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**HOUSE BILL 350**

**43RD LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 1998**

**INTRODUCED BY**

**FRED LUNA**

**BY REQUEST**

**AN ACT**

**RELATING TO GAMING; AMENDING SECTIONS OF THE BINGO AND RAFFLE  
ACT; ALLOWING CERTAIN DEVICES TO BE USED FOR PULLTABS;  
PERMITTING PROGRESSIVE PULLTABS; INCREASING THE TAX ON BINGO  
AND RAFFLE LICENSEES; PERMITTING TAXES TO BE DEDUCTED FROM  
BINGO AND RAFFLE INCOME.**

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:**

**Section 1. Section 60-2B-3 NMSA 1978 (being Laws 1981,  
Chapter 259, Section 3, as amended) is amended to read:**

**"60-2B-3. DEFINITIONS. --As used in the Bingo and Raffle  
Act:**

**A. "charitable organization" means any  
organization, not for pecuniary profit, which is operated for  
the relief of poverty, distress or other condition of public  
concern in New Mexico and which has been so engaged for three**

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1 years immediately prior to making application for a license  
2 under the Bingo and Raffle Act and which has been granted an  
3 exemption from federal income tax by the United States  
4 commissioner of internal revenue as an organization described  
5 in Section 501 (c) of the United States Internal Revenue Code  
6 of 1954, as amended or renumbered;

7 B. "chartered branch, lodge or chapter of a  
8 national or state organization" means any branch, lodge or  
9 chapter which is a civic or service organization, not for  
10 pecuniary profit, and authorized by its written constitution,  
11 charter, articles of incorporation or bylaws to engage in a  
12 fraternal, civic or service purpose in New Mexico and which  
13 has been so engaged for three years immediately prior to  
14 making application for a license under the Bingo and Raffle  
15 Act;

16 C. "educational organization" means any  
17 organization within the state, not organized for pecuniary  
18 profit, whose primary purpose is educational in nature and  
19 designed to develop the capabilities of individuals by  
20 instruction and which has been in existence in New Mexico for  
21 three years immediately prior to making application for a  
22 license under the Bingo and Raffle Act;

23 D. "fraternal organization" means any organization  
24 within the state, except college and high school fraternities,  
25 not for pecuniary profit, which is a branch, lodge or chapter

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1 of a national or state organization and exists for the common  
2 business, brotherhood or other interests of its members and  
3 which has existed in New Mexico for three years immediately  
4 prior to making application for a license under the Bingo and  
5 Raffle Act;

6 E. "labor organization" means any organization,  
7 not for pecuniary profit, within the state which exists for  
8 the purpose, in whole or in part, of dealing with employers  
9 concerning grievances, labor disputes, wages, rates of pay,  
10 hours of employment or conditions of work and which has  
11 existed in New Mexico for that purpose and has been so engaged  
12 for three years immediately prior to making application for a  
13 license under the Bingo and Raffle Act;

14 F. "qualified organization" means any bona fide  
15 chartered branch, lodge or chapter of a national or state  
16 organization or any bona fide religious, charitable,  
17 environmental, fraternal, educational or veterans'  
18 organization operating without profit to its members which has  
19 been in existence in New Mexico continuously for a period of  
20 three years immediately prior to the making of an application  
21 for a license under the Bingo and Raffle Act and which has  
22 had, during the entire three-year period, a dues-paying  
23 membership engaged in carrying out the objects of the  
24 corporation or organization. A voluntary firemen's  
25 organization is a qualified organization and a labor

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1 organization is a qualified organization for the purpose of  
2 the Bingo and Raffle Act if it uses the proceeds from a game  
3 of chance solely for scholarship or charitable purposes;

4 G. "environmental organization" means any  
5 organization primarily concerned with the protection and  
6 preservation of the natural environment and which has existed  
7 in New Mexico for three years immediately prior to making  
8 application for a license under the Bingo and Raffle Act;

9 H. "religious organization" means any  
10 organization, church, body of communicants or group, not for  
11 pecuniary profit, gathered in common membership for mutual  
12 support and edification in piety, worship and religious  
13 observances or a society, not for pecuniary profit, of  
14 individuals united for religious purposes at a definite place,  
15 which organization, church, body of communicants, group or  
16 society has been so gathered or united in New Mexico for three  
17 years immediately prior to making application for a license  
18 under the Bingo and Raffle Act;

19 I. "veterans' organization" means any organization  
20 within the state or any branch, lodge or chapter of a national  
21 or state organization within this state, not for pecuniary  
22 profit, the membership of which consists of individuals who  
23 were members of the armed services or forces of the United  
24 States, which has been in existence in New Mexico for three  
25 years immediately prior to making application for a license

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1 under the Bingo and Raffle Act;

2 J. "voluntary firemen's organization" means any  
3 organization for firefighting within the state, not for  
4 pecuniary profit, established by the state or any of its  
5 political subdivisions, which has been in existence in New  
6 Mexico for three years immediately prior to making application  
7 for a license under the Bingo and Raffle Act;

8 K. "dues-paying membership" means those members of  
9 an organization who pay regular monthly, annual or other  
10 periodic dues or who are excused from paying such dues by the  
11 charter, articles of incorporation or bylaws of the  
12 organization and those who contribute voluntarily to the  
13 corporation or organization to which they belong for the  
14 support of the corporation or organization;

15 L. "equipment" means, with respect to bingo or  
16 lotto, the receptacle and numbered objects drawn from it; the  
17 master board upon which the numbered objects are placed as  
18 drawn; the cards or sheets bearing numbers or other  
19 designations to be covered and the objects used to cover them;  
20 the board or signs, however operated, used to announce or  
21 display the numbers or designations as they are drawn; the  
22 public address system; and all other articles essential to the  
23 operation, conduct and playing of bingo or lotto; or, with  
24 respect to raffles or pulltabs, implements, devices and  
25 machines, including blower machines, designed, intended or

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1 used for the conduct of raffles or pulltabs and the  
2 identification of the winning number or unit and the ticket or  
3 other evidence or right to participate in raffles or pulltabs  
4 on a progressive basis or otherwise;

5 M "game of chance" means that specific kind of  
6 game of chance commonly known as bingo or lotto in which  
7 prizes are awarded on the basis of designated numbers or  
8 symbols on a card conforming to numbers or symbols selected at  
9 random and that specific kind of game of chance commonly known  
10 as raffles or pulltabs which is conducted by drawing for  
11 prizes, progressive or otherwise, or the allotment of prizes  
12 by chance or by the selling of shares, tickets or rights to  
13 participate in the game;

14 N. "gross receipts" means receipts from the sale  
15 of shares, tickets or rights in any manner connected with  
16 participation in a game of chance or the right to participate  
17 in a game of chance, including any admission fee or charge,  
18 the sale of equipment or supplies and all other miscellaneous  
19 receipts;

20 O. "lawful purposes" means educational,  
21 charitable, patriotic, religious or public-spirited purposes,  
22 which terms are defined to be the benefiting of an indefinite  
23 number of persons either by bringing their minds or hearts  
24 under the influence of education or religion, by relieving  
25 their bodies from disease, suffering or constraint, by

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1 assisting them in establishing themselves in life, by erecting  
2 or maintaining public buildings or works, by providing legal  
3 assistance to peace officers or firemen in defending civil or  
4 criminal actions arising out of the performance of their  
5 duties or by otherwise lessening the burden of government.

6 These terms include the payment of all taxes imposed by city,  
7 county, state or federal taxing authorities, erection,  
8 acquisition, improvement, maintenance, insurance or repair of  
9 property, real, personal or mixed, if the property is used for  
10 one or more of the purposes stated in this subsection;

11 P. "lawful use" means the devotion of the entire  
12 net proceeds of a game of chance exclusively to lawful  
13 purposes and not to unlawful purposes;

14 Q. "licensee" means any qualified organization to  
15 which a license has been issued by the licensing authority;

16 R. "licensing authority" means the regulation and  
17 licensing department;

18 S. "member" means an individual who has qualified  
19 for membership in a qualified organization pursuant to its  
20 charter, articles of incorporation, bylaws, rules or other  
21 written statement;

22 T. "net proceeds" means the receipts less the  
23 expenses, charges, fees and deductions as are specifically  
24 authorized under the Bingo and Raffle Act;

25 U. "occasion" means a single gathering or session

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1 at which a series of successive bingo or lotto games is  
2 played;

3 V. "person" means a natural person, firm,  
4 association, corporation or other legal entity; [~~and~~]

5 W. "premises" means any room, hall, enclosure or  
6 outdoor area used for the purpose of playing a game of chance;  
7 and

8 X. "unlawful purposes" means prohibited  
9 transactions as described in the federal Internal Revenue Code  
10 of 1986. "

11 Section 2. Section 60-2B-11 NMSA 1978 (being Laws 1981,  
12 Chapter 259, Section 11) is amended to read:

13 "60-2B-11. FORFEITURE OF LICENSE--INELIGIBILITY TO APPLY  
14 FOR LICENSE.--Any person who makes any false statement in any  
15 application for any license or in any statement annexed  
16 [~~thereto~~] to an application, fails to keep sufficient books  
17 and records to substantiate the quarterly reports required  
18 under Section [~~8 of the Bingo and Raffle Act~~] 60-2B-9 NMSA  
19 1978, falsifies any books or records insofar as they relate to  
20 any transaction connected with the holding, operating and  
21 conducting of any game of chance under any [~~such~~] license or  
22 violates any of the provisions of the Bingo and Raffle Act or  
23 of any term of the license, if convicted, in addition to  
24 suffering any other penalties which may be imposed shall  
25 forfeit any license issued to him under that act and shall be

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1 ineligible to apply for a license under that act for at least  
2 one year [~~thereafter~~] after conviction. "

3 Section 3. EFFECTIVE DATE. --The effective date of the  
4 provisions of this act is July 1, 1998.

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