

## **820 KAR 1:042. Bingo.**

RELATES TO: KRS 238.515, 238.530, 238.545

STATUTORY AUTHORITY: KRS 238.515, 238.545

NECESSITY, FUNCTION, AND CONFORMITY: KRS 238.515 authorizes the Department of Charitable Gaming to establish and enforce reasonable standards for the conduct of charitable gaming and to promulgate administrative regulations necessary to carry out the purposes and intent of KRS Chapter 238. This administrative regulation establishes standards for the construction and distribution of bingo paper, the construction and distribution of bingo equipment including card-minding devices, and the conduct of bingo play.

### Section 1. Definitions.

- (1) "Bingo ball" means a ball imprinted with numbers and letters that is used in the selection process of a bingo game.
- (2) "Bingo machine" means:
  - (a) A type of selection device with:
    1. A receptacle for unselected bingo balls;
    2. A blower for selecting; and
    3. A ball tray that contains seventy-five (75) holes in which to place the ball once it is called; or
  - (b) A generator that randomly selects the balls and displays them on the face of the device.
- (3) "Bingo paper pack" means a group of bingo paper sheets that are manufactured, collated, and sold by the manufacturer as a unit.
- (4) "Bingo paper package" means a group of bingo paper sheets or packs that are assembled together by a charitable organization for sale at a charitable gaming session that becomes a unique item for sale with a specific price.
- (5) "Bingo paper sheet" means a single piece of paper on which one (1) or multiple bingo faces are printed.
- (6) "Break open bingo" means a bingo game in which the numbers on the face are hidden until after purchase.
- (7) "Bundle" means to price a certain amount of bingo paper faces for a certain price with the patron choosing the type of packs that make up the total faces.
- (8) "Called" means that a number located on a bingo ball has been:
  - (a) Selected by the selection device;
  - (b) Verbally announced by the caller;
  - (c) Displayed on the flashboard or other device; and
  - (d) Placed in a ball tray or otherwise continuously displayed until completion of the bingo game.
- (9) "Continuation game" means a multipart bingo game in which more than one (1) game with more than one (1) pattern may be played on one (1) bingo paper sheet.
- (10) "Covered" means daubed or smeared with indelible ink if using a disposable paper bingo face, or marked electronically if using a card-minding device.
- (11) "Disposable paper bingo face" means a non-reusable bingo face assembled in a single sheet, multiple face sheet, pad, or pack form.
- (12) "Face" means a paper or an electronic representation containing:
  - (a) Five (5) rows of five (5) squares with numbers or symbols;
  - (b) A free center space;
  - (c) The letters "B", "I", "N", "G", "O" printed in order over the five (5) columns; and
  - (d) A unique perm number identifying each face.

- (13) "Fixed-base card-minding device" means a computer system, not necessarily manufactured by a licensed manufacturer, that has been loaded with proprietary software by a licensed manufacturer to enable it to function as a card-minding device.
- (14) "Flashboard" or "display board" means a board that displays the bingo numbers called.
- (15) "Hand-held card-minding device" means a hand-held computer that is either manufactured or customized by the manufacturer to operate as a card-minding device.
- (16) "Hard card" means a reusable card bearing a bingo face or faces.
- (17) "Perm number" means the number located on a bingo face that identifies the unique pattern of numbers appearing on that face.
- (18) "Pickle jar, bonanza ball, or hot ball" means games played in conjunction with other bingo games in which:
- (a) A bingo ball is selected by the selection device prior to the start of certain bingo games or all bingo games; and
  - (b) A patron is awarded the amount of money associated with the pickle jar, bonanza ball, or hot ball, if the selected bingo ball is called, and because of that selected ball being called, a patron wins the bingo game being played.
- (19) "Player pick bingo" means that the patron picks the numbers that constitute a bingo on his face or faces and a machine prints those numbers on the bingo face at the charitable gaming session before the game is played.
- (20) "Progressive bingo" means a bingo game in which the value of the prize is carried forward to the next bingo session if no player wins at that session.
- (21) "Selected" means a bingo number that has been obtained by the selection device and is ready to be called next by the bingo caller.
- (22) "Selection device" means a device that:
- (a) May be operated manually or automatically; and
  - (b) Is used to randomly select bingo numbers.
- (23) "Selection pool" means the bingo numbers in a selection device that have not been selected.
- (24) "Series number" means the number of unique faces contained in a series.
- (25) "Set" means a case or cases of paper that contain one (1) of each face in a series.
- (26) "Verification system" means a book of bingo faces compiled by the manufacturer or an electronic device created by the manufacturer that:
- (a) Lists the unique patterns of numbers on each face by perm number; and
  - (b) Is used to verify the authenticity of a winning face.

## Section 2. Bingo Paper Standards.

- (1) A licensed distributor of charitable gaming supplies and equipment shall only distribute, in Kentucky, bingo paper conforming to the requirements of this administrative regulation.
- (2) A charitable organization shall sell to the public only bingo paper conforming to the requirements of this administrative regulation.
- (3) Reusable bingo hard cards shall be used only at charity fundraising events.

## Section 3. Bingo Paper Construction Standards.

- (1) The paper used to construct paper bingo cards or faces shall be of sufficient weight and quality to allow for clearly readable numbers and to prevent ink from spreading or bleeding through a pack thereby obscuring other numbers or cards.
- (2) Perm numbers shall be displayed on the face.
- (3) Numbers displayed on the face shall be randomly assigned.
- (4) Each set of bingo paper shall be comprised of faces bearing the same serial number on the top sheet of the pack. A serial number shall not be repeated by the same manufacturer within one (1) year.

- (5) Bingo paper assembled in packs shall be glued. Staples shall not be used.
- (6) A label shall be placed on, or be visible from, the exterior of each bingo paper carton. The label shall list the following information:
- (a) Type of product;
  - (b) Number of packs, pads, or loose sheets;
  - (c) Series numbers;
  - (d) Serial number of the top sheet;
  - (e) Number of cases;
  - (f) Cut of paper; and
  - (g) Color of paper.

Section 4. Tracking by Manufacturer. Every manufacturer of bingo paper shall maintain records sufficient to track the bingo paper, by the serial number on the top sheet, from the point of manufacture to the next point of sale for thirty-six (36) months. The records shall be subject to inspection by department staff.

Section 5. Tracking by Distributor.

- (1) Every distributor of bingo paper shall maintain records sufficient to track the bingo paper, by the serial number on the top sheet, from the point of purchase by the distributor to the next point of sale for thirty-six (36) months. The records shall be subject to inspection by department staff.
- (2) The records required under this section shall be deemed sufficient if the distributor:
- (a) Records the name and charitable gaming license or exemption number of the purchaser at the next point of sale; or
  - (b) Makes and retains a copy of a valid state identification card that contains the name, address, date of birth, and state identification number of the purchaser at the next point of sale.

Section 6. Distributor Invoice Requirements.

- (1) Distributors selling bingo paper to charitable organizations or other distributors shall provide the charitable organization or other distributor with an invoice that contains, at a minimum, the following information:
- (a) The purchaser's name, address, and license number;
  - (b) The address to which the shipment was delivered;
  - (c) The date of sale or credit;
  - (d) The conditions of the sale or credit;
  - (e) The quantity of bingo paper sold including the number of sheets or packs in a set;
  - (f) The serial number of the bingo sets sold;
  - (g) The series number of the bingo sets sold;
  - (h) The cut of bingo paper sold;
  - (i) The color of bingo paper sold;
  - (j) The total invoice amount;
  - (k) The name of the person who ordered the supplies;
  - (l) The name of the person making the delivery;
  - (m) The date of delivery or date item was picked up for sale or credit; and
  - (n) The place or manner of delivery, including the name and signature of the person taking delivery, if any.
- (2) A distributor may deliver bingo paper to an agreed place or to an identified person. An invoice not challenged within seven (7) days of delivery shall be deemed accurate. Any challenge shall be made in writing to the distributor and a copy shall be sent to the department.

Section 7. Bingo Selection and Display Devices.

- (1) Bingo ball machines and other selection devices, flashboards and other display devices, and other bingo equipment used in the selection and display of game numbers shall be made available for inspection or testing by the department at any reasonable time.
- (2) Equipment shall be designed to produce randomness and be free of any defects when used in a bingo game.
- (3) A charitable organization shall not use a selection or display device with a defect that was apparent at the beginning of the session. All bingo balls used in the machine or other device shall:
  - (a) Be of the same size, shape, weight, and balance;
  - (b) Have all other characteristics that control their selection the same; and
  - (c) Be clean and free of defects.
- (4) A manufacturer may conduct routine maintenance activities and replace secondary components of equipment without prior approval of the department or additional testing if this activity does not affect the operation of any equipment or the manner in which a bingo game is played. A record of all routine maintenance activities shall be maintained for one (1) year and provided to the department upon request.

#### Section 8. Card-Minding Devices.

- (1) A card-minding device site system shall:
  - (a) Be located at the gaming premises;
  - (b) Be operated by the charitable organization;
  - (c) Interface with, connect with, control, or define the operational parameters of the card-minding devices;
  - (d) Report and transmit the game results pursuant to 820 KAR 1:057;
  - (e) Provide security and access levels sufficient so that the internal control objectives are met pursuant to Section 9 of this administrative regulation; and
  - (f) Contain a point of sale station.
- (2) The card-minding device site system may include the following components:
  - (a) A caller verification system;
  - (b) Required printers;
  - (c) Modem;
  - (d) Proprietary executable software;
  - (e) Report generation software; and
  - (f) An accounting system or database.
- (3)
  - (a) A card-minding device and associated site system shall not be sold, leased, or otherwise furnished to any person for use in the conduct of bingo until it has first been tested and certified by an independent testing facility approved by the department, demonstrated to the department by the manufacturer if requested, and approved by the department.
  - (b) For a hand-held card-minding device, a device and software that is identical to the device and software intended to be sold, leased, or otherwise furnished to any person for use in the conduct of bingo shall be tested and approved.
  - (c) For a fixed-base card-minding device, a device that contains identical software to the fixed-based card-minding device intended to be sold, leased, or otherwise furnished shall be tested and approved.
- (4) The cost of testing and certification shall be the responsibility of the manufacturer.
- (5) The independent testing facility shall certify in writing that the device and proprietary software conform to the restrictions and conditions established in this administrative regulation.

(6) Any modifications to a hand-held card-minding device, a fixed base card-minding device, or software, except as provided in subsection (8) of this section, shall be tested and certified by an independent testing facility, demonstrated to the department by the manufacturer if requested, and approved by the department in the same manner as a new device or new software. Testing and certification shall be at the manufacturer's expense.

(7)

(a) The department, in consultation with the independent testing facility, shall determine if all proprietary software and card-minding devices required to be tested by this administrative regulation, as well as other components of card-minding device systems, conform to the requirements and restrictions established in this administrative regulation and shall notify the manufacturer of its decision in writing.

(b) Upon receipt of the test results from the independent testing facility, the department may request a demonstration of the product within thirty (30) days thereof.

(c) The department shall either approve or disapprove the card-minding device and software. The department shall inform the manufacturer of its decision within thirty (30) days of the demonstration, or no later than sixty (60) days after the department receives the test results from the independent testing facility. Approval shall be granted in accordance with paragraph (a) of this subsection.

(8) A manufacturer may conduct routine maintenance activities and replace secondary components of a card-minding device system without prior department approval or additional testing if this activity does not affect the operation of any proprietary software or the manner in which a bingo game is played, the integrity of any critical or controlled software, or the outcome of a bingo game. A record of all routine maintenance activities shall be maintained for one (1) year and made available to the department upon request.

(9)

(a) If a licensee has knowledge of any defect, malfunction, or problem with a card-minding device system, card-minding device or software that affects the security or the integrity of the bingo game or the card-minding device or system, the licensee shall immediately notify the department. The charitable organization shall also immediately notify the distributor of the defect, malfunction, or problem. The distributor shall immediately notify the manufacturer of the defect, malfunction, or problem.

(b) If the department has knowledge of any problem with a card-minding device system, card-minding device, or software that affects the security or the integrity of the bingo game or the card-minding device or system, the department shall direct the manufacturer, distributor, and charitable organization to immediately cease the sale, lease, or use of the affected card-minding device system, card-minding device, or software until the problem can be assessed by the department in consultation with the manufacturer or distributor.

(c) If the department determines that a defect actually exists, and the defect affects game security or otherwise threatens public confidence in the game, the department shall require the manufacturer to issue a total recall of all affected card-minding device systems, card-minding devices, or software, as necessary.

(d) In choosing and directing a particular recall in accordance with paragraph (c) of this subsection, the department shall be guided in each circumstance by any combination of the following factors:

1. The nature of the defect;
2. Whether the defect affected game security;
3. Whether the defect affected game playability;
4. Whether the defect was limited to a specific number of bingo faces;
5. Whether the defect was easily detectable by a charitable organization;
6. Whether the defect was easily detectable by members of the general public;
7. Whether the defect threatens public confidence in the game; or

8. Whether the defect is capable of being used to adversely affect the fair play of the game.

(e) The manufacturer or distributor may correct the defect, if possible, without the issuance of a total recall if the affected card-minding devices and software are not offered for sale, lease, or use until the department allows. The manufacturer or distributor shall make all corrections within a reasonable time, not to exceed thirty (30) days, and the manufacturer or distributor shall demonstrate the correction to the department. If the department believes the defect has been corrected and that the defect no longer affects game security or otherwise threatens public confidence in the game, the department may issue written notification that the affected card-minding device system, devices, or software may again be offered for sale, lease, or use.

(f) If a recall is necessary, the department shall determine a specific date for the recall of any affected card-minding device system, card-minding device, or software to be completed.

(g) The department shall also determine whether the manufacturer is required to reimburse the charitable organization or distributor.

(10)

(a) A distributor or charitable organization shall not add or remove any software programs to an approved card-minding device system without the permission of the manufacturer and the department.

(b) If the department detects or discovers a card-minding device system at a playing location that is using components or software that were required to have been approved by the manufacturer and the department but have not been approved, the card-minding device system shall be determined to have an unauthorized modification and the use of the system shall cease immediately.

#### Section 9. Card-Minding Device Systems Manufacturer Requirements.

(1) A manufacturer of a card-minding device system shall manufacture each site system to include a point of sale station and an internal accounting system that is capable of recording the charitable organization's sale of all charitable gaming supplies.

(2)

(a) A manufacturer of a card-minding device system shall ensure that the site system has internet capability so that the department has the ability to remotely verify the operation, compliance, and internal accounting systems of the site system at any time. The department shall have real time and complete read-only access to all data for all systems and devices.

(b) The manufacturer shall provide to the department all current protocols, passwords, and any other required information needed to access the system prior to the operation of the system in Kentucky.

(c) The department shall be notified of any changes in the protocols, passwords, and any other required information needed to access the system at least three (3) days prior to the change.

(d) Any reports maintained or generated by the card-minding device system shall be capable of being downloaded or otherwise accessed via the internet by the department.

(3) A manufacturer of a card-minding device system shall manufacture each site system to ensure that an internal accounting system is capable of recording and retaining for a period of not less than twelve (12) months the following information:

(a) The serial number of each bingo face sold for card-minding device use;

(b) The price of each face or package sold;

(c) The total amount of the card-minding device sales for each session;

(d) The total number of faces sold for use with card-minding devices for each session;

(e) The serial number of each hand-held card-minding device sold; and

- (f) The terminal number or account number associated with each fixed base card-minding device sold.
- (4)
- (a) The information established in subsection (3) of this section shall be secure and shall not be accessible for alteration during the session.
- (b) The site system shall have report generation software with the capability to print all information required to be maintained on the site system's active or archived databases. The total sales activity report shall be completed in the format of Form CG-CMD.
- (5) A manufacturer of a card-minding device system shall manufacture each site system to ensure that the applicable point of sale station is capable of printing a receipt for each sale or voided sale of a card-minding device. The receipt shall include the following information:
- (a) The date and time of the transaction;
- (b) The dollar value of the transaction and quantity of associated products;
- (c) The sequential and consecutive transaction number;
- (d) The session in which the product was sold;
- (e) The serial number of each hand-held card-minding device sold; and
- (f) The terminal number or account number for each fixed base card-minding device sold.
- (6) A card-minding device system may include player tracking software. Player tracking records shall at all times be the property of the charitable organization and neither the manufacturer nor the distributor shall utilize or make available to any person, other than the department or as otherwise authorized by law, the information contained within the player tracking software without the express permission of the charitable organization.
- (7) A manufacturer of a card-minding device system shall manufacture each associated site system to include a caller station verifier that is able to verify winning cards and to print the cards for posting. The caller station verifier shall be capable of posting all balls called for verification purposes and printing an ordered list of the called balls.
- (8)
- (a) Each card-minding device system shall employ safeguards to verify that proprietary software components are authentic copies of approved software components and all components of the card-minding device system are operating with identical copies of approved software programs.
- (b) The system shall have sufficient security safeguards to ensure that any restrictions or requirements of the department or any approved proprietary software are protected from alteration by unauthorized personnel.
- (c) Examples of security measures that may be employed to comply with these provisions include the use of dongles, digital signature comparison hardware and software, secure boot loaders, encryption, and key and callback password systems.
- (9) A manufacturer of a card-minding device system shall ensure that a card-minding device shall not allow any bingo cards or faces other than those verifiably purchased by the patron to be available for play.
- (10) A manufacturer shall not display, use, or otherwise furnish a card-minding device that has in any manner been marked, defaced, or tampered with, or that is otherwise intended to deceive the public or affect a person's chances of winning.
- (11) If the card-minding device system is capable of using radio frequency, it shall not be dual frequency.
- (12) The card-minding device system shall provide password protection for each charitable organization.
- (13) The card-minding device system shall erase, deactivate, or render unplayable the electronic faces on each card-minding device prior to the next scheduled charitable gaming session:

- (a) Upon turning off the device after the last bingo game of the charitable gaming session has been played or upon placing the device into a charging unit; and
  - (b) By a secondary timing method established by the manufacturer.
- (14) The card-minding device system shall ensure that patrons purchase additional electronic bingo faces at the site system only.

Section 10. Tracking by Manufacturer of Card-minding Device Systems.

- (1) Each licensed manufacturer selling, leasing, or otherwise furnishing card-minding device systems in Kentucky shall maintain a single log or other record showing the following:
- (a) The date of the transaction with the distributor;
  - (b) The model, version, and serial number of each hand-held card-minding device;
  - (c) The account number or terminal number of each fixed base card-minding device;
  - (d) The model and version number of the site system software; and
  - (e) The name and license number of the distributor to whom the card-minding device system was sold, leased, or otherwise furnished.
- (2) A licensed manufacturer selling, leasing, or otherwise providing a card-minding device system to a distributor for use in Kentucky shall provide the distributor with an invoice or other documentation that contains, at a minimum, the following information:
- (a) The date of sale and the time period covered by the invoice;
  - (b) The quantity sold or leased; and
  - (c) The total invoice amount.
- (3) The licensed manufacturer shall maintain physical or electronic copies of the documentation required by this section for a period of thirty-six (36) months.

Section 11. Distributor Requirements for Card-Minding Device Systems.

- (1) Before initial use by a charitable organization, the distributor shall ascertain that the particular device and associated software version have been approved by the department according to this administrative regulation.
- (2) If the card-minding devices are used at multiple locations, each location shall have its own separate site system.
- (3) Before the complete removal of any card-minding device system, the distributor shall supply a copy of the data files to each charitable organization that used the card-minding device system and to the department.
- (4) A distributor shall not display, use, or otherwise furnish a card-minding device that has in any manner been marked, defaced, tampered with, or that is otherwise intended to deceive the public or affect a person's chances of winning.
- (5) Each distributor selling, leasing, or otherwise furnishing card-minding device systems shall maintain a single log or other record showing the following information, to be submitted to the department upon request:
- (a) The playing location name, physical address, telephone number, and facility license number, if applicable, where the card-minding device system is located;
  - (b) The modem number and quantity of card-minding devices at each playing location;
  - (c) The date the card-minding device system was installed or removed;
  - (d) The model, version, and serial numbers or terminal numbers of the card-minding devices and site system equipment;
  - (e) The name and license number of the charitable organization or distributor to whom the card-minding device system was sold, leased, or otherwise furnished;
  - (f) The name and license number of the manufacturer or distributor from whom the card-minding device system was purchased, leased, or otherwise obtained;
  - (g) Each contract, lease, or purchase agreement between a distributor of a card-minding device and the charitable organization or other distributor to which a device is furnished; and



- (h) The total dollar amount of card-minding device sales or lease transactions regarding each charitable organization to which any card-minding device was furnished during each calendar quarter.
- (6) A distributor selling, leasing, or otherwise providing a card-minding device system to a charitable organization or distributor shall provide the charitable organization or distributor with an invoice or other documentation that contains, at a minimum, the following information:
  - (a) The date of sale and the time period covered by the invoice;
  - (b) The quantity sold or leased; and
  - (c) The total invoice amount.
- (7) The distributor shall maintain physical or electronic copies of the documentation required by this section for a period of thirty-six (36) months.

#### Section 12. Requirements for Use of Card-Minding Device Systems.

- (1) Before initial use of a card-minding device system, the charitable organization shall ascertain that the particular device and associated software version have been approved by the department for use in Kentucky.
- (2) A charitable organization shall not display, use, or otherwise furnish a card-minding device that has in any manner been marked, defaced, tampered with, or that otherwise may deceive the public or affect a player's chances of winning.
- (3) If a player's card-minding device malfunctions during a bingo game, it may be repaired or the faces transferred to another card-minding device if it will not interrupt the game.
- (4) Each card-minding device shall be limited to offering for play a maximum of seventy-two (72) card faces during any one (1) game of a session.
- (5) The charitable organization shall ensure that the card-minding device system does not allow a card-minding device to be used to obtain a bingo prize for any bingo game other than for a game within the bingo session for which the card-minding device was sold.
- (6) The department may examine and inspect any card-minding device and site system. The department shall be granted reasonable access to the card-minding devices and unlimited inspection of all parts of the site system.
- (7) The charitable organization shall provide the player with a receipt printed on a receipt printer for each sale detailing the transaction. The receipt shall contain, at a minimum, the following information:
  - (a) A unique transaction number that is printed in continuous, consecutive order and that cannot be reset or altered;
  - (b) The serial number of the card-minding device issued;
  - (c) The date and time the receipt was issued;
  - (d) The name of the charitable organization and license number; and
  - (e) A description, quantity, purchase price, and total dollar amount of each item purchased.
- (8) The charitable organization shall void the original transaction and issue a new receipt if a player requests a partial or full refund. Additional purchases shall not require voiding of the original transaction.
- (9) A voided transaction shall be treated in the manner established by this section.
  - (a) A voided transaction shall be processed immediately.
  - (b) If a voided transaction involves a card-minding device, the card-minding device shall be connected to the site system to ensure all electronic bingo cards are erased or deactivated.
  - (c) The player shall possess the receipt issued at the time of the purchase of the card minding device before the purchase is voided.
  - (d) The word "void" shall be clearly printed on the receipt.

- (e) The player shall write his name, address, telephone number, signature, and amount of refund on the back of the receipt before a partial or full refund may be issued.
- (f) All voided receipts shall be attached to the Total Sales Activity Report printed at the end of each charitable gaming session and maintained with the gaming records.
- (10) If the charitable organization loads the card-minding devices prior to selling them, all unsold card-minding devices shall be voided by the start of the second game.
- (11) If the receipt printer malfunctions or printed receipts are not legible, manual receipts shall be issued that contain the same information required by subsection (7) of this section.
- (12) If the department or any player requests verification of a winning card face played on a card-minding device, the session chairperson shall print the winning card face and post it in a conspicuous location where it may be viewed in detail. Winning card faces requested for posting shall remain posted for at least thirty (30) minutes after the completion of the last bingo game at that particular charitable gaming session.
- (13) The charitable organization shall reasonably ensure that the internet connection to the site system is operational at all times.
- (14) If the charitable organization sells card-minding devices for a discounted price, or gives them away as a promotion, the site system shall be programmed to account for the discounted item and shall be priced separately from those sold at the regular price. A generic discount key shall not be allowed.
- (15) The charitable organization shall print a Total Sales Activity Report reflecting activity from the time of the initial sale to the end of each bingo session. These records shall be maintained with the charitable gaming session records.
- (16) A manufacturer's representative or distributor's representative may be present during a bingo session only to consult, demonstrate, or train charitable organizations on the operation of the card-minding device system.

### Section 13. Bingo Rules of Play: General Provisions.

- (1) All individuals involved in the conduct of a bingo session shall be trained in the proper conduct of the game and the control of funds.
- (2) The chairperson of the licensed charitable gaming session shall be in full charge of the licensed charitable gaming session, supervise and direct all volunteers, and be responsible for assuring the proper receipt and recording of gaming funds.
- (3) Except for braille cards intended for use by blind players, bingo paper or card minding devices shall not be reserved by the charitable organization for any player. Legally-blind players may use their own cards if the charitable organization does not make braille cards available. In accordance with KRS 238.505(15), braille cards shall not be considered gaming supplies and equipment and may be purchased from ordinary sources of supply.
- (4) More than one (1) charitable organization shall not conduct gaming at the same time and location as another charitable organization except for a licensed charity fundraising event.
- (5) If a bingo session is cancelled once it is commenced, a charitable organization may refund a portion of the purchase price of the bingo paper or card-minding device. A charitable organization shall not continue the session or award the prizes at a later date.
- (6) Each charitable organization's gaming supplies shall be maintained in a location separate from another charitable organization's gaming supplies. This location shall be locked and access shall be limited. An extra set of bingo balls shall not be stored at the caller's stand but shall be stored with the other charitable gaming supplies.
- (7) A volunteer at a charitable gaming session at which bingo cards or faces are sold shall not purchase or play bingo cards or faces at that session unless the volunteer's duties are

complete for the session. Once a volunteer starts playing bingo, that person shall not work as a volunteer for the remainder of that charitable gaming session.

(8) If the charitable organization has house rules concerning its bingo session, the house rules shall:

(a) Be posted in at least two (2) conspicuous locations at the charitable gaming session and announced prior to the commencement of the charitable gaming session, or be listed on the program;

(b) Not be in conflict with KRS Chapter 238 or 820 KAR Chapter 1;

(c) Be followed; and

(d) Include the charitable organization's name and license number.

(9) Every ball in the bingo machine or other selection device shall be displayed for verification at the commencement and at the completion of each bingo session.

(10) Individual bingo paper sheets in a pack shall not be sold as individual bingo paper sheets.

(11) The charitable organization shall buy a complete set of paper and use that paper before starting another set.

(12) A charitable organization shall not separate faces on one (1) paper sheet or any paper sheets in a pack prior to play.

(13) The price for each type of bingo sheet, pack, or package shall be listed on the bingo program.

(14) Bingo paper sheets, bingo paper packs, and bingo paper packages shall be used during the bingo session for which they were purchased. A charitable organization shall not allow a player to carry over purchased, but unused, bingo paper sheets, bingo paper sheet packs, or bingo paper packages to a subsequent bingo session.

(15) A charitable organization shall not allow a player to play bingo paper that was not purchased at that session, except for braille cards pursuant to subsection 3 of this section.

(16) The charitable organization shall not duplicate or otherwise make copies of bingo paper.

(17) If a charitable organization sells the same paper packs or paper sheets for different prices, the packs or sheets shall be distinguishable by serial number.

(18) A charitable organization shall not sell bingo paper in a bundle.

(19) If a charitable organization sells bingo paper as a package, the package shall become a unique item with a certain price and the items in the package shall not be sold individually unless a separate serial number is used.

(20) If a charitable organization games in back-to-back sessions, it may pre-sell paper for the second session if a different set of paper is used with a different color or border and a different serial number. The money from the preselling of paper shall be deposited with the second session receipts and the sales recorded on the second session charitable gaming session records. If the price for the presold paper is discounted, the charitable organization shall list this discount on the charitable gaming session program and use a third set of paper with a different serial number.

#### Section 14. Playing.

(1) All players shall be physically present at the location where the bingo game is held in order to play the game or claim a prize.

(2) The bingo session shall start when the balls are verified. The balls shall be verified before the pickle jar, bonanza ball, or hot ball is selected and called. If a licensed charitable organization is authorized to sell paper or electronic pulltabs during its bingo session, the licensed charitable organization may commence selling paper or electronic pulltabs prior to the start of the bingo session with prior approval of the department. All paper or electronic pulltabs sold in this manner shall be reported on the licensed charitable organization's bingo session records.

- (3) The caller shall turn off all personal electronic devices and shall not use any personal electronic devices while engaged in the calling of a bingo game.
- (4) Before selecting or calling the first number in a game, the bingo caller shall call out the amount of the game prize to be awarded.
- (5) Before selecting and calling the first number in a game, the bingo caller shall announce the pattern or arrangement of squares to be covered to win the game, which shall also be listed in the bingo program.
- (6) After selecting each number, the bingo caller shall:
  - (a) Clearly announce the number;
  - (b) With the exception of a speed game, display the ball or other device used in a manner allowing the players to see the number;
  - (c) Cause the ball or other device to be placed in a ball tray or other device so as to prevent it from being placed back into the selection pool; and
  - (d) Enter each letter and number called on a flashboard or similar device for player viewing.
- (7) A winner shall be determined when the preannounced pattern of squares is covered by a player on a card.
- (8) It shall be the player's responsibility to notify a volunteer including the chairperson or caller that the player has a winning bingo combination.

Section 15. Pickle Jar, Bonanza Ball, or Hot Ball. (1) When an additional prize is to be awarded if a patron wins on a certain number, the rules of play, the maximum payout, and cost to enter shall be listed on the bingo program. These numbers may be selected and posted before the first game is called.

Section 16. Break-open Bingo.

- (1) A break-open bingo game shall begin when, in the presence of players attending the bingo session, the charitable organization calls and posts, either manually or by use of a flashboard, a predetermined quantity of randomly selected bingo numbers from a selection device or a separate bingo number container. If a flashboard is used, these numbers shall be posted on a board separate from the regular bingo board unless the regular board is capable of keeping track of these numbers separately. The balls shall then be placed back into the selection pool until the game is played on the program.
- (2) Sealed bingo paper sheets for a break-open break open game may be sold throughout the bingo session. Additional bingo paper sheets for a break-open game shall not be sold after the charitable organization resumes calling letters and numbers when the game is played on the program.
- (3) A charitable organization may allow players to trade break-open bingo faces for new faces.
- (4) If the charitable organization allows players to trade break-open bingo faces for new faces, two (2) sets of the game faces shall be maintained. One (1) set shall be known as the "original set" and shall be of a different serial number than the second set, known as the "trade in" set.
- (5) A charitable organization shall list on the bingo program the price of the original set and the trade-in set.

Section 17. Player Pick.

- (1) If the charitable organization offers a Player Pick game, the requirements established in this section shall apply.
- (2) A player shall select numbers between one (1) and seventy-five (75). A player shall not select more than five (5) numbers for each column. The player may allow the machine to select the numbers.

- (3) Duplicate numbers shall not be played on a purchased face. If duplicate numbers appear on a face, the card shall be void.
- (4) Once selected, the machine shall print a face with the selected numbers.
- (5) The faces shall conform to the construction and randomization standards established in this administrative regulation.
- (6) The price of each face and the amount of numbers that will be chosen shall be listed on the bingo program.
- (7) The numbers shall be daubed as the balls are called when the game is played as listed on the bingo program.
- (8) A player shall win if he or she is the first person to cover the numbers.

#### Section 18. Continuation Games.

- (1) Multiple patterns may be played on one (1) bingo face. Each portion of the continuation game shall be considered a single bingo game, even though the bingo balls shall not be returned to the selection pool after a winner has been determined and verified.
- (2) Each winning pattern shall be verified independently.

#### Section 19. Progressive Bingo Games.

- (1)
  - (a) Progressive games or prizes connected to a bingo game or conditioned on winning a bingo game shall be permitted only if prizes awarded on progressive games are included in the prize limit established in KRS 238.545(1), regardless of the method by which a player is eligible to participate.
  - (b) The charitable organization shall be responsible for ensuring that the value of any progressive bingo game prize, when added to the values of the other prizes of the same date or session, does not exceed the statutory prize limit.
  - (c) All receipts on progressive bingo games shall be reported to the department as gross receipts for the date collected pursuant to KRS 238.550.
- (2) Once a progressive bingo game has been started, the game shall be played in the same manner at every session until the prize is awarded. The jackpot prize shall be offered at each successive bingo session for that charitable organization until the jackpot prize has been won.

#### Section 20. Lucky Ball.

- (1) If the charitable organization offers Lucky Ball play, the requirements in this Section shall apply.
- (2) Players may purchase one (1) Lucky Ball ticket prior to the beginning of a bingo session, and before purchasing any other bingo paper. Each player shall be limited to one (1) Lucky Ball ticket per bingo session.
  - (a) Lucky Ball tickets shall consist of a pre-printed form with space provided for the player's Lucky Ball number, name, date, and the name of the ticket seller to be written in. The Lucky Ball tickets shall also have pre-printed sequential ticket numbers for tracking and verification purposes.
  - (b) The cost of a Lucky Ball ticket shall not exceed five (5) dollars. Money from Lucky Ball ticket sales shall be retained by the charitable organization as part of the gaming proceeds from the gaming session.
  - (c) Each player may choose his own Lucky Ball number at the time of purchase of the ticket, and shall immediately write that number, in ink, on the Lucky Ball ticket, along with the player's name, the date, and the name of the ticket seller.
  - (d) Once the information is written on the Lucky Ball ticket, the carbon copy or electronic duplicate copy of the ticket shall be retained by the charitable organization, and all ticket copies shall be placed in numerical order as soon as possible after the

start of a gaming session. The charitable organization shall verify that the player has written a correct name on the ticket by checking photo ID at the time of sale, and shall keep a log of tickets sold and Lucky Ball numbers to verify that any tickets are used only by the ticket buyer and are not traded or sold during the session.

(e) Once the player purchases bingo paper for play in that session, the player shall write their Lucky Ball number on the back of each piece of bingo paper to be put into play.

(3) During bingo play, any player who purchased a Lucky Ball number may mark that number as a free space, or "wildcard" number to mark their bingo paper to form bingos, regardless of whether that number is selected by the caller in regular play.

(4) No selling, trading, or exchange of any kind of Lucky Ball tickets or bingo paper may take place during a bingo session between players of their chosen Lucky Ball numbers. All monitors, sellers, and volunteers shall observe whether a player's Lucky Ball number matches the number written on the back of the bingo paper to prevent selling, trading, or exchange of Lucky Ball tickets or bingo paper.

(5) Verifying a bingo.

(a) Once a player announces a bingo, a volunteer or monitor reads the perm number from the bingo paper to the caller. The caller then enters the perm number into the console.

(b) If the console does not verify a bingo, and if the Lucky Ball tickets cannot be verified electronically by the perm numbers, the caller must ask if there is a Lucky Ball.

(c) If there is a Lucky Ball, the volunteer calls out only the receipt number on the Lucky Ball ticket to the caller, in the presence of a neutral player.

(d) The caller then communicates the receipt number to the office or to the person holding the carbon copies of the Lucky Ball tickets in numerical order. The charitable organization shall verify that the Lucky Ball ticket had not been sold, traded, or exchanged by the players, by checking the photo ID of the winning player and checking to ensure the Lucky Ball number was written on the back of the bingo paper.

(e) After the receipt is located and the receipt numbers verified, the Caller shall announce the Lucky Ball number to the Monitor and the audience. The neutral player shall still be viewing the ticket to verify the bingo. The Lucky Ball number of the winning player may or may not be the last number called.

(f) Once a bingo is verified, the caller shall announce the last number called and the number of valid bingos for that game. The same verification procedure shall be followed in the case of multiple bingos until all are verified.

## Section 21. Winner Verification and Registration.

(1) A manufacturer of bingo paper shall make available for purchase a verification book or other verification system for all paper manufactured.

(2) The charitable organization conducting a bingo game shall use a reliable verification system that corresponds with the set of paper in play.

(3) When a player declares a winning bingo, the steps established in this subsection shall be followed for winner verification.

(a) The game shall be stopped before the next number is called. If the next number has been selected, it shall be secured to ensure that if the declared "bingo" is invalid, the game will continue.

(b) If an electronic verifier or verifier book is used, a volunteer for the charitable organization shall:

1. Show the winning face to a neutral player, who shall be a player other than the winner; and
2. Call back the perm number while in front of the neutral player.

(c) If any other verification system is used, a volunteer for the charitable organization shall:

1. Show the winning face to a neutral player, who shall be a player other than the winner; and
2. Call back the winning combination while in front of the neutral player.

(4) The caller shall ask at least twice if there are any other winners before announcing the close of the game. If playing a continuation game, the caller shall ask at least twice if there are any other winners before the close of that part of the game.

(5) If more than one (1) winner is declared in a bingo game, prizes shall be awarded as established in this subsection.

(a) Cash prizes shall be divided equally among the verified winners.

(b) If the prize is something other than cash and cannot be divided among winners, prizes of equal proportionate value shall be awarded.

#### Section 22. Prizes.

(1) If a merchandise prize or discount is available to everyone, it shall be considered a promotional item and counted as an expense.

(2) If a merchandise prize or discount is not available to everyone, it shall be included in the prize limit established in KRS 238.545(1) at its fair market value. It shall be included in expenses for purchased prizes at actual cost. If the merchandise prize is a gaming supply, it shall be included in supplies expense at actual cost.

(3) The fair market value of bingo paper, a card-minding device, electronic pulltab device, or paper pulltabs awarded as a merchandise prize shall be the price that a patron would have paid for the same bingo paper, card-minding device, electronic pulltab device, or paper pulltab at that charitable gaming session.

(4)

(a) If bingo paper is awarded as a door prize or a bingo game prize, the patron shall be given a voucher.

(b) The voucher shall be completed with:

1. The name, address, and phone number of the patron redeeming the voucher;
2. The date on which it was awarded;
3. The date on which it was redeemed;
4. The amount of paper given in exchange for the voucher; and
5. The serial number of the bingo paper.

(c) Once the voucher is completed, it shall be redeemed for the bingo paper.

(d) The charitable organization shall retain the voucher with its session records.

(5) If bingo paper is awarded as a promotional item, the description of the paper shall be listed on the program with "free" or "promotional" listed as the price. If the charitable organization also sells that type of paper, a separate set of paper with a separate serial number shall be used.

(6)

(a) If a card-minding device or electronic pulltab device is awarded as a door prize or a bingo game prize, the patron shall be given a voucher.

(b) The voucher shall be completed with:

1. The name, address, and phone number of the patron redeeming the voucher;
2. The date on which it was awarded;
3. The date on which it was redeemed; and
4. The number of card-minding devices and the number of faces loaded on each device, or the number of electronic pulltab devices and credits loaded on each device, if any, given in exchange for the voucher.

(c) Once the voucher is completed, it shall be redeemed for the card-minding device or electronic pulltab device. No more than one (1) card-minding device or one (1)

electronic pulltab device may be redeemed per player per session.

(d) The charitable organization shall retain the voucher with its session records.

(e) There shall be a specific button on the point of sale programmed for each type of voucher and package involving a card-minding device or electronic pulltab device.

(7) If a card-minding device is awarded as a promotional item, the description of the promotional package shall be listed on the program with "free" or "promotional" listed as the price. The point of sale shall have a specifically described discount button for this promotion.

(8) If a charitable organization offers coupons for bingo paper or a card-minding device, a voucher shall be completed when the coupon is redeemed, and the coupon and the voucher shall be retained with the charitable gaming session records.

(9) If the charitable organization sells gift certificates for bingo paper or a card-minding device, the receipts for the sale shall be counted as gaming receipts on the day they are received. When the gift certificate is redeemed, a voucher shall be completed and the gift certificate and the voucher shall be retained with the charitable gaming session records.

(10) If a paper pulltab or electronic pulltab device is awarded as a bingo prize, the person in charge of bingo payouts shall purchase the pulltabs or electronic pulltab device and any credits loaded to the device from the pulltab manager by transfer of cash from bingo payout to pulltab sales and it shall be recorded as a sale on the session records.

(11) Each bingo winner shall be determined and every prize shall be awarded and delivered on the same day on which the bingo was conducted.

(12) A voucher shall be redeemed on the same day as awarded.

#### Section 23. Incorporation by Reference.

(1) Form CG-CMD, "Total Sales Activity Report (2018)" is incorporated by reference.

(2) This material may be inspected, copied, or obtained, subject to applicable copyright law, at the Department of Charitable Gaming, Public Protection Cabinet, 500 Mero Street 2NW24, Frankfort, Kentucky 40601, Monday through Friday, 8 a.m. to 4:30 p.m.

(32 Ky.R. 809; 1284; 1647; eff. 3-31-2006; 44 Ky.R. 2670; 45 Ky.R. 1592; eff. 1-4-2019; TAm eff. 11-22-2019.)