

2009-2010 Regular Sessions

I N S E N A T E

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Introduced by Sens. LARKIN, LEIBELL -- read twice and ordered printed,
and when printed to be committed to the Committee on Racing, Gaming
and Wagering

AN ACT to amend the general municipal law, in relation to charity poker

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 Section 1. Subdivision 3 of section 186 of the general municipal law,
2 as amended by section 5 of part B of chapter 383 of the laws of 2001, is
3 amended to read as follows:

4 3. "Games of chance" shall mean and include only the games known as
5 "merchandise wheels", "coin boards", "merchandise boards", "seal cards",
6 "raffles", [and] "bell jars" AND "CHARITY POKER", and such other specif-
7 ic games as may be authorized by the board, in which prizes are awarded
8 on the basis of a designated winning number or numbers, color or colors,
9 symbol or symbols determined by chance, but not including games commonly
10 known as "bingo or lotto" which are controlled under article fourteen-H
11 of this chapter and also not including "bookmaking", "policy or numbers
12 games" and "lottery" as defined in section 225.00 of the penal law. No
13 game of chance shall involve wagering of money by one player against
14 another player.

15 S 2. Section 186 of the general municipal law is amended by adding a
16 new subdivision 3-e to read as follows:

17 3-E. "CHARITY POKER" SHALL MEAN A TOURNAMENT CONDUCTED IN ACCORDANCE
18 WITH RULES AND REGULATIONS ADOPTED BY THE BOARD IN WHICH A NUMBER OF
19 CONTESTANTS COMPETE FOR PRIZES AWARDED BY A LICENSED AUTHORIZED ORGAN-
20 IZATION FOLLOWING A SERIES OF ELIMINATION-STYLE POKER GAMES APPROVED BY
21 THE BOARD IN WHICH ONLY NON-VALUE TOURNAMENT CHIPS SHALL BE USED. SUCH
22 TOURNAMENT CHIPS, WHICH SHALL NOT BE REDEEMABLE FOR CASH, MERCHANDISE OR
23 FOR ANY OTHER THING OF VALUE, SHALL BE USED EXCLUSIVELY TO ESTABLISH
24 POINT TOTALS REPRESENTATIVE OF EACH PLAYER'S ACCUMULATED TOURNAMENT
25 CHIPS THAT, IN TURN, SHALL DETERMINE THE CONTESTANTS' PLACEMENT AND RANK

EXPLANATION--Matter in ITALICS (underscored) is new; matter in brackets
[] is old law to be omitted.

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1 IN A TOURNAMENT, AND THE FINAL WINNER OR WINNERS THEREIN. NO CHARITY
2 POKER GAME APPROVED BY THE BOARD SHALL AUTHORIZE THE WAGERING OF MONEY
3 BY ONE PLAYER AGAINST ANOTHER PLAYER.

4 S 3. Subdivision 14 of section 186 of the general municipal law, as
5 amended by chapter 637 of the laws of 1999, is amended to read as
6 follows:

7 14. "One occasion" shall mean the successive operations of any one
8 single type of game of chance which results in the awarding of a series
9 of prizes amounting to five hundred dollars or four hundred dollars
10 during any one license period, in accordance with the provisions of
11 subdivision eight of section one hundred eighty-nine of this article, as
12 the case may be. For purposes of the game of chance known as a merchan-
13 dise wheel or a raffle, "one occasion" shall mean the successive oper-
14 ations of any one such merchandise wheel or raffle for which the limit
15 on a series of prizes provided by subdivision six of section one hundred
16 eighty-nine of this article shall apply. For purposes of the game of
17 chance known as a bell jar, "one occasion" shall mean the successive
18 operation of any one such bell jar, seal card, coin board, or merchan-
19 dise board which results in the awarding of a series of prizes amounting
20 to three thousand dollars. For the purposes of the game of chance known
21 as raffle "one occasion" shall mean a calendar year during which succes-
22 sive operations of such game are conducted. FOR THE PURPOSES OF THE
23 GAME KNOWN AS CHARITY POKER, "ONE OCCASION" SHALL MEAN THE CONDUCT OF A
24 SINGLE LICENSE PERIOD AS PRESCRIBED IN SECTION ONE HUNDRED NINETY-FIVE-B
25 OF THIS ARTICLE.

26 S 4. Subdivisions 5 and 6 of section 189 of the general municipal law,
27 as amended by chapter 337 of the laws of 1998, are amended to read as
28 follows:

29 5. No single prize awarded by games of chance other than raffle shall
30 exceed the sum or value of three hundred dollars, except that for
31 merchandise wheels, no single prize shall exceed the sum or value of two
32 hundred fifty dollars. No single prize awarded by raffle shall exceed
33 the sum or value of fifty thousand dollars, except that an authorized
34 organization may award by raffle a single prize having a value of up to
35 and including one hundred thousand dollars if its application for a
36 license filed pursuant to section one hundred ninety of this article
37 includes a statement of its intent to award a prize having such value.
38 NO SINGLE PRIZE IN A CHARITY POKER TOURNAMENT SHALL EXCEED TWO THOUSAND
39 DOLLARS. No single wager shall exceed six dollars and for bell jars,
40 coin boards, or merchandise boards, no single prize shall exceed five
41 hundred dollars; provided, however, that such limitation shall not apply
42 to the amount of money or value paid by the participant in a raffle in
43 return for a ticket or other receipt. For coin boards and merchandise
44 boards, the value of a prize shall be determined by its costs to the
45 authorized organization or, if donated, its fair market value. NOT MORE
46 THAN FIFTY DOLLARS SHALL BE CHARGED AS AN ADMISSION FEE ENTITLING A
47 PERSON TO ENTER A CHARITY POKER TOURNAMENT, WHICH SHALL BE RETAINED BY
48 THE LICENSED AUTHORIZED ORGANIZATION AS PROFIT; NOT MORE THAN FIFTY
49 DOLLARS SHALL BE CHARGED FOR A BUY-IN WHICH, IN ITS ENTIRETY, SHALL BE
50 APPLIED TO THE CHARITY POKER TOURNAMENT PRIZE POOL AND SHALL ENTITLE A
51 PERSON FIRST PAYING AN ADMISSION FEE TO A SPECIFIED NUMBER OF NON-VALUE
52 CHARITY POKER TOURNAMENT CHIPS; AND NOT MORE THAN TWO ADDITIONAL
53 BUY-INS, EACH OF WHICH SHALL NOT EXCEED TEN DOLLARS, SHALL BE CHARGED TO
54 ENTITLE A PERSON FIRST PAYING AN ADMISSION FEE AND AN INITIAL BUY-IN TO
55 PURCHASE ADDITIONAL CHARITY POKER TOURNAMENT CHIPS. ALL PROCEEDS
56 DERIVED FROM ADDITIONAL BUY-INS EXCEEDING THE AMOUNT OF THE MONIES

1 APPLIED TO THE SPECIFIED TOURNAMENT PRIZE POOL SHALL BE RETAINED BY THE
2 LICENSED AUTHORIZED ORGANIZATION AS PROFIT.

3 6. No authorized organization shall award a series of prizes consist-
4 ing of cash or of merchandise with an aggregate value in excess of ten
5 thousand dollars during the successive operations of any one merchandise
6 wheel, and three thousand dollars during the successive operations of
7 any bell jar, coin board, or merchandise board. No series of prizes
8 awarded by raffle shall have an aggregate value in excess of one hundred
9 thousand dollars. NO SERIES OF PRIZES AWARDED DURING A CHARITY POKER
10 OCCASION SHALL EXCEED FOUR THOUSAND DOLLARS. For coin boards and
11 merchandise boards, the value of a prize shall be determined by its cost
12 to the authorized organization or, if donated, its fair market value.

13 S 5. Subdivision 8 of section 189 of the general municipal law, as
14 amended by chapter 550 of the laws of 1994, is amended to read as
15 follows:

16 8. Except for merchandise wheels [and], raffles AND CHARITY POKER, no
17 series of prizes on any one occasion shall aggregate more than four
18 hundred dollars when the licensed authorized organization conducts five
19 single types of games of chance during any one license period. Except
20 for merchandise wheels, raffles and bell jars, no series of prizes on
21 any one occasion shall aggregate more than five hundred dollars when the
22 licensed authorized organization conducts less than five single types of
23 games of chance, exclusive of merchandise wheels, raffles [and], bell
24 jars AND CHARITY POKER, during any one license period. No authorized
25 organization shall award by raffle prizes with an aggregate value in
26 excess of one hundred thousand dollars during any one license period.

27 S 6. Paragraph (a) of subdivision 1 of section 191 of the general
28 municipal law, as amended by chapter 574 of the laws of 1978, is amended
29 to read as follows:

30 (a) Issuance of licenses to conduct games of chance. If such clerk or
31 department shall determine that the applicant is duly qualified to be
32 licensed to conduct games of chance under this article; that the member
33 or members of the applicant designated in the application to manage
34 games of chance are bona fide active members of the applicant and are
35 persons of good moral character and have never been convicted of a
36 crime, or, if convicted, have received a pardon, a certificate of good
37 conduct or a certificate of relief from disabilities; that such games
38 are to be conducted in accordance with the provisions of this article
39 and in accordance with the rules and regulations of the board and appli-
40 cable local laws or ordinances and that the proceeds thereof are to be
41 disposed of as provided by this article, and if such clerk or department
42 is satisfied that no commission, salary, compensation, reward or recom-
43 pense whatever will be paid or given to any person managing, operating
44 or assisting therein except as in this article otherwise provided; it
45 shall issue a license to the applicant for the conduct of games of
46 chance upon payment of a license fee of twenty-five dollars for each
47 license period; OR UPON PAYMENT OF A LICENSE FEE OF ONE HUNDRED DOLLARS
48 FOR EACH LICENSE PERIOD, IT SHALL ISSUE A LICENSE TO THE APPLICANT FOR
49 THE CONDUCT OF CHARITY POKER.

50 S 7. Subdivision 2 of section 191 of the general municipal law, as
51 amended by chapter 574 of the laws of 1978, is amended to read as
52 follows:

53 2. On or before the thirtieth day of each month, the treasurer of the
54 municipality in which the licensed property is located shall transmit to
55 the state comptroller a sum equal to fifty percent of all authorized
56 games of chance lessor license fees [and], the sum of fifteen dollars

1 per license period for the conduct of games of chance, AND THE SUM OF
2 SIXTY DOLLARS PER LICENSE PERIOD FOR THE CONDUCT OF EACH CHARITY POKER
3 TOURNAMENT collected by such clerk or department pursuant to this
4 section during the preceding calendar month.

5 S 8. The section heading and subdivisions 1, 2, 3, 4, and 5 of section
6 195-o of the general municipal law, the section heading and subdivisions
7 2, 3, and 4 as added by chapter 309 of the laws of 1996 and subdivisions
8 1 and 5 as amended by chapter 637 of the laws of 1999, are amended and a
9 new subdivision 1-b is added to read as follows:

10 Distributor of bell jars AND CHARITY POKER EQUIPMENT; reports and
11 records. 1. Distribution; distributors. Any distributor licensed in
12 accordance with section one hundred eighty-nine-a of this article to
13 distribute bell jar tickets shall purchase bell jar tickets only from
14 licensed manufacturers and may manufacture coin boards and merchandise
15 boards only as authorized in subdivision one-a of this section. Licensed
16 distributors of bell jar tickets shall sell such tickets only to [not-
17 for-profit, charitable or religious organizations registered by the
18 board] LICENSED AUTHORIZED ORGANIZATIONS. LICENSED DISTRIBUTORS OF
19 CHARITY POKER EQUIPMENT SHALL SELL OR LEASE CHARITY POKER EQUIPMENT ONLY
20 TO DISTRIBUTORS LICENSED BY THE BOARD OR AUTHORIZED ORGANIZATIONS
21 LICENSED TO CONDUCT CHARITY POKER OCCASIONS. Any licensed distributor
22 who willfully violates the provisions of this section shall: (a) upon
23 such first offense, have their license suspended for a period of thirty
24 days; (b) upon such second offense, participate in a hearing to be
25 conducted by the board, and surrender their license for such period as
26 recommended by the board; and (c) upon such third or subsequent offense,
27 have their license suspended for a period of one year and shall be guilty
28 of a class E felony. Any unlicensed distributor who violates this
29 section shall be guilty of a class E felony.

30 1-B. CHARITY POKER EQUIPMENT. DISTRIBUTORS OF CHARITY POKER EQUIPMENT
31 SHALL MANUFACTURE, SELL OR LEASE SUCH EQUIPMENT ONLY IF SUCH EQUIPMENT
32 IS APPROVED BY THE BOARD AND SHALL HAVE PERMANENTLY AFFIXED TO IT AN
33 IDENTIFICATION PLATE OR LABEL SETTING FORTH ALL INFORMATION REQUIRED BY
34 THE BOARD AND, IF REQUIRED BY THE BOARD, A BAR CODE SETTING FORTH ALL
35 INFORMATION THAT THE BOARD REQUIRES.

36 2. Business records. A distributor shall keep at each place of busi-
37 ness complete and accurate records for that place of business, including
38 itemized invoices of bell jar tickets held and purchased, AND ALL CHARITY
39 POKER EQUIPMENT SOLD OR LEASED. [The] IN THE CASE OF BELL JAR TICK-
40 ETS, COIN BOARD, SEAL CARD AND MERCHANDISE BOARDS, records must show the
41 names and addresses of purchasers, the inventory at the close of each
42 period for which a return is required, all bell jar tickets on hand, and
43 other pertinent papers and documents relating to the purchase, sale, or
44 disposition of bell jar tickets as may be required by the board. IN THE
45 CASE OF CHARITY POKER EQUIPMENT, RECORDS MUST REFLECT THE NAMES,
46 ADDRESSES, BOARD IDENTIFICATION NUMBERS AND LICENSE NUMBERS OF ALL
47 PURCHASERS AND LESSEES, AND ALL OTHER INFORMATION REQUIRED BY THE BOARD.
48 Books, records, itemized invoices, and other papers and documents
49 required by this section shall be kept for a period of at least four
50 years after the date of the documents, or the date of the entries
51 appearing in the records, unless the board authorizes in writing their
52 destruction or disposal at an earlier date. A person who violates this
53 section shall be guilty of a misdemeanor.

54 3. Sales records. A distributor shall maintain a record of all bell
55 jar tickets AND CHARITY POKER EQUIPMENT that it sells. The record shall
56 include, but need not be limited to:

- 1 (a) the identity of the manufacturer from whom the distributor
2 purchased the product;
- 3 (b) the serial number of the product;
- 4 (c) the name, address, BOARD-ISSUED IDENTIFICATION NUMBER and license
5 [or exempt permit] number of the AUTHORIZED organization or BOARD-LI-
6 CENSED DISTRIBUTOR, INCLUDING THE NAME OF THE person to which the sale
7 was made;
- 8 (d) the date of the sale;
- 9 (e) the name of the person who ordered the product;
- 10 (f) the name of the person who received the product;
- 11 (g) the type of product;
- 12 (h) the serial number of the product;
- 13 (i) the account number identifying the sale from the manufacturer to
14 distributor and the account number identifying the sale from the
15 distributor to the licensed organization; and
- 16 (j) the name, form number, or other identifying information for each
17 game.

18 4. Invoices. A distributor shall supply with each sale of a bell jar
19 AND CHARITY POKER product an itemized invoice showing the distributor's
20 name and address, the purchaser's OR LESSEE'S name, address, BOARD IDEN-
21 TIFICATION NUMBER and license number, the date of the sale OR LEASE, the
22 account number identifying the sale from the manufacturer to distributor
23 and the account number identifying the sale from the distributor to the
24 licensed organization, and the description of the deals, including the
25 form number, the serial number and the ideal gross from every deal of
26 bell jar or similar game.

27 5. Reports. A distributor shall report quarterly to the board, on a
28 form prescribed by the board, its sales of each type of bell jar deal or
29 tickets AND ITS SALE OR LEASE OF ALL CHARITY POKER EQUIPMENT. This
30 report shall be filed quarterly on or before the twentieth day of the
31 month succeeding the end of the quarter in which the sale was made. The
32 board may require that a distributor submit the quarterly report and
33 invoices required by this section via magnetic media or electronic data
34 transfer.

35 S 9. The section heading and the opening paragraph of section 195-q of
36 the general municipal law, the section heading as added by chapter 309
37 of the laws of 1996 and the opening paragraph as amended by chapter 337
38 of the laws of 1998, are amended to read as follows:

39 Bell jar AND CHARITY POKER compliance and enforcement. In the case of
40 bell jars AND CHARITY POKER, the licensee, upon filing financial state-
41 ments of bell jar AND CHARITY POKER operations, shall also tender to the
42 board a sum in the amount of five percent of the net proceeds as defined
43 in this paragraph, from the CONDUCT OF CHARITY POKER AND THE sale of
44 bell jar tickets, seal cards, merchandise board, and coin boards, if
45 any, for that portion of license period covered by such statement. For
46 the purposes of this section, BELL JAR "net proceeds" shall mean the
47 difference between the ideal handle from the sale of bell jar tickets,
48 seal cards, merchandise boards, and coin boards less the amount of money
49 paid out in prizes and less the purchase price of the bell jar deal,
50 seal card deal, merchandise board deal, or coin board deal. Addi-
51 tionally, a credit shall be permitted against the net proceeds fee
52 tendered to the board for unsold tickets of the bell jar deal as long as
53 the unsold tickets have the same serial number as the tickets for which
54 the fee is rendered. Such unsold tickets must be kept on file by the
55 selling organization for inspection by the board for a period of one
56 year following the date upon which the relevant financial statement was

1 received by the board. FOR PURPOSES OF THIS SECTION, CHARITY POKER "NET
2 PROCEEDS" SHALL MEAN THE DIFFERENCE BETWEEN THE MONEYS COLLECTED FROM
3 ADMISSION FEES, PLUS BUY-INS, IN EXCESS OF THE SPECIFIED PRIZE POOL, IF
4 ANY, LESS THE COST TO THE LICENSED AUTHORIZED ORGANIZATION FOR THE
5 LICENSE FEE, THE CHARITY POKER EQUIPMENT RENTAL OR PURCHASE, THE ADDI-
6 TIONAL LICENSE FEE, AND THE GAMES OF CHANCE LESSOR RENTAL FEE, IF THE
7 TOURNAMENT IS CONDUCTED ON THE PREMISES OF A LICENSED GAMES OF CHANCE
8 LESSOR.

9 S 10. The general municipal law is amended by adding a new section
10 195-qq to read as follows:

11 S 195-QQ. CHARITY POKER COMPLIANCE AND ENFORCEMENT. THE BOARD, PURSU-
12 ANT TO SECTION ONE HUNDRED EIGHTY-EIGHT-A OF THIS ARTICLE, SHALL PROMUL-
13 GATE RULES AND REGULATIONS GOVERNING THE LICENSING, OPERATION AND REGU-
14 LATION OF CHARITY POKER TO ENSURE THAT SUCH GAMES ARE RIGIDLY
15 CONTROLLED. BOARD AGENTS SHALL CONDUCT, ANYWHERE IN THE STATE, INVESTI-
16 GATIONS OF THE ADMINISTRATION AND ENFORCEMENT OF CHARITY POKER TO ENSURE
17 THAT SUCH GAMES ARE FAIRLY AND PROPERLY CONDUCTED; THAT ALL LAWS, RULES
18 AND REGULATIONS GOVERNING SUCH OPERATIONS ARE STRICTLY CONSTRUED AND
19 RIGIDLY ENFORCED; THAT CHARITY POKER IS NOT CONDUCTED FOR COMMERCIAL
20 PURPOSES OR PURPOSES OTHER THAN THOSE AUTHORIZED BY THIS ARTICLE, OR ARE
21 PARTICIPATED IN BY CRIMINAL OR OTHER UNDESIRABLE ELEMENTS; AND THAT
22 CHARITY POKER PROCEEDS ARE NOT DIVERTED FROM THE PURPOSES AUTHORIZED BY
23 THIS ARTICLE.

24 S 11. This act shall take effect on the one hundred eightieth day
25 after it shall have become a law. Effective immediately the state racing
26 and wagering board may promulgate any rules and regulations necessary to
27 implement the provisions of this act on its effective date on or before
28 such date.