

STATE OF OKLAHOMA

1st Session of the 43rd Legislature (1991)

COMMITTEE SUBSTITUTE
FOR ENGROSSED
HOUSE BILL NO. 1044

BY: PELTIER, HAMILTON (Jeff),
VAUGHN (George) and MONKS
of the HOUSE

and

WEEDN and SHURDEN of the
SENATE

COMMITTEE SUBSTITUTE

(CRIMES AND PUNISHMENTS - AMENDING 21 O.S.,
SECTIONS 995.1, 995.3 AND 995.7 - BINGO -

EMERGENCY)

SECTION 1. AMENDATORY 21 O.S. 1981, Section 995.1, as
last amended by Section 2, Chapter 334, O.S.L. 1989 (21 O.S. Supp.
1990, Section 995.1), is amended to read as follows:

Section 995.1 Every district court clerk shall be authorized to
issue a license to conduct bingo games to any organization that is a
bona fide religious, charitable, labor, fraternal, educational
organization or any branch, lodge, chapter or auxiliary thereof or
any veterans' or firemen's organization which operates without
profit to its members, and provided that such organization has been
in existence for not less than two (2) years prior to making
application for license and is exempt from tax under paragraphs (3),
(4), (5), (6), (7), (8), (10) and (19) of subsection (c) of Section
501 of the Internal Revenue Code of 1954, as amended, if no part of
the receipts derived from such activity, except actual expenses

incurred in the conduct thereof, is to inure to the benefit of any individual shareholder, member or employee of the organization, except as ~~compensation for actual expenses incurred by him in the conduct of such activity and provided that such game is conducted or operated by the officers, employees or members of such organization without compensation therefor other than that to which the officer, employee or member is entitled for the performance of his regular duties, and not by agreement or~~ provided in Section 995.7 of this title. No licensee shall contract with any other person or organization for which any consideration or compensation is provided to conduct its bingo operation. Each licensee shall control all bingo-related income and expenses in its own accounts and through its own officials who have been duly authorized by its membership. These officials shall issue a written financial report to the licensee's membership on at least an annual basis.

SECTION 2. AMENDATORY 21 O.S. 1981, Section 995.3, as last amended by Section 1, Chapter 187, O.S.L. 1987 (21 O.S. Supp. 1990, Section 995.3), is amended to read as follows:

Section 995.3 Any organization or association may apply to the district court clerk of the county in which it is situated for a license to conduct bingo games. The application shall be on such form as designed by the Administrative Director of the Courts and shall state sufficient facts to enable a determination as to whether the license should be issued. Except in the case of churches which are naturally immune from taxation according to the Internal Revenue Code, said application shall be accompanied by a copy of the sales tax permit in the name of the organization, a copy of a letter or other certificate from the Internal Revenue Service wherein it is recognized that the applicant or parent organization or association of the applicant is a nonprofit organization and exempt from payment of federal income taxes, a copy of the minutes of a meeting of such applicant designating current officers of such organization or

association and their terms of office; a copy of the minutes of a meeting of such applicant authorizing the application for a bingo license; a certified copy of the applicant's articles of incorporation or corporate trade name report or the organization constitution and bylaws, if unincorporated under Section 501(c) (5) of the Internal Revenue Code; and a copy of the federal identification number of the applicant or of the parent organization or association of the applicant. Said application shall state that the applicant is an organization or association which has been in existence for longer than two (2) years continuously immediately preceding the date of such application; that it proposes to conduct bingo at a specific location and setting forth such location, provided, no more than ~~three licenses~~ one license may be issued for any one location or building. ~~Except that different organizations may conduct bingo at a single location for not to exceed six (6) days a week, however,~~ and bingo shall not be conducted more than ~~two~~ three (3) days in a given week on a single license, except that a maximum of three licenses may be issued for any location or building if the licensee files a semiannual report of public record with the Oklahoma Tax Commission on forms provided by the Oklahoma Tax Commission documenting that all of the licensees' net proceeds from the bingo operation go to legitimate charities or if no more than one hundred persons are allowed to play bingo during a session at such location or building and bingo shall not be conducted more than two (2) days in a given week on a single license at such location or building, provided, further, no license shall be issued if a license has previously been issued and has not expired or been revoked pursuant to the provisions of Section 995.1 et seq. of this title for the location specified in the application; that no commission, salary, compensation, reward or recompense will be paid to any person for conducting such games except ~~when the conducting of such games is only incidental to the regular employment of employees of~~

~~such organization~~ as provided in Section 995.7 of this title; that the applicant will abide by all the provisions of this act. Said application shall also state the name and address of some person authorized to receive notice in behalf of said licensee. All of the requirements provided for in this section shall be sworn and attested to by a designated principal officer of said nonprofit organization or association or by the attorney of record for the organization or association. The applicant applying for such license shall pay to the district court clerk a fee of ~~Thirty Dollars (\$30.00)~~ Sixty Dollars (\$60.00) for the issuance of the initial license. At the end of one (1) calendar year from the date of the issuance of the initial license, the licensee shall renew such license for a period of one (1) year. A charge of ~~Seven Dollars and fifty cents (\$7.50)~~ Fifteen Dollars (\$15.00) per year shall be charged for the issuance of such renewal license. All such fees shall be deposited in the court fund. Upon application being filed, the district court clerk shall give five (5) days' notice by causing the same to be posted on the front of the building in which such bingo games are to be conducted. A copy of said notice shall be mailed to the district attorney, the sheriff and the chief of police or marshal of any city or town in which said bingo games are to be held. Said notice shall contain the name of the applicant and the location of said place of business and the time and place the said clerk will act upon said application. If there are no protests and the application is sufficient on its face, then said license shall be granted by the district court clerk. Provided, that if any citizen of the county files a written protest setting forth objections, then the district court clerk shall advise the chief judge who shall hear the application or assign such application to a district judge or associate district judge or special judge for hearing. Said hearing shall be held within thirty (30) days and after due notice. The application for such license must be in

writing and verified by the presiding officer of the applicant organization. All testimony before the district court shall be under oath.

A license granted pursuant to the provisions of this section shall be reported by every district court clerk to the Oklahoma Tax Commission and shall not be leased, assigned, sold or transferred to any other organization, person or entity of any nature and no bingo game shall be administered or conducted pursuant to the provisions of Section 995.1 et seq. of this title except by the organization to which a license has been issued.

An applicant organization shall be denied a license if any officer of the organization has been convicted of a felony pursuant to the laws of the United States, this state or any other state.

SECTION 3. AMENDATORY 21 O.S. 1981, Section 995.7, as amended by Section 5, Chapter 256, O.S.L. 1983 (21 O.S. Supp. 1990, Section 995.7), is amended to read as follows:

Section 995.7 No licensee shall pay any commission, salary, compensation, reward or recompense to any person for conducting bingo except ~~when~~ if such conducting is only incidental to the regular employment of such employees of such licensees or if the officers and members of the licensed organization are blind or deaf, and in no event shall commission, salary, compensation, reward or recompense, either directly or indirectly, be based upon a percentage of the receipts accruing to such licensee by virtue of such bingo operation. Provided, that employees of a nonprofit organization may be paid a fair and reasonable wage for their actual time spent conducting bingo.

No licensee shall employ in any capacity a person who has been convicted of a felony pursuant to the laws of the United States, this state or any other state.

SECTION 4. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 995.3b of Title 21, unless there is created a duplication in numbering, reads as follows:

No license to conduct bingo shall be issued for any location if a license to conduct bingo for another location within a city block of the proposed location has been issued, provided, this restriction shall not prohibit locations from operating pursuant to more than one license if authorized by law. Provided however, this restriction shall not prohibit a church that is exempt from sales tax, pursuant to paragraph (F) of Section 1356 of Title 68 of the Oklahoma Statutes, from obtaining a license for a location which is within a city block of another church for which a bingo license has been issued.

SECTION 5. It being immediately necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

43-1-1028

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