

CS for SB 951

1 THE STATE SENATE
2 Thursday, February 21, 2002

3 Committee Substitute for
4 Senate Bill No. 951

5 COMMITTEE SUBSTITUTE FOR SENATE BILL NO. 951 - By: HELTON of the
6 Senate and EASLEY of the House.

7 [amusements and sports - Oklahoma Charity Games Act -
8 duties of Alcoholic Beverage Laws Enforcement Commission and
9 Oklahoma Tax Commission - effective date -
10 emergency]

11 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

12 SECTION 1. AMENDATORY 3A O.S. 2001, Section 402, is
13 amended to read as follows:

14 Section 402. As used in the Oklahoma Charity Games Act, ~~Section~~
15 ~~401 et seq. of this title:~~

16 1. "Bingo" means a game in which each player receives a bingo
17 face and covers the squares according to the numbers, letters, or
18 combination of numbers and letters that have been announced by ~~the a~~
19 caller. The numbers and letters called are on an object selected at
20 random either manually or mechanically from a receptacle in which
21 have been placed the objects bearing the numbers, letters, or
22 combinations of numbers and letters corresponding to the system used
23 for designating the bingo face squares.

1 The winner of each bingo game is the player who first properly
2 covers a predetermined and announced pattern of squares upon the
3 bingo face being used by the player;

4 2. "Bingo face" means a flat piece of paper which is marked off
5 into any number of squares in any arrangement of rows, with each
6 square being designated by number, letter or combination of numbers
7 and letters and with one or more squares designated as a "free"
8 space with the word "Oklahoma" and a facsimile outline of a map of
9 Oklahoma in it, which cannot be reused after the game in which a
10 player has used it is over. "Bingo face" includes an electronic
11 representation or electronic image of a bingo face;

12 3. "Breakopen ticket card" means a single folded or banded
13 ticket or a card, the face of which is initially covered or
14 otherwise hidden from view to conceal a number, letter, symbol, or
15 set of letters or symbols, a few of which numbers, letters or
16 symbols out of every set of charity game tickets have been
17 designated in advance at random as prize winners and which is used
18 in a breakopen ticket game;

19 4. "Breakopen ticket game" means a game wherein a player
20 receives a breakopen ticket card. A breakopen ticket game shall
21 meet the following criteria:

- 1 a. the game shall be assembled so that no placement of
2 winners or losers exists that allows the possibility
3 of prize manipulation,
4 b. the concealed numbers, letters, or symbols shall not
5 be visible from the outside of the game using high
6 intensity lamps. Protection shall be provided by the
7 opaque paper stock employed, with the possible
8 addition of colors and printed blackout patterns or by
9 use of an aluminum foil laminate,
10 c. a unique symbol or printed security device, such as a
11 specific number keyed to particular winners or the
12 name of the symbol or some of the symbol colors
13 changed for a window, or other similar protection
14 shall be placed in the winning windows of prize
15 windows to ensure that the winner image is unique,
16 d. it shall not be possible to detect or pick out winning
17 from losing tickets through variations in printing
18 graphics, color, or use of different printing plates,
19 e. it shall not be possible to isolate winning or
20 potential winning tickets from minor variations in
21 size or cutting of the tickets comprising a particular
22 packet, and

1 f. each ticket in a game shall have a serial number. All
2 tickets in a game shall have the same serial number
3 appearing in a conspicuous place on the ticket;

4 5. "Business entity" means a person, company, corporation, or
5 partnership organized for profit;

6 6. "Charity game" means a bingo game, U-PIK-EM bingo game, or
7 breakopen ticket game conducted by an organization pursuant to the
8 provisions of the Oklahoma Charity Games Act;

9 7. "Charity game equipment" means any object uniquely designed
10 for use in the conducting of a charity game including, but not
11 limited to, bingo faces, U-PIK-EM bingo game sets, and breakopen
12 ticket cards. Items used in conducting charity games which are not
13 charity game equipment are ink markers, furniture and general
14 furnishings of rooms where charity games are conducted;

15 8. "Commission" or "ABLE Commission" means the Alcoholic
16 Beverage Laws Enforcement Commission;

17 9. "Day session" means the set time frame within which
18 conducting of charity games is authorized beginning no earlier than
19 10:00 a.m. and ending no later than 5:00 p.m.;

20 10. "Deal" means one series of breakopen ticket game cards
21 which has a stated number of winner payouts and a stated amount of
22 the payouts;

1 11. "Distributor" means a person or business entity that sells,
2 markets, or otherwise provides charity game equipment to an
3 organization;

4 12. "Doing business" means either conducting a charity game by
5 an organization or providing goods or services to an organization by
6 a business entity;

7 13. "Electromechanical breakopen ticket dispenser" means a
8 device that is not a computerized version of a breakopen ticket game
9 and that when played merely assists the player or the playing of the
10 breakopen ticket game;

11 14. "Electronic bingo" means a bingo game conducted with the
12 aid of an electronic, computer or technological device approved by
13 the Commission in conjunction with a paper bingo face;

14 15. "Electronic, computer or technological device" means a
15 device such as a computer used in the conduct of a charity game and
16 that when used:

17 a. merely assists a player or the playing of a charity
18 game,

19 b. is readily distinguishable from the playing of a game
20 on an electronic or electromechanical facsimile, and

21 c. is operated according to applicable state and federal
22 law;

1 16. "Employee" means a person who works for compensation in a
2 licensed charity game establishment;

3 ~~14.~~ 17. "Immediate family member" means a spouse, parent, child
4 or sibling or spouse of a parent, child or sibling of a resident of
5 a facility exempt from specific provisions of the Oklahoma Charity
6 Games Act as provided in subsection ~~C~~ D of Section 405 of this
7 title;

8 ~~15.~~ 18. "Licensee" means any person, organization, or business
9 entity which has received a license from the Commission;

10 ~~16.~~ 19. "Location" means the building, including the individual
11 rooms and equipment in the rooms, grounds, and appurtenances,
12 including adjacent premises if subject to the direct or indirect
13 control of the organization while conducting a charity game, which
14 are used in connection with or in furtherance of the conducting of a
15 charity game;

16 ~~17.~~ 20. "Manager" means a person who:

- 17 a. is an employee of an organization,
18 b. has supervisory authority over other employees or over
19 the conduct of charity games, and
20 c. has been designated as such by the organization
21 pursuant to the provisions of subsection ~~D~~ E of
22 Section 408 of this title;

1 ~~18.~~ 21. "Manufacturer" means a person or business entity that
2 assembles from raw materials, supplies, or subparts to form a
3 completed series of charity game equipment for use in charity games
4 and that sells, markets, or otherwise provides such equipment to a
5 distributor;

6 ~~19.~~ 22. "Night session" means the set time frame within which
7 conducting of charity games is authorized beginning no earlier than
8 5:00 p.m. and ending no later than 12:00 ~~p.m.~~ midnight;

9 ~~20.~~ 23. "Organization" means a religious, charitable, labor,
10 fraternal, educational, or other type of association or any branch,
11 lodge, chapter, or auxiliary of such association which:

- 12 a. operates without profit to its members,
13 b. has been in existence and domesticated in this state
14 and been operating as a nonprofit organization for not
15 less than two (2) years prior to applying for an
16 organization license,
17 c. is exempt from taxation pursuant to the provisions of
18 paragraphs (3), (4), (5), (6), (7), (8), (9), (10), or
19 (19) of subsection (c) of Section 501 or paragraph (1)
20 of subsection (a) of Section 509 of the United States
21 Internal Revenue Code of 1986, as amended, 26 U.S.C.,
22 Section 501(c) et seq. or Section 509(a) (1), and

- 1 d. formulates bylaws which clearly identify and
2 establish:
- 3 (1) method of electing officers and their duties,
 - 4 (2) method by which members are elected, initiated or
5 admitted,
 - 6 (3) the rights and privileges of each member,
 - 7 (4) that each member has one vote, and
 - 8 (5) that membership rights are personal to the member
9 and not assignable;

10 ~~21.~~ 24. "Progressive game" means a game in which prizes are
11 allowed to be carried over and increased from session to session;

12 ~~22.~~ 25. "U-PIK-EM bingo game" means a game played wherein a
13 player writes the numbers on a U-PIK-EM bingo game set. The player
14 retains one sheet of the set and deposits the second sheet in a
15 receptacle in the control of the organization. The player then
16 covers the numbers as the caller announces a number. The numbers
17 called are on an object selected at random either manually or
18 mechanically from a receptacle in which have been placed the objects
19 bearing the numbers. The winner of each U-PIK-EM bingo game is the
20 player who first covers all the numbers appearing on the retained
21 sheet in accordance with the pattern as designated on the sheet; and

22 ~~23.~~ 26. "U-PIK-EM bingo game set" means two paper sheets of
23 carbonless paper both bearing identical serial numbers on which a

1 player writes numbers or letters, wherein one sheet is retained by
2 the player and used for playing and one sheet is held by the
3 organization and used for verifying winners.

4 SECTION 2. AMENDATORY 3A O.S. 2001, Section 404, is
5 amended to read as follows:

6 Section 404. A. All licenses issued pursuant to the provisions
7 of the Oklahoma Charity Games Act shall be valid for one (1) year
8 from the date of issue.

9 B. A license issued by the ABLE Commission shall not be
10 transferable, sold, leased or assigned under any circumstances.

11 C. A license shall not be issued to any organization if an
12 officer thereof has been convicted of or pled guilty or nolo
13 contendere to any felony, or a misdemeanor related to gambling or
14 gaming, pursuant to the laws of the United States, the District of
15 Columbia or any state or territory of the United States.

16 D. A license shall not be issued to any person who has been
17 convicted of or pled guilty or nolo contendere to any felony, or a
18 misdemeanor related to gambling or gaming, pursuant to the laws of
19 the United States, the District of Columbia or any state or
20 territory of the United States.

21 E. A distributor or manufacturer license shall not be issued to
22 any person holding an organization license, employee license or
23 manager license.

1 F. The initial and renewal fees for licenses authorized by the
2 Oklahoma Charity Games Act shall be as follows:

3 1. Class B Organization License - One Hundred Dollars
4 (\$100.00);

5 2. Class C Organization License - Two Thousand Five Hundred
6 Dollars (\$2,500.00);

7 3. Class C Organization License to Conduct Electronic Bingo or
8 Use Electromechanical Breakopen Ticket Dispensers - Five Hundred
9 Dollars (\$500.00), which shall be in addition to the fee specified
10 in paragraph 2 of this subsection;

11 4. Distributor License - ~~Five Thousand Dollars (\$5,000.00)~~ Six
12 Thousand Five Hundred Dollars (\$6,500.00);

13 ~~3.~~ 5. Manufacturer License - ~~Two Thousand Dollars (\$2,000.00)~~
14 Three Thousand Five Hundred Dollars (\$3,500.00);

15 ~~4.~~ 6. Employee License - Fifteen Dollars (\$15.00); and

16 ~~5.~~ 7. Manager License - Fifty Dollars (\$50.00).

17 There shall be no fee imposed for the issuance or renewal of a
18 Class A exemption.

19 ~~F.~~ G. All fees received by the Commission pursuant to this
20 section shall be forwarded to the State Treasurer for deposit in the
21 General Revenue Fund, except as otherwise provided in Section 12 of
22 this act.

1 SECTION 3. AMENDATORY 3A O.S. 2001, Section 405, is
2 amended to read as follows:

3 Section 405. A. Any organization which conducts any charity
4 game activities not more than four times per year may obtain a Class
5 A exemption, which shall entitle the organization to an exemption
6 from specific provisions of the Oklahoma Charity Games Act, ~~Section~~
7 ~~401 et seq. of this title~~, as provided in this section. ~~Such~~
8 ~~exemption~~ A Class A exemption shall be obtained by the filing of a
9 verified application with the ABLE Commission signed by the
10 executive officer of ~~said~~ the organization and containing the
11 following information:

- 12 1. The name and address of the organization;
- 13 2. The name, address and telephone number of the executive
14 officer of the organization or such other person authorized to
15 receive documents or other information from the Commission on behalf
16 of the organization; and
- 17 3. A statement that ~~said~~ the organization shall conduct a
18 charity game session four or fewer times per calendar year and the
19 dates and times and location wherein such activities shall occur.

20 B. Any organization which conducts any charity game activities
21 not more than four times per year which has obtained ~~an exemption~~ a
22 Class A exemption from the Commission shall not:

1 1. ~~Be required to obtain any type of license required by the~~
2 ~~Oklahoma Charity Games Act;~~

3 ~~2.~~ Be restricted to the use of bingo faces as defined in the
4 Oklahoma Charity Games Act but shall not be authorized to ~~use~~
5 ~~electronic facsimile of faces~~ conduct bingo games in which an
6 electronic representation or electronic image of a bingo face is
7 used or use or allow the use of electromechanical breakopen ticket
8 dispensers;

9 ~~3.~~ 2. Be required to purchase charity game equipment from
10 persons or business entities licensed pursuant to the provisions of
11 the Oklahoma Charity Games Act; or

12 ~~4.~~ 3. Be subject to any restrictions in ~~this act~~ the Oklahoma
13 Charity Games Act or rules of the Commission relating to conducting
14 charity games on certain days of the week or during certain hours.

15 C. Any hospital, nursing home, residential care facility,
16 senior citizens' center, retirement center or convalescent facility
17 which conducts charity games at such facilities on a regular basis
18 for the residents or regular patrons of the facility and their
19 immediate family members may obtain an exemption from specific
20 provisions of the Oklahoma Charity Games Act as provided in this
21 section. Such exemption shall be obtained by the filing of a
22 verified application with the Commission signed by the owner or
23 supervisor of the facility and containing the following information:

1 1. The name and address of the hospital, nursing home,
2 residential care facility, senior citizens' center, retirement
3 center or convalescent facility;

4 2. The name, address and telephone number of the owner or
5 supervisor of the facility or such other person authorized to
6 receive documents or other information from the Commission on behalf
7 of the facility; and

8 3. A statement that ~~said~~ the facility shall conduct charity
9 games at the specified facility for the residents or regular patrons
10 of the facility and their immediate family members. Provided, the
11 prizes awarded either in cash or any other thing of value shall not
12 exceed Two Hundred Fifty Dollars (\$250.00) in any one (1) day at any
13 such hospital, nursing home, residential care facility, senior
14 citizens' center, retirement center or convalescent facility.

15 D. Any hospital, nursing home, residential care facility,
16 senior citizens' center, retirement center or convalescent facility
17 which conducts charity games at such facilities on a regular basis
18 for the residents or regular patrons of the facility or their
19 immediate family members which has obtained an exemption from the
20 Commission shall not:

21 1. Be required to obtain any type of license required by the
22 Oklahoma Charity Games Act;

1 2. Be restricted to the use of bingo faces, as defined in the
2 Oklahoma Charity Games Act but shall not be authorized to ~~use~~
3 ~~electronic facsimile of faces~~ conduct electronic bingo or use or
4 allow the use of electromechanical breakopen ticket dispensers;

5 3. Be required to purchase charity game equipment from persons
6 or business entities licensed pursuant to the provisions of the
7 Oklahoma Charity Games Act; or

8 4. Be subject to any restrictions in the Oklahoma Charity Games
9 Act or rules of the Commission relating to conducting charity games
10 on certain days of the week or during certain hours.

11 SECTION 4. AMENDATORY 3A O.S. 2001, Section 408, is
12 amended to read as follows:

13 Section 408. A. ~~Any~~ Except as otherwise specifically provided
14 by the Oklahoma Charity Games Act, any organization desiring to
15 conduct a charity game in this state shall apply to the ABLE
16 Commission for ~~an~~ a Class A exemption, Class B organization license
17 or Class C organization license.

18 B. With respect to a Class B or Class C organization license:

19 1. An organization license shall only be issued to an
20 organization and shall be used by that organization only-;

21 2. A business entity shall not be qualified under any
22 conditions to hold or use an organization license-;

1 ~~B.~~ 3. An organization shall be limited to only one license and
2 to doing business at only one location~~;~~;

3 ~~C.~~ 4. An organization shall use only disposable bingo faces
4 purchased from a licensed distributor. Bingo faces and other
5 supplies used in the conducting of electronic bingo shall be
6 purchased from a licensed distributor and applicable taxes as set
7 forth in subsection D of Section 421 of this title shall be paid by
8 the distributor. Only one game shall be played on each bingo face;
9 provided, nothing in this section shall be construed to exclude
10 progressive games~~;~~ and

11 ~~D.~~ 5. Only an organization or an employee or manager of an
12 organization shall conduct a charity game for which a charge is
13 made. Compensation may be paid to an organization or other person
14 for conducting a charity game. Compensation for conducting charity
15 games shall be paid in accordance with minimum wage provisions of
16 federal law, and shall not exceed two times the amount of the
17 minimum wage specified pursuant to federal law.

18 ~~E.~~ C. An initial application for ~~an~~ a Class B or Class C
19 organization license shall be sworn and attested to by a principal
20 officer of the applicant organization and shall include:

21 1. A certified copy of the document from the U.S. Internal
22 Revenue Service which grants the applicant tax-exempt status and the
23 federal identification number;

- 1 2. A certified copy of the articles of incorporation and
2 certificate of incorporation of the organization;
- 3 3. A copy of the bylaws of the organization;
- 4 4. A copy of the minutes of the meeting of the organization at
5 which the governing body was elected and the terms of office of each
6 member of the governing body;
- 7 5. A copy of the minutes of the meeting of the governing body
8 of the organization at which the application for the license was
9 authorized;
- 10 6. The name and address of a person authorized to receive
11 service of process on behalf of the organization;
- 12 7. The address of the location where the charity games will be
13 conducted; and
- 14 8. Such other information deemed necessary by the Commission to
15 assure eligibility for a license.
- 16 ~~F.~~ D. A renewal application shall only include any changes in
17 the information required to be submitted with the initial
18 application.
- 19 ~~G.~~ E. An organization license shall be placed within public
20 view at all times in a conspicuous place at the location where the
21 charity game is being conducted.
- 22 F. A Class C organization license shall only be granted if the
23 applicant has been the holder of a Class B organization license for

1 a period of not less than five (5) years or if the applicant is an
2 organization that is otherwise qualified to apply for a Class A
3 charity exemption on the effective date of this act.

4 G. If an organization which has received a Class C organization
5 license desires to conduct electronic bingo or use an
6 electromechanical breakopen ticket dispenser, it shall make a
7 separate application to the ABLE Commission for a Class C
8 organization license to conduct electronic bingo or use an
9 electromechanical breakopen ticket dispenser. If granted, the
10 authority to conduct such bingo or breakopen ticket games shall be
11 granted for the remainder of the period for which the original Class
12 C organization license is in effect. The application shall be
13 accompanied by the fee prescribed in paragraph 3 of subsection F of
14 Section 404 of this title and shall include such information as may
15 be required by the ABLE Commission or the Oklahoma Tax Commission to
16 allow them to perform their duties as set forth in the Oklahoma
17 Charity Games Act. The ABLE Commission and the Oklahoma Tax
18 Commission shall promulgate rules to implement the provisions of
19 this subsection, which shall include requirements that electronic
20 equipment used in the conduct of bingo have the capability of
21 monitoring the number of bingo faces played and the amount of tax
22 due pursuant to the provisions of subsection D of Section 421 of
23 this title. The ABLE Commission shall develop and periodically

1 update a list of approved types of electronic bingo games which
2 shall be permitted to be played pursuant to the Oklahoma Charity
3 Games Act, and any electronic bingo game which is not included on
4 such list shall be prohibited.

5 SECTION 5. AMENDATORY 3A O.S. 2001, Section 408.1, is
6 amended to read as follows:

7 Section 408.1 A compensated employee or manager of an
8 organization which has received a Class B or Class C organization
9 license shall be required to obtain an employee or manager license
10 from the ABLE Commission. Every Class B or Class C organization
11 licensee pursuant to the Oklahoma Charity Games Act shall designate
12 one person to be manager of its charity gaming operations. If a
13 manager is compensated for such service, the organization shall
14 report the name and address of the manager to the Commission. Each
15 such organization shall report a change in managers, if such
16 managers are compensated for such service, to the Commission on the
17 first working day after such change is made and receive approval
18 from the Commission for the change. A manager who is compensated
19 shall be held responsible for any violation of the Oklahoma Charity
20 Games Act or any rule of the Commission and for any act of his or
21 her servant, agent, employee or representative in violation of any
22 law or rule.

1 SECTION 6. AMENDATORY 3A O.S. 2001, Section 411, is
2 amended to read as follows:

3 Section 411. A. An applicant for an initial Class B or Class C
4 organization license shall, prior to applying for such license,
5 twice publish, in such form and containing such information as the
6 ABLE Commission shall by rule prescribe, a notice of its intention
7 to apply for such license, once a week for two (2) successive weeks
8 in a legal newspaper of general circulation within the county of the
9 location of the licensee. Proof of such publication shall be filed
10 with the Commission.

11 B. Upon an application for a Class B or Class C organization
12 license being filed with the ABLE Commission, the Commission shall
13 give written notice of the application to the district attorney,
14 county sheriff, city attorney, and chief of police or marshal of the
15 municipality and county in which the applicant will be doing
16 business.

17 1. The written notice shall be provided by regular first-class
18 mail sent not more than ten (10) calendar days from the date of
19 receipt of the application.

20 2. The written notice shall contain the name of the applicant,
21 the location at which the organization or business entity will be
22 doing business, and the date on which the Commission will consider
23 the application.

1 C. Applications for any of the licenses provided for in the
2 Oklahoma Charity Games Act, ~~Section 401 et seq. of this title,~~ shall
3 be on such form as designated by the Commission.

4 SECTION 7. AMENDATORY 3A O.S. 2001, Section 415, is
5 amended to read as follows:

6 Section 415. A. Licensed organizations shall purchase their
7 supplies only from distributors licensed by this state and payment
8 for supplies shall be made upon receipt of the supplies at the place
9 of delivery.

10 B. Distributors shall market, sell, or supply charity game
11 equipment in this state only to an organization, exempt
12 organization, exempt hospital, nursing home, residential care
13 facility, senior citizens' center, retirement center or convalescent
14 facility, entity of the United States government, federally
15 recognized Indian tribe or nation or other licensed distributor.

16 C. Distributors shall purchase or otherwise obtain charity game
17 equipment only from manufacturers or other distributors licensed
18 pursuant to the provisions of the Oklahoma Charity Games Act, ~~19 Section 401 et seq. of this title.~~

20 D. Manufacturers shall sell charity game equipment in this
21 state only to distributors licensed pursuant to the provisions of
22 the Oklahoma Charity Games Act or federally recognized Indian tribes
23 or nations.

1 E. Charity game equipment owned by an organization may be
2 disposed of with the written permission of the Director of the ABLE
3 Commission and with proper notification to the Oklahoma Tax
4 Commission, as follows:

5 1. By selling the equipment or giving it away to another
6 organization, an exempt organization, or exempt hospital, nursing
7 home, residential care facility, senior citizens' center, retirement
8 center or convalescent facility; or

9 2. By selling the equipment or trading it in on the purchase of
10 other charity game equipment to a distributor licensed pursuant to
11 the provisions of the Oklahoma Charity Games Act.

12 SECTION 8. AMENDATORY 3A O.S. 2001, Section 417, is
13 amended to read as follows:

14 Section 417. No licensed organization holding a Class A
15 exemption or a Class B organization license shall sell, serve or
16 permit to be consumed any alcoholic beverage as defined in Section
17 506 of Title 37 of the Oklahoma Statutes or low-point beer as
18 defined in Section 163.2 of Title 37 of the Oklahoma Statutes in any
19 room or outdoor area where and during the time a ~~bingo or U-PIK-EM~~
20 charity game is being conducted. A licensed organization holding a
21 Class C organization license may sell, serve or permit to be
22 consumed any such alcoholic beverage or low-point beer in accordance
23 with the provisions of Title 37 of the Oklahoma Statutes.

1 SECTION 9. AMENDATORY 3A O.S. 2001, Section 418, is
2 amended to read as follows:

3 Section 418. A. No charity game shall be conducted on the
4 first day of the week, commonly known and designated as Sunday.

5 B. No charity game shall be conducted by a Class A exemption or
6 a Class B organization licensee between the hours of 12:00 midnight
7 and 10:00 a.m.

8 C. ~~An~~ The holder of a Class A exemption or a Class B
9 organization licensee shall not conduct more than two sessions at a
10 location during a calendar day.

11 D. No person under eighteen (18) years of age shall purchase or
12 play breakopen ticket games; provided, any person under the age of
13 eighteen (18) may play charity games other than breakopen ticket
14 games ~~when accompanied by a parent or guardian~~ if such play is
15 permitted by the organization conducting the charity game. all
16 electromechanical breakopen ticket dispensers shall be clearly
17 marked with signs stating that persons under eighteen (18) years of
18 age are prohibited from playing breakopen ticket games or using such
19 dispensers.

20 E. No licensee shall sell any tangible property or services in
21 connection with operations of charity games in any manner in which
22 the purchaser incurs a debt to the organization or to any of its
23 members or employees.

1 SECTION 10. AMENDATORY 3A O.S. 2001, Section 419, is
2 amended to read as follows:

3 Section 419. A. In the conducting of a bingo game or a U-PIK-
4 EM bingo game pursuant to a Class A exemption or a Class B
5 organization license, not more than a total of Six Thousand Dollars
6 (\$6,000.00) in cash or any other thing of value shall be paid out
7 during a day session or a night session; provided, the ABLE
8 Commission may, in its discretion, raise the limit to an amount not
9 to exceed Twelve Thousand Dollars (\$12,000.00) for an individual
10 Class A exemption or a Class B organization licensee. Any person
11 may protest the raising of the limit by filing a written and signed
12 protest with the Commission. Within thirty (30) calendar days of
13 the date of receipt of such protest, the Commission shall conduct a
14 hearing on such protest. Such total shall include awards for
15 winning the game, and all other cash or other thing of value given
16 or awarded during the session. For purposes of this subsection,
17 "value" means the retail cost which would be paid if the item were
18 bought in a retail store.

19 B. The Commission is hereby authorized to set the limits on the
20 type and purchase price of each breakopen ticket game conducted by
21 the holder of a Class A exemption or a Class B organization license.
22 Such breakopen ticket card price limit shall not exceed Two Dollars
23 (\$2.00). A breakopen ticket game shall be submitted by the

1 manufacturer to the Commission for approval. Only approved
2 breakopen ticket games may be offered pursuant to an a Class A
3 exemption or Class B organization license.

4 C. The limits imposed by this section shall not be applicable
5 to charity games conducted by a Class C organization licensee.

6 SECTION 11. AMENDATORY 3A O.S. 2001, Section 421, is
7 amended to read as follows:

8 Section 421. A. There is hereby levied a tax in the amount of
9 one cent (\$0.01) upon each bingo face and each U-PIK-EM bingo game
10 set sold in this state to be paid by the distributor.

11 B. There is hereby levied upon each breakopen ticket game sold
12 in this state a tax in the amount of ~~ten percent (10%)~~ two and one-
13 half percent (2.5%) on the gross receipts of the retail sales value
14 to be paid by the distributor. Such tax shall be applicable to
15 breakopen ticket games for which tickets are dispensed by an
16 electromechanical breakopen ticket dispenser. For purposes of this
17 subsection, "gross receipts of the retail sales value" means the
18 stated retail per breakopen ticket price multiplied by the number of
19 tickets in each packaging container of breakopen tickets.

20 C. There is hereby levied upon all charity game equipment
21 except bingo faces, U-PIK-EM bingo game sets, ~~and~~ breakopen ticket
22 games and electromechanical breakopen ticket dispensers a tax in the

1 amount of ten percent (10%) of the price paid for such equipment as
2 shown on the purchase invoice.

3 D. There is hereby levied a tax in the amount of one cent
4 (\$0.01) upon each bingo face sold in this state for use in
5 electronic bingo to be paid by the distributor.

6 E. There is hereby levied a tax in the amount of Fifty Dollars
7 (\$50.00) per year upon each electromechanical breakopen ticket
8 dispenser used in this state to be paid by the licensed organization
9 using such dispenser. Payment of the tax shall be evidenced by a
10 decal issued by the Oklahoma Tax Commission, which shall be valid
11 until December 31 of the year for which the tax was paid and which
12 shall be affixed to the dispenser. The provisions of Sections 1507
13 and 1508 of Title 68 of the Oklahoma Statutes shall be applicable
14 with respect to any electromechanical breakopen ticket dispenser to
15 which a decal is not affixed as required in this subsection.

16 SECTION 12. NEW LAW A new section of law to be codified
17 in the Oklahoma Statutes as Section 428 of Title 3A, unless there is
18 created a duplication in numbering, reads as follows:

19 A. There is hereby created in the State Treasury a revolving
20 fund for the Alcoholic Beverage Laws Enforcement Commission to be
21 designated the "Gaming Enforcement Revolving Fund". The fund shall
22 be a continuing fund, not subject to fiscal year limitations, and
23 shall consist of all monies received by the Commission from:

1 1. Fees for Class C organization licenses to conduct electronic
2 bingo as specified in paragraph 3 of subsection F of Section 404 of
3 Title 3A of the Oklahoma Statutes;

4 2. Revenue from taxes imposed pursuant to the provisions of
5 subsection D of Section 421 of Title 3A of the Oklahoma Statutes;

6 3. Revenue directed to the Fund pursuant to the provisions of
7 Section 973 of Title 21 of the Oklahoma Statutes;

8 4. All other revenue not otherwise apportioned by law collected
9 by the Commission from enforcement of the Oklahoma Charity Games Act
10 or other gaming or gambling-related laws of this state; and

11 5. Funds received from the sale or other disposition of
12 property seized by the ABLE Commission in the enforcement of the
13 Oklahoma Charity Games Act.

14 B. The Commission shall enforce the provisions of the Oklahoma
15 Charity Games Act and all other gaming or gambling-related laws of
16 this state.

17 C. All monies accruing to the credit of the fund are hereby
18 appropriated and shall be budgeted and expended by the Commission
19 for the purpose of enforcement of the Oklahoma Charity Games Act and
20 other gaming or gambling-related laws of this state. Such
21 expenditures shall include, but shall not be limited to, those
22 necessary to employ five (5) additional enforcement agents, one (1)
23 auditor and one (1) support staff person within the division of the

1 Commission responsible for enforcement of the Oklahoma Charity Games
2 Act. Expenditures from the fund shall be made upon warrants issued
3 by the State Treasurer against claims filed as prescribed by law
4 with the Director of State Finance for approval and payment.

5 SECTION 13. AMENDATORY 21 O.S. 2001, Section 973, is
6 amended to read as follows:

7 Section 973. A. Every sheriff, constable, policeman, and peace
8 officer in this state is hereby required to seize every slot machine
9 and every punch board, together with all money contained therein or
10 used in connection therewith, and all property and items of value
11 incident thereto or used or employed in connection therewith, and
12 hold and safely keep the same, subject to the order of the district
13 court. Procedures for seizure of such property by agents of the
14 Alcoholic Beverage Laws Enforcement (ABLE) Commission shall be set
15 according to rules promulgated by the ABLE Commission in accordance
16 with the Administrative Procedures Act. Immediately following such
17 seizure, such officer or agent of the ABLE Commission shall report
18 the same and give all facts in relation thereto to the district
19 attorney of the county in which the seizure was made. The district
20 attorney shall, immediately following such report, file an
21 application in the district court of his county in the name of the
22 State of Oklahoma against the slot machine or punch board seized,
23 and the money and items, if any, used therewith.

1 The application shall include:

2 1. A statement showing the time and place of seizure and by
3 whom made;

4 2. A general description of the slot machine or punch board,
5 and of the money and items, if any, seized;

6 3. The name and address, if known, of the person from whom
7 seized; and

8 4. A prayer for judgment:

9 a. confiscating ~~said~~ the slot machine or punch board and
10 money and items seized, and

11 (1) ordering ~~said~~ the slot machine or punch board
12 either to be sold, with the approval of the court
13 and on such notice as the court may direct, by
14 the sheriff of the county in which the seizure
15 was made, within any state, county or
16 municipality in which the use of such slot
17 machine or punch board is not prohibited by law
18 and ordering the proceeds of sale paid into the
19 Sheriff's Training Fund as provided in Section
20 1325 of Title 22 of the Oklahoma Statutes,
21 provided that if such slot machine or punch board
22 is not sold within ninety (90) calendar days, the
23 court shall order such to be destroyed under the

1 provisions of this section, or ordering the
2 proceeds of sale of any slot machine or punch
3 board seized by an agent of the Alcoholic
4 Beverage Laws Enforcement Commission to be
5 deposited to the Gaming Enforcement Revolving
6 Fund created in Section 12 of this act, or

7 (2) ordering the immediate destruction of ~~said~~ the
8 slot machine or punch board by the officer
9 seizing the same or by some other officer or
10 person to be appointed for such purpose by the
11 court,

12 b. ordering the money seized with ~~said~~ the slot machine
13 or punch board paid into the Sheriff's Training Fund
14 as provided in Section 1325 of Title 22 of the
15 Oklahoma Statutes, or ordering the money seized with
16 any slot machine or punch board seized by an agent of
17 the ABLE Commission to be deposited to the Gaming
18 Enforcement Revolving Fund created in Section 12 of
19 this act, and

20 c. ordering any item of value seized with ~~said~~ the slot
21 machine or punch board, if not in itself offensive or
22 a gambling device, to be sold by the sheriff of the
23 county in which the seizure was made, on such notice

1 as the court may direct, and the proceeds of sale paid
2 into the Sheriff's Training Fund as provided in
3 Section 1325 of Title 22 of the Oklahoma Statutes, or
4 ordering the proceeds of sale of any item of value
5 seized with any slot machine or punch board by an
6 agent of the ABLE Commission to be deposited to the
7 Gaming Enforcement Revolving Fund created in Section
8 12 of this act.

9 B. The application required to be filed by the district
10 attorney under the provisions of subsection A of this section may
11 include any number of slot machines or punch boards, or both, and
12 all money and items, if any, seized therewith. Upon filing ~~said~~ the
13 application in the district court, the court shall order the
14 district attorney to cause a copy thereof to be served on the person
15 from whom the slot machine or punch board was seized, together with
16 written notice that such person may appear before the district court
17 at any date, which shall be fixed in ~~said~~ the notice, not less than
18 five (5) days from the date ~~said~~ the application was filed in the
19 district court, to show cause why ~~said~~ the application should not be
20 granted and judgment rendered as therein prayed. If the person from
21 whom seizure was made cannot be located, or is unknown, or if ~~said~~
22 the slot machine or punch board was unattended at the time of
23 seizure, then the foregoing service shall not be required, but in

1 lieu thereof, a copy of ~~said~~ the application and notice shall be
2 delivered to the place where seizure was made. On the date set
3 forth in the foregoing notice, the district court shall hear the
4 application without a jury, and neither party shall have the right
5 to demand a jury trial. The district attorney shall present ~~said~~ the
6 application on ~~said~~ the hearing, together with all the evidence
7 pertinent thereto, and the owner of or person from whom the slot
8 machine or punch board was seized, if present at ~~said~~ the hearing,
9 may introduce any competent evidence. The district court after
10 hearing ~~said~~ the application and the evidence introduced at ~~said~~ the
11 hearing, shall determine whether or not the slot machine or punch
12 board, or both, mentioned in ~~said~~ the application, is a slot machine
13 or punch board as defined in Sections 964 and 966 of this title, and
14 if determined to be such, the court shall make and enter judgment:

15 1. Confiscating ~~said~~ the slot machine or punch board and money
16 and items seized, and

17 a. ordering ~~said~~ the slot machine or punch board either
18 to be sold, with the approval of the court and on such
19 notice as the court may direct, by the sheriff of the
20 county in which the seizure was made, within any
21 state, county or municipality in which the use of such
22 slot machine or punch board is not prohibited by law
23 and ordering the proceeds of sale paid into the

1 Sheriff's Training Fund as provided in Section 1325 of
2 Title 22 of the Oklahoma Statutes, or ordering the
3 proceeds of sale of any slot machine or punch board
4 seized by an agent of the ABLE Commission to be
5 deposited to the Gaming Enforcement Revolving Fund
6 created in Section 12 of this act; provided that if
7 such slot machine or punch board is not sold within
8 ninety (90) calendar days, the court shall order such
9 to be destroyed under the provisions of this section,
10 or

11 b. ordering the immediate destruction of ~~said~~ the slot
12 machine or punch board by the officer seizing the same
13 or by some other officer or person to be appointed for
14 such purpose by the court;

15 2. Ordering the money seized in or with ~~said~~ the slot machine
16 or punch board paid into the Sheriff's Training Fund as provided in
17 Section 1325 of Title 22 of the Oklahoma Statutes, or ordering money
18 seized with any slot machine or punch board by an agent of the ABLE
19 Commission to be deposited to the Gaming Enforcement Revolving Fund
20 created in Section 12 of this act; and

21 3. Ordering any other item of value seized with the ~~said~~ the
22 slot machine or punch board, if not in itself offensive or a
23 gambling device, to be sold by the sheriff of the county in which

1 the seizure was made, on such notice as the court may direct, and
2 the proceeds of sale to be paid into the Sheriff's Training Fund as
3 provided in Section 1325 of Title 22 of the Oklahoma Statutes, or
4 ordering the proceeds of sale of any other item of value seized with
5 any slot machine or punch board by an agent of the ABLE Commission
6 to be deposited to the Gaming Enforcement Revolving Fund created in
7 Section 12 of this act.

8 C. The officer or person ordered to destroy a slot machine or
9 punch board under the provisions of subsection B of this section
10 shall execute such order and make return thereof within five (5)
11 days from the date thereof, showing the manner in which ~~he~~ the order
12 was executed the same. An appeal may be had from the judgment of
13 the district court to the Supreme Court, as in civil actions,
14 pursuant to the provisions of the code of civil procedure; and in
15 the event of an appeal by either party, the judgment of the district
16 court shall be stayed pending the determination of ~~said~~ the appeal.

17 SECTION 14. AMENDATORY 68 O.S. 2001, Section 1503.1, is
18 amended to read as follows:

19 Section 1503.1 The following coin-operated vending devices
20 shall be exempt from the provisions of ~~this article~~, Section 1501 et
21 seq. of this title:

22 1. All coin-operated vending devices owned by and located in a
23 public or private school, a church, or a governmental entity;

1 2. All coin-operated vending devices which dispense only
2 newspapers or periodicals;

3 3. All coin-operated vending devices which dispense only
4 postage stamps; ~~and~~

5 4. All coin-operated vending devices installed on federal
6 military bases; and

7 5. All electromechanical breakopen ticket dispensers for which
8 the tax levied in subsection E of Section 421 of Title 3A of the
9 Oklahoma Statutes has been paid.

10 SECTION 15. This act shall become effective July 1, 2002.

11 SECTION 16. It being immediately necessary for the preservation
12 of the public peace, health and safety, an emergency is hereby
13 declared to exist, by reason whereof this act shall take effect and
14 be in full force from and after its passage and approval.

15 COMMITTEE REPORT BY: COMMITTEE ON FINANCE, dated 2-19-02 - DO PASS,
16 As Amended and Coauthored.