

STORAGE NAME: h1485a.ca

DATE: April 19, 2000

**HOUSE OF REPRESENTATIVES  
AS FURTHER REVISED BY THE COMMITTEE ON  
COMMUNITY AFFAIRS  
ANALYSIS**

**BILL #:** HB 1485 (formerly PCB LT 00-04)

**RELATING TO:** Bingo/Elderly or Disabled Facilities

**SPONSOR(S):** Committee on Elder Affairs & Long Term Care, Representative Argenziano & others

**TIED BILL(S):** None

**ORIGINATING COMMITTEE(S)/COMMITTEE(S) OF REFERENCE:**

- (1) ELDER AFFAIRS & LONG TERM CARE (HFC) YEAS 8 NAYS 0
  - (2) REGULATED SERVICES (CAC) YEAS 8 NAYS 0
  - (3) JUDICIARY (CJC) YEAS 9 NAYS 0
  - (4) COMMUNITY AFFAIRS (PRC) YEAS 8 NAYS 0
  - (5)
- 

**I. SUMMARY:**

The bill expands the list of organizations which are authorized to conduct bingo games.

The list includes nursing homes, assisted living facilities, adult day care centers, intermediate care facilities for developmentally disabled persons, multiservice senior centers, and government-financed or government-insured housing for the elderly.

The bill requires that these facilities for elderly and disabled adults follow the statutory requirements for all bingo games with certain exceptions.

The bill also adds these specified facilities to the list of sites at which bingo games may be conducted.

The bill appears to have no fiscal impact on state revenue collections or expenditures.

**See Part VI, AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES section, for the effect of the amendments traveling with the bill. One amendment sponsored by Representatives Morroni and Argenziano was adopted by the Committee on Regulated Services and requires each facility conducting bingo under the provisions of this legislation to establish and maintain a "resident benefit fund." The amendment also provides that the residents of each facility that is authorized by the bill to conduct bingo games shall establish and maintain a resident benefit fund which shall not be commingled with any other funds and shall not be accessible for any purpose to the facility or any of its employees, officers or managers or any person who is not a resident. The amendment makes the fund accessible only to those residents specifically authorized by majority vote of the residents to manage the resident benefit fund. A second amendment offered by the sponsor was adopted by the Committee on Community Affairs and clarifies that winnings by non-residents are contributed to the fund for residents of the facility.**

II. SUBSTANTIVE ANALYSIS:

A. DOES THE BILL SUPPORT THE FOLLOWING PRINCIPLES:

- |                                   |   |                             |   |
|-----------------------------------|---|-----------------------------|---|
| 1. <u>Less Government</u>         | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/>            |
| 2. <u>Lower Taxes</u>             | Yes <input type="checkbox"/>            | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 3. <u>Individual Freedom</u>      | Yes <input type="checkbox"/>            | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 4. <u>Personal Responsibility</u> | Yes <input type="checkbox"/>            | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 5. <u>Family Empowerment</u>      | Yes <input type="checkbox"/>            | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |

For any principle that received a "no" above, please explain:

Less Government: any county or municipality that regulates the playing of bingo shall exempt bingo games conducted by the specified facilities from regulation and fees.

B. PRESENT SITUATION:

Bingo was authorized in 1967 by the Florida Legislature to provide charitable, nonprofit, and veterans' organizations a way to raise money for their charitable projects and activities. No statutory provision exists for statewide enforcement or interpretation of the bingo law. Enforcement of the law is the responsibility of local law enforcement agencies. Several counties have passed their own bingo ordinances to address problems associated with the game.

Section 849.0931, Florida Statutes, authorizes bingo games to be conducted for money by certain organizations under narrowly prescribed parameters.

Authorized Organizations

Pursuant to sections 894.0931(1)(c) and (4), Florida Statutes, organizations which are authorized to conduct bingo games include:

1. Charitable, nonprofit, and veterans' organizations, which are defined as tax-exempt under 501(c) of the Internal Revenue Code of 1954, or section 528 of the Internal Revenue Code of 1986, and have been in existence and active for at least three years; and,
2. Condominium associations, cooperative associations, homeowners' associations as defined in s. 617.301, Florida Statutes, mobile home owners' associations, and a group of residents of a mobile home park or recreational vehicle park, as defined in chapters 723 and 513, Florida Statutes.

These organizations must be directly involved in the operations of the bingo game and may not act merely as sponsors. Members of the organization must conduct the game and cannot be compensated in any way for this role. In addition, the organization which conducts the game must be "located in the county, or within a 15-mile radius of, where the bingo game is located," as provided in section 894.0931(9), Florida Statutes. The property

where the games are held must be owned or leased by the authorized organization or owned by the charitable organization that will benefit from the proceeds of the game.

### Proceeds

Section 849.0931, Florida Statutes, defines how the bingo proceeds, which remain after prizes have been awarded, can be used. Charitable, nonprofit and veterans' organizations may keep the proceeds and use them to support their organization's work. Proceeds generated from bingo games conducted by condominium associations, cooperative associations, homeowners' associations, mobile home owners' associations, and a group of residents of a mobile home park or recreational vehicle park, however, must be donated to a charitable, tax-exempt, organization or used to cover the costs of conducting the bingo game. In addition, these associations have the option of carrying over the proceeds for use as prize money in subsequent games, with the proviso that players cannot be charged to participate in the subsequent games until these excess proceeds are exhausted.

### Prizes

The statute also limits the amount of prize money which can be won, the number of prizes which can be distributed per bingo session, and the number of days per week that organizations can conduct games. The specific rules about how bingo games must be conducted are also provided in section 894.0931(5), (6), (7), Florida Statutes.

### Participants

Section 849.0931, Florida Statutes, specifies that participants in bingo games must be at least 18 years old. The organization which is conducting the game "may refuse entry to any person...but such refusal of entry shall not be on the basis of race, creed, color, religion, sex, national origin, marital status, or physical handicap."

### County or Municipal Regulation

Some counties and municipalities further regulate the playing of bingo and charge fees.

## C. EFFECT OF PROPOSED CHANGES:

This bill expands the list of organizations which are authorized to conduct bingo games to include nursing homes, assisted living facilities, adult day care centers, intermediate care facilities for developmentally disabled persons, multiservice senior centers, and government-financed or government-insured housing for the elderly.

These organizations are required to follow all the current regulations about bingo playing, as defined in section 849.0931, Florida Statutes, with the following exceptions:

1. Any net proceeds remaining after paying prizes may be donated by the residents or clients who organize the games to projects or activities of their choice.
2. Any county or municipality that regulates the playing of bingo shall exempt bingo games conducted by the specified facilities from regulation and fees.
3. Non-resident guests who participate in the facilities' bingo games are prohibited from claiming prizes. Such winnings by non-residents are contributed to the facilities' resident fund.

The bill also adds these specified facilities to the list of sites upon which bingo games can be conducted.

The bill appears to have no fiscal impact on state revenue collections or expenditures.

**D. SECTION-BY-SECTION ANALYSIS:**

**Section 1:** Amends section 849.0931, Florida Statutes, to include facilities licensed or authorized under part II (nursing homes), part III (assisted living facilities), part V (adult day care centers), or part XI (intermediate care facilities for developmentally disabled persons) of chapter 400, Florida Statutes, chapter 651, Florida Statutes, (continuing care retirement communities), or section 430.206, Florida Statutes (multiservice senior centers), and government-financed or government-insured housing for the elderly, as organizations that can conduct bingo games under specific conditions. Exempts bingo playing in these facilities for elderly and disabled adults from county or municipal bingo regulation. Provides these facilities as premises in which bingo games can be held.

**Section 2:** Provides that the act shall take effect upon becoming law.

**III. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT:**

**A. FISCAL IMPACT ON STATE GOVERNMENT:**

1. Revenues:

The bill does not appear to have an impact on state government revenues.

2. Expenditures:

The bill does not appear to have an impact on state government expenditures.

**B. FISCAL IMPACT ON LOCAL GOVERNMENTS:**

1. Revenues:

The bill does not appear to have a significant impact on local government revenues as it exempts only these new bingo facilities from the assessment of fees by cities or counties.

2. Expenditures:

The bill does not appear to have an impact on local government expenditures.

**C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:**

The bill does not appear to have a direct economic impact on the private sector as neither the authorized facilities or any third party can derive any financial benefit from such games.

D. FISCAL COMMENTS:

The bill requires that any county or municipality that regulates the playing of bingo shall exempt bingo games conducted in these specific facilities which serve elderly and disabled adults from regulation and fees.

IV. CONSEQUENCES OF ARTICLE VII, SECTION 18 OF THE FLORIDA CONSTITUTION:

A. APPLICABILITY OF THE MANDATES PROVISION:

This bill does not require counties or municipalities to expend funds or take any action requiring the expenditure of funds.

B. REDUCTION OF REVENUE RAISING AUTHORITY:

This bill does not reduce the authority of counties or municipalities to raise revenues in the aggregate.

C. REDUCTION OF STATE TAX SHARED WITH COUNTIES AND MUNICIPALITIES:

This bill does not reduce the percentage of state tax shared with counties or municipalities.

V. COMMENTS:

A. CONSTITUTIONAL ISSUES:

None.

B. RULE-MAKING AUTHORITY:

Rule-making does not appear to be necessary and no rule-making authority is provided.

C. OTHER COMMENTS:

There is some opposition to the bill. In a letter to Representative Argenziano dated March 12, 2000, the attorney for the Suncoast Bingo Council, Mr. Thomas A. Bustin, raises a number of questions with respect to the bill including: what is to be the meaning given to "clients" or "guests;" what are the rules or regulations which will govern the games; who is going to ascertain that the requirements are being met; how will it be ascertained that the funds produced by such bingo are flowing and being used as indicated in the bill; and who is going to ascertain that no third party or facility owner is deriving a financial benefit from such games? Mr. Bustin also argues that the real need for legislation is to reexamine section 849.0931, Florida Statutes, to provide clear, precise, and uniform regulations to govern bingo.

VI. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

One amendment sponsored by Representatives Morrone and Argenziano was adopted by the Committee on Regulated Services on March 21, 2000. The amendment requires each facility conducting bingo under the provisions of this legislation to establish and maintain a "resident benefit fund." A resident benefit fund is specifically mentioned in the original legislation; however, no guidelines or prohibitions were provided. The amendment provides that the

residents of each facility that is authorized by the bill to conduct bingo games shall establish and maintain a resident benefit fund which shall not be commingled with any other funds and shall not be accessible for any purpose to the facility or any of its employees, officers or managers or any person who is not a resident. The amendment makes the fund accessible only to those residents specifically authorized by majority vote of the residents to manage the resident benefit fund.

A second amendment offered by Representative Argenziano was adopted by the Committee on Community Affairs on April 19, 2000. The amendment clarifies that winnings by non-residents are contributed to the fund for residents of the facility.

VII. SIGNATURES:

COMMITTEE ON ELDER AFFAIRS & LONG TERM CARE:

Prepared by:

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