

Approved 2/29/84  
Date

MINUTES OF THE SENATE COMMITTEE ON FEDERAL AND STATE AFFAIRS

The meeting was called to order by Senator Edward F. Reilly, Jr. at  
Chairperson

11:00 a.m./~~noon~~ February 23, 1984 in room 519-S of the Capitol.

All members were present ~~except~~

Committee staff present: Russell Mills , Legislative Research  
Fred Carman, Revisor of Statutes  
Emalene Correll, Legislative Research  
June Windscheffel, Secretary to the Committee

Conferees appearing before the committee:

- Susan Wagle, Park Lane, Town West Bingo, 7 Hawthorne, Wichita, Kansas
- Cynthia Bean, 4632 S. Clarence, Sweetbriar Bingo Hall, Wichita, Kansas
- Marvin D. Andrews, Marvin's Bingo Palace, 5110 E. 21st, Wichita, Kansas
- Carroll Davis, Sunnyside Sports League, Wichita, Kansas
- Jerry Hodges, 6400 Nieman, Circus Plaza Bingo, Shawnee, Kansas
- John Ivan, 6720 Noland, Tri G & L, Shawnee, Kansas
- Edward L. Kline, 14803 W. 143, Olathe Girls Softball Assn. Olathe, Kansas
- Jennifer Best, 4819 Stearns, Shawnee Jaycees and Jaycee Women, Shawnee, Kansas 67203
- Bobbie Nickols, 255 North Michigan, Willing Workers Club, Lawrence, Kansas
- John S. Bialek, 3416 W. 9th Ct. , Corpus Christi Catholic Church, Lawrence, Kansas
- Harold Schmitz, 716 Blake Circle, Amvets, Olathe, Kansas
- Stan Briggs, 1137 Medford, East Topeka Council on Aging, Topeka, Kansas
- Nellie Thiel
- Edie Riffel, Route #1, Box 39, Sigma Phi Gamma Sorority, Towanda, Kansas
- David W. Gayner, St. Marys College, St. Marys, Kansas
- Margaret Shook, 1410 Lynnhurst, Epsilon Signa Alpha, Wichita, Kansas
- The Reverend Richard Taylor, Kansans for Life at Its Best, Topeka, Kansas
- Dr. J. Elwood Slover, 63 Pepper Tree, St. David's Episcopal Church, Topeka, Kansas
- The Reverend Dale P. Thomas, Northland Christian Church, Topeka, Kansas

The Chairman welcomed the Committee and conferees and all assembled for today's hearing on SB770, concerning Bingo. He asked Senator Francisco for any comments or introductions he might wish to make. Senator Francisco stated that he appreciated the fact that the Chairman and Committee had seen fit to consider this proposal to allow this continued hearing on Bingo matters.

The Chairman introduced the following proponents of Bingo, and their prepared statements are a part of these Minutes as shown: Susan Wagle (Attachment #1); Cynthia Bean (Attachment #2); Marvin D. Andrews (Attachment #3); Carrol Davis (Attachment #4); Jerry Hodges, (Attachment #5 : lists Circus Plaza Charities), said that they strongly oppose the 6-day limits because it would cause a hardship on his clientele. He feels all of their efforts have been documented. They do feel if it were changed to 50¢ per face that would be of benefit.

John Ivan appeared next. He said that last year the proposed legislation was based on the premise that proceeds from the sales and excise tax would remain on the same level, that when the bill went to the Governor's desk that because of the amendments that were on it they would have basically impeded that. Mr. Ivan distributed proposed amendments by Tri G & L and their comments concerning the proposed amendments. (Attachment #6).

Other proponents introduced by the Chairman were: Bobbie Nickols (Attachment #7); John Bialek (Attachment #8); Edward L. Kline (Attachment #9); Harold Schmitz (Attachment #10), stated that his organization would like to have the law amended to read "6 days per week for each Bingo hall." Stan Briggs spoke in favor of Bingo (Attachment #11) and asked the Committee to do everything necessary to rectify unwarranted restrictions of SB401 as amended by the House. Petitions with 163 signatures are a part of this attachment: these petitions state that the undersigned support regulation of bingo parlors but do not believe eliminating double-sided games and limiting the number of

Unless specifically noted, the individual remarks recorded herein have not been transcribed verbatim. Individual remarks as reported herein have not been submitted to the individuals appearing before the committee for editing or corrections.

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON FEDERAL AND STATE AFFAIRS,  
 room 519-S, Statehouse, at 11:00 a.m. ~~pm~~ on February 23, 1984.

of nights of operations is in the best interests of charitable organizations who operate the games.

The Chairman introduced Nellie Thiel, who spoke in favor of Bingo but who did not have a prepared statement. Eddie Riffel was introduced next and her prepared statement is Attachment #12. David Gayner said that proposed legislation will close down the small bingo games. He also spoke in opposition to lowering the cost of playing to 50¢ per card. (Attachment #13.) Margaret Shook appeared next and her statement (Attachment #14) as a proponent of Bingo asked for consideration in tightening controls rather than limiting the number of nights that Bingo can be played.

The Chairman announced that the Committee would hear next from those who basically are opponents of Bingo. He introduced The Reverend Richard Taylor whose written testimony is a part of these Minutes (Attachments #15 and #16) His statement says that SB770 should be killed because SB401 is good legislation passed by a wide majority in House and Senate. He said that according to the Wall Street Journal commercial gambling is technically a swindle and theft by deception. He said: "Is legalized swindling good if it goes for a good cause. I get weary of people who want to give money through a rip-off. We are concerned for good causes but not at the issue of legalized swindling. People are here because someone is making money....SB401 was such a good bill as it came out of the House. It proves how good legislation can come out of the Legislature."

Dr. Elwood Slover was introduced as the next conferee. Dr. Slover said that the issue being talked about is one of economic interest to the State of Kansas, and if we really want to take care of the economic interests we want to do away with Bingo completely: then if the people would give a percentage of what they have been losing at Bingo or if people would give a percentage of their income that is the way to raise money for charity.

The Reverend Dale Thomas appeared next, and stated that he would like to congratulate the passage of SB401, that even though he does not favor Bingo as a way to raise money he feels SB401 is better than SB770. He said that their church has a stewardship drive each year at which time goals and figures for the operation of the achieving of these goals are presented to the membership, that pledge cards are distributed for the ensuing year, and they have actually realized more money through this than the actual expenses or budget. It has proven very successful.

Floyd Rogers, a proponent of Bingo, spoke next. He said they approve of SB401 and hope that the Governor will sign it. However, their organization feels that if the cost of the cards were reduced from \$1 to 50¢ that half of the proceeds would be lost.

The Chairman stated that he felt a record had been set in having 28 conferees in 56 minutes to appear before the Committee.

Conferees were asked questions by the Committee concerning what groups sponsor bingo, what nights they play, who furnishes the callers, how many people are employed by bingo hall owners. Questions were asked about limiting the pots to \$500 per night, the 3-day limit and many other questions.

Edward L. Kline was recognized by the Chairman. Mr. Kline said that he would like for the Minutes to state that he objected strongly to being called a "swindler" because of his being in the business of bingo. He was referring to the comments made by The Reverend Taylor in his testimony to the Committee. Mr. Kline emphasized that he is an honest businessman.

The Chairman thanked all for attending and suggested that those who wanted to express their support for SB401 might want to write the Governor.

The meeting was adjourned at 12:10 noon.

Senator Riley and Committee Members. Thank you for this opportunity today to speak to your committee. We appreciate your opening this meeting to the public and allowing our voices to be heard. My name is Susan Wagle. Along with my husband Tom wagle and another partner, Tim Farrell, we own two bingo parlors in the City of Wichita. Those being Towne West Bingo and Parklane Bing. We were unanimously and sincerely appreciative of Senator Francisco's and this committee's efforts last year to try to pas some enforcement measures on the game of Bingo. We have never worked against your efforts to make sure that Bingo games in this state are legally run. We were very happy to see senate bill 401 pass the ~~house~~<sup>Senate</sup> this year and were in hopes that we were finally going to see the days of bingo enforcement, for which we have been paying a 3% tax for the last 7 years. However, WE FEEL that some ammendments were attached to SB 401 in the midst of some negative publicity and a misunderstanding of how a legally run parlor and parlor owner makes his or her profits and how a legally run parlor positively effects the community in which it exists.

FI would like to address some of these misunderstandings. First of all the bingo business is labeled as a multi million ~~year~~ dollar a year business with each parlor realizing hundreds of thousands of dollars in sales. If one is not very familiar with the bingo business, they tend to forget that 1,200 dollars is paid out in each parlor each night for prizes. In our parlors alone, this figure represents \$876,000, which along with the 3% sales tax and the 3% bingo<sup>pit</sup> tax our sponsors pay, considerably lessens our profits. Secondly, one must consider how a legally run parlor is managed and how it meets its overhead expenses and exactly who makes the profits. As you know, the game must be run by a legitimate non-profit organization who pay the owner a rental fee that is designed to meet commercial rent expenses, utility billes, maintenance expenses that include daily clean up, and other larger expenses such as commercial heating and air units, smoke eaters, bingo boards, monitors and etc. If a bingo parlor is properly managed, the parlor owners building exxpenses are met ~~to~~<sup>by</sup> the sponsor rental income and the parlor owners profits are realized by a snack bar that is open during the games.

a legitimately run parlormakes  
As you can see from this overview, ~~we~~ make no profit from the bingo games itself.

Instead, the profits go to the organization that is sponsoring the game. <sup>at this pt.</sup> ~~Now~~ I would like to address the operation of a bingo game from the sponsors points of view. To a non-profit organization, a bingo parlor is a convenience. Members of the organization are ~~not~~ responsible for clean-up, food preparation, availability of snack items., maintenance, heating and airconditioning. A non profit organization can expect to run a bingo games knowing that there will be a full house of playess there who know that the facility is open every night. OF MAJOR importance, these organizations realize more profits because of the convenient location and the reputation of the parlor. After taxes and rental expenses are met, organizations in our parlors make approximately \$12,000. per year for their groups. I have never known of a fund raising efforts that can realize such profits with <sup>out</sup> the headache of organization, which is taken on by the parlor owners.

\*  
Our <sup>parlors</sup> organizations last year raised over 172,000 dollars in profits and these profits were directly put back into our community. Our parlors completely funded St. Pauls day care center located in NE wichita, funded two large ~~soccer~~/ youth csoccer organizations, paid for the underpriveledged s enrollment ffees , the purchase and upkeep of soccer field and equipment, Paid for college scholarships, donated mones to the wichita public schools for books, donated large amounts to childrens homes, and childrens funds fo health needs such as liver, kidney heart funds. The ilist goes on and on.

We are here to desperately request that ~~enforcement~~/ that bingo be enforced, but ~~because there is a sore on the arm~~ but we liken the 3 day ammendment that was added to the bill as a sore on an arm. That because there have been a few problems with bingo enforcement, we have decided instead of treating the problem that I liken to the sore on the ~~arm~~ arm. ~~we have decided to cut off the whole arm.~~

We request that the smaller non prov. <sup>we will instead</sup>  
*cut off the whole arm.*

Because we are a legal operation & we are not making profits for  
Boys going off  
We will have to close our  
operation down if we are allowed  
to operate only 3 days a week.

Our smaller non profit organizations that are not wealthy enough  
to own a facility to play the game in will ~~lose~~ <sup>lose</sup> their main fund  
raising means. Our larger organizations, such as a blessed sacrament  
catholic church will not raise the same profits they did last  
year because their basement cannot attract the numbers that a parlor  
can.

We support S.B. 770 which would allow  
us to operate 6 days a week.

Our community will have to  
go back to the state for  
more state aid, because  
our group monies will not be  
available.

SENATORS AND COMMITTEE CHAIRMAN

I'm currently a proprietor of a Bingo Hall in Wichita, Kansas. I'm here to address you concerning the bill under consideration. I have been operating my hall for three  $\frac{1}{2}$  years now, employing three full time and three part time employees. Do to the cost of rent and utilities it's been necessary for me to keep my hall rented seven days a week. Because of Senate Bill 401 limiting us to be open three days a week, my options are limited.

Currently in Wichita alone there is 47 Non-Profit Organizations playing in Bingo Halls. The primary reason thier able to use Bingo to fund thier organization is because at the present time they have a place to conduct thier Bingo with minimun difficulties and a reasonable ~~SIXTHYTHREES~~ amount of time contributed by members of thier organization.

The five organizations now playing pay approximately \$ 3,150.00 a month in taxes. With 3% going to State Sales Tax and 3% going to Bingo Tax. As a protrieter with a concession stand I pay Approximately \$1,440.00. in State Sales Tax.



If limited to three days a week the States Revenue  
would be cut in half<sup>1570.00</sup> from my hall alone, assuming  
I would be able to continue operating. If allowed  
to operate Six days a week, the State would  
maintain their current amount of revenue, I  
could avoid terminating any employees. My five  
organizations will be able to continue, and in  
turn the charitable organizations they donate to  
will be able to continue as they have been.  
Also with the six day limit the Churches and  
V.F.W.'S that play in their own Halls will  
have a night with no competition for the larger  
Halls.

Thank You  
Cynthia Bean

2/23/84  
Attachment #3

23 February 1984

Marvins Bingo Palace  
5110 E. 21st  
Wichita, Kansas

To Senators and Committee Chairman,

Regarding the three day Bingo amendment if it goes into effect I will have to close immediately, which is a shame. For the reasons being that I have invested thousands of dollars, signed a lease on a building, provided non-profit organizations with a building and the equipment it takes to run a Bingo who cannot afford either.

Therefore, I would like to see this amendment of Bill 401 changed to at lease 6 days a week or more. Otherwise, I am out of business when this Bill goes into effect.

Cordially,



Marvin D. Andrews  
Bingo Proprietor

Attachment #3



2/23/84  
Attachment #4

Senators and House members;

Sunnyside Sports League is an baseball organization for boys & girls between the ages of 7 and 14 years old. This year marks our 26<sup>th</sup> year of organized baseball. Last year we entered into an agreement with the Wichita Park Board to lease 20 acres of land in N.E. Wichita. We are presently working towards building a sports complex which would consist of 10 baseball fields, Restrooms, a concession stand and paved parking. It will be 3 to 4 years before this complex is completed. We anticipated our funds from the bingo games we sponsor in playing a big role in this project. Our bingo games are the only fund raising we have besides the yearly candy sale and registration fees. With the present Bingo Bill before you we feel that we might never be able to fulfill our dream. The owner of Marvin's Bingo Palace, Mr. Marvin Andrews, would not be able to continue to operate on 3 days a week. We feel quite a few of the parlors would be forced to close. Which in turn would limit the buildings where organizations such as ours could sponsor games.

We urge you to please consider a 6 day operation. This way we could continue towards our goal of the Sunnyside Sports Complex.

Presented by  
Carrl Davis 2/23/84 #4

Respectfully Yours  
Eric Samuelson Pres.  
Karl Klaus - Sun. League  
Commissioner

2/23/84

Attachment #5

**CIRCUS PLAZA, INC.  
6400 NIEMAN RD.  
SHAWNEE, KS 66203  
268-9253**

Attachment #5

BINGO PROJECTS - CIRCUS PLAZA CHARITIES

## BINGO PROJECTS - CIRCUS PLAZA CHARITIES

### ZETA EPSILON #2344

There are 48 Leukemia children from the State of Kansas being treated at the St. Judes Childrens Research Hospital. The local chapter of Zeta Epsilon #2344 has sent over \$2,000.00 to St. Judes since September, 1983, when their Bingo games first started at Circus Plaza. Zeta Epsilon also sends money to the Ronald McDonald House, where out of town parents may stay while their children receive treatments from K.U. Medical Center.

### THE COSMOPOLITAN CLUB

All money is sent to the new Diabetes Research Center at the University of Missouri. The COSMOS also just started Bingo in September of 1983, and since then has contributed enough money to sponsor furnishing one room in this new center with furniture and equipment.

### MERRIAM JAYCEES

Also has been sponsoring Bingo games just since September, 1983. They have sent money to the Cerebral Palsy Camp for Children, Milgram's Food Find for Needy Families and the Johnson County Food Fund for Senior Citizens.

THE AMERICAN BUSINESS WOMEN'S ASSN. MISSION BELLS CHAPTER

Provides three persons each year with a college scholarship from profits made through Bingo.

THE NATIONAL EDUCATION ASSOCIATION - MISSION CHAPTER

Sponsors Bingo and sends much needed money to the Teacher's Association.

THE SHAWNEE FIRE DEPARTMENT AUX.

Sponsors Bingo and provides financial aid for fire victim families in Johnson County and assists elderly citizens who cannot pay utility bills.

THE SERTOMA CLUB OF MERRIAM

Major contributions to the Hearing and Speech "SHARP" Program, which is the recycling of used hearing aids. Also money has been sent to the Bristol Hills Church, Emerson Park Christian Church and St. Mary's Food Kitchens. Sertoma also sends money to Bethany Hospital and had a sponsorship of Wendy Kelly, a high school track star who placed 1st. in the Nationals, and money for five grade school's "Freedom Programs".

THE LASERTOMA CLUB OF MERRIAM

Makes contributions to the Sertoma Foundation and local projects such as Children's Research Hospital, Bristol Hills Church, Emerson Park Church, a local orphanage in the Kansas City, Kansas, area and provides free bandages for cancer patients.

THE EAGLES CLUB #1100

Makes major contributions to the American Heart Association.

"CHANNEL 18" CB CLUB

Makes contributions to the Salvation Army and the Wyandotte Home for Retarded Children.

THE SHAWNEE JAYCEES

Major contributions to the Cerebral Palsy Camp for Children. Other local community projects are the "Toys for Tots" Program, providing Christmas food baskets to the needy in the community, providing Outstanding Young Citizenship Awards, and the Shooters Education Project.

THE SHAWNEE JAYCETTES

Local community programs such as Old Shawnee Town, projects for financial aid to senior citizens and contributions to the March of Dimes.

THE SUN 'N' SURF SWIM CLUB OF MERRIAM

Through sponsorship of Bingo, are able to provide the community with various projects for the needy.

2/23/84  
Attachment #6

LAW OFFICES  
**JOHN IVAN**

SUITE 306, UNITED KANSAS BANK BUILDING  
8600 WEST 63RD STREET  
SHAWNEE MISSION, KANSAS 66202

JOHN IVAN  
DAVID L MILLER

(913) 364-0370

OPPOSITION TO SECTION III  
Q, R, and S CONCERNING THE PREMISE USE  
SB 401

Tri G & L proposes to amend SB 401 by omitting Sections q, r, and s of Section III. The amendment would read as follows:

- q. ~~No premises shall be used for the management, operation or conduct of bingo games on more than three calendar days in any one week.~~
- r. ~~No premises shall be subdivided to provide multiple premises where games of bingo are managed, operated or conducted, whether or not the multiple premises have different addresses.~~
- s. ~~No game of bingo shall be managed, operated or conducted on leased premises if at any time during the immediately preceding 44 hours the premises, or any premises within 1,000 feet of them, have been used for the management, operation or conduct of a game of bingo.~~

The consequence of such amendment would be as follows:

1. Would avoid litigation regarding the constitutionality of interfering with existing lease agreements between registered landlords and licensed organizations.
2. Would avoid interference with the convenience and desires of bingo patrons to play at accessible as well as modern and convenient premises.
3. Would continue bingo games by smaller organizations at centralized premises for better law enforcement and easier audits.
4. Would continue to protect the smaller licensed organizations' rights to use bingo as a fund raising activity and avoid being shut out by larger organizations with their own exclusive premises.
5. Would protect the landlords' rights of free enterprise to utilize and defend their investments against being taken without due process of law.
6. Would prevent singling out landlords who have already subdivided their premises, by unconstitutionally revoking their registrations.

Attachment #6



Senate Committee  
Capital Building  
Topeka, Kansas 66607

Senate Bill: 401

February 22, 1984

ATTENTION: Senate Bingo Committee

First, may I introduce myself my name is Bobbie Nickols, I reside at 255 North Michigan, Lawrence, Kansas. I am representing the Willing Workers Club of St. Jame A.M.E Church at 7th Maple, Lawrence, Kansas. We sponser a Bingo Game at the Bingo Bug in the Westridge Shopping Center in Lawrence.

The Willing Workers are a dedicated group of people that work for our church. I would like to name some of the things we are doing with the proceeds from the Bingo receipts.

Our church is a very old church with few members. This winter our basement was flooded, we used some of the proceeds to have our basement repaired, winterized and waterproofed. We also adding a Scholarship Fund. This year we are planning to give three (3) Scholarships to three (3) local students, without the proceeds from the Bingo Game we will not be able to complete this project.

Our next project is the renovations of our church parsonage, that is in very poor condition. Without monies from our bingo proceeds the project will be almost impossible to complete.

The Willing Workers also help pay the high cost of utilities at our church that has more than trippled this past year. So therefore, I would like to ask the Committee to recondier Senate Bill 401. To give various charities an opportunity to do projects for ther communities at a local level, since there are no other funds avilable. Are these charities to seek help from the State?

Respectfully Submitted



Bobbie Nickols  
Chairperson

2/23/54  
Attachment #8

To Whom It May Concern,

My name is John Bialek and I am speaking on behalf of Corpus Christi Catholic Church in Lawrence, Kansas. I would like to urge the Senate Ways and Means Committee to please consider allowing bingo establishments such as the Bingo Bug in Lawrence to operate 6 days per week.

I am a member of Corpus Christi Catholic Church and our church is trying to raise money to build a church as we are presently meeting in West Jr High on Sundays and the Baptist Church on Saturday.

Presently there are 7 charities holding bingo games at the Bingo Bug in Lawrence. If it is cut to 3 days of operation someone is going to lose out. If we already had a church built, we could probably hold bingo games there, but we do not so we need the income we receive from the Bingo Bug to supplement what is being donated by the parishioners.

Sincerely,

John A Bialek  
3416 W 9<sup>th</sup> Ct.

Lawrence, Kansas

Attachment #8

2-23-84

Attachment #9

My name is Ed Cline of Olathe, Kansas. My phone number is 783-5170. I represent Olathe Girls' Softball Association. Our association consists of girls from the age of 8 to 18. Presently, we have approximately 1000 girls registered to play softball this season.

In 1983 our association committed to build <sup>A SOFTBALL COMPLEX CONSISTING OF</sup> seven ball diamonds to accommodate league and tournament play. This financial obligation was planned and budgeted to be paid for from proceeds from our sponsorship of bingo 2 nights a week. A reduction in our ability to conduct bingo 2 nights a week will greatly jeopardize our softball program and place us in a serious financial condition.

We petition this board to consider <sup>the</sup> ~~your~~ decision <sup>reducing</sup> ~~allowing~~ bingo to ~~be~~ ~~played~~ 3 days per week instead of seven. A reversal would allow the continued success of Olathe Girls' Softball Association programs and the growth of our young

Attachment #9

2/23/84  
Attachment #10

Harold Schmitz 1-913-782-1303  
AMVETS CLATHE

Men & Auxiliary Ladies

Panel & Ladies & Gentlemen!

We are here to ~~oppose~~ <sup>oppose</sup> the new law on Bingo Parlors to operate on a 3 day's or night's bingo per week. Das everyone realize the revenue the State of Kansas will be losing. We would like to Amend the law to read 6 days per week for each Bingo hall.

We the American Veterans, a non-profit organization can't afford to have our own bingo at our Post because it is too small, & just plain can't afford to buy all the equipment necessary.

We as Amvets have a lot of Charitable organization that we support as a Community service.

Attachment #10



Some our Veterans Hospitals, Foster  
homes. Special Children's homes.  
Food Baskets for the Needy.  
Special Olympics, 4 National Programs  
- Scholarship Fund, Caillins,  
John Tracy Clinic, Freedom Foundation  
& Food Baskets at Xmas.

This is why we need things  
for ~~7~~ days a week instead of  
3 days.

Harold Schantz  
716 Blake Circle  
Olathe, Kansas  
66061  
State Membership  
Chairman

February 23, 1984

The Senate Federal and State Affairs Committee

Ladies and Gentlemen:

I am Stan Briggs. I reside at 1137 Medford here in Topeka. I am a member of the East Topeka Council on Aging which is a non-profit charitable organization devoted to alleviating problems of aging in Topeka.

Senate Bill 401, now on the Governors desk, discriminates against the East Topeka Council on Aging and other small non-profit organizations eligible to conduct Bingo games for necessary funds.

We are a small organization and like many other small organizations do not have a large hall with chairs and tables and the necessary equipment to sponsor Bingo games. Bingo Winners Inc., a for profit lessor here in Topeka, provides this to us at a fair and reasonable rent.

If this Company is driven out of business by restricting the number of games at one location to three, prohibiting multiple premises and requiring 44 hours to elapse between games at leased premises or premises within 1000 feet of them we will not be able to use Bingo to raise funds for our organization.

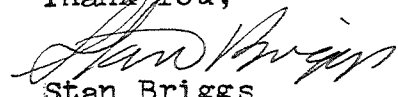
These unwarranted restrictions will ensure that only large organizations will have the exclusive ability to raise funds with Bingo. This is unfair and discriminatory to small organizations such as ours..

Specifically, SB-401 under Sec. 3, paragraphs (q), (r) and (s) are in my view unduly restrictive. If left in place they will effectively prevent us from continuing to conduct Bingo for needed additional funds to further our purpose.

Actually, the laws in effect before passage of SB-401, were in my view, fair and equitable if they were properly enforced. The one good section of SB-401 is the one providing one-third (1/3) of the Bingo tax money to finance inspection and enforcement.

I respectfully urge you to do everything necessary to rectify the unwarranted restrictions of SB-401 as ammended by the House.

Thank You,



Stan Briggs  
1137 Medford  
Topeka, Kansas 66604

PS: I offer these copies of petitions with 163 signatures that are self explanatory.

WE THE UNDERSIGNED BINGO PLAYERS SUPPORT REGULATION OF BINGO PARLORS AND BINGO OPERATIONS; BUT DO NOT BELIEVE ELIMINATING DOUBLE-SIDED GAMES AND LIMITING THE NUMBER OF NIGHTS OF OPERATIONS IS IN THE BEST INTERESTS OF PLAYERS OR CHARITABLE ORGANIZATIONS WHO OPERATE THE GAMES. THERE ARE NOW SUFFICIENT REGULATIONS OF BINGO IF THEY WERE PROPERLY ENFORCED. NO NEW REGULATION ARE NEEDED.

NAMES	ADDRESS
Mrs George Brennan	1215 N. Michigan (Topeka)
Viola Baker	1014 Chester
William Thomas	1014 Chester
Cardy Kirk	2639 Oakshoe
Lydia Ewart	2626 SE Tidewater
Miss Fountain	1323 Oakland
Miss Temple	1323 Oakland
Miss Lanning	2639 SE Tidewater
Miss R Cox	2200 Suggart
Rosella Cox	2200 Suggart
Delphia Moore	1329 Ormogh
Martha Jones	612 N. Topeka
Beatrice O. Jones	614 N. Topeka
Mary Allen	605 N. Topeka
Helen Jones	605 N. Topeka
Mary Lane	612 N. Topeka
Morse Jones	614 N. Topeka
Lucas Steele	614 N. Topeka
Ellen P. Jones	806 W. Morse
Donald P. Jones, Jr.	806 W. Morse
Grace B. Anderson	2045 MacArthur Topeka
Jen Baylis	1407 SE 43 <sup>rd</sup> Topeka
Carolyn Bussey	518 NE Carter Topeka
Tina Weiler	205 SE 25 <sup>th</sup> Topeka





WE THE UNDERSIGNED BINGO PLAYERS SUPPORT REGULATION OF BINGO PARLORS AND BINGO OPERATIONS; BUT DO NOT BELIEVE ELIMINATING DOUBLE-SIDED GAMES AND LIMITING THE NUMBER OF NIGHTS OF OPERATIONS IS IN THE BEST INTERESTS OF PLAYERS OR CHARITABLE ORGANIZATIONS WHO OPERATE THE GAMES. THERE ARE NOW SUFFICIENT REGULATIONS OF BINGO IF THEY WERE PROPERLY ENFORCED. NO NEW REGULATION ARE NEEDED.

NAMES	ADDRESS
Jim Griffith	419 Chandler
Cory Cooper	3303 Lincoln
Earl White	1325 SE 43 <sup>th</sup>
Dino Griffith	1325 SE 43 <sup>th</sup>
Wing Emerson	3303 Girard
Dino Griffith	419 Chandler
Lance P. Reid	3221 Sunnyside St. Topeka, Kansas (03)
Betty Boydston	1911 E 23 Topeka Kansas
Leo Boydston	1911-E23 Topeka Kansas
Andrew Mikkelsen	3201 Fremont
Myrtle Mikkelsen	3201 Fremont
Mary Jane Scanlon	2018 Oakley - Topeka <sup>Topeka</sup>
Beulah Heffart	825 Lane apt 31
Martha V. Hodges	Jerry Spivey
Bevise McCorkill	816 Park #17 Topeka
L. G. DeFaux	1127 N Glendale Dr Topeka
Sharon Whiteside	1420 Wilburst Topeka



WE THE UNDERSIGNED BINGO PLAYERS SUPPORT REGULATION OF BINGO  
 PARLORS AND BINGO OPERATIONS; BUT DO NOT BELIEVE ELIMINATING  
 DOUBLE-SIDED GAMES AND LIMITING THE NUMBER OF NIGHTS OF OPERATIONS  
 IS IN THE BEST INTERESTS OF PLAYERS OR CHARITABLE ORGANIZATIONS WHO  
 OPERATE THE GAMES. THERE ARE NOW SUFFICIENT REGULATIONS OF BINGO  
 IF THEY WERE PROPERLY ENFORCED. NO NEW REGULATION ARE NEEDED.

NAMES	ADDRESS
Ivan Ritter	P.O. Box 2372 Topeka, KS
William Muck	1924 Hazen Topeka, KS 66604
Shirley Zwick	1306 Harrison 66602
Ivan Muck	1615 E 32 66605
Wanda McKinney	1618 E 32nd 66605
Margaret Hollowell	1710 W 1 <sup>st</sup> 66606
Ivan Hollowell	324 North St. Carbondale, Kan 64714
George B. Aubert	3425 Bryant St 66605
Kathryn Aubert	121 Terra Drive, 66609
Joyce M. Stephens	P.O. Box 411, Burlington, KS 66839
Lester Stephens	" " " "
Janice Jones	2602 Newman 66601
Delora A. Locke	4225 S.E. Oak Ct 66609
Dennis J. Bryant	925 S.E. 35th Cir.
Linda Parker	1107 Lawrence
Ivan Hollowell	1115 SW 2 <sup>nd</sup> St
Jimmy Groves	801 1 <sup>st</sup> St
Ray Orquist	514 79th Topeka, KS.
Dorothy Deeb	408 W 2 <sup>nd</sup> St Topeka, KS
Helen Carlisle	2535 7 <sup>th</sup> Minnesota Topeka
Linda Carlisle	" " " "
Carl Carlisle	315 <sup>th</sup> 1 <sup>st</sup> St Topeka

WE THE UNDERSIGNED BINGO PLAYERS SUPPORT REGULATION OF BINGO  
 PARLORS AND BINGO OPERATIONS; BUT DO NOT BELIEVE ELIMINATING  
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 OPERATE THE GAMES. THERE ARE NOW SUFFICIENT REGULATIONS OF BINGO  
 IF THEY WERE PROPERLY ENFORCED. NO NEW REGULATION ARE NEEDED.

NAMES	ADDRESS
James C. Talty	208 Hwy Topoka, Mo.
Alice J. Martin	Rt. 1 Box 15866 Topeka, KS 66650
Lorine King	3308 Humboldt Topeka, Kan
Lillian Baker	1106 E 16 <sup>th</sup> Topeka, Mo
Mary E. Whipple	833 Gilmour St Topeka, Mo 66607
Frona Blunt	1906 Lyon Apt 6 Topeka, Mo 66604
Bonnie Patterson	257C Lawrence St Topeka, KS
Elizabeth Moore	432 Clay Topeka, Mo
Joan Manning	2715 Iowa Topeka
Becky L. Basaldua	318 Bratten Topeka
Luz Zumbaga	209 Wilson
E. Blunt	3500
Joseph H. McDonald	1638 Woodrow
Helen Gregg	1137 Bradford Topeka, Mo
Robert Brown	626 Cornapar
Ray Wilson	2449 Colonial
Muscle V. Spurgeon	2262 Westpat Sq Dr
Machelle Smith	1105 Cornell
Tom Nickerson	4100 Morley Rd Topeka
Lynola Hines	1922 Clay 66604
Lillian Johnson	5011 Central







WE THE UNDERSIGNED BINGO PLAYERS SUPPORT REGULATION OF BINGO PARLORS AND BINGO OPERATIONS; BUT DO NOT BELIEVE ELIMINATING DOUBLE-SIDED GAMES AND LIMITING THE NUMBER OF NIGHTS OF OPERATIONS IS IN THE BEST INTERESTS OF PLAYERS OR CHARITABLE ORGANIZATIONS WHO OPERATE THE GAMES. THERE ARE NOW SUFFICIENT REGULATIONS OF BINGO IF THEY WERE PROPERLY ENFORCED. NO NEW REGULATION ARE NEEDED.

NAMES	ADDRESS
Charles Schultz	1202 Jewell ST.
<del>Suzanne Schmitt</del>	1272 MacVeen
<del>John J. L.</del>	328 SE Bakwin Rd.
Myrtle Jeff	335 Elm St. Topeka, KS
Randy Castellan	5224 E 18th Topeka, KS.
Susan Wilson	3304 Humboldt St. Topeka, KS
Thelma Adams	Rt 1 Hoyte Rd
Phillip Platt	1780 E 29th St Topeka, KS
<del>Jim Ardmore</del>	
Mary J Brown	813 Carnahan
James A Murray	1732 S.W. Western apt #19 Topeka, KS.
Karen Mace	3337 Plass Topeka
Bernie M Dish	3732 NE Seward Topeka, KS



WE THE UNDERSIGNED BINGO PLAYERS SUPPORT REGULATION OF BINGO PARLORS AND BINGO OPERATIONS; BUT DO NOT BELIEVE ELIMINATING DOUBLE-SIDED GAMES AND LIMITING THE NUMBER OF NIGHTS OF OPERATIONS IS IN THE BEST INTERESTS OF PLAYERS OR CHARITABLE ORGANIZATIONS WHO OPERATE THE GAMES. THERE ARE NOW SUFFICIENT REGULATIONS OF BINGO IF THEY WERE PROPERLY ENFORCED. NO NEW REGULATION ARE NEEDED.

NAMES	ADDRESS
Pamela Regent	700 Leland
Luzie Rose	766 Leland
<del>Ernest Regent</del>	3140 Kelly
Robb C. Roy	3140 Kelly
Ernest Shepard	2115 1st
Willie Shepard	2115 1st
Carl E. Oppenheimer	521 Tyler #6 RR
Lance Sutton	6800 SW GreenCastle
30 W. Home Blvd	218 E. 9th St, City 66612
Barbara Arnold	3040 J. C.
John Arnold	3040 J. C.
Mrs. Whitell	4524 E 28th
L. J. Whitell	111 W. 43
Mary Skyles	3600 S. 23rd St. Lin
Luzille Mause	635 Harrison
Linda Patton	2721 Belmont St
Ana Marquez	230 Klein
Luzille Mause	511 Cedar
Luzille Stewart	1503 Linney
Luzille Sutton	2200 Lincoln
Mrs. Lory D. Dyer	3501 Broadway Tpk

2/23/84  
Attachment #12

My name is Edie Riffel representing Mu Iota Chapter of Sigma Phi Gamma International Sorority. Our members are business women, homemakers, and professional women who donate their time to raise funds for worthwhile causes.

If the bill to close bingo parlors to being open only 3 nights a week is passed we will no longer be able to raise funds for our projects. We cannot financially go out and buy bingo equipment or rent a building to conduct bingo on our own.

At the present time we give our time and effort to work bingo at a bingo parlor so that we may help the needy, handicap, and worthwhile causes in our society.

The money raised by our sorority helps to provide funds for the following:

Rainbows United  
Multiple Sclerosis  
Cancer Research for Children  
Waco Finn Start Up School  
Ronald McDonald House "Accent on Kids"  
Needy families at Thanksgiving & Christmas  
Cerebral Palsy Camp Fees  
KFDD Adopt a Kid for Christmas (17 children sponsored)  
Julie & Airnee Bohres Fund (Kidneys)  
Biddy Basketball  
Cerebral Palsy Special Olympics  
Little Friends Health Fund  
Hospice for the Terminally Ill

If we can no longer raise funds by working bingo one night a week at a bingo parlor, we will be unable to help these organizations and people that desperately need aid and assistance. It seems that since the State and Local governments have cut back on the services and funds to the poor and needy that the work we do is very much needed.

Thank you.

Attachment #12

Senate Bill 770 and other bills have been introduced to crack down on the big operators, the kingpins of BINGO. The fact is that through additional additional legislation it will close-down the small bingo games - mainly in small towns which will affect retired folks and others who's only "outside the house" entertainment is playing bingo.

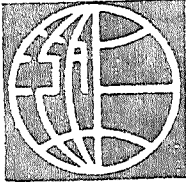
The State Department of Revenue should also be concerned about this bill due to the fact that it will probably reduce their income from bingo by 20-30%.

This will happen because the large games will have a income reduction because of the proposed .50¢ price limit per card and the small operators like our church bingo will be forced to shut down because of the same reason.

Our average player buys six cards for \$5.00. at .50¢ per card we would collect \$3.00 which would reduce our regular game income by 40%. a survey made at our last session indicates that most people would not buy more cards if the price is reduced. This would reduce our average net income to about \$35.00 per week. We request that this bill be rejected by this committee.

David W. Hayner  
St. Marys College  
St. Marys, Pa.

2/23/84  
Attachment #14



# Epsilon Sigma Alpha



Kansas State Council

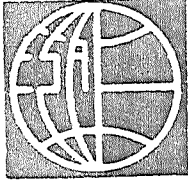
February 22, 1984

My name is Margaret Shook and I am representing Chi Epsilon Chapter of Epsilon Sigma Alpha Sorority, a philanthropic organization which mainly serves the need of the severely handicapped through items of monetary value and cash donations. With the apparent cuts in funding institutions are looking to organizations such as ours for help. Chi Epsilon feels that the funds we derive from working the bingo will enable us to make more sizeable contributions to the institutions that we support. There is so much competition in holding special events for your "special charity" it is getting harder and harder to raise the needed funds. We would like to ask for consideration in tightening controls in bingo rather than limiting the number of nights that bingo can be held as this would surely affect our ability in competing with other organizations for playing time.

Our chapter, Chi Epsilon, is located in Wichita. We are a small group, only eighteen women. We are mothers, housewives and businesswomen. We have one common goal and that is to aid the handicapped. We are most anxious to volunteer our time sponsoring bingo. We are very proud of the fact that we were able to donate over \$14,000.00 in monetary items and cash donations last year. The organizations that we support are Rainbows United, a pre-school for severely handicapped youngsters, the Institute of Logopedics, Starkey Developmental Center, Special Olympics and St. Judes Hospital.

Personally, I am in a very unique situation as I am also a mother of a severely mentally and physically handicapped child and through the efforts of organizations such as Chi Epsilon we have been on the receiving end of donations given toward scholarships at Rainbows United and are very appreciative. These types of monies given are vital to Rainbows and other institutions worthy of support especially since federal and state

Attachment #14



*Epsilon Sigma Alpha*



Kansas State Council

Page 2

funding has been deeply slashed.

We thank you for your time and ask that you join our efforts in aiding needed charities by considering our request.

Margaret Shook  
Chi Epsilon Chapter of ESA  
1410 Lynnhurst  
Wichita, Kansas 67212

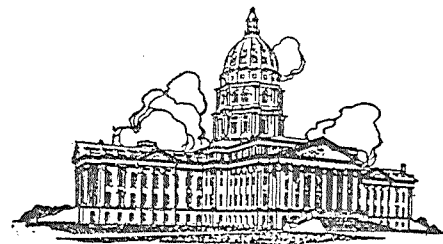


2/23/84  
Attachment # 5

# KANSANS FOR LIFE AT ITS BEST!

Rev. Richard Taylor, Box 888, Topeka, Kansas 66601

Phone (913) 235-1866 Office 1273 Harrison  
(3 Blocks South of Statehouse)



SB 770 Hearing, February 23, 1984  
Senate Federal & State Affairs Committee

*A Proud Land*

The issue today is commercial bingo gambling. How many problems like this would you have if parimutuel, lottery, and casino gambling were legal in Kansas? In commercial gambling, greed is the game, and greed breeds more greed. Quality of life in Kansas would be improved if lawmakers had the courage to get rid of bingo gambling totally.

When the legislature approved of legal bingo gambling and the voters ratified what the legislature approved, no one had bingo gambling parlors in mind. The games were to be operated by and played on the premises of organizations permitted to operate this form of commercial gambling.

SB 770 should be killed because SB 401 is good legislation passed by a wide majority in House and Senate. According to the Wall Street Journal, commercial gambling is technically a swindle - theft by deception. Bingo parlors have a state license to steal. Will lawmakers now cave in to pressure from these legalized swindling operations?

We are told that gambling profits go for a good cause. As pastor in Salina back in 1958, a local veterans group conducted bingo gambling games. When I questioned a member about the operation, he said it was OK because the proceeds went for a good cause. What cause? Christmas baskets for the needy. All the profits? No, just 10% of the profits went for Christmas baskets, the other 90% was used to buy alcohol for the members.

Veterans groups claimed it was all right to disobey the law for a good cause because they had defended their country. I wore gold braid and served as Gunnery Officer aboard ship, but did so to serve my country where law permits the public to live in freedom from legalized swindling called bingo gambling.

Persons truly concerned for others give dollars from their own pockets to support good causes. Something isn't ringing right in the belfrey of persons who think they are relieved of giving dollars from their own pockets when they take gambling dollars from the pockets of other people for good causes. Mr. Joe Berger told this committee a large majority of their bingo players are poor people. Does it make sense to rip off poor people under the guise of helping poor people? How much really goes to help poor people and how much is used to benefit members of the club so they do not have to spend dollars from their own pockets?

After reading the Kansas City Times, it seems SB 401 is an anti-organized crime measure. This committee has been told that a very small percent of bingo gambling is done by churches, and they have their own facilities. If SB 770 is killed and SB 401 gets rid of bingo parlors and puts bingo back on premises owned by the organization operating the games, that is a good step in the right direction.

Respectfully yours,

*Richard Taylor*

"Of our political revolution of 1776 we are all justly proud," said Abraham Lincoln on Washington's birthday in 1842. He went on to say "how proud the title of that land" where persons declare their freedom from alcoholic beverages because they "shall find a stronger bondage broken, a viler slavery manumitted, a greater tyrant deposed. . . perfect liberty!" With per-person consumption at nearly half the national average, thousands of Kansans enjoy that perfect liberty. Concerned users and non-users are united in this R-E-A-L effort to prevent alcoholism, highway tragedy, and other suffering caused by our most abused recreational drug.

- Rehabilitation — Help alcohol-dependent persons adjust to life without the drug.
- Education — Inform children, youth & adults of effect of alcohol on mind & body.
- Amount — Encourage persons to be non-users and encourage users to use less.
- Law — Pass and enforce laws that reduce consumption and suffering.

*Attachment # 15*

# Kansas City Times

February 11, 1984

## KC mob is a 'criminal enterprise,' U.S. will seek to prove in court

By John T. Dauner  
A Member of the Staff

A special federal grand jury dealt the Kansas City mob its third major blow in less than three years Friday with an indictment charging the hierarchy with running a "criminal enterprise" and with engaging in five major criminal conspiracies.

The indictment marks the first time the federal government has gone to court in Kansas City to try to prove that the mob exists in this area and acts as an organized interstate business.

Those named in the indictment are Carl Civella, 74; his son, Anthony Civella, 53; Carl DeLuna, 56; and Charles Moretina, 55. All except An-

thony Civella are in federal prisons. Carl Civella and DeLuna are serving 30-year terms, and Moretina is serving a 20-year term.

The names of the four are cited repeatedly in the alleged conspiracies, which range from plotting murder to skimming proceeds from Las Vegas, Nev., casinos and a Kansas bingo parlor.

The indictment is the third handed down in the city since November 1981 that involves the four defendants. Carl Civella, Moretina and DeLuna were convicted along with six other persons in a case that charged that they illegally skimmed money from

the counting rooms at the Tropicana Hotel and Casino in Las Vegas. The three also are defendants with 11 other Kansas City and national mob figures in a case alleging skimming from two other Las Vegas casinos.

The investigation that led to this and the other indictments began in April 1978 when the FBI, using a court-approved electronic eavesdropping device, intercepted a conversation between DeLuna and Carl Civella about control of Las Vegas casinos. That was followed by more wiretaps and a series of law enforcement raids on Valentine's Day in 1979 on the homes of the defendants and others in which authorities seized

See INDICTMENT, Page A-13, Col. 1

## Bingo profits skimmed, charge says

By Ted Cilwick  
A Member of the Staff

It is the one thing that opponents of bingo or other forms of legalized gambling invariably fear: infiltration by organized crime.

But until Friday, the mob's interests in bingo had generated nothing more than suspicion among law enforcement agencies in Missouri and Kansas.

On Friday a federal grand jury in Kansas City indicted the four top members of the Civella crime family for conducting a criminal enterprise that included skimming \$111,128

from bingo proceeds of a veterans post in Kansas City, Kan.

The bingo game was run by Amvets Post 34 and its women's auxiliary at a hall at North Fifth Street and Washington Boulevard. The operation "was a sham designed to produce additional income for" the Civella family, according to the indictment.

Robert Davenport, special agent in charge of the FBI in Kansas City, said it is the first time federal charges have been filed in either state stemming from the underworld's alleged infiltration of bingo.

Charged in the indictment were family leaders Carl Civella and Carl DeLuna and underbosses Anthony Civella and Charles Moretina. They face 20 years and \$25,000 in fines.

The indictment's brief description of the bingo operation alleges that DeLuna, Moretina and Anthony Civella traveled across state lines to Kansas City, Kan., from 1976 to 1979 to establish the bingo games and obtain the proceeds.

No members of Post 34 are charged. It is not believed that many

See FOUR, Page A-13, Col. 1

# Four members of Civella family skimmed bingo profits, charge says

Continued from Page A-1

members knew the mob allegedly had a hand in the till.

The Civella outfit's connection at Post 34, sources said, was the late Joseph F. Kostelac, a former Kansas state Amvets commander with a string of convictions on charges including gambling and tax evasion. Mr. Kostelac, whose convictions once led to a suspension of the post's bingo license, died of a heart attack in December 1982.

National and local Amvets officials on Friday declined to discuss the revelation that the mob had allegedly infiltrated one of its posts. "They (Post 34) are not on good standing with us," said Peggy Seipel, membership director of the national Amvets group.

Federal investigators and prosecutors on Friday maintained their customary reluctance to discuss the charges further.

Interviews with other law enforcement agents and members of the post and inspection of Kansas Department of Revenue records, court documents, sworn testimony and other reports, paint this picture of

Post 34's bingo games:

In December 1975, a few months after bingo was legalized in Kansas, a small group of men established Amvets Post 34 in Kansas City, Kan. Amvets is a nationwide organization of veterans of World War II and the Korean and Vietnam wars with 200,000 members.

The rapid-fire creation of Post 34 and other veterans posts around Kansas later provoked testimony at a legislative hearing in 1976 that they were only established to profit from bingo.

Post 34 received its charter from national headquarters in Washington on Dec. 8, 1975. A week later it applied to the Kansas Department of Revenue for a bingo license.

Similarly, the women's auxiliary held its first meeting on May 21, 1976. The only business conducted after election of officers was a vote to apply for a bingo license, according to minutes of the meeting. Five days later, they applied.

The *Kansas City Times* tried to reach all 10 charter members of the men's group. Six could not be found; two had no comment.

One of the other two is Paul Antos, then a county treasurer and now a

county commissioner. "I belong to every club in Kansas City," Mr. Antos said. "You know why I belong? Because I'm a politician. And that's exactly what I told the FBI."

The 10th, Charles Branner, was the post's first commander. In a telephone interview this week, he denied that the club was established merely to reap bingo profits. He said the post eventually used bingo proceeds for charitable purposes, including the purchase of television sets for patients at the Veteran's Administration Hospital in Topeka.

But Mr. Branner said that the charter members — mostly businessmen — had little time to actually run the post. He said that they turned to Mr. Kostelac, the former state Amvets commander and a member of the post in Hutchinson.

Mr. Kostelac also was a well-known local private-club operator who had run afoul of the law numerous times in Wyandotte County.

In addition to his convictions, Mr. Kostelac testified with immunity before a 1973 federal grand jury in Kansas City, Kan., investigating protection payments by bar owners, gamblers and others. The probe resulted in the convictions of two policemen, a

lawyer and a massage parlor operator.

Law enforcement sources said that Mr. Kostelac's link to the Civella organization was through Moretina, long-described as one of the crime family's enforcers.

Post 34 hired Mr. Kostelac as a maintenance man at \$250 a week. But he did much more than tidy up the hall.

"He was the one who told us how to go about getting a charter and how to get a bingo license," club official Albert J. Smith said during a 1976 legislative hearing convened to deal with problems in the bingo industry.

Though other club members sought to downplay Mr. Kostelac's role, Mr. Smith testified that Mr. Kostelac lent the post \$15,000 to renovate the old grocery that the post used for its hall. Mr. Kostelac also helped negotiate the building lease and purchase bingo equipment, Mr. Smith testified.

Mr. Smith once was licensed to bartend in Mr. Kostelac's tavern, The Cougar Club, on North Fourth Street. And both of their wives eventually became officers in the women's auxiliary.

Legislators conducting the 1976

hearing were confused by Mr. Kostelac's role at Post 34. "Is he a chief or an Indian?" Rep. Ben Foster asked. "Mr. Kostelac is a very unusual maintenance man."

When the legislators asked for the post's books, the post's hired auditor produced a box of financial records and said they were "in a mess" and could not be used to shed further light on the bingo operations.

However, there was little question that bingo was posting a handsome profit for the veterans, including the period from 1976 to 1979, when the alleged skimming took place.

In 1981, for example, the men's and women's bingo games reported revenue totaling \$338,052, state records indicate.

The games often drew more than 200 players who vied for pots of up to \$1,200.

But the games also attracted an undercover Kansas City, Kan., detective in 1982. And Mr. Kostelac's presence provoked the suspension of both bingo licenses at the post.

A Revenue Department hearing officer found that Mr. Kostelac passed out bingo cards and otherwise helped run games at Post 34 — in violation of a state law that prohibits a felon

from associating with the operation of a bingo game within five years of his conviction. Mr. Kostelac had a 1978 federal income tax evasion conviction stemming from his failure to report \$15,900.

On Aug. 31, 1982, hearing officer Cleo G. Murphy suspended the licenses for 90 days.

Bingo resumed at Post 34 on Dec. 7, 1982. The next day Mr. Kostelac died of a heart attack in his home on North 53rd Street.

Not long after, the post closed when its charter was suspended for failure to renew its annual application, said Marion Gividen, an Amvets official in Wichita. The vacant brick building now is for rent. Mr. Gividen said he believed the post failed to renew its charter because Mr. Kostelac died.

Past and current Post 34 officials, including Mr. Smith, James L. Mace and Mr. Kostelac's brother, John, either refused to discuss the matter or said they knew nothing about the club. Mr. Gividen said Mr. Smith met last month with state Amvet leaders and obtained renewal of the charter, but the post's plans are unclear.

# Indictment is first to say KC mob runs a 'criminal enterprise'

Continued from Page A-1

cash, bookkeeping notes, guns and other evidence.

"This is the first prosecution which focuses on the Kansas City mob or outfit as a criminal enterprise and specifically charges the defendants with being leaders of the criminal enterprise and with engaging in criminal acts associated with such criminal enterprises," U.S. Attorney Robert G. Ulrich said after the indictment was returned.

The latest indictment charges that the defendants conspired and engaged in criminal activities in furtherance of the enterprise in violation of the Racketeer Influenced and Corrupt Organizations Act.

The act, passed by Congress in 1970, was the government's first attempt to attack organized crime as a business enterprise rather than only through criminal acts of individual mob figures. Conviction under the act carries a maximum penalty of 20 years in prison and a fine of \$25,000.

The indictment asserts that since 1969 the defendants, as well as the late Nick Civella, were the leaders of the enterprise. It cites the five conspiracies and numerous other criminal acts that the government contends constitute a "pattern of criminal activity" that supports the charge.

The indictment stated that members of the enterprise are "a highly disciplined organized criminal group of which, until his death, Nick Civella was the leader." It said that Nick

Civella's brother, Carl, and "from time to time" DeLuna, served as second in command. Moretina and Anthony Civella were identified as subordinate leaders. DeLuna also was identified as serving as "secretary-treasurer of the enterprise."

The five conspiracies that make up the alleged pattern of criminal activities are:

- From Jan. 1, 1976, to Feb. 14, 1979, the defendants invested in a bingo game in Kansas City, Kan.,

purportedly run by veterans, and skimmed \$111,128 from the proceeds of the game.

- From January 1978 to Jan. 9 of this year, Anthony and Carl Civella and DeLuna conspired to murder Carl Spero, a rival mob figure, who was killed Jan. 9 by a bomb detonated in the office of a used-car lot on East 12th Street. The indictment cites conversations among the Civellas, DeLuna and others about obtaining weapons and finding a suitable

means and location for the man's murder.

- From Aug. 9, 1978, to Feb. 14, 1979, the defendants and others attempted to maintain illegal hidden control of the Tropicana and skimmed \$280,000 in gambling receipts from the casino. That money was distributed among the defendants and other mob figures in Kansas City and Chicago. Except for Anthony Civella, who was not charged in the Tropicana case, the defen-

dants in this case and six other men either pleaded guilty or were convicted by a jury on charges stemming from that investigation.

- In the late 1970s the defendants in this case conspired with others to take control of the Argent Corp., which then operated casinos in Las Vegas. An indictment returned Sept. 30 by a special federal grand jury in Kansas City charged Carl Civella and DeLuna along with 13 other mob figures from Kansas City and four

other cities with secretly controlling Argent and with skimming \$2 million from the Argent-owned Stardust and Fremont casinos. One defendant in that case already has pleaded guilty.

The case has been scheduled for trial next Jan. 14. Anthony Civella and Moretina were not charged in that indictment.

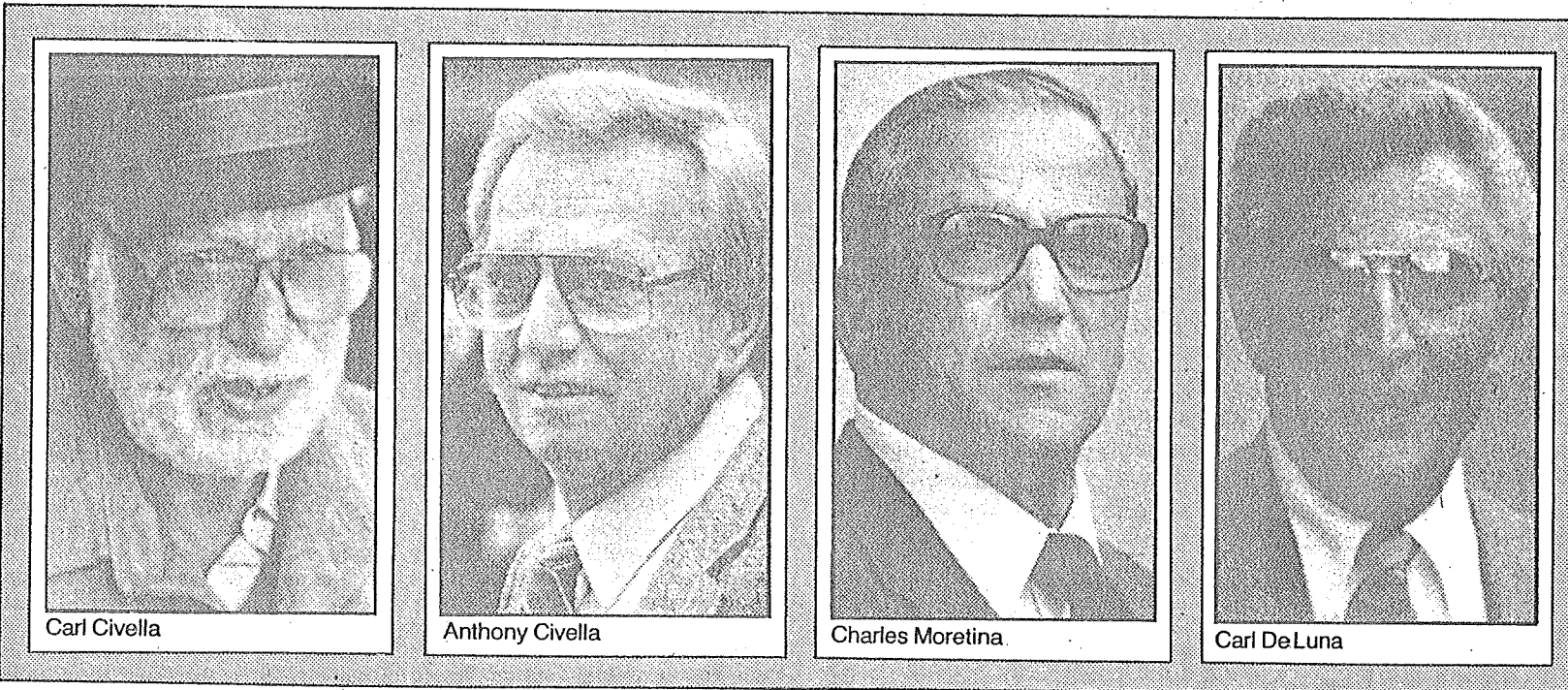
- From 1969 to 1982 the enterprise engaged in sports bookmaking in violation of Missouri and Kansas law and illegally used interstate communications.

Anthony and Nick Civella were convicted of sports bookmaking in 1975 and were sentenced to prison.

In 1980, Nick Civella and two other men were convicted of conspiring to attempt to bribe a federal prison warden to move Anthony Civella from one Texas prison, where he was serving the gambling term, to another. Nick Civella was sentenced to prison.

Last Aug. 19, Anthony and Carl Civella were indicted by a special federal grand jury with four other area residents on charges of conducting an illegal gambling operation between November 1981 and April 1982 and of using interstate telephones and travel to conduct unlawful betting on professional sports. That case is pending.

In a separate indictment returned Friday, Moretina was charged with filing false income tax returns for 1977 and 1978. The indictment alleged that Moretina did not report income he received from the operation of the criminal enterprise.



Carl Civella

Anthony Civella

Charles Moretina

Carl DeLuna

File photos