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CERTIFICATE

STATE OF WISCONSIN

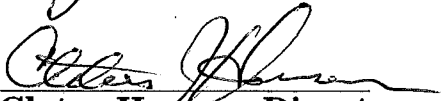
DEPARTMENT OF REGULATION AND LICENSING

TO ALL TO WHOM THESE PRESENTS SHALL COME, GREETINGS:

I, Cletus Hansen, Director, Bureau of Direct Licensing and Real Estate in the Wisconsin Department of Regulation and Licensing and custodian of the official records of Bingo Control Board do hereby certify that the annexed rules were duly approved and adopted by the Bingo Control Board on the 9<sup>th</sup> day of January, 1991.

I further certify that said copy has been compared by me with the original on file in this office and that the same is a true copy thereof, and of the whole of such original.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the official seal of the board at 1400 East Washington Avenue, Madison, Wisconsin, this 10<sup>th</sup> day of June, 1991.

  
Cletus Hansen, Director  
Bureau of Direct Licensing  
and Real Estate  
Department of Regulation and  
Licensing

STATE OF WISCONSIN  
BINGO CONTROL BOARD

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IN THE MATTER OF RULE-MAKING	:	ORDER OF THE
PROCEEDINGS BEFORE THE	:	BINGO CONTROL BOARD
BINGO CONTROL BOARD	:	ADOPTING RULES
	:	(CLEARINGHOUSE RULE 90-116)

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ORDER

An order of the Bingo Control Board to repeal Bgo 3.12, chapter Bgo 4 and chapter Bgo 6; to amend Bgo 1.03 (title), Bgo 1.03 and Bgo 1.09; to repeal and recreate Bgo 3.03 and Bgo 3.05; and to create Bgo 1.12, Bgo 3.13, Bgo 3.14, Bgo 3.15, Bgo 3.16, Bgo 3.17, Bgo 7.03 and chapter Bgo 8 of the administrative code relating to bingo cards, the conduct of bingo, bingo financial reports, bingo expenses and the conduct of calendar raffles.

Analysis prepared by the Department of Regulation and Licensing.

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ANALYSIS

Statutes authorizing promulgation: ss. 227.11 (2) (a) and 163.04, Stats.

Statutes interpreted: ss. 163.03, 163.04 (4), 163.12 (8), 163.51, 163.90, 163.91 and 163.93, Stats.

In this order the Bingo Control Board proposes as follows:

1. Section Bgo 1.03 is amended to specify that the license number assigned to the supplier by the department must be printed on the bingo cards sold by that supplier. The rule is intended to help enforce the law that bingo supplies be obtained from licensed suppliers, and, at the same time, decrease the likelihood of "skimming" bingo profits from licensed organizations.
2. Section Bgo 1.09 is amended for the same reason described in #1 above.
3. Section Bgo 1.12 is created to prevent bingo players from substituting special sheets part way through a bingo game when they find that the numbers on one special sheet are better than those on which they have already begun playing. This requirement provides fairer treatment to other players and prevents fraud upon the licensed organization.
4. Section Bgo 3.03 is repealed and recreated because the amended statutes leave the decision to accept payment in a form other than cash to the licensed organization or supplier. Under the recreated rule, the organization or supplier is required to make up any deficit which occurs in the bingo account because of receipt of a dishonored check or instrument.
5. Chapter Bgo 4 is repealed because s. 163.66 (2), Stats., was amended by 1989 Wisconsin Act 147 to no longer require an organization to mail to the Bingo Control Board a copy of the written report which the organization is required to provide to its membership each year. Chapter Bgo 4 mostly reiterates the former statute. Subsection (3), which does not reiterate the

statute, is unnecessary because the 6 month reports, required by s. 163.61, Stats., will readily form the basis of an annual report and it is not necessary for the board to further require an annual report form.

6. Chapter Bgo 6 is repealed because the restrictions and criteria which it contains, pertaining to the expenditure of bingo funds for real property were made obsolete by the repeal of ss. 163.03 (8) (a) 4, 163.09, and 163.63 (3) (d), Stats. in 1989 Wisconsin Act 147. The amended statutes, s. 163.03 (12e), Stats., permit licensed organizations to expend bingo profits for any purpose for which the organization is organized and for the advancement, improvement or benefit of the organization.

7. Section Bgo 3.05 is repealed and recreated and s. Bgo 3.12 is repealed in order to correct a problem which has resulted in many complaints from bingo players. Section Bgo 3.12 currently states that if the bingo caller does not hear a player call bingo and continues the call of numbers, the subsequent numbers are void. However, it is very difficult for bingo supervisors to differentiate between an overlooked bingo and a bingo which has been called, but not heard. The board, therefore, proposes to formulate a rule similar to that used by some other states and also some or all of the Indian Tribes which places the responsibility on players to assertively call bingo when they have bingo and which permits a player to receive a prize only on the last number that has been called.

A new provision is created in s. Bgo 3.14, which relates to s. Bgo 3.05 and requires bingo organizations to ascertain that players in any additional rooms have immediate access to a method whereby they will be able to immediately inform the caller and all other players in all other rooms that a bingo has been called.

8. Section Bgo 3.13 is created to require that bingo organizations ascertain that their equipment is in working order before they begin a bingo occasion. This rule responds to a number of complaints which have alleged that part way through a bingo occasion, it was discovered that a ball was missing or that the equipment was not functioning properly. Such situations usually result in a great deal of confusion and concern about the fair treatment of those who have or have not won games which have already been played.

9. Section Bgo 3.14 is created for the reasons identified in #7 above.

10. Sections Bgo 3.15 and 3.16 are created to distinguish clearly between procedures for conducting a co-sponsored bingo occasion by more than one organization and for conducting several occasions by different organizations on the same day. The latter bingo occasions are referred to as multiple bingo occasions. Section Bgo 3.15 relates to s. 163.12 (8), Stats., which permits bingo organizations to co-sponsor a bingo occasion, and to s. 163.51 (9), Stats., which limits bingo prizes to \$1000 for each bingo occasion. The Bingo Control Board has permitted multiple bingo occasions for many years; however, there has been a great deal of uncertainty about procedures to be followed by licensed organizations, in order to distribute the receipts, expenses and supplies between the organizations conducting the multiple bingo. Therefore, s. Bgo 3.16 provides guidelines which will enable an organization to properly divide the receipts, expenditures, etc., and to avoid violating s. 163.51 (9).

11. Section Bgo 3.17 is created to require that bingo organizations institute sound procedures for maintaining the security of bingo receipts. The board has encountered many situations during the past 2 years where persons have embezzled large amounts of money from the bingo receipts or accounts.

12. Section Bgo 7.03 is created to clarify the intent of those who worked on the enactment of 1989 Wisconsin Act 147 that bingo expenditures, including rent, be at the fair market value. This provision relates to the definition of "proper and legitimate expenditure" in s. 163.03 (12) (e), Stats., and to s. 163.51 (14), Stats. This provision also prevents an establishment which rents its facility to a bingo organization from supposedly providing volunteers to assist in the conduct of bingo, but in reality paying such volunteers from inflated rental payments.

13. Chapter Bgo 8 is created to establish standards for the conduct of calendar raffles, as required by the Legislature in Section 74 of 1989 Wisconsin Act 147. This chapter contains standards relating to the sale of calendars, drawing dates, prize dates, replacement of tickets in the drawing container and refunds.

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TEXT OF RULE

SECTION 1. Bgo 1.03 (title) and 1.03 are amended to read:

Bgo 1.03 (title) LICENSE NUMBER OF SUPPLIER. ~~Before~~ On or after December 31, 1991, before any bingo card becomes the property of a licensed organization, ~~there shall be printed or otherwise permanently marked the supplier or manufacturer shall print on it a symbol the license number assigned to the supplier of the card by the department. The symbol-license number need not be marked-printed more than once on any grouping of regular cards permitted under s. Bgo 1.07.~~

SECTION 2. Bgo 1.09 is amended to read:

Bgo 1.09 PROHIBITED ADVERTISING MATTER. No advertising matter shall be printed or otherwise marked on any bingo card or grouping of bingo cards, except the name, mark or symbol of its manufacturer or printer, the ~~code symbol-license number~~ of its licensed supplier, and the name of the licensed organization which owns it.

SECTION 3. Bgo 1.12 is created to read:

Bgo 1.12 IDENTIFICATION OF SPECIAL BINGO PAPER. The color of the paper used in each special game at any bingo occasion shall be different from the color of the paper used in any other special game at the same bingo occasion, so that no 2 special bingo games at any occasion are played on the same color paper.

SECTION 4. Bgo 3.03 is repealed and recreated to read:

Bgo 3.03 TREATMENT OF BAD DEBTS. A bingo licensee accepting payment for any bingo card or bingo supply in a form other than United States currency or

coin shall reimburse any deficit occurring in the bingo account if any instrument received in payment for any bingo card or bingo supply is not honored.

SECTION 5. Bgo 3.05 is repealed and recreated to read:

Bgo 3.05 BINGO ON LAST NUMBER CALLED. Only a player with a winning arrangement which results from the last number called shall be entitled to a prize or a share of a prize. Every organization sponsoring a bingo occasion shall notify all persons in attendance at each bingo occasion of this rule before beginning play at any occasion, and shall prominently post this rule at the door.

SECTION 6. Bgo 3.12 is repealed.

SECTION 7. Bgo 3.13, 3.14, 3.15, 3.16 and 3.17 are created to read:

Bgo 3.13 CONDITION OF EQUIPMENT. Before beginning any bingo occasion, the caller shall make sure that all equipment is in good working order by inspecting the equipment, with particular attention to the blowers, receptacles, trays and passages within the equipment through which the numbered objects must travel. The caller shall also make sure that each of the numbered objects to be used in calling the numbers for the bingo occasion is in good condition and is clean and dry to sight and touch. The caller shall also make sure that all 75 numbered objects to be drawn are in the receptacle, and that there are no omissions or duplications in the numerical order of the numbered objects. The inspections required under this section shall be witnessed and verified by at least 2 players who have paid admission to the occasion.

Bgo 3.14 USE OF MORE THAN ONE ROOM FOR ONE BINGO GAME. More than one room may be used by the players in any game only if each player in each additional room has immediate access to a method which will immediately inform the caller and all other players in all other rooms that a bingo has been called.

Bgo 3.15 BINGO OCCASIONS CO-SPONSORED BY MORE THAN ONE ORGANIZATION. A bingo occasion may be co-sponsored by 2 or more organizations, but the aggregate value of all prizes awarded at a bingo occasion may not exceed \$1,000 regardless of the number of organizations co-sponsoring the occasion.

Bgo 3.16 MULTIPLE BINGO OCCASIONS AT ONE LOCATION ON ONE DAY. Any number of bingo occasions may be held at any one location on any one day, but all games of each bingo occasion must be completed before any game of the next bingo occasion may commence. Each bingo occasion shall be completely separate from each other bingo occasion which precedes it.

(1) Before any occasion begins, the sponsoring organization must announce which organization is sponsoring that occasion, and how many individual games are part of that occasion. Each sponsoring organization must make such an announcement before beginning the first game of an occasion which immediately follows or precedes an occasion sponsored by any other organization at the same place.

(2) Each organization sponsoring an occasion which immediately follows or precedes an occasion sponsored by any other organization at the same place must use a different color admission card and different colors for each of its special games than the colors used by any other organization.

(3) No person may be required to purchase more than one admission card to be admitted to a place where more than one occasion is to be held, and every person admitted may choose which organization's admission card to purchase and which occasion to participate in whenever there is a series of occasions being held at the same place. No person may participate in any occasion for which the person has not purchased an admission card.

Bgo 3.17 VERIFICATION OF RECEIPTS. Unless a sponsoring organization has an alternative security system in place, the organization's supervising member at a bingo occasion shall count the receipts from the occasion immediately after the occasion, before leaving the place where the occasion is held. The supervising member's count of the receipt shall be verified by a separate count by at least 2 other members of the organization in attendance at the occasion immediately after the occasion and before leaving the place the occasion is held.

SECTION 8. Chapter Bgo 4 is repealed.

SECTION 9. Chapter Bgo 6 is repealed.

SECTION 10. Bgo 7.03 is created to read:

Bgo 7.03 EXPENDITURES FOR CONDUCT OF BINGO. (1) No expenditures for any goods or services incidental to the conduct of a bingo occasion may exceed the fair market value of the goods or services obtained.

(2) Rent payments made for the use of a location for a bingo occasion may not include any compensation for any person associated with the owner or the person in control of the premises rented for assisting in the conduct of the bingo occasion.

SECTION 11. Chapter Bgo 8 is created to read:

#### CHAPTER Bgo 8 (title)

#### CONDUCT OF CALENDAR RAFFLES

Bgo 8.01 AUTHORITY. This chapter is adopted pursuant to ss. 227.11 (2) (a) and 163.04, Stats., and section 74 of 1989 Wisconsin Act 147.

Bgo 8.02 DEFINITIONS. (1) "Calendar" means a tabular register of days covering not less than one nor more than 12 calendar months that is used or intended to be used for a calendar raffle.

(2) "Calendar raffle" means a raffle for which a drawing is held and a prize awarded on each date specified in a calendar.

Bgo 8.03 SALE OF CALENDARS. (1) NUMBER OF DAYS. A licensed organization may sell calendars no earlier than 180 days before the first date on the calendar.

(2) TERMINATION OF SALE OF CALENDARS. A licensed organization may not sell any calendars relating to a specific calendar raffle after a drawing has taken place for any date on the calendar.

Bgo 8.04 DRAWING DATES. A licensed organization shall ascertain that each calendar for a calendar raffle which it sells has imprinted on it the date, place, and time of each drawing.

Bgo 8.05 PRIZE DATES. (1) PRINTED ON CALENDAR. A licensed organization shall print on each calendar before the sale of any calendars relating to a specific calendar raffle the prize amount for each date on which a prize will be awarded.

(2) NUMBER OF PRIZE DATES. A licensed organization may sell calendars for a calendar raffle which either designate a prize amount for every day in a calendar period or for a smaller number of specifically designated days in a calendar period.

(3) IDENTICAL CALENDARS. The calendars sold by a licensed organization for a specific calendar raffle shall have identical prize dates printed on all calendars sold.

(4) CHANGE OF PRIZE DATES. Unless the entire calendar raffle is cancelled, a licensed organization may not change any date on which a prize is to be awarded or the amount of the designated prize for any date after it has begun the sale of calendars for a specific calendar raffle.

(5) AWARDING OF PRIZES. Unless the entire calendar raffle is cancelled, a licensed organization which has commenced a calendar raffle shall conduct drawings for all designated prize dates and award the prize amount which is printed on the calendar for each date.

Bgo 8.06 REPLACEMENT OF TICKETS IN THE DRAWING CONTAINER. A licensed organization shall place a ticket or stub which has been drawn for a specific date back into the container so that the purchaser of that ticket or stub will have a chance to win again on all subsequent drawing dates.

Bgo 8.07 REFUNDS. (1) CANCELLATION OF CALENDAR RAFFLE. A licensed organization which has sold a calendar for a specific calendar raffle and subsequently decides not to conduct one or more drawings printed on the calendar shall refund the complete purchase price to each purchaser.

(2) HANDLING CHARGES. A licensed organization may not deduct from a refund to a purchaser a handling charge or other amount relating to the expense incurred by the organization in the sale of a calendar.

The rules adopted in this order shall take effect on the first day of the month following publication in the Wisconsin administrative register, pursuant to s. 227.22 (2) (intro.), Stats.

Dated June 10, 1991

Agency Ben Kregel by CJA  
Chairperson  
Bingo Control Board

RULES-280  
4/23/91



**CORRESPONDENCE/MEMORANDUM**

**STATE OF WISCONSIN**

**DATE:** June 10, 1991

**TO:** Gary Poulson  
Assistant Revisor of Statutes

**FROM:** Pamela Haack, Administrative Assistant  
Department of Regulation and Licensing

**SUBJECT:** Final Rulemaking Order

**Agency: BINGO CONTROL BOARD**

**Clearinghouse Rule: 90-116**

Attached is a copy and a certified copy of a final order adopting rules.

Would you please publish these rules in the code.

Thank you.

**RECEIVED**

**JUN 10 1991**

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