



# House of Representatives

General Assembly

**File No. 400**

February Session, 2002

House Bill No. 5296

*House of Representatives, April 9, 2002*

The Committee on Finance, Revenue and Bonding reported through REP. MCDONALD of the 148th Dist., Chairperson of the Committee on the part of the House, that the bill ought to pass.

## **AN ACT CONCERNING CHARITABLE BINGO GAMES AND SEALED TICKET SALES.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (i) of section 7-169 of the general statutes is  
2 repealed and the following is substituted in lieu thereof (*Effective*  
3 *October 1, 2002*):

4 (i) Prizes offered for the winning of bingo games may consist of  
5 cash, merchandise, tickets for any lottery conducted under chapter 226,  
6 the value of which shall be the purchase price printed on such tickets,  
7 or other personal property. No permittee may offer a prize which  
8 exceeds fifty dollars in value, except that (1) a permittee may offer a  
9 prize or prizes on any one day of not less than fifty-one dollars nor  
10 more than two hundred dollars in value provided the total value of  
11 such prizes on any one day does not exceed [four] six hundred dollars,  
12 (2) a permittee may offer one or two winner-take-all games or series of

13 games played on any day on which the permittee is allowed to  
14 conduct bingo provided ninety per cent of all receipts from the sale of  
15 bingo cards for said winner-take-all game or series of games shall be  
16 awarded as prizes and provided each prize awarded does not exceed  
17 five hundred dollars in value, (3) the holder of a Class A permit may  
18 offer [an] two additional [prize] prizes on a weekly basis not to exceed  
19 one hundred twenty-five dollars each as a special grand prize and in  
20 the event such a special grand prize is not won, the money reserved for  
21 such prize [may] shall be added to the money reserved for the next  
22 week's special grand prize, provided no such special grand prize may  
23 accumulate for more than sixteen weeks or exceed a total of two  
24 thousand dollars, and (4) a permittee may award door prizes the  
25 aggregate value of which shall not exceed two hundred dollars in  
26 value. When more than one player wins on the call of the same  
27 number, the designated prize shall be divided equally to the next  
28 nearest dollar. If a permittee elects, no winner may receive a prize  
29 which amounts to less than ten per cent of the announced prize and in  
30 such case the total of such multiple prizes may exceed the statutory  
31 limit of such game.

32 Sec. 2. Subsection (c) of section 7-169h of the general statutes is  
33 repealed and the following is substituted in lieu thereof (*Effective*  
34 *October 1, 2002*):

35 (c) (1) On and after October 1, 1987, the division may issue a permit  
36 to sell sealed tickets to any organization or group specified in  
37 subsection (d) of section 7-169 which holds a bingo permit issued in  
38 accordance with the provisions of section 7-169, as amended by this  
39 act. Such permit shall be renewed annually.

40 (2) The division may issue a permit to sell sealed tickets to any  
41 organization or group specified in subsection (d) of section 7-169  
42 which holds a club permit or nonprofit club permit under the  
43 provisions of chapter 545. Such permit shall be renewed annually.

44 (3) The division may issue a permit to sell sealed tickets to any  
45 organization or group specified in section 7-172 which holds a permit

46 to operate a bazaar, issued in accordance with the provisions of  
47 sections 7-170 to 7-186, inclusive.

48 (4) The division may issue a permit to sell sealed tickets to any  
49 charitable, civic, educational, fraternal, veterans' or religious  
50 organization, volunteer fire department, grange or political party or  
51 town committee thereof which holds a permit to operate games of  
52 chance, issued in accordance with the provisions of sections 7-186a to  
53 7-186p, inclusive.

54 (5) The division may issue a permit to sell sealed tickets to any  
55 charitable, civic, educational, fraternal, veterans' or religious  
56 organization, volunteer fire department or grange authorizing such  
57 organization to sell sealed tickets in conjunction with any social  
58 function or event sponsored or conducted by such organization. Any  
59 such organization shall have been organized for not less than two  
60 years prior to the date of its application for such permit. Such permit  
61 shall be renewed annually.

62 Sec. 3. Subsection (e) of section 7-169h of the general statutes is  
63 repealed and the following is substituted in lieu thereof (*Effective*  
64 *October 1, 2002*):

65 (e) Notwithstanding the provisions of subsection (b) of section 53-  
66 278b and subsection (d) of section 53-278c, sealed tickets may be sold,  
67 offered for sale, displayed or open to public view only (1) during the  
68 course of a bingo game conducted in accordance with the provisions of  
69 section 7-169 and only at the location at which such bingo game is  
70 conducted, (2) on the premises of any such organization or group  
71 specified in subdivision (2) of subsection (c) of this section, (3) during  
72 the conduct of a bazaar under the provisions of sections 7-170 to 7-186,  
73 inclusive, [or] (4) during the operation of games of chance under the  
74 provisions of sections 7-186a to 7-186p, inclusive, or (5) in conjunction  
75 with any social function or event sponsored or conducted by any such  
76 organization specified in subdivision (5) of subsection (c) of this  
77 section, as amended by this act. Permittees may utilize a mechanical or  
78 electronic ticket dispensing machine approved by the division to sell



The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

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**OFA Fiscal Note**

**State Impact:**

<b>Fund-Type</b>	<b>Agency Affected</b>	<b>FY 03 \$</b>	<b>FY 04 \$</b>
GF - Revenue Gain	Spec. Revenue, Div. of	70,000	185,000
GF - Cost	Spec. Revenue, Div. of	60,000	90,000

Note: GF=General Fund

**Municipal Impact:** None

**Explanation**

The bill is anticipated to result in a General Fund revenue gain from permits and fees associated with the new sealed ticket permit of approximately \$70,000 in FY 03 and \$185,000 in succeeding fiscal years.

The Division of Special Revenue is also expected to incur costs of approximately \$60,000 to \$90,000 per year for the purchase of additional sealed ticket games.

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**OLR Bill Analysis**

HB 5296

**AN ACT CONCERNING CHARITABLE BINGO GAMES AND SEALED TICKET SALES****SUMMARY:**

This bill:

1. increases, from \$400 to \$600, the total value of all the \$51- to \$200- prizes that a bingo permittee may award on any day;
2. allows a class A bingo permittee to award two special grand prizes of up to \$125 each, instead of one, and conforms the law to practice by requiring, instead of allowing, the special grand prize money to accumulate for up to 16 weeks or \$2,000, if there are no winners;
3. creates a new type of permit, costing \$50, that allows the sale of sealed tickets by qualified organizations at social functions or events; and
4. sets a \$50 permit fee for sealed tickets issued to class C bingo permittees.

EFFECTIVE DATE: October 1, 2002

**BINGO PERMITS**

An organization conducting bingo must have any of three permits: a class A permit is an annual permit that allows games one day each week; a class B permit is a special events permit that allows games over a 10-day period; and a class C permit is an annual permit that allows games one day per month.

**BINGO PERMITTEES AND PRIZES**

With exceptions, the law limits to \$50 the maximum value of any prize that a bingo permittee may award. One exception allows a permittee to award prizes valued at \$51 to \$200 in one day if the total value does not exceed \$400. The bill increases the total value of such prizes that may be awarded to \$600 in any day.

Another exception allows a class A permittee to award one special weekly grand prize of up to \$125. If no one wins this prize, the

permittee may add the money to the following week's special grand prize for up to 16 weeks or \$2,000. (This is called a progressive jackpot.) The bill allows the permittee to award two such grand prizes. It requires rather than allows the money to accumulate when there are no winners.

### **SEALED TICKETS**

Under current law, the Division of Special Revenue may issue a sealed ticket permit to a qualified organization that holds a (1) bingo permit, (2) club liquor permit or nonprofit club permit, (3) bazaar permit, or (4) games of chance permit. The bill allows the issuance of annual permits to qualified organizations to sell sealed tickets at social functions or events that they sponsor. The organization must have been organized for at least two years before applying for the permit. For purposes of the new permit, a qualified organization is a charitable, civic, educational, fraternal, veterans', or religious organization; volunteer fire department; or grange. With minor exceptions, these are the same organizations that qualify for existing permits.

Under current law, the fee for a sealed ticket permit issued to an organization to conduct sealed ticket sales under a (1) class A permit is \$50, (2) class B permit or bazaar or games of chance permit is \$5, and (3) nonprofit club or club permit is \$75. The bill sets a \$50 permit fee for permits issued to an organization to sell sealed tickets (1) under a class C permit and (2) in conjunction with any social function or event.

### **COMMITTEE ACTION**

Public Safety Committee

Joint Favorable Change of Reference

Yea 17 Nay 0

Finance, Revenue and Bonding

Joint Favorable Report

Yea 26 Nay 17