

Stricken language would be deleted from the present constitution. Underlined language would be added to present constitution.

1 State of Arkansas

2 81st General Assembly

3 Regular Session, 1997

S.J.R. 5

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5 By: Senator Mahony

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SENATE JOINT RESOLUTION

9 FOR A PROPOSED AMENDMENT TO ARTICLE 19, SECTION 14, OF THE
10 CONSTITUTION OF THE STATE OF ARKANSAS TO REMOVE FROM THE
11 DEFINITION OF LOTTERY AS CONTAINED IN ARTICLE 19, SECTION
12 14, OF THE CONSTITUTION OF THE STATE OF ARKANSAS, CERTAIN
13 GAMES OF BINGO AND RAFFLES WHEN CONDUCTED BY CERTAIN
14 AUTHORIZED ORGANIZATIONS IN ACCORDANCE WITH THE AMENDMENT.

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Subtitle

17 FOR A PROPOSED AMENDMENT TO THE
18 CONSTITUTION OF THE STATE OF ARKANSAS TO
19 REMOVE FROM THE DEFINITION OF LOTTERY
20 CERTAIN CHARITABLE GAMES OF BINGO AND
21 CHARITABLE RAFFLES.

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24 BE IT RESOLVED BY THE SENATE OF THE EIGHTY-FIRST GENERAL ASSEMBLY OF THE STATE
25 OF ARKANSAS AND BY THE HOUSE OF REPRESENTATIVES, A MAJORITY OF ALL MEMBERS
26 ELECTED TO EACH HOUSE AGREEING THERETO:

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

34 "SECTION 1. (a) No lottery shall be authorized by this State, nor shall
35 the sale of lottery tickets be allowed. The game of Bingo, when conducted by
36 an authorized organization at authorized times and in an authorized manner

1 shall not be deemed a lottery prohibited by this section. A raffle, when
2 conducted by an authorized organization at authorized times and in an
3 authorized manner shall not be deemed a lottery prohibited by this section.

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

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

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

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

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

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

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

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

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

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

24 (C) Has never purchased a tax stamp for wagering or
25 gambling activity;

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

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

29 (F) Is of good moral character.

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

34 (5) No good or service utilized in the conducting of the bingo
35 games or raffles, including, but not limited to, the cost for the use of the

1 bingo facility, the cost for the use of the bingo equipment, the cost for
2 bingo supplies, the cost of security for the bingo facility, or any other cost
3 of any kind associated in any way with a good or service used in connection
4 with the bingo game or raffle, shall be purchased or obtained for compensation
5 of any sort exceeding the fair market value of such good or service, nor shall
6 the quantity of goods or services so purchased exceed the amounts required to
7 reasonably conduct the game or raffle, and in no case shall any payment for
8 any good or service be based upon a percentage of the gross receipts or
9 proceeds of the bingo game or raffle.

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

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

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

21 (g) All laws and parts of laws in conflict with this amendment are
22 hereby repealed.

23 (h) This amendment shall become effective on July 1, 1999."
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