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

7104

I N S E N A T E

April 27, 2012

Introduced by Sen. KLEIN -- 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 games of chance and bingo by certain organizations

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

Section 1. Subdivisions 4 and 14 of section 186 of the general municipal law, subdivision 4 as amended by chapter 574 of the laws of 1978 and subdivision 14 as amended by chapter 531 of the laws of 2011, are amended and a new subdivision 4-a is added to read as follows:

4. "Authorized organization" shall mean and include any bona fide religious or charitable organization or bona fide educational, fraternal or service organization or bona fide organization of veterans [or], volunteer [firemen] FIREFIGHTERS OR VOLUNTEER AMBULANCE WORKERS, which by its charter, certificate of incorporation, constitution, or act of the legislature, shall have among its dominant purposes one or more of the lawful purposes as defined in this article, provided that each shall operate without profit to its members, and provided that each such organization has engaged in serving one or more of the lawful purposes as defined in this article for a period of three years [immediatley] IMMEDIATELY prior to applying for a license under this article.

No organization shall be deemed an authorized organization which is formed primarily for the purpose of conducting games of chance and which does not devote at least seventy-five percent of its activities to other than conducting games of chance. No political party shall be deemed an authorized organization.

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

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

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ORGANIZATION LICENSED PURSUANT TO THIS ARTICLE BY BEING, WITH IT, AUXILIARY TO ANOTHER ORGANIZATION OR ASSOCIATION.

14. "One occasion" shall mean the successive operations of any one single type of game of chance which results in the awarding of a series of prizes amounting to five hundred dollars or four hundred dollars during any one license period, in accordance with the provisions of subdivision eight of section one hundred eighty-nine of this article, as the case may be. For purposes of the game of chance known as a merchandise wheel or a raffle, "one occasion" shall mean the successive operations of any one such merchandise wheel or raffle for which the limit on a series of prizes provided by subdivision six of section one hundred eighty-nine of this article shall apply. For purposes of the game of chance known as a bell jar, "one occasion" shall mean the successive operation of any one such bell jar, seal card, event game, coin board, or merchandise board which results in the awarding of a series of prizes amounting to [three] TEN thousand dollars. For the purposes of the game of chance known as raffle "one occasion" shall mean a calendar year during which successive operations of such game are conducted.

S 2. Subdivisions 5, 6, 8 and 10 of section 189 of the general municipal law, subdivision 5 as amended by chapter 337 of the laws of 1998, subdivisions 6 and 8 as amended by chapter 302 of the laws of 2010 and subdivision 10 as amended by chapter 574 of the laws of 1978, are amended to read as follows:

5. No single prize awarded by games of chance other than raffle shall exceed the sum or value of [three] FOUR hundred dollars, except that for merchandise wheels, no single prize shall exceed the sum or value of [two] THREE hundred [fifty] dollars. No single prize awarded by raffle shall exceed the sum or value of fifty thousand dollars, except that an authorized organization may award by raffle a single prize having a value of up to and including one hundred thousand dollars if its application for a license filed pursuant to section one hundred ninety of this article includes a statement of its intent to award a prize having such value. No single wager shall exceed six dollars and for bell jars, coin boards, or merchandise boards, no single prize shall exceed five hundred dollars provided, however, that such limitation shall not apply to the amount of money or value paid by the participant in a raffle in return for a ticket or other receipt. For coin boards and merchandise boards, the value of a prize shall be determined by its costs to the authorized organization or, if donated, its fair market value.

6. No authorized organization shall award a series of prizes consisting of cash or of merchandise with an aggregate value in excess of ten thousand dollars during the successive operations of any one merchandise wheel, [and three thousand dollars during the successive operations of any] bell jar, coin board, or merchandise board. No series of prizes awarded by raffle shall have an aggregate value in excess of five hundred thousand dollars. For coin boards and merchandise boards, the value of a prize shall be determined by its cost to the authorized organization or, if donated, its fair market value.

8. Except for merchandise wheels and raffles, no series of prizes on any one occasion shall aggregate more than [four] FIVE hundred dollars when the licensed authorized organization conducts five single types of games of chance during any one license period. Except for merchandise wheels, raffles and bell jars, no series of prizes on any one occasion shall aggregate more than five hundred dollars when the licensed authorized organization conducts less than five single types of games of chance, exclusive of merchandise wheels, raffles and bell jars, during

any one license period. No authorized organization shall award by raffle prizes with an aggregate value in excess of five hundred thousand dollars during any one license period.

10. No person except a bona fide member of the licensed authorized organization OR AN AUXILIARY MEMBER OF SUCH ORGANIZATION shall participate in the management of such games[; no person except a bona fide member of the licensed authorized organization, its auxiliary or affiliated organization, shall participate in the operation of such game, as set forth in section one hundred ninety-five-c of this article].

S 3. Paragraph (b) of subdivision 1 of section 190 of the general municipal law, as amended by chapter 574 of the laws of 1978, is amended to read as follows:

(b) In each application there shall be designated not less than [four] THREE bona fide members of the applicant organization under whom the game or games of chance will be managed and to the application shall be appended a statement executed by the members so designated, that they will be responsible for the management of such games in accordance with the terms of the license, the rules and regulations of the board, this article and the applicable local laws or ordinances.

S 4. Paragraph (a) of subdivision 2 of section 190-a of the general municipal law, as amended by chapter 400 of the laws of 2005, is amended to read as follows:

(a) For the purposes of this section, "authorized organization" shall mean and include any bona fide religious or charitable organization or bona fide educational, fraternal or service organization or bona fide organization of veterans [or], volunteer [firefighter] FIREFIGHTERS OR VOLUNTEER AMBULANCE WORKERS, which by its charter, certificate of incorporation, constitution, or act of the legislature, shall have among its dominant purposes one or more of the lawful purposes as defined in this article, provided that each shall operate without profit to its members, and provided that each such organization has engaged in serving one or more of the lawful purposes as defined in this article for a period of three years immediately prior to being granted the filing requirement exemption contained in subdivision one of this section.

S 5. Subdivision 3 of section 190-a of the general municipal law, as added by chapter 400 of the laws of 2005, is amended to read as follows:

3. No person under the age of eighteen shall be permitted to play, operate or assist in any raffle conducted pursuant to this section; PROVIDED, HOWEVER, A MEMBER OR AUXILIARY MEMBER OVER THE AGE OF SIXTEEN YEARS, BUT UNDER THE AGE OF EIGHTEEN YEARS, SHALL BE PERMITTED TO ASSIST IN ANY RAFFLE CONDUCTED PURSUANT TO THIS SECTION, IF ACCOMPANIED BY AN ADULT.

S 6. Subdivision 3 of section 194 of the general municipal law, as amended by chapter 550 of the laws of 1994, is amended to read as follows:

3. [Service of alcoholic beverages.] Subject to the applicable provisions of the alcoholic beverage control law, beer AND WINE may be offered for sale during the conduct of games of chance on games of chance premises as such premises are defined in subdivision nineteen of section one hundred eighty-six of this article; provided, however, that nothing herein shall be construed to limit the offering for sale of any other alcoholic beverage in areas other than the games of chance premises or the sale of any other alcoholic beverage in premises where only the games of chance known as bell jar or raffles are conducted.

S 7. Section 195 of the general municipal law, as amended by chapter 461 of the laws of 2003, is amended to read as follows:

S 195. Sunday; conduct of games on. Except as provided in section one hundred ninety-five-b of this article, [no] games of chance [shall] MAY be conducted under any license issued under this article on the first day of the week, commonly known and designated as Sunday, unless it shall be otherwise provided in the license issued for the conducting thereof, pursuant to the provisions of a local law or an ordinance duly adopted by the governing body of the municipality wherein the license is issued, [authorizing] PROHIBITING the conduct of games of chance under this article on that day [only between the hours of noon and midnight]. Notwithstanding the foregoing provisions of this section no games of chance shall be conducted on Easter Sunday or Christmas Day.

S 8. Section 195-a of the general municipal law, as amended by chapter 574 of the laws of 1978, is amended to read as follows:

S 195-a. Participation by persons under eighteen. No person under the age of eighteen years shall be permitted to play any game or games of chance conducted pursuant to any license issued under this article. Persons under the age of eighteen years may be permitted to attend games of chance at the discretion of the games of chance licensee. No person under the age of eighteen years shall be permitted to operate any game of chance conducted pursuant to any license issued under this article or to assist therein; PROVIDED, HOWEVER, THAT A MEMBER OR AUXILIARY MEMBER WHO IS UNDER THE AGE OF EIGHTEEN YEARS AND WHO IS SIXTEEN YEARS OF AGE OR OLDER SHALL BE PERMITTED TO ASSIST IN THE OPERATION OF ANY GAME OF CHANCE IF ACCOMPANIED BY AN ADULT.

S 9. Section 195-b of the general municipal law, as amended by chapter 252 of the laws of 1998, is amended to read as follows:

S 195-b. Frequency of games. No game or games of chance, shall be conducted under any license issued under this article more often than [twelve] EIGHTEEN times in any calendar year. No particular premises shall be used for the conduct of games of chance on more than twenty-four license periods during any one calendar year. Games shall be conducted only between the hours of noon and midnight on SUNDAY, Monday, Tuesday, Wednesday and Thursday, and only between the hours of noon on Friday and two A.M. Saturday, and only between the hours of noon on Saturday and two A.M. Sunday. The two A.M. closing period shall also apply to a legal holiday. The above restrictions shall not apply when only the games of chance known as bell jar and/or raffle are conducted.

S 10. Section 195-c of the general municipal law, as amended by chapter 252 of the laws of 1998, is amended to read as follows:

S 195-c. [1.] Persons operating games; equipment; expenses; compensation. 1. No person shall operate any game of chance 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[, or a bona fide 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]. Nothing herein shall be construed to limit the number of games of chance licensees for whom such persons may operate games of chance nor to prevent non-members from assisting the licensee in any activity other than managing or operating games. No game of chance shall be conducted with any equipment except such as shall be owned or leased by the authorized organization so licensed or used without payment of any compensation therefor by the licensee. However, in no event shall bell jar tickets be transferred from one authorized organization to another,

with or without payment of any compensation thereof. The head or heads of the authorized organization shall upon request certify, under oath, that the persons operating any game of chance are bona fide OR AUXILIARY members of such authorized organization, auxiliary or affiliated organization. Upon request by an officer or the department any such person involved in such games of chance shall certify that he or she has no criminal record. No items of expense shall be incurred or paid in connection with the conducting of any game of chance pursuant to any license issued under this article except those that are reasonable and are necessarily expended for games of chance supplies and equipment, prizes, security personnel, stated rental if any, bookkeeping or accounting services according to a schedule of compensation prescribed by the board, janitorial services and utility supplies if any, and license fees, and the cost of bus transportation, if authorized by such clerk or department. No commission, salary, compensation[,] OR reward [or recompense] shall be paid or given to any person for the sale or assisting with the sale of raffle tickets.

2. For the purpose of the sale of tickets for the game of raffle, the term "operate" shall not include the sale of such tickets by persons of lineal or collateral consanguinity to members of an authorized organization licensed to conduct a raffle.

S 11. Section 195-e of the general municipal law, as amended by chapter 94 of the laws of 1981, is amended to read as follows:

S 195-e. Advertising games. A licensee may advertise the conduct of games of chance to the general public by means of newspaper, 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 games of chance on premises of an authorized games of chance lessor, one additional such sign may be displayed on or adjacent to the premises in which the games are to be conducted. Additional signs may be displayed upon any fire fighting 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 "Games of chance" or "Las Vegas Night", the name of the authorized organization conducting such games, the license number of the authorized organization as assigned by the clerk or department and the date, location and time of the event.

S 12. Subdivisions 10 and 11-a of section 476 of the general municipal law, 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 a new subdivision 4-a is added to read as follows:

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.

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] TWO DOLLARS 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.

S 13. Subdivisions 3 and 7 of section 479 of the general municipal law, subdivision 3 as amended by chapter 337 of the laws of 1998 and subdivision 7 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.

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.

S 14. Subdivision 3 of section 481 of the general municipal law, as amended by chapter 284 of the laws of 1969, is amended to read as follows:

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 15. Subdivision 1 of section 483 of the general municipal law, as amended by chapter 438 of the laws of 1962, is amended to read as follows:

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, 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.

S 16. 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 17. 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 MEMBER OR AUXILIARY MEMBER WHO IS UNDER THE AGE OF EIGHTEEN YEARS AND WHO IS SIXTEEN YEARS OF AGE OR OLDER SHALL BE PERMITTED TO ASSIST IN THE CONDUCT OF ANY GAME OF BINGO IF ACCOMPANIED BY AN ADULT.

S 18. 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 19. 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, janitorial services and utility supplies if any, and license fees, and the cost of bus transportation, if authorized by the control commission.

S 20. 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 21. 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 22. This act shall take effect on the first of January next succeeding the date on which it shall have become a law.