

1 State of Arkansas
2 80th General Assembly
3 Regular Session, 1995
4 By: Senator Walker

S.J.R. 8

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7 **SENATE JOINT RESOLUTION**

8 FOR A PROPOSED AMENDMENT TO ARTICLE 19, SECTION 14 OF THE
9 CONSTITUTION OF THE STATE OF ARKANSAS TO ALLOW LOTTERIES
10 ADMINISTERED AND CONDUCTED BY A STATE AGENCY AND TO
11 AUTHORIZE CERTAIN GAMES OF BINGO AND RAFFLES WHEN
12 CONDUCTED BY CERTAIN AUTHORIZED ORGANIZATIONS.

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14 **Subtitle**

15 FOR A PROPOSED AMENDMENT TO THE CONSTITUTION OF THE STATE
16 OF ARKANSAS TO ALLOW LOTTERIES ADMINISTERED AND CONDUCTED
17 BY A STATE AGENCY AND TO AUTHORIZE CERTAIN GAMES OF BINGO
18 AND RAFFLES.

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22 BE IT RESOLVED BY THE SENATE OF THE EIGHTIETH GENERAL ASSEMBLY OF THE STATE
23 OF ARKANSAS AND BY THE HOUSE OF REPRESENTATIVES, A MAJORITY OF ALL MEMBERS
24 ELECTED TO EACH HOUSE AGREEING THERETO:

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26 That the following is hereby proposed as an amendment to the
27 Constitution of the state of Arkansas, and upon being submitted to the
28 electors of the state for approval or rejection at the next general election
29 for Senators and Representatives, if a majority of the electors voting
30 thereon at such election, adopt such amendment, the same shall become a part
31 of the Constitution of the state of Arkansas, to wit:

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33 "SECTION 1. Article 19, Section 14 of the Constitution of the State of
34 Arkansas is amended to read as follows:

35 § 14. Lotteries, bingo and raffles.

1 (a)(1) Except as provided in this Amendment, no lottery shall be
2 authorized by this State, nor shall the sale of lottery tickets be allowed.

3 (2) Lotteries administered and conducted by a state agency
4 pursuant to the laws enacted by the General Assembly are lawful, even when
5 participation is predicated on the payment of valuable consideration.

6 (3) The game of bingo, when conducted by an authorized
7 organization at authorized times and in an authorized manner is lawful.

8 (4) A raffle, when conducted by an authorized organization at
9 authorized times and in an authorized manner is lawful.

10 (b)(1) For the purpose of this section, the term game of bingo shall
11 mean a single game of the activity commonly known as bingo in which the
12 participants pay a sum of money for the use of one or more bingo cards. Only
13 bingo games where the winner receives a pre-announced, fixed dollar prize and
14 in which the winner is determined by the matching of letters and numbers on a
15 bingo card, or facsimile thereof, (imprinted with at least twenty-four [24]
16 numbers) with letters and numbers appearing on objects randomly drawn and
17 announced by a caller, in contemporaneous competition among all players in
18 the game, shall be considered bingo for the purposes of this section.

19 (2) For the purpose of this section, the term raffle shall mean a
20 game in which a participant buys a ticket for a chance at a prize with the
21 winner determined by a random drawing to take place at a location and date
22 printed upon the ticket.

23 (c) Authorized organization shall mean any non-profit tax exempt
24 religious, educational, veteran_s, fraternal, service, civic, medical,
25 volunteer rescue service, volunteer fire fighter_s organization, or volunteer
26 police organization which has been issued a current license to conduct a
27 bingo game as provided for by law. An organization is tax exempt if it has
28 received from the Internal Revenue Service a determination letter that is
29 currently in effect stating that the organization is exempt from federal
30 income taxation under Section 501(a), and if it is described in Section
31 501(c)(3), (10), or (19) or Section 528 of the Internal Revenue Code as
32 amended. To qualify as an authorized organization under this section, an
33 organization shall have been in continuing existence, as such, in this state
34 for a period of not less than five (5) years immediately prior to making
35 application for a bingo license.

1 (d) For games of bingo, conducted at authorized times means a single
2 program of bingo games conducted between the hours of 12:00 noon and 12:00
3 midnight, no more often than two (2) days per any one (1) calendar week. No
4 building, facility or other type of physical location shall house bingo games
5 more frequently than two (2) days per week or on behalf of more than one (1)
6 authorized organization. For raffles, conducted at authorized times means
7 no more frequently than twice in any given calendar year.

8 (e) "Conducted in an authorized manner" means bingo games or raffles
9 conducted in accordance with the following requirements:

10 (1) All net receipts over and above the actual cost of
11 conducting the game or raffle shall be used only for charitable, religious or
12 philanthropic purposes, and no receipts shall be used to compensate in any
13 manner any person who works for or is in any way affiliated with the licensed
14 organization;

15 (2) The prize for any one bingo game shall not exceed two
16 hundred dollars (\$200.00) (whether in cash or a prize of equivalent cash
17 value); and the total prizes awarded during any one bingo program shall not
18 exceed three thousand dollars (\$3,000) total value. No more than one (1)
19 bingo program on behalf of a single authorized organization shall be
20 conducted at any one (1) location on any given day. The price limit for
21 raffles shall be fifty thousand dollars (\$50,000);

22 (3) No person shall participate in the management, conduct or
23 operation of any bingo game or raffle unless that person:

24 (A) Has been a bona fide member of the authorized
25 organization for the two (2) years immediately preceding such participation,
26 and volunteers without compensation of any sort the time and service
27 necessary to conduct the game or raffle, and is not a paid staff person or
28 employee of the authorized organization;

29 (B) Is not and has never been a professional gambler or
30 professional gambling promoter;

31 (C) Has never purchased a tax stamp for wagering or
32 gambling activity;

33 (D) Has never been convicted of any felony;

34 (E) Has never been convicted of or pleaded nolo contendere
35 to any illegal gambling activity; and

1 (F) Is of good moral character;

2 (4) Any person, any officer or director of any firm or
3 corporation, and any partner of any partnership renting or leasing to an
4 authorized organization, any equipment or premises for use in the game or
5 raffle shall meet all the qualifications of paragraph 3 except (a).

6 (5) No good or service utilized in the conducting of the bingo
7 games or raffles, including, but not limited to, the cost for the use of the
8 bingo facility, the cost for the use of the bingo equipment, the cost for
9 bingo supplies, the cost of security for the bingo facility, or any other
10 cost of any kind associated in any way with a good or service used in
11 connection with the bingo game or raffle, shall be purchased or obtained for
12 compensation of any sort exceeding the fair market value of such good or
13 service, nor shall the quantity of goods or services so purchased exceed the
14 amounts required to reasonably conduct the game or raffle, and in no case
15 shall any payment for any good or service be based upon a percentage of the
16 gross receipts or proceeds of the bingo game or raffle.

17 (6) No person, firm, partnership or corporation shall receive
18 any remuneration or profit for participating in the management, conduct or
19 operation of the game or raffle.

20 (7) Any other requirement the General Assembly finds necessary
21 to insure that any games or raffles are conducted solely for the benefit of
22 the authorized organizations and in the public interest. The General
23 Assembly is authorized to levy such taxes as it deems appropriate upon the
24 activity described in this section.

25 (f) The General Assembly is authorized to amend sections (d) and
26 (e)(2) of this amendment by a vote of three-fourths (3/4) of the membership
27 of each house.

28 (g) All laws and parts of laws in conflict with this section are
29 repealed._

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31 SECTION 2. This amendment shall become effective January 1, 1997."

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