

75-5179. Same; restrictions on charitable gaming; exemption. Games of bingo shall be managed, operated and conducted in accordance with the Kansas charitable gaming act and rules and regulations adopted pursuant thereto and the following restrictions:

- (a) The entire gross receipts received by any licensee from the operation or conduct of games of bingo, except that portion utilized for the payment of the cost of prizes and license fees and taxes on games of bingo imposed under the provisions of this act, shall be used exclusively for the lawful purposes of the licensee permitted to conduct that game.
 - (b) Games of bingo shall be managed, conducted or operated by a bona fide member or spouse of a bona fide member of the licensee or parent organization, an auxiliary unit or society or a beneficiary organization of such licensee or of the beneficiary organization. During each session of bingo there must be at least one member of the licensee organization on duty and assisting with the game. Such member must be listed with the office of charitable gaming.
 - (c) No person may participate in the management, conduct or operation of bingo games or raffles by a licensee if such person, within five years prior to such participation, has been convicted of or pleaded guilty or nolo contendere to any felony or illegal gambling activity or purchased a tax stamp for wagering or gambling activity.
 - (d) No person may receive any remuneration or profit for participating in the management, conduct or operation of any game of bingo or any raffle managed, conducted or operated by a licensee unless such remuneration or profit goes to the benefit of another nonprofit group. Any employee of the licensee, however, may assist in the conduct of any charitable gaming event.
 - (e) (1) The aggregate value of all prizes including the retail value of all merchandise awarded or offered by a licensee in a single session to winners of games of call bingo shall not exceed \$1,200. The administrator shall increase the call bingo cap on July 1 of each year to reflect changes in the consumer price index for all urban consumers as published by the United States department of labor for the preceding fiscal year. The value of a prize awarded in a progressive or mini bingo game shall not be included when determining the limit imposed by this subsection. Any monetary prize of \$1,199 or more awarded in games of bingo shall be paid by a check drawn on the bingo trust bank account of the licensee. Any monetary prize awarded in games of bingo shall be paid by a check on the bingo trust bank account of the licensee upon the request of the winner of such award.
 - (2) Charitable raffle licensees shall report to the department the name and address of all raffle winners of any prize the retail value of which is \$1,199 or more.
 - (f) The retail value of any merchandise received by a winner of a bingo game shall be considered as the cash value for the purposes of determining the value of the prize.
 - (g) Each licensee shall keep a record of all games of bingo and charitable raffles managed, operated or conducted by it for a period of three years following the date the game is managed, operated or conducted.
 - (h) No person under the age of 18 years shall participate in the management, operation or conduct of any game of bingo managed, operated or conducted by a licensee under the provisions of this act and no licensee shall sell any instant bingo ticket to a person under the age of 18 years.
 - (i) No licensee shall manage, operate or conduct bingo on any leased premises or with leased equipment unless all of the terms and conditions of rental or use, including the rental of chairs, bingo equipment, tables, security guards, janitor service or any other services, are set forth in a lease submitted, approved and on file with the administrator.
 - (j) Every licensee who has gross receipts of \$1,000 or more received from participation in games, admission fees or charges and from any other source directly related to the operation or conduct of any games of bingo in any calendar month shall maintain a bingo trust bank account into which all such receipts are deposited daily and from which all payments are made relating to the management, operation or conduct of any games of bingo. Having once established such bingo trust bank account, the licensee shall continue to make deposits of all receipts therein. Every licensee shall notify the administrator of the name of the bank in which the bingo trust bank account is maintained, together with the number and name of the account. Every licensee who maintains a bingo trust bank account shall maintain a complete record of all deposits and withdrawals from such bank account and the same shall be available to the administrator to audit at any reasonable time.
- The records required under this subsection are in addition to all other records required to be kept by the licensee. The records required by this subsection shall be maintained in the same place as all other records required to be kept by the licensee.
- (k) No licensee shall purchase or obtain bingo faces or instant bingo tickets from any person or entity other than a distributor registered pursuant to K.S.A. 2016 Supp. 75-5184, and amendments thereto.
 - (l) All instant bingo tickets sold or distributed to licensees shall bear on the face thereof a unique serial number which shall not be repeated on the same manufacturer's form number less than every three years. All instant bingo tickets shall be sold or distributed in boxes. Each box shall be sealed by the manufacturer with a seal which includes a warning to the purchaser that the box may have been tampered with if the box was received by the purchaser with the seal broken. Each box of instant bingo tickets shall contain tickets printed in such a manner as to insure that at least 60% of the gross revenues generated by the ultimate sale of all tickets from such box shall be returned to the final purchasers of such tickets. No box of instant bingo tickets may be opened by a licensee unless all tickets contained in a previously opened box with the same form number have been sold.
 - (m) Each box of instant bingo tickets sold or distributed to licensees shall be accompanied by a flare which contains the following information: (1) The name of the game; (2) the manufacturer's name or logo; (3) the game form number; (4) the ticket count in the game; (5) the prize structure for the game, which includes the number of winning tickets by denomination and their respective winning symbol or number combinations; (6) the cost per ticket; (7) the game serial number; and (8) the winning numbers or symbols for the top three winning tiers set out in such a manner that each prize may be marked off as the prize is won and awarded.
 - (n) (1) Progressive bingo games may be conducted in conjunction with a session of bingo.
 - (2) A licensee shall not cease bingo operations unless all progressive bingo games are completed and prizes are awarded, unless prior approval has been received from the secretary.
 - (3) The rules for a progressive bingo game shall remain in effect until the game ends and the winner is determined.
 - (4) All progressive bingo games and rules for such games shall be described fully and posted in the house rules prior to the start of the session. Such games shall comply with requirements imposed under the Kansas charitable gaming act and any rules and regulations adopted pursuant thereto.
 - (5) When a person achieves the first preannounced winning combination, the game shall be completed and the next progressive bingo game and winning combination shall be commenced with a new bingo card or face and all objects or balls in the receptacle.
 - (6) No progressive bingo game may exceed 20 consecutive sessions conducted by a licensee prior to awarding the established prize.
 - (7) If the progressive bingo game prize is not awarded at a bingo session, the progressive bingo game shall be continued at a future occasion until such time a winner is determined. The winning prize shall be the full amount. If there is no winner of a progressive bingo game at a session, a stated consolation prize in an amount not to exceed \$1,000 may be awarded. Any consolation prize shall be less than the value of the progressive bingo game prize amount.
 - (o) Any bona fide nonprofit religious, charitable, fraternal, educational or veterans' organization that conducts charitable raffles for which the aggregate gross receipts from such raffles in the fiscal year does not exceed \$25,000 shall be exempt from the provisions of this section.

History: L. 2015, ch. 62, § 9; July 1.