S T A T E O F N E W Y O R K

6594

I N S E N A T E

March 1, 2012

Introduced by Sens. KLEIN, CARLUCCI -- 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 the conducting of bingo by certain organizations

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

Section 1. Subdivisions 2, 7, 9, 10 and 11-a of section 476 of the general municipal law, subdivision 2 as amended by chapter 46 of the laws of 1977, subdivision 7 as amended by chapter 438 of the laws of 1962, subdivision 9 as amended by chapter 1057 of the laws of 1965, paragraph (a) of subdivision 9 as amended by section 16 of part LL of chapter 56 of the laws of 2010, subdivision 10 as amended by chapter 364 of the laws of 1968 and subdivision 11-a as added by chapter 160 of the laws of 1994, are amended and two new subdivisions 4-a and 13 are added to read as follows:

2. ["Control commission" or "commission"] "BOARD" shall mean the state racing and wagering board.

4-A. "AUXILIARY MEMBER" SHALL MEAN A BONA FIDE MEMBER OF AN ORGANIZATION OR ASSOCIATION WHICH IS AUXILIARY TO AN AUTHORIZED ORGANIZATION LICENSED PURSUANT TO THIS ARTICLE; OR A BONA FIDE MEMBER OF AN ORGANIZATION OR ASSOCIATION OF WHICH AN AUTHORIZED ORGANIZATION LICENSED PURSUANT TO THIS ARTICLE IS AN AUXILIARY; OR A BONA FIDE MEMBER OF AN ORGANIZATION OR ASSOCIATION WHICH IS AFFILIATED WITH AN AUTHORIZED ORGANIZATION LICENSED PURSUANT TO THIS ARTICLE BY BEING, WITH IT, AUXILIARY TO ANOTHER ORGANIZATION OR ASSOCIATION.

7. "Net proceeds" shall mean (a) in relation to the gross receipts from one or more occasions of bingo, the amount that shall remain after deducting the reasonable sums necessarily and actually expended for CONDUCTING BINGO GAMES INCLUDING, BUT NOT LIMITED TO, bingo supplies and equipment, prizes, stated rental if any, bookkeeping or accounting services according to a schedule of compensation prescribed by the [commission] BOARD, janitorial services and utility supplies if any, license fees, and [the cost of bus transportation] REIMBURSEMENT OF

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

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REASONABLE EXPENSES INCURRED BY VOLUNTEERS WHO DONATE THEIR TIME TO HOLD, OPERATE OR CONDUCT, OR ASSIST IN THE CONDUCT OF SUCH GAMES, [if] AS authorized by the [control commission] BOARD, and (b) in relation to the gross rent received by an organization licensed to conduct bingo for the use of its premises by another licensee, the amount that shall remain after deducting the reasonable sums necessarily and actually expended for janitorial services and utility supplies directly attributable thereto if any.

9. "Authorized commercial lessor" shall mean a person, firm or corporation other than a licensee to conduct bingo under the provisions of this article, who or which shall own or be a net lessee of premises and offer the same for leasing by him, HER or it to an authorized organization for any consideration whatsoever, direct or indirect, for the purpose of conducting bingo therein, provided that he, SHE or it, as the case may be, shall not be

(a) a person convicted of a crime who has not received a pardon or a certificate of good conduct or a certificate of relief from disabilities pursuant to article twenty-three of the correction law;

(b) a person who is or has been a professional gambler or gambling promoter or who for other reasons is not of good moral character;

(c) a public officer who receives any consideration, direct or indirect, as owner or lessor of premises offered for the purpose of conducting bingo therein;

(d) a firm or corporation in which a person defined in [subdivision] PARAGRAPH (a), (b) or (c) [above] OF THIS SUBDIVISION or a person married [or related in the first degree] to such a person has greater than a ten [percentum] PER CENTUM (10%) proprietary, equitable or credit interest or in which such a person is active or employed[.]; OR

(E) A FIRM OR CORPORATION IN WHICH A PERSON RELATED TO A PERSON, DEFINED IN PARAGRAPH (A), (B) OR (C) OF THIS SUBDIVISION, HAS GREATER THAN TWENTY PER CENTUM (20%) PROPRIETARY, EQUITABLE OR CREDIT INTEREST OR IN WHICH SUCH A RELATED PERSON IS ACTIVE OR EMPLOYED.

Nothing contained in this subdivision shall be construed to bar any firm or corporation which is not organized for pecuniary profit and no part of the net earnings of which inure to the benefit of any individual, member, or shareholder, from being an authorized commercial lessor solely because a public officer, or a person married or related in the first degree to a public officer, is a member of, active in or employed by such firm or corporation.

10. "Limited period bingo" shall mean the conduct of bingo by a licensed authorized organization, for a period of not more than [seven] TEN of [twelve] FOURTEEN consecutive days in any one year, at a festival, bazaar, carnival or similar function conducted by such licensed authorized organization. No authorized organization licensed to conduct limited period bingo shall be otherwise eligible to conduct bingo pursuant to this article in the same year.

11-a. "Early bird" shall mean a bingo game which is played as a special game, conducted not more than [twice] THREE TIMES during a bingo occasion, in which prizes are awarded based upon a percentage not to exceed seventy-five percent of the sum of money received from the sale of the early bird cards and which is neither subject to the prize limits imposed by subdivisions five and six of section four hundred seventy-nine and paragraph (a) of subdivision one of section four hundred eighty-one, nor the special game opportunity charge limit imposed by section four hundred eighty-nine of this article. The percentage shall be specified both in the application for bingo license and the license. Not more

than one dollar shall be charged per card with the total amount collected from the sale of the early bird cards and the prize for each game to be announced before the commencement of each game.

13. "REASONABLE EXPENSES INCURRED BY A VOLUNTEER" SHALL INCLUDE, BUT NOT BE LIMITED TO, CHILD CARE EXPENSES, TRANSPORTATION EXPENSES, MEALS AND OTHER EXPENSES, AS DETERMINED AND REGULATED BY THE BOARD.

S 2. Subdivisions 3, 5, 6, 7 and 8 of section 479 of the general municipal law, subdivision 3 as amended by chapter 337 of the laws of 1998, subdivisions 5 and 6 as amended by chapter 328 of the laws of 1994, and subdivisions 7 and 8 as amended by chapter 814 of the laws of 1964, are amended to read as follows:

3. No authorized organization licensed under the provisions of this article shall purchase, lease, or receive any supplies or equipment specifically designed or adapted for use in the conduct of bingo games from other than a supplier licensed under [the bingo control law] ARTICLE NINETEEN-B OF THE EXECUTIVE LAW or from another authorized organization.

5. No prize shall exceed the sum or value of one thousand FIVE HUNDRED dollars in any single game of bingo.

6. No series of prizes on any one bingo occasion shall aggregate more than [three] FOUR thousand dollars.

7. No person except a bona fide member OR AUXILIARY MEMBER of any such organization shall participate in the management or operation of such game.

8. No person shall receive any remuneration for participating in the management or operation of any game of bingo; PROVIDED, HOWEVER, THAT A PERSON MAY ACCEPT REIMBURSEMENT OF REASONABLE EXPENSES INCURRED TO MANAGE, HOLD, OPERATE OR CONDUCT SUCH GAMES.

S 3. Subparagraph 6 of paragraph (a) of subdivision 1 of section 480 of the general municipal law, as amended by chapter 611 of the laws of 1963, is amended to read as follows:

(6) the specific purposes to which the entire net proceeds of such games are to be devoted and in what manner; that no commission, salary, compensation[,] OR reward [or recompense] will be paid to any person for conducting such bingo game or games or for assisting therein except as in this article otherwise provided; and such other information as shall be prescribed by such rules and regulations.

S 4. Paragraph (a) of subdivision 1 and subdivision 3 of section 481 of the general municipal law, paragraph (a) of subdivision 1 as amended by section 17 of part LL of chapter 56 of the laws of 2010 and subdivision 3 as amended by chapter 284 of the laws of 1969, are amended to read as follows:

(a) Issuance of licenses to conduct bingo. If the governing body of the municipality shall determine that the applicant is duly qualified to be licensed to conduct bingo under this article; that the member or members of the applicant designated in the application to conduct bingo are bona fide active members of the applicant and are persons of good moral character and have never been convicted of a crime or, if convicted, have received a pardon or a certificate of good conduct or a certificate of relief from disabilities pursuant to article twenty-three of the correction law, OR, IF CONVICTED, THE MEMBER OR MEMBERS ARE PARTICIPATING IN A REHABILITATION PROGRAM LICENSED OR CERTIFIED BY A STATE AGENCY AND OPERATED BY THE APPLICANT OR AN AUXILIARY THEREOF; that such games are to be conducted in accordance with the provisions of this article and in accordance with the rules and regulations of the [commission] BOARD, and that the proceeds thereof are to be disposed of as

provided by this article, and if the governing body is satisfied that no commission, salary, compensation[,] OR reward [or recompense] whatever will be paid or given to any person holding, operating or conducting or assisting in the holding, operation and conduct of any such games except as [in this article] otherwise provided IN THIS ARTICLE, INCLUDING REIMBURSEMENT OF REASONABLE EXPENSES INCURRED BY VOLUNTEERS WHO DONATE THEIR TIME TO HOLD, OPERATE OR CONDUCT, OR ASSIST IN THE CONDUCT OF SUCH GAMES; and that no prize will be offered and given in excess of the sum or value of one thousand FIVE HUNDRED dollars in any single game and that the aggregate of all prizes offered and given in all of such games conducted on a single occasion, under said license shall not exceed the sum or value of [three] FOUR thousand dollars, it shall issue a license to the applicant for the conduct of bingo upon payment of a license fee of eighteen dollars [and seventy-five cents] for each bingo occasion; provided, however, that the governing body shall refuse to issue a license to an applicant seeking to conduct bingo in premises of a licensed commercial lessor where it determines that the premises presently owned or occupied by said applicant are in every respect adequate and suitable for conducting bingo games.

3. No license shall be issued under this article which shall be effective for a period of more than one year. In the case of limited period bingo, no license shall be issued authorizing the conduct of such games on more than [two] THREE occasions in any one day nor shall any license be issued under this article which shall be effective for a period of more than [seven] TEN of [twelve] FOURTEEN consecutive days in any one year. No license for the conduct of limited period bingo shall be issued in cities having a population of one million or more.

S 5. Section 483 of the general municipal law, as amended by chapter 438 of the laws of 1962, is amended to read as follows:

S 483. Form and contents of license; display of license. 1. [Eeach] EACH license to conduct bingo shall be in such form as shall be prescribed in the rules and regulations promulgated by the [control commission] BOARD, and shall contain a statement of the name and address of the licensee, of the names and addresses of the member or members of the licensee under whom the games will be conducted, of the place or places where and the date or dates and time or times when such games are to be conducted and of the specific purposes to which the entire net proceeds of such games are to be devoted; if any prize or prizes are to be offered and given in cash, a statement of the amounts of the prizes authorized so to be offered and given; and any other information which may be required by said rules and regulations to be contained therein, and each license issued for the conduct of any game shall be conspicuously displayed at the place where same is to be conducted at all times during the conduct thereof.

2. Each license to lease premises for conducting bingo shall be in such form as shall be prescribed in the rules and regulations of the [control commission] BOARD and shall contain a statement of the name and address of the licensee and the address of the leased premises, the amount of permissible rent and any other information which may be required by said rules and regulations to be contained therein, and each such license shall be conspicuously displayed upon such premises at all times during the conduct of bingo.

S 6. Section 484 of the general municipal law, as amended by chapter 900 of the laws of 1981, is amended to read as follows:

S 484. Control and supervision; suspension of licenses; inspection of premises. 1. The governing body of any municipality issuing any license

under this article shall have and exercise rigid control and close supervision over all games of bingo conducted under such license, to the end that the same are fairly conducted in accordance with the provisions of such license, the provisions of the rules and regulations promulgated by the [control commission] BOARD and the provisions of this article and such governing body and the [control commission] BOARD shall have the power and the authority to suspend any license issued by such governing body and to revoke the same, and, additionally, in the case of an authorized commercial lessor, to impose a fine in an amount not exceeding one thousand dollars, after notice and hearing, for violation of any such provisions, and shall have the right of entry, by their respective officers and agents, at all times into any premises where any game of bingo is being conducted or where it is intended that any such game shall be conducted, or where any equipment being used or intended to be used in the conduct thereof is found, for the purpose of inspecting the same.

2. In addition to the authority granted pursuant to subdivision one of this section, the governing body and the [control commission] BOARD, in a city having a population of one million or more, may impose a fine in an amount not exceeding one thousand dollars, after notice and hearing, on any licensee under this article for violation of any provision of such license, this article or rules and regulations promulgated pursuant thereto.

S 7. Section 485 of the general municipal law, as amended by chapter 438 of the laws of 1962, is amended to read as follows:

S 485. Sunday; conduct of games on. [No games] GAMES of bingo [shall] MAY be conducted under any license issued under this article on the first day of the week, commonly known as [designated as] Sunday, unless it shall be otherwise provided in the license issued for the holding, operating and conducting thereof, pursuant to the provisions of a local law or an ordinance duly adopted by the governing body of the municipality issuing the license, [authorizing] PROHIBITING the conduct of bingo under this article on that day.

S 8. Section 486 of the general municipal law, as amended by chapter 438 of the laws of 1962, is amended to read as follows:

S 486. Participation by persons under eighteen. No person under the age of eighteen years shall be permitted to play any game or games of bingo conducted pursuant to any license issued under this article unless accompanied by an adult. No person under the age of eighteen years shall be permitted to conduct or assist in the conduct of any game of bingo conducted pursuant to any license issued under this article; PROVIDED, HOWEVER, THAT A PERSON UNDER THE AGE OF EIGHTEEN YEARS AND WHO IS FIFTEEN YEARS OF AGE OR OLDER SHALL BE PERMITTED TO ASSIST IN THE CONDUCT OF ANY GAME OF BINGO IF ACCOMPANIED BY AN ADULT.

S 9. Section 487 of the general municipal law, as amended by chapter 72 of the laws of 1982, is amended to read as follows:

S 487. Frequency of game; sale of alcoholic beverages. No game or games of bingo, except limited period bingo, shall be conducted under any license issued under this article more often than on [eighteen] TWENTY-SEVEN days in any three successive calendar months. No game or games of limited period bingo shall be conducted between the hours of twelve midnight postmeridian and noon, and no more than sixty games may be conducted on any single occasion of limited period bingo. No game or games of bingo shall be conducted in any room or outdoor area where alcoholic beverages are sold, served or consumed during the progress of the game or games.

S 10. Subdivision 1 of section 488 of the general municipal law, as amended by chapter 337 of the laws of 1998, is amended to read as follows:

1. No person shall hold, operate or conduct any game of bingo under any license issued under this article except a bona fide member OR AUXILIARY MEMBER of the authorized organization to which the license is issued[, and]. FURTHERMORE, no person shall assist in the holding, operating or conducting of any game of bingo under such license except such a bona fide member or [a bona fide] AUXILIARY member [of an organization or association which is an auxiliary to the licensee or a bona fide member of an organization or association of which such licensee is an auxiliary or a bona fide member of an organization or association which is affiliated with the licensee by being, with it, auxiliary to another organization or association and except bookkeepers or accountants as hereinafter provided]. Provided, however, any person may assist the licensed organization in any activity related to the game of bingo which does not actually involve the holding, conducting, managing or operating of such game of bingo. No game of bingo shall be conducted with any equipment except such as shall be owned absolutely or leased by the authorized organization so licensed or used without payment of any compensation therefor by the licensee. Lease terms and conditions shall be subject to rules and regulations promulgated by the board. This article shall not be construed to authorize or permit an authorized organization to engage in the business of leasing bingo supplies or equipment. No items of expense shall be incurred or paid in connection with the conducting of any game of bingo pursuant to any license issued under this article, except those that are reasonable and are necessarily expended for bingo supplies and equipment, prizes, stated rental if any, bookkeeping or accounting services according to a schedule of compensation prescribed by the [commission] BOARD, janitorial services and utility supplies if any, and license fees, REIMBURSEMENT OF REASONABLE EXPENSES INCURRED BY VOLUNTEERS WHO DONATE THEIR TIME TO HOLD, OPERATE OR CONDUCT OR ASSIST IN THE CONDUCT OF SUCH GAMES, and the cost of bus transportation, if authorized by the [control commission] BOARD.

S 11. Section 490 of the general municipal law, as amended by chapter 99 of the laws of 1988, is amended to read as follows:

S 490. Advertising of bingo games. A licensee may advertise the conduct of an occasion of bingo to the general public by means of newspaper, radio, circular, handbill [and], poster, ELECTRONIC MAIL, ELECTRONIC COMMUNICATIONS AND GOVERNMENT ACCESS TELEVISION BROADCASTS, and by one sign not exceeding sixty square feet in area, which may be displayed on or adjacent to the premises owned or occupied by a licensed authorized organization, and when an organization is licensed to conduct bingo occasions on the premises of another licensed authorized organization or of a licensed commercial lessor, one additional such sign may be displayed on or adjacent to the premises in which the occasions are to be conducted. Additional signs may be displayed upon any firefighting equipment belonging to any licensed authorized organization which is a volunteer fire company, or upon any equipment of a first aid or rescue squad, OR VOLUNTEER AMBULANCE COMPANY in and throughout the community served by such volunteer fire company or such first aid or rescue squad, OR VOLUNTEER AMBULANCE COMPANY, as the case may be. All advertisements shall be limited to the description of such event as "bingo", the name of the licensed authorized organization conducting such occasions, the license number of the authorized organization as assigned by the clerk and the date, location and time of the bingo occasion.

S 12. Subdivision 1 of section 491 of the general municipal law, as amended by chapter 667 of the laws of 1980, is amended to read as follows:

1. Within [seven] TEN days after the conclusion of any occasion of bingo, the authorized organization which conducted the same, and its members who were in charge thereof, and when applicable the authorized organization which rented its premises therefor, shall each furnish to the clerk of the municipality a statement subscribed by the member in charge and affirmed by him OR HER as true, under the penalties of perjury, showing the amount of the gross receipts derived therefrom and each item of expense incurred, or paid, and each item of expenditure made or to be made, the name and address of each person to whom each such item has been paid, or is to be paid, with a detailed description of the merchandise purchased or the services rendered therefor, the net proceeds derived from such game or rental, as the case may be, and the use to which such proceeds have been or are to be applied and a list of prizes offered and given, with the respective values thereof, and it shall be the duty of each licensee to maintain and keep such books and records as may be necessary to substantiate the particulars of each such statement and within fifteen days after the end of each calendar quarter during which there has been any occasion of bingo, a summary statement of such information, in form prescribed by the state, shall be furnished in the same manner to the [state racing and wagering] board.

S 13. This act shall take effect on the first of January next succeeding the date on which it shall have become a law.