the multihall bingo broadcaster to the other members of the multihall bingo network;

(18) "Multilevel prizing", a prizing structure whereby the prize awarded is dependant on the level and pattern, number of balls drawn, or event associated with the card. The cost of each level of card and the resultant prize or the cost of each level of card or the resultant prize is clearly defined prior to the player purchasing the card or cards;

(19) "Permutation (PERM)", a collection of unique card

faces whereby each card face has a unique identifying number or a unique predetermined arrangement of numbers or symbols;

(20) "Precalled games", a game format in which a specified number of balls are drawn and posted for player viewing prior to the player purchasing a sealed card. The player purchases the sealed card, opens it, and daubs the called numbers on the revealed face. If the player satisfies a predetermined pattern, he or she wins the associated prize;

(21) "Pull-tab card", any disposable card or ticket which accords a person an opportunity to win something of value by opening, pulling, detaching, or otherwise removing tabs from the card or ticket to reveal a set of numbers, letters, symbols, or configurations, or any combination thereof. The term "pull-tab card" shall include any card known as a pickle ticket, pickle, break-open, or pull-tab card;

[(11)] (22) "Religious organization", any organization, church, body of communicants, or group, gathered in common membership for mutual support and edification in piety, worship and religious observances. Such an organization may be a society of individuals united for religious purposes at a definite place. In order to qualify as a religious organization, no part of the net earnings of the organization may inure to the benefit of any private shareholder or any individual member of such organization. Religious organizations shall maintain an

established place of worship within this state and shall have a regular schedule of services or meetings at least on a weekly basis. Religious organizations must have obtained an exemption from the payment of federal income taxes as provided by section 501(c)(3) or section 501(d) of the Internal Revenue Code of 1954, as amended;

[(12)] (23) "Service organization", any organization commonly known as a civic club or county fair or other organization if such organization is a religious, charitable, fraternal, veteran or service organization as described in article III, section 39(a) of the Missouri Constitution and of which no part of the net earnings inures to the benefit of any private shareholder or individual member of such organization. Service organizations must have obtained an exemption from the payment of federal income taxes as provided in section 501(c)(4), 501(c)(5) or 501(c)(7) of the Internal Revenue Code of 1954, as amended;

(24) "Share the wealth game", any game whereby the prize awarded to the player is derived as a percentage of the total value of the cards sold for the game. The minimum prize awarded can be no less than fifty percent of the value of the cards sold for the game;

(25) "Style of pull-tab play", pull-tabs that can be used with or combined with any of the following forms:

- (a) Sign-up boards;
- (b) Tip boards;
- (c) Coin boards;
- (d) Hold tickets;
- (e) Instant tickets;
- (f) Event hold cards or tickets;
- (g) Event game tickets;

An event ticket winner or winners are determined by some subsequent action such as a drawing of a ball or balls, spinning a wheel or wheels, opening of a seal on a flare or flares, or a caller card or cards, or any other method that has designated numbers, letters, and symbols, or numbers, letters, or symbols that conform to the randomly selected numbers, letters and symbols, or numbers, letters, or symbols;

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

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

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

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

(c) In which no part of the net earnings of which inures to the benefit of any private shareholder or individual and which has been exempted from payment of federal income taxes 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 derived from the state taxes contained in this chapter relating to bingo or multihall bingo shall be deposited in the "Bingo Proceeds for Education Fund", which is hereby created in the state treasury. Moneys in this fund shall be considered state funds pursuant to article IV, section 15 of the Missouri Constitution. All interest received on bingo proceeds for education fund shall be credited to the bingo proceeds for education fund. Appropriations of the moneys deposited in the bingo proceeds for education fund shall be pursuant to state law. The provisions of section 33.080, RSMo, requiring all unexpended balances remaining in various state funds to be transferred and placed to the credit of the ordinary revenue fund of this state at the end of each biennium shall not

apply to the bingo proceeds for education fund. All net tax receipts collected pursuant to subsection 10 of section 313.057 shall be paid over immediately to the state treasurer to be deposited to the credit of the bingo proceeds for education fund.

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

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

2. Notwithstanding any other provisions to the contrary, the commission shall require only an abbreviated license, pursuant to the provisions of section 313.020, and an abbreviated licensing fee of ten dollars per event, for any bona fide

religious, charitable, fraternal, veteran or service organization which conducts a bingo game on not more than ~~four~~ sixty occasions annually at which only pull-tab cards may be used. The organization shall have been in existence for at least five years immediately prior to the first occasion on which such organization conducts a bingo pull-tab game and during this period shall have had twenty bona fide members. For the purposes of this subsection, "occasion" means an event having a duration of less than twenty-four hours. An organization that has been granted an abbreviated license shall be exempt from the provisions of subdivisions (11) and (14) of section 313.040.

313.015. 1. The commission shall issue a license for the conducting of bingo to any bona fide religious, charitable, fraternal, veteran or service organization or to any combination of eligible organizations[, not to exceed five,] which submits an application on a form prescribed by the director and which satisfies the director that such organization meets all of the requirements of sections 313.005 to 313.080. The burden of proof is at all times on the applicant to demonstrate by clear and convincing evidence its suitability to be licensed. Each license so issued shall expire at midnight one year from its date of issuance. The commission, in its sole discretion, may reopen licensure hearings for any licensee at any time.

2. An applicant may hold only one license and that license

may not be transferred or assigned to any other organization other than the organization named in the license. Each licensed organization shall pay to the director an annual, nonrefundable license fee of fifty dollars; provided, however, each licensed organization which awards to winners of bingo games prizes or merchandise having an aggregate retail value of five thousand dollars or less annually and less than one hundred dollars in any single day shall pay to the director an annual fee of ten dollars to be paid into the state treasury to the credit of the gaming commission bingo fund. The director may, upon application made by a county fair organization or by any organization qualified to receive a regular license, issue a special license authorizing such organization to conduct bingo for the period of any fair, picnic, festival or celebration conducted by such qualified organization not exceeding one week and which is held not more than once annually, and a special licensee shall be exempt from the provisions of subdivisions (7) and (11) of section 313.040. Each organization receiving a special license shall pay to the director a fee of twenty-five dollars, to be paid into the state treasury to the credit of the gaming commission bingo fund.

3. Any organization that obtains more than three special bingo licenses during any calendar year shall be required to file an annual report as required in section 313.045.

313.025. 1. If any applicant for licensure or organization

licensed under sections 313.005 to 313.080 proposes to conduct bingo or multihall bingo on leased premises or use leased equipment, the terms of the lease shall be reduced to writing and a copy of the lease shall be submitted to the commission. The commission may approve or disapprove any such lease. No lease which has been approved by the commission shall be amended, modified or renewed in any manner until such amendments, modifications or renewals have been approved by the commission. No lease providing for a rental arrangement for premises or equipment for use in the game shall provide for payment in excess of the reasonable market rental rate for such premises or equipment and in no case shall any payment be based on a percentage of gross receipts or proceeds. The reasonable market rental rate shall be determined by the commission or qualified appraiser or commission and qualified appraisal.

2. If any applicant for licensure or any organization licensed under the provisions of sections 313.005 to 313.080 proposes to purchase or lease bingo supplies, multihall supplies, bingo equipment, multihall bingo equipment, or bingo services or premises in which bingo or multihall bingo will be conducted, the applicant or licensee may be required at the discretion of the commission to submit in writing a detailed listing of the supplies to be purchased or leased together with the quoted price therefor and a copy of the lease, if such supplies are to be

leased. No purchase or lease of bingo supplies or multihall bingo supplies shall provide for payment in excess of the reasonable market purchase price or reasonable market rental rate for such equipment and in no case shall any payment be based on a percentage of gross receipts or proceeds. The reasonable market purchase price or reasonable market rental rate shall be determined by the commission.

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

313.040. The conducting of bingo or multihall 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 monetarily 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 multihall 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 and pull-tab tickets from a licensed supplier or multihall 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 multihall bingo except a person who has been a bona fide member of the licensed organization for at least two years immediately preceding such participation, who is not a paid staff person of the licensed organization employed and compensated specifically for conducting or managing the [game] games of bingo or multihall bingo and who volunteers the time and service necessary to conduct the game. Subject to constitutional restrictions, if any, no person shall participate in the actual operation of the [game] games of bingo or multihall bingo under the direction of a person conducting or managing the [game] games

of bingo or multihall bingo, except a person who has been a bona fide member of the licensed organization for at least one year immediately preceding such participation, who is not a paid staff person of the licensed organization employed and compensated specifically for operating the [game] games of bingo or multihall bingo and who volunteers the time and service necessary to operate the game. If any post or organization, by its national charter, has established an auxiliary organization for spouses, then members of the auxiliary organization shall be considered bona fide members of the licensed organization and members of the post or organization shall be considered bona fide members of the auxiliary organization for the purposes of this subdivision. Any person who is a duly ordained member of the clergy and any person who is a full-time employee or staff member of the licensed organization employed for at least two years by that organization in a capacity not directly related to the conducting or managing of the [game] games of bingo or multihall bingo, who has specific assigned duties under a definite job description with the licensed organization, and who volunteers time and assistance to the organization without compensation for such time and assistance in the conducting and managing of the [game] games of bingo or multihall bingo by the organization shall not be considered a paid staff person for the purposes of this subdivision. [No full-time employee or staff member shall

volunteer such time and assistance to more than one organization nor more than one day in any week.] The commission shall establish guidelines for the determination of whether a person is a paid staff person within the meaning of this subdivision and shall specifically approve any full-time employee or staff member of the organization before such employee or staff member may volunteer time and assistance in the conducting and managing of bingo games or multihall bingo games for any organization. The commission may suspend the approval of any employee or staff member;

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

(4) The aggregate retail value of all prizes or merchandise awarded, except prizes or merchandise awarded by pull-tab cards, multihall bingo games, and progressive bingo games, in any single [day] occasion of bingo may not exceed three thousand six hundred dollars [and the prize awarded for any one game], other than progressive bingo games authorized pursuant to section 313.013, [may not exceed five hundred dollars cash or its equivalent. No more than one five-hundred-dollar prize, other than prizes in

progressive bingo games] and all multihall bingo games, shall be awarded on any single [day] occasion of bingo;

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

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

(7)] The number of bingo [days] occasions conducted by a licensee under the provisions of sections 313.005 to 313.080 shall not be limited [to one day per week];

[(8)] (7) Any person, officer or director of any firm or corporation, and any partner of any partnership renting or leasing to a licensed organization equipment or premises for use in a game shall meet all the qualifications set forth in

subdivisions (1) to (5) and (8) of section 313.035 and shall not be a paid staff person of the licensee. Proof of compliance with this subdivision shall be submitted to the commission by the licensee in the manner required by the commission;

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

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

[(11)] (9) Other than a special bingo occasion no licensee shall lease premises in which it conducts bingo games or multihall bingo games from someone who is not a hall provider licensed by the commission;

[(12)] (10) No licensee shall pay any consulting fees to

any person for any service performed in relation to the bingo game or multihall bingo game;

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

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

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

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

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

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

~~[(18)]~~ (13) No licensee shall purchase or use any bingo supplies or multihall bingo supplies 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 multihall bingo games prizes or merchandise having an aggregate retail value of more than seven thousand five hundred dollars annually shall report annually to the commission on forms prescribed by the commission the following information:

- (1) The number of games it has conducted during the reporting year;
- (2) The location at which and the days it conducted games;
- (3) The gross receipts it received from each game;
- (4) An itemization of the cost of conducting each game, other than for prizes, and the names and addresses of the person to whom said expenses were paid;
- (5) The purposes for which the net proceeds of the game were used and the amounts so used;
- (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 multihall bingo games conducted within the previous three years. Such records shall be open to inspection by the commission.

313.052. A holder of any license shall be subject to

imposition of penalties, suspension or revocation of such license, or other action for any act or failure to act by [himself] the license holder or his or her agents or employees, that is injurious to the public health, safety, good order and general welfare of the people of the state of Missouri, or that would discredit or tend to discredit charitable bingo operations in Missouri or the state of Missouri unless the licensee proves by clear and convincing evidence that he or she is not guilty of such action. The commission shall take appropriate action against any licensee who violates the law or the rules and regulations of the commission. Without limiting other provisions of sections 313.005 to [313.085] 313.110, the following acts or omissions may be grounds for such discipline:

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

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

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

regulations of the commission;

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

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

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

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

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

(9) Penalties and violations shall be scheduled by the commission for the purpose of fair and equal application to all licensees, except for that provided in 313.080.

313.055. 1. Until January 1, 1995, a tax is hereby imposed

on each organization conducting the game of bingo which awards to winners of bingo games prizes or merchandise having an aggregate retail value of more than five thousand dollars annually and more than one hundred dollars in any single day. The tax shall be in an amount equal to two and one-half percent of the total gross receipts realized from each game of bingo conducted, shall be paid on a monthly basis to the commission, by each person or licensee conducting a game or games of bingo and shall be due on the fifteenth day of the month following the month in which each bingo game was conducted. Beginning January 1, 1995, the tax shall be in the amount of two-tenths of one cent upon each bingo card [and], progressive bingo game card, and multihall bingo game card sold in Missouri to be paid by the supplier. The taxes, less two percent of the total amount paid which may be retained by the supplier, shall be paid on a monthly basis to the commission, by each supplier of bingo supplies or multihall bingo supplies and shall be due on the last day of the month following the month in which the bingo card was sold, with the date of sale being the date on the invoice evidencing the sale, along with such reports as may be required by the commission. The taxes shall be deposited in the state treasury, credited to the bingo proceeds for education fund.

2. All taxes not paid to the commission by the person or licensee required to remit the same on the date when the same

becomes due and payable to the commission under the provisions of sections 313.005 to 313.085 shall bear interest at the rate to be set by the commission not to exceed two percent per calendar month, or fraction thereof, from and after such date until paid. In addition, the commission may impose a penalty not to exceed three times the amount of taxes due for failure to submit the reports required by this section and pay the taxes due.

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

2. The commission shall submit two sets of fingerprints for each key person, as defined in commission rules and regulations, of an entity or organization seeking issuance or renewal of a Missouri bingo equipment and supplies or multihall bingo equipment and supplies manufacturer or supplier license, for the purpose of checking the person's prior criminal history when the commission determines a nationwide check is warranted. The fingerprint cards and any required fees shall be sent to the Missouri state highway patrol's criminal records division. The first set of fingerprints shall be used for searching the state

repository of criminal history information. The second set of fingerprints shall be forwarded to the Federal Bureau of Investigation, Identification Division, for the searching of the federal criminal history files. The patrol shall notify the commission of any criminal history information or lack of criminal history information discovered on the individual. Notwithstanding the provisions of section 610.120, RSMo, all records related to any criminal history information discovered shall be accessible and available to the commission.

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

4. Any person whom the commission determines to be a suitable person to receive a license pursuant to the provisions of this section may be issued a manufacturer's or supplier's license. The commission may require suppliers to post a bond

with the commission in an amount and in the manner prescribed by the commission. The burden of proving his qualification to receive or hold a license pursuant to this section is at all times on the applicant or licensee.

5. The commission shall charge and collect from each applicant for a supplier's license a one-time application fee set by the commission, not to exceed five thousand dollars. The commission shall charge and collect an annual renewal fee for each supplier licensee not to exceed one ~~[thousand]~~ hundred dollars.

6. The commission shall charge and collect from each applicant for a manufacturer's license a one-time application fee set by the commission, not to exceed one thousand dollars. The commission shall charge and collect an annual renewal fee for each manufacturer licensee not to exceed ~~[five hundred]~~ one thousand dollars.

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

8. All licenses issued pursuant to this section shall be issued for ~~[the]~~ two calendar ~~[year]~~ years and shall expire on

December thirty-first [of each year]. Regardless of the date of application or issuance of the license, the fee to be charged and collected pursuant to this section shall be twice the full annual fee.

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

10. All licensees pursuant to this section shall maintain for a period of not less than three years full and complete records of all business carried on in this state and shall make same available for inspection to any duly authorized representative of the commission. If a supplier does not receive payment in full from an organization within thirty days of the delivery of bingo supplies or multihall bingo supplies, the supplier shall notify the commission in writing, or in a manner specified by the commission in its rules and regulations, of the delinquency. Upon receipt of the notice of delinquency, the commission shall notify all suppliers that until further notice from the commission, all sales of bingo supplies or multihall bingo supplies to the delinquent organizations shall be on a cash-only basis. Upon receipt of the notice from the commission, no supplier may extend credit to the delinquent organization until such time as the commission approves credit sales. If a manufacturer does not receive payment in full from a supplier

within ninety days of the delivery of bingo supplies or multihall bingo supplies, the manufacturer shall notify the commission in writing, or in a manner specified by the commission in its rules and regulations, of the delinquency. Upon receipt of the notice of delinquency, the commission shall notify all manufacturers that until further notice from the commission, all sales of bingo supplies or multihall bingo supplies to the delinquent supplier shall be on a cash-only basis. Upon receipt of the notice from the commission, no manufacturer may extend credit to the delinquent supplier until such time as the commission approves credit sales.

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

taxes shall be deposited in the state treasury, credited to the bingo proceeds for education fund. All pull-tab cards sold by suppliers in this state shall bear on the face thereof the amount for which such pull-tab cards will be sold, and the license number of the supplier shall be printed on the inventory statement commonly called the flare, enclosed in each unit container. Each unit container shall contain cards printed in such a manner as to ensure that at least sixty percent of the gross revenues generated by the ultimate sale of such cards shall be returned to the final purchasers of such cards. Any supplier who fails to pay the tax imposed pursuant to this subsection shall have his license issued pursuant to 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 in the commission which shall have power to adopt and enforce rules and regulations to regulate and license the management, operation and conduct of games of bingo and multihall bingo and participants therein and to properly administer and enforce the provisions of sections 313.005 to [313.080] 313.110. No rule or portion of a rule promulgated under the authority of sections 313.005 to [313.080] 313.110 shall become effective unless it has been promulgated pursuant to the provisions of section 536.024, RSMo.

313.070. Any license issued under sections 313.005 to

313.080 shall be suspended or revoked by the commission if it is found that the licensee or any person connected therewith has violated any provision of sections 313.005 to [313.080] 313.110 or any rule or regulation of the commission adopted pursuant to sections 313.005 to [313.080] 313.110.

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

313.080. Any person who violates any provision of sections 313.005 to [313.080] 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, RSMo, there is hereby specifically exempted from the provisions of sections 144.010 to 144.525 and 144.600 to 144.745, RSMo, section 238.235, RSMo, and any local sales tax law, as defined in section 32.085, RSMo, and from the computation of the tax levied, assessed or payable under sections 144.010 to 144.525 and 144.600 to 144.745, RSMo, section 238.235, RSMo, and any local sales tax law, as defined in section 32.085, RSMo, all sales of bingo supplies, multihall bingo supplies, bingo equipment, multihall bingo equipment, or cards, including pull-tab cards, to any organization duly licensed to conduct bingo or multihall bingo pursuant to sections 313.005 to [313.085] 313.110.

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

313.095. 1. A multihall bingo broadcaster may market the multihall bingo concept to any organization that is licensed to operate bingo in this state pursuant to sections 313.005 to

313.085. The multihall bingo broadcaster shall determine the minimum number of licensees necessary to establish a multihall bingo network.

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

3. The multihall bingo broadcaster shall do the following:

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

(2) Inform the members of the multihall network which bingo cards to use for each multihall bingo game;

(3) Install necessary equipment to receive the multihall bingo games in the bingo hall of each member of the multihall bingo network;

(4) Simultaneously transmit multihall bingo games live to each of the members of the multihall bingo network;

(5) Maintain complete control and management of the

transmission of the game to the bingo halls of the members of the multihall bingo network; and

(6) Establish a separate bank account to be used by the bingo halls of each of the members of the multihall bingo network for deposit of the appropriate previously determined amount per card for purchase of bingo cards from the multihall bingo broadcaster.

313.100. 1. Any member of the multihall bingo network may volunteer to be a candidate for becoming the multihall bingo producer as long as their hall is part of a seven-day operating location.

2. The multihall bingo producer shall be selected from among the volunteer members by the multihall broadcaster and must then be approved by the commission. If the commission fails to approve the member the multihall broadcaster will select a different member who must then be approved by the commission. This process shall be repeated until a member is approved by the commission.

3. The multihall bingo producer shall do the following:

(1) Develop and maintain a studio in one of its bingo halls and install in that studio the appropriate multihall bingo equipment necessary to produce, televise, and record multihall bingo games which shall be simultaneously transmitted live by the multihall bingo broadcaster to all other members of the multihall

bingo network;

(2) Maintain complete control and management of the conduct of multihall bingo games;

(3) Televisе and video record each multihall bingo game for simultaneous live transmission by the multihall bingo broadcaster to each member of the multihall bingo network;

(4) Inform each of those members the approximate prize available for that game;

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

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

313.105. 1. Each member of the multihall bingo network shall provide a volunteer caller at their bingo halls to record the identity of each ball as it is displayed on the video monitor in their halls and to verify bingos as necessary.

2. The multihall bingo producer and each member of the multihall bingo network shall supply the bingo halls, bingo supplies, and the volunteer staff necessary for the operation of multihall bingo games.

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

4. Each member of the multihall bingo network shall, pursuant to section 313.110, pool a percentage of the proceeds along with other members, from the sale of bingo cards to the customers, so that their customers can play for the progressive prize.

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

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

- (1) Solicit customers to play the multihall bingo games;
- (2) Sell multihall bingo cards to the customers;
- (3) Collect all revenues from the sale of the bingo cards;
- (4) Add up all revenues collected from the sale of the bingo cards and contact the satellite bingo producer and inform the producer of the amount collected;
- (5) Call or announce the balls as they are displayed on the video monitors;
- (6) Verify all winners;
- (7) Notify the multihall bingo producer of the names of any winners;
- (8) Pay winners of the consolation prizes in cash; and
- (9) Prepare reports and deposit an appropriate percentage of the total revenues from the sale of bingo cards in an account set up by the producer that will be used to pay winners of the progressive prizes and bonus prizes, and deposit in an account set up by the multihall bingo broadcaster the previously agreed upon amount per bingo card to pay the satellite bingo broadcaster for purchase of the bingo cards.

7. Members of the multihall bingo network shall pay the multihall bingo broadcaster a set price per bingo card for each bingo card used. Payment for each bingo card used shall be the only remuneration that the multihall bingo broadcaster receives from the members of the multihall bingo network.

313.110. 1. No more than three satellite bingo games shall be played per day, with approval from the commission, and only three types of prizes may be awarded for any one game, the progressive prize, the bonus prize or prizes and the consolation prizes.

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

(1) Fifty percent of revenues collected less the bonus prize and the consolation prize shall be pooled and committed to the progressive prize, unless the fifty percent of revenues collected are under two hundred fifty dollars, in which case a flat fifty dollar consolation prize shall be awarded and the remaining revenues less the multihall bingo broadcaster's fee shall be put toward payment for the progressive prize and for the bonus prize. A limited and predetermined number of balls is allowed to be called for the progressive prize. If no customer at any of the bingo halls of any of the members of the multihall bingo network wins the progressive prize for a particular game then that money accumulates or rolls over and is added to the next game's progressive prize until the progressive prize is won. Each day after the tenth day the progressive prize is not won until the progressive prize is won an additional bingo number is

called. Once the progressive prize is won the process starts over again;

(2) The bonus prize shall be a continuation of the progressive prize game and be a fixed value per multihall game. After the limited predetermined number of balls is called for the progressive prize, more numbers are called until at least one customer playing the game wins at one of the bingo halls of the members of the multihall network. If there is more than one winner the winners shall split the bonus prize money equally;

(3) The consolation prize shall be a continuation of the progressive and bonus prize game. Of the fifty percent of total revenues collected from all the bingo halls of all the members of the multihall bingo network for a particular game, twenty percent of that money shall be committed to the consolation prizes, unless the fifty percent of revenues collected are under two hundred fifty dollars, in which case a flat fifty dollar consolation prize shall be awarded. After the limited and predetermined number of balls is called for the progressive prize and the bonus prize more numbers are called until at least one customer of each bingo hall of each member of the multihall bingo network wins. If there is more than one winner at any particular bingo hall the winners at that particular bingo hall shall split the consolation prize equally.

3. Consolation prize winners shall be paid in cash by each

bingo hall of each member of the multihall bingo network out of the twenty percent of this fifty percent of total revenues collected at the bingo hall where the prize is won.

4. This fifty percent of total revenues collected by each bingo hall of each member of the multihall bingo network shall be used to pay out the progressive prize, if any, pursuant to subdivision (1) of subsection 2 of this section, and the bonus prize or prizes pursuant to subdivision (2) of subsection 2 of this section, less any cash paid out to consolation prize winners pursuant to subdivision (3) of subsection 2 of this section, and shall be deposited in an account set up by the multihall bingo producer who shall pay the bonus prize winner or winners and the progressive prize winner if any.

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

6. Any revenues required by the state of Missouri shall be paid by the multihall bingo broadcaster based on the collective

number of bingo cards sold.