

Approved 4/5/83
Date

MINUTES OF THE House COMMITTEE ON Federal and State Affairs

The meeting was called to order by Rep. Neal D. Whitaker at
Chairperson

12:30 ~~am~~/p.m. on April 4, 1983 in room 526-S of the Capitol.

All members were present except:

Reps. Roe, Grotewiel, Hensley, and Peterson, who were excused.

Committee staff present:

Russ Mills, Legislative Research
Mary Ann Torrence, Revisor of Statute's Office
Ncra Crouch, Committee Secretary

Conferees appearing before the committee:

Senator Tom Rehorn
Tim Underwood, Kansas Association of Realtors
Bob Vaughn, Kansas City, Kansas
Joe Berger, President, Sunflower Corporation, Topeka, Kansas
Cliff Chappel, Capitol Post #1, American Legion, Topeka, Kansas
John Ivan, Tri G & L, Shawnee, Kansas
Hugh Law, Eagles Club, Holton, Kansas
Ernie Mosher, League of Kansas Municipalities

Chairman Whitaker called the meeting to order and advised the Committee they only had an hour to hear bills.

Senator Tom Rehorn appeared to explain the provisions of SB 101. He stated that people in the self-storage business have a problem with people putting their goods in a unit, padlocking the door and taking off. The owners have no mechanism to use to get the goods out and re-rent the storage and have no method of getting their money for the storage. He suggested an amendment that after the money has been held for 6 months the money should go to the state.

Tim Underwood, Kansas Association of Realtors, appeared on SB 101 stating there is a big problem with the storage units and there are more and more of them being built around the state. The owners must protect themselves as well as the tenant. The bill provides a balance between the tenants and the owners of the units to have a reasonable process on which they can rely to clear up their problems.

Bob Vaughn, Self-storage Unit Owner from Kansas City, Kansas, appeared on SB 101 stating the industry is fairly new. About 10 years ago it was introduced to the public as a service and has been growing ever since. The industry needs the guidelines set forth in this bill so that they can conduct business both for themselves and their customers.

Joe Berger, President, Sunflower Corporation, representing the Class A Clubs, appeared on SB 401 stating the bill will create problems for their organizations. The reduction to 50¢ a card on cards sold down from \$1.50 will cause problems to the small organizations. They will not be able to compete with the large organizations and as a result many service programs funded by the small organizations will be cut off. Mr. Berger supplied the Committee a copy of a proposed bill from Arizona on bingo regulations and a copy of an article about bingo on Indian reservations. (See Attachments A & B)

Cliff Chappel, Capitol Post #1, American Legion, Topeka, Kansas, appeared on SB 401 talking about the revenue generated from bingo games both for the sponsoring organization and the tax dollars for the state. The reduction in card cost will affect both adversely. He recommended a change back to \$1.00 a card.

CONTINUATION SHEET

MINUTES OF THE House COMMITTEE ON Federal and State Affairs,

room 526-S Statehouse, at 12:30 ~~xxx~~ p.m. on April 4, 1983

John Ivan, Tri G & L, Shawnee, Kansas, appeared on SB 401 stating they could probably live with the bill but it will cause problems. He feels the present amount is adequate. He stated the market place should set the price.

Hugh Law, Secretary, Eagles Club, Holton, appeared on SB 401 stating that by the time you take tax out of the 50¢ card and pay expenses you have nothing left. He questioned the wording "special games" and wanted to know the bill's definition. He recommended a change back to \$1.00 a card.

Ernie Mosher, League of Kansas Municipalities, appeared on SB 401 speaking to the distribution of monies. He stated we are going backwards as this bill takes away money from the cities and counties. He presented proposed amendments to SB 401 to the Committee. (See Attachment C)

The Chairman announced that since the hour was up and there were two liquor related bills to be heard and one to be heard on Tuesday that all three bills would be heard on Tuesday along with the bill on the Board of Agriculture.

The meeting adjourned.

GUEST LIST

FEDERAL & STATE AFFAIRS COMMITTEE

DATE 4-4-83

(PLEASE PRINT)

NAME	ADDRESS	WHO YOU REPRESENT
Ken Penney	Topoka	Amplifier Club Assn.
Floyd G Rogers	Topoka	Kans American Legion
Capt J. K. Spall	Topoka	Capital Port #1 Q.L.
As Berger	Topoka	Amplifier Club Assn.
Edsel Rudolph	Junction City	J.C. Self Storage
R. L. Shuman	DC KS	U.S. Steel, it Inc
DWAYNE PEACOCK	WINFIELD	PEACOCK MINI-STORAGE
Tim Underwood	Topoka	KAR
John Peterson	Topoka	Wire Institute

HOUSE ENGROSSED

~~traffic complaints; prosecution;~~
~~time limitations~~
(now: crimes; bingo games; prohibitions)

COVER SHEET

H.B. 2197
(Reference to House engrossed bill)

Struck everything after the enacting clause

Amended title to conform

Atc b. A

State of Arizona
House of Representatives
Thirty-sixth Legislature
First Regular Session
1983

HOUSE BILL 2197

AN ACT

RELATING TO CRIMES; PRESCRIBING CERTAIN PROHIBITIONS RELATING TO BINGO GAMES;
PRESCRIBING CERTAIN PROHIBITION RELATING TO GAMING, GAMBLING OR WAGERING;
PRESCRIBING DEFINITION AND CLASSIFICATION OF CRIMINAL OFFENSE, AND
AMENDING TITLE 5, CHAPTER 4, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING
SECTION 5-406.01.

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Purpose and intent

3 Whereas, the legislature has determined that the playing of bingo
4 under state licensing by qualified organizations as defined in section
5 5-401, Arizona Revised Statutes, is not per se against the public policy of
6 this state; and

7 Whereas, it has further determined, however, that, other than small
8 game bingo regulated under title 5, chapter 4, article 2, Arizona Revised
9 Statutes, the playing of bingo by otherwise unlicensed organizations
10 presents the clear potential for violations of the public policy of this
11 state against the unlicensed and unregulated expansion of commercialized
12 bingo as well as violations of the laws of this state relating to the
13 playing of bingo; and

14 Whereas, it has further specifically determined that it is against
15 the public policy of this state to permit the residents of this state to
16 ~~X~~ participate in games of bingo which are either unregulated or are regulated
17 or conducted in a manner inconsistent with state laws relating to, among
18 other things, the size of prizes, the frequency of bingo occasions and the
19 existence of other types of gaming which may transpire at or near the times
20 when bingo occasions are held.

21 Now therefore, the legislature enacts the following amendments to
22 title 5, chapter 4, article 1, Arizona Revised Statutes.

23 Sec. 2. Title 5, chapter 4, article 1, Arizona Revised Statutes, is
24 amended by adding section 5-406.01, to read:

1 5-406.01. Prohibition on excessive prizes and occasions;
2 prohibition on other forms of gaming;
3 violation; classification

4 A. NOTWITHSTANDING ANY PROVISION OF THIS ARTICLE TO THE CONTRARY,
5 BUT SUBJECT TO THE EXCEPTION CONTAINED IN PARAGRAPH 4 OF THIS SUBSECTION,
6 AND WITHOUT REGARD TO THE LICENSED OR UNLICENSED NATURE OF THE BINGO GAME
7 OR OCCASION UNDER SECTION 5-402, THE FOLLOWING PROHIBITIONS APPLY:

8 1. NO PERSON MAY OFFER, ADVERTISE TO OFFER, ACCEPT, RECEIVE OR
9 RETAIN ANY PRIZE FOR A SINGLE GAME OF BINGO IF THE PRIZE, WHETHER IN THE
10 FORM OF MONEY OR ITS EQUIVALENT OR IN SERVICES OR IN TANGIBLE OR INTANGIBLE
11 PROPERTY, HAS A FAIR MARKET VALUE IN EXCESS OF TWO THOUSAND DOLLARS.

12 2. NO PERSON MAY CONDUCT, ADVERTISE TO CONDUCT OR ASSIST IN
13 CONDUCTING A SINGLE BINGO OCCASION IF THE AGGREGATE TOTAL FAIR MARKET VALUE
14 OF PRIZES, WHETHER IN THE FORM OF MONEY OR ITS EQUIVALENT OR IN SERVICES OR
15 IN TANGIBLE OR INTANGIBLE PROPERTY, EXCEEDS FOUR THOUSAND DOLLARS.

16 3. NO PERSON MAY CONDUCT, ADVERTISE TO CONDUCT OR ASSIST IN
17 CONDUCTING MORE THAN THREE BINGO OCCASIONS IN ANY CALENDAR WEEK NOR MORE
18 THAN THIRTY-FIVE SEPARATE GAMES OF BINGO AT ANY SINGLE BINGO OCCASION.

19 4. NO PERSON MAY OFFER, CONDUCT, ADVERTISE TO OFFER OR CONDUCT,
20 ASSIST OR PARTICIPATE IN ANY OTHER FORM OF GAMING, GAMBLING OR WAGERING
21 ACTIVITY WITHIN TWELVE HOURS PRECEDING THE BEGINNING OR TWELVE HOURS
22 FOLLOWING THE END OF ANY BINGO OCCASION OR GAME OR DURING SUCH BINGO GAME
23 OR OCCASION UNLESS SUCH GAMING, GAMBLING OR WAGERING ACTIVITY IS OTHERWISE
24 AUTHORIZED BY AND CONDUCTED IN CONFORMITY WITH THE LAWS OF THIS STATE.

25 B. A PERSON WHO VIOLATES A PROVISION OF THIS SECTION IS GUILTY OF A
26 CLASS 6 FELONY.

27 Sec. 3. Severability

28 It is specifically declared by the legislature with respect to this
29 act that if any provision is found by a court of competent jurisdiction to
30 be illegal or unconstitutional, such finding does not affect the validity
31 of such other provisions not found to be invalid, it being the intent of
32 the legislature that the provisions of this act are severable.

33 Sec. 4. Emergency

34 To preserve the public peace, health and safety it is necessary that
35 this act become immediately operative. It is therefore declared to be an
36 emergency measure, to take effect as provided by law.

HOUSE ENGROSSED

~~traffic complaints; prosecution;~~
~~time limitations~~
(now: crimes; bingo games; prohibitions)

COVER SHEET

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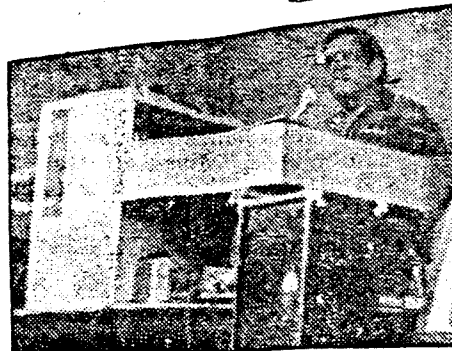
Amended title to conform

TULSA WORLD

Final Home Edition

Tulsa, Oklahoma, Sunday, August 8, 1982

BINGO



1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
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Pawnees Gamble, Hit Jackpot

By JERRY FINK
Of the World Staff

PAWNEE — The largest jackpot a bingo player in most parts of Oklahoma can win is \$100.

However, at Pawnee Tribal headquarters here, jackpots routinely range from \$2,000 to \$5,000, and occasionally reach as high as \$10,000.

State law regulates bingo playing in the state, but the law does not affect the tribally owned land of the Pawnees.

According to Tom Knife Chief, business development specialist for the Pawnees, his tribe nets about \$250,000 annually from the bingo games. That's the profit on \$700,000 in receipts.

A new industrial park is under construction on Pawnee land that will contain a 15,000-square-foot, multiple-purpose building where even larger bingo games may be held.

The games are played in a gymnasium which has a seating capacity of 200. The new building, scheduled for completion in November, will seat between 600 and 800.

"The size of the gym is holding us back

right now," Knife Chief said.

Knife Chief expects that within five years bingo will boost the tribal treasury by about \$1.5 million annually.

Bingo profits are used to pay off tribal debts and to help pay for social services.

"We're looking at the future of the tribe," Knife Chief said. "Social services for

Related news on B-1

all tribes will be cut back by Reaganomics.

"We're using the gambling money to achieve self-determination."

And since the tribe is governed by federal law, not state, it can make the state-regulated bingo games look like child's play.

Only a charitable, non-profit organization, such as veterans and religious groups, may be issued state bingo licenses. The groups must have been in existence at least two years and be exempt from paying federal income taxes.

A non-Indian bingo group can hold only one session per day, with a maximum of 30 games per session, and only two sessions per week.

The largest prize that can be offered in any single state-regulated bingo game is \$100, and the total amount of winnings in all games in the session may not exceed \$500.

The Pawnees have been playing bingo in a big way since January 1981.

Small-time games, where one may buy cards for \$5 or \$10, are played every Monday and Thursday starting at 5 p.m.

High-stakes games are played once per month, usually the last Saturday, from 1 p.m. until 5 p.m.

The next Super Bingo game is scheduled for Aug. 28. The jackpot is expected to be \$3,000. The last big game was July 31, when one player won \$2,000.

The size of one month's super jackpot is determined by the previous months' earnings.

To get into a Super Bingo game, a player must purchase a packet, the price of which varies with the size of the jumbo jackpot.

The July 31 packet cost \$35.

A packet for a \$10,000 game costs about \$50, according to Knife Chief.

The packet contains enough bingo cards to play 20 games, with the last game being the big one. The 19 preliminary games have jackpots ranging from \$200 to \$300 each.

Atch. B

Proposed Amendment to SB 401
Authorizing a Locally Levied, State Administered Tax on Bingo Games

New Section 6. (a) For the purpose of providing revenue to finance local public services, the governing body of any city or county may levy a local bingo tax at not to exceed two percent (2%) upon the gross receipts received by the licensee from charges for participation in games of bingo and any admission fees or charges in connection therewith. The percentage of such tax shall be determined by the governing body levying the same, at the rate of one percent (1%) or two percent (2%), and shall be specified in the ordinance or resolution authorizing the same. Any tax levied pursuant to this section shall be in addition to the tax levied upon gross receipts pursuant to K.S.A. 1982 Supp. 79-4704 and shall be identical in its application, and exemptions therefrom, to such state levied tax. Any tax levied by a city shall be imposed only upon those businesses located upon premises within the city, and any tax levied by a county shall be imposed only upon those businesses located upon premises in the unincorporated areas of the county.

(b) The secretary of revenue is hereby authorized to administer, enforce and collect such local bingo taxes and to adopt such rules and regulations as may be necessary for the efficient and effective administration and enforcement thereof. A local bingo tax shall take effect on the first day of the month next following 60 days after receipt by the secretary of a certified copy of an ordinance or resolution levying such a tax. The secretary shall cause the receipts from any local bingo tax to be distributed to the levying city or county at the same time moneys in the county and city bingo tax fund established by K.S.A. 79-4711 are distributed, and the moneys received shall be credited to the general fund of the city or county. Any city ordinance or county resolution to increase or decrease the rate of a local bingo tax, or to repeal such tax, shall take effect on the first day of the month next following 60 days after receipt of a certified copy of such ordinance or resolution by the secretary of revenue.

New Section 7. K.S.A. 79-4702 is hereby amended to read as follows: 79-4702.
Except as provided by Section 6 of this act, the power to regulate, license and tax the management, operation and conduct of and participation in games of bingo is hereby vested exclusively in the state.

AT-L.C.