Chapter 464

2011 EDITION

Games

ADMINISTRATION

464.250 Powers and duties of Department of Justice; fees; rules

464.270 Licensing requirements

464.280 Burden to establish qualifications; applications; liability of persons who supply information

464.290 Eligibility for license requires independent control by organization

464.300 Temporary license

464.310 Eligibility to participate in management or operation of games; rules

464.340 Limitation on time spent administering or operating games; rules

464.350 Limitation on operation of games; rules

464.360 Limitation on number of games for which organization can be licensed

464.380 Variations depending on number, frequency or gross income authorized; rules

464.385 Exemption from licensing and reporting requirements for organizations conducting certain raffles

464.390 Exceptions; review; continuance of exception

LOCAL AUTHORITY

464.420 Local prohibition in lieu of state regulation

FINANCE

464.450 Oregon Gaming Account; uses

DISCIPLINE

464.470 Grounds for suspension, revocation or denial of or refusal to renew license or permit; civil penalty

464.480 Procedure for suspension, revocation or denial of license

464.490 Vacation of suspension upon payment of penalty

ENFORCEMENT

464.500 Enforcement authority of department; hearings

464.510 Regulation of rent; inspection of premises and records; rules; reports

464.520 Injunctive relief; when other licenses may be voided; investigation of off-race course mutuel wagering applicant or licensee

464.530 Jurisdiction of Circuit Court for Marion County; liability of department personnel

PENALTIES

464.995 Penalties

464.010 [Repealed by 1967 c.344 §10]

464.020 [Repealed by 1967 c.344 §10]

464.110 [Repealed by 1967 c.344 §10]

464.120 [Repealed by 1967 c.344 §10]

464.130 [Repealed by 1967 c.344 §10]

464.140 [Amended by 1955 c.516 §1; repealed by 1967 c.344 §10]

464.150 [Repealed by 1967 c.344 §10]

464.160 [Repealed by 1967 c.344 §10]

464.170 [Repealed by 1967 c.344 §10]

464.180 [Repealed by 1967 c.344 §10]

464.190 [Repealed by 1967 c.344 §10]

464.210 [Repealed by 1967 c.344 §10]

464.220 [Repealed by 1967 c.344 §10]

464.230 [Repealed by 1967 c.344 §10]

ADMINISTRATION

464.250 Powers and duties of Department of Justice; fees; rules. (1) The Department of Justice has the following powers and duties relating to the regulation of bingo, lotto or raffle games or Monte Carlo events:

(a) To authorize and regulate the operation of bingo, lotto and raffle games and Monte Carlo events permitted under ORS 167.117 and to adopt rules in accordance with applicable provisions of ORS chapter 183 for the performance of the department's duties.

(b) To issue and renew licenses and permits for operation of bingo, lotto and raffle games and Monte Carlo events, including the manufacturers and suppliers of equipment and supplies necessary for the operation of such activities and escrow agents holding money or property to be awarded as a prize, and to adopt license and permit fees. Licenses and permits are valid for a period of one year unless renewed. The department shall set fees at an amount sufficient to cover all costs incurred by the department in its activities. License fees consist of an initial payment, which shall be in an amount established by rule, prior to issuance or renewal of the license, together with a monthly payment constituting a percentage of the licensee's monthly gross income from the operation each month thereafter. An applicant for a license or a permit shall submit with the application a sum adequate to pay the required initial fee payment. If the application is later withdrawn by the applicant or if it is denied by the department, the department shall retain the portion of the amount submitted to it that will pay the reasonable costs expended for processing and investigating the application. In a particular case, if the fee adopted by the department is less than the actual expenses of the department to investigate that particular application, the department may charge to that particular applicant an additional fee to repay the department for those costs. The department may refuse to proceed with its investigation or to issue a license until the department has been fully paid for those costs. The department shall create at least two classes of licenses for each activity regulated under this section. The licensing and operational requirements for licensees and the extent to which background checks are conducted under paragraph (d)(B) of this subsection shall be commensurate with the size of the licensee's bingo, lotto, raffle or Monte Carlo event operations. The department shall adopt rules exempting from licensing any organization that would otherwise qualify for a license and that is engaged in minimal bingo, lotto or Monte Carlo event activity.

(c) To prescribe the manner and method of payment of all moneys to be paid to or collected by the department.

(d) To adopt requirements as to what information an applicant must provide to the department. However, each license applicant must provide, and the department shall require, the names and addresses of all persons having a management or ownership interest in the bingo, lotto, raffle or Monte Carlo event operation or in the premises on which the operation is conducted and the names and addresses of all officers and directors of the applicant organization. The department shall also require the names and addresses of all persons employed in bingo, lotto, raffle or Monte Carlo event operations. The following apply to applications under this paragraph:

(A) An applicant shall certify, under oath, that the persons named on the application are all of the persons known by the applicant to have an interest in the bingo, lotto, raffle or Monte Carlo event operation or the premises on which the operation is conducted including all officers and directors of the applicant organization.

(B) The department may require fingerprints, a photograph, a handwriting sample and background checks, including state and nationwide criminal records checks under ORS 181.534, on any person seeking a license from it or any person holding an interest in any bingo, lotto, raffle or Monte Carlo event operation or in the premises on which it is conducted. The department may also require fingerprints or background checks, including state and nationwide criminal records checks under ORS 181.534, of any manager or other employee of such a bingo, lotto, raffle or Monte Carlo event operation.

(e) To adopt record keeping requirements for licensees of the department and the submission of reports to the department as the department determines necessary. The de-

partment may require licensees to record and report income from bingo, lotto, raffle, Monte Carlo events, concessions and other related operations, the amounts received from each player, the costs and expenses of operations, the nature and value of prizes and the fact of distribution of such prizes to the winners thereof. The department may adopt internal financial and inventory control requirements under this paragraph that are based on and commensurate with the size of a licensee's bingo, lotto, raffle or Monte Carlo event operations.

(f) To regulate and establish maximum limits on income derived by licensees from bingo, lotto, raffles or Monte Carlo events. However, in establishing limits, the department shall take into account:

(A) The nature, character and scope of the activities of the licensee;

(B) The sources of other income to the licensee; and

(C) The percentage or extent to which income derived from bingo, lotto, raffles or Monte Carlo events is used for charitable purposes, as distinguished from nonprofit purposes other than charity.

(g) To regulate the manner of operation of bingo, lotto and raffle games and Monte Carlo events conducted by licensees, including the approval of which games may be played and the equipment to be used. The department shall regulate the types of equipment, rules and methods of play to ensure the integrity and fairness of the games.

(h) To cooperate with state and local law enforcement agencies in investigating matters within the scope of the department's duties and responsibilities.

(i) To establish maximum limits on compensation paid to persons employed by charitable, fraternal or religious licensees, for the purpose of conducting licensed games, not to exceed 200 percent of the federal minimum wage standard, or in the case of a person who supervises a bingo, lotto, raffle or Monte Carlo event operation for a charitable, fraternal or religious organization and is subject to the limitations of ORS 464.340, 300 percent of the federal minimum wage standard, and to establish maximum limits for other expenses connected with such operations. In establishing these limits, the department shall consider the amount of income received, or expected to be received, by the organization from the bingo, lotto, raffle, Monte Carlo events, concessions and other related operations and the amount of money the operation could generate for the organization's purposes absent such expenses. The department may also take into account other factors, including but not limited to whether charitable purposes are benefited by the activities.

(2) The department may not require persons working as volunteers in a bingo, lotto, raffle or Monte Carlo event operation conducted by a bona fide charitable, fraternal or religious organization to obtain permits for such work if the persons do not receive compensation of any kind from the organization other than reimbursement for actual or reasonable expenses, or have any managerial or supervisory responsibility in connection with it. The department may require that bingo, lotto, raffle and Monte Carlo event operators employing unlicensed volunteers submit to the department periodically the names, addresses and dates of birth of the volunteers. The department may adopt reasonable character standards for volunteers, and if a volunteer does not meet the standards, the department may require that the licensee not allow the volunteer to work for the licensee.

(3) Subject to ORS 167.118, the department by rule may establish value limits for prizes awarded at bingo, lotto or raffle games or Monte Carlo events and may regulate or prohibit the giving to patrons of any other thing of value to promote attendance at the games.

(4) The department by rule may establish a maximum amount that a person may wager at a Monte Carlo event. [1987 c.914 §4; 1991 c.274 §3; 1991 c.962 §19; 1997 c.867 §3; 1999 c.218 §2; 2001 c.576 §3; 2003 c.417 §2; 2005 c.730 §26]

464.270 Licensing requirements. (1) The Department of Justice shall not issue a license to conduct bingo, lotto or raffle games or Monte Carlo events to any organization unless:

(a) The organization is exempt from payment of federal income taxes as a charitable, fraternal or religious organization; and

(b) The organization has held such tax exempt status for at least one year preceding its application to the department for a license and during which time the organization engaged primarily in its charitable, fraternal or religious purpose.

(2) An application for a license must be accompanied by a certificate of the organization's exemption from payment of income taxes as a charitable, fraternal or religious organization and by such other evidence of the organization's status under subsection (1) of this section as the department may require.

(3) If an organization loses its tax exempt status after having applied for or having received a license, the organization shall promptly notify the department of the change in status. A license issued by the department

shall cease to be valid whenever the organization to which it is issued loses its tax exempt status. [1987 c.914 §11; 1997 c.867 §4]

464.280 Burden to establish qualifications; applications; liability of persons who supply information. (1) The burden is upon holders of bingo, lotto, raffle or Monte Carlo event licenses and permits and applicants for such licenses or permits to establish the qualifications required of such license or permit holders or applicants, by clear and convincing evidence. The burden is also upon the licensee or license applicant to establish by clear and convincing evidence the qualifications of the premises in which the licensed activity will be conducted.

(2) Application for a license to operate a bingo, lotto or raffle game or Monte Carlo event must be accompanied by:

(a) A written consent to the inspections authorized under ORS 167.118, 464.250 to 464.380, 464.420 and 464.450 to 464.530 and under such rules as the department may adopt; and

(b) A written waiver of potential liability claims against the State of Oregon, its agencies, employees and agents for any damages resulting from any disclosure or publication of any information acquired by the Department of Justice during any of its investigations, inquiries or hearings.

(3) All license and permit holders and persons having any financial, management or employment interest in bingo, lotto, raffle or Monte Carlo event licensees, including but not limited to employees and agents of such licensees, shall have a duty to inform the department or its staff of any act or omission which they believe would constitute a violation of state law or department rules relating to the operation of bingo, lotto or raffle games or Monte Carlo events. No person who so informs the department or its staff shall be discriminated against by a licensee because of supplying such information. If a licensee or permittee, or an officer or director thereof, upon request from the department or its designee, fails to produce requested information, evidence or testimony, relating to a bingo, lotto, raffle or Monte Carlo event operation, the department may suspend or revoke the license or permit of the licensee or permittee.

(4) Any written or oral statement made in the course of an official investigation or other proceeding of the department by any member, employee or agent of the department, or by any witness testifying under oath, which is relevant to the investigation or proceeding is absolutely privileged and shall not be the source of liability for slander, libel or defamation, or constitute any grounds for recovery in a civil action. [1987 c.914 §20; 1997 c.867 §5]

464.290 Eligibility for license requires independent control by organization. An organization shall not be eligible to obtain or retain a license to conduct a bingo, lotto, raffle or Monte Carlo event operation if it does not exercise, or if it ceases to exercise, independent control over its activities and budget. However, an organization shall not be ineligible for a license merely because it is chartered by or affiliated with another organization, so long as it exercises independent control over its activities and budget. [1987 c.914 §9; 1997 c.867 §6]

464.300 Temporary license. The Department of Justice may specially license, in such manner as it finds appropriate, the conduct of a temporary bingo, lotto, raffle or Monte Carlo event operation whenever the operation is to be for a limited period of time not exceeding 30 days. A license shall be granted under this section for unique or occasional events subject to such record keeping and reporting requirements as the department shall require of such operations. [1987 c.914 §7; 1997 c.867 §7]

464.310 Eligibility to participate in management or operation of games; rules. (1) A licensee of the Department of Justice under ORS 167.117 and 167.118 and this chapter, or an applicant for a license under ORS 167.118, 464.250 to 464.380, 464.420 and 464.450 to 464.530, without approval of the department, shall not knowingly permit any person to participate in the management or operation of any bingo, lotto or raffle game or Monte Carlo event for which a license from the department is required if that person:

(a) Has been convicted of or forfeited bond upon, or has been granted diversion upon a charge involving forgery, theft, willful failure to make required payments or reports to a government agency at any level, or filing false reports to such an agency, or of any similar offense, or of bribing or otherwise unlawfully influencing a public official or employee of any state or the United States, or of any crime, whether a felony or a misdemeanor, involving any gambling activity or physical injury to any person, or involving moral turpitude; or

(b) Has violated, failed to comply with, or refused to comply with provisions, requirements, conditions, limitations or duties imposed by ORS 167.118, 464.250 to 464.380, 464.420 and 464.450 to 464.530 or the rules of the department.

(2) No person other than a member or employee of a licensed organization, or any other person authorized under the rules of the Department of Justice, may participate

in the management or operation of a licensed bingo, lotto, raffle or Monte Carlo event operation. No person who participates in the management or operation of any such bingo, lotto, raffle, Monte Carlo event, concession or related operation may concurrently participate in the management or operation of any other operation unless such participation is approved by the department. The department shall adopt rules authorizing concurrent participation on a temporary basis in response to emergency circumstances. [1987 c.914 §§17(1), 21; 1997 c.867 §8; 2001 c.228 §3]

464.340 Limitation on time spent administering or operating games; rules. The Department of Justice by rule shall prohibit any licensee from allowing any person to spend more than 30 hours in any one week administering the licensee's games, or operating the licensee's games, or both. [1987 c.914 §5; 1991 c.274 §4; 2001 c.228 §5]

464.350 Limitation on operation of games; rules. (1)(a) The Department of Justice by rule may establish limits on the number of hours per day and days per week that organizations licensed by the department may operate bingo or lotto games or Monte Carlo events.

(b) The department, by its rules, shall not permit the operation of bingo or lotto games by any licensee for more than 15 hours in any one week nor for more than three days in any one calendar week.

(2) An organization authorized by law to operate Monte Carlo events:

(a) May not conduct more than seven Monte Carlo events in any 12-month period;

(b) May not directly or indirectly rent a facility for a Monte Carlo event from a licensed manufacturer or supplier of Monte Carlo event equipment; and

(c) May not enter into a binding legal contract with a licensed supplier of Monte Carlo equipment to conduct events for a period in excess of one year.

(3) No Monte Carlo event shall be conducted that exceeds 12 hours in length. For the purposes of this subsection, each 12-hour period shall begin at the official starting time of the Monte Carlo event and run continuously, whether or not contests of chance are continuously operated.

(4) Monte Carlo events shall not be conducted at the same location more than 15 times in a calendar month or more than 40 times in a calendar year. [1987 c.914 §8; 1997 c.867 §9; 2003 c.14 §297; 2003 c.417 §3]

464.360 Limitation on number of games for which organization can be licensed. (1) Except as provided in subsection (2) of this section, an organization may, at any one time, be licensed to conduct only one bingo, lotto or Monte Carlo event operation. The license shall authorize the organization to conduct its operation within only one county, which shall be a county designated by the licensee at the time of application for the license. The license shall authorize the organization to conduct games at a designated location that shall not vary except upon authorization of the Department of Justice.

(2) The department may license an organization to conduct one bingo game per county in not more than three counties provided that:

(a) The bingo games are conducted at a location in which the organization regularly conducts charitable program activities; and

(b) The organization has a cumulative annual handle from its bingo operation that does not exceed $250,000. [1987 c.914 §10; 1997 c.867 §10; 2005 c.355 §1]

464.380 Variations depending on number, frequency or gross income authorized; rules. (1) In adopting rules for the licensing of bingo, lotto or Monte Carlo event operations, the Department of Justice may impose, to the extent it finds practicable, more or fewer requirements upon such operations on the basis of the number of games, the frequency of Monte Carlo events or the gross income of the operation.

(2) As used in subsection (1) of this section, "gross income" means the total amount of money or other thing of value bet, less a deduction therefrom of the amount returned to players as prizes. [1987 c.914 §6; 1997 c.867 §11; 2001 c.228 §4]

464.385 Exemption from licensing and reporting requirements for organizations conducting certain raffles. Charitable, fraternal or religious organizations that conduct raffles that have handles of less than $10,000 in one calendar year are exempt from the licensing and reporting requirements for raffles under ORS 167.108 to 167.164 and 464.270 to 464.530. [2001 c.576 §2]

464.390 Exceptions; review; continuance of exception. (1) When the Department of Justice determines that there is a compelling community need for the charitable activities funded by a bingo operation, and that funding will be seriously reduced by the operation of ORS 167.117 and 167.118 and this chapter, then the department may grant exceptions to ORS 464.250 (1)(i), 464.340 and 464.350 for any bingo licensee that was operating a bingo game in January 1987.

(2) The department shall review the exceptions granted under this section not less than once per year, unless the department determines that there has been a material change of circumstances since the time the

exceptions were granted to the licensee, in which case the department shall initiate an immediate review of the license.

(3) The department may not continue an exception to a licensee that otherwise meets the requirements of this section if there has been a material change of circumstances since the time when the licensee was granted the exception.

(4) For purposes of this section, "a material change of circumstances" includes:

(a) Failure of the licensee to conduct a bingo game for 18 consecutive months in accordance with the exceptions previously granted by the department; or

(b) Operation by the licensee of its bingo game in a county other than the county in which it operated its bingo game in January 1987, unless the game remains in the same city.

(5)(a) Subject to this section, a bingo licensee may continue to operate a bingo game under the terms of an exception that was granted under this section prior to October 4, 1997, including but not limited to any limitation on the annual handle imposed or applicable under the terms of the exception.

(b) On written notice to the department, a licensee may elect to operate a bingo game under ORS 167.118 without a limitation on the annual handle of the licensee.

(c) A licensee that elects to operate a bingo game without a limitation on the annual handle of the licensee shall comply with ORS 464.350. [1987 c.914 §28; 1997 c.867 §12; 1999 c.218 §3; 2001 c.78 §1]

LOCAL AUTHORITY

464.420 Local prohibition in lieu of state regulation. A county or city may prohibit the operation of bingo, lotto, raffles or Monte Carlo events. If the county or city does not prohibit the operation of bingo, lotto, raffles or Monte Carlo events, then such games shall be regulated only as provided under state law. [1987 c.914 §23; 1997 c.867 §13]

464.430 [Formerly 465.100; repealed by 1997 c.867 §24]

FINANCE

464.450 Oregon Gaming Account; uses. (1) There is hereby created in the General Fund of the State Treasury an account known as the Oregon Gaming Account.

(2) The Department of Justice shall pay into the State Treasury all moneys received by the department under ORS 167.117 and 167.118 and this chapter. The State Treasurer shall deposit the moneys in the General Fund to the credit of the Oregon Gaming Account. The moneys in the Oregon Gaming Account are continuously appropriated to the department to pay its expenses in administering and enforcing its rules and in otherwise performing its lawful duties under ORS 167.117 and 167.118 and this chapter. [1987 c.914 §16]

DISCIPLINE

464.470 Grounds for suspension, revocation or denial of or refusal to renew license or permit; civil penalty. (1) The Department of Justice may deny an application for or refuse to renew a bingo, lotto, raffle or Monte Carlo event license or permit, and it may suspend or revoke any license or permit, for grounds stated in this section. Grounds for denial, renewal, suspension, revocation or civil penalty include, but are not limited to, cases in which the applicant, licensee or permit holder, or any person with an interest in the bingo, lotto, raffle or Monte Carlo event operation or proposed operation of the license applicant or licensee:

(a) Has continued to operate bingo, lotto, raffles or Monte Carlo events after losing the tax exempt status of the licensee as required under ORS 167.117 or ceases to exercise independent control over its activities or budget as required under ORS 464.290.

(b) Has violated or has failed or refused to comply with ORS 167.108 to 167.164, 464.270 to 464.380, 464.420 or 464.450 to 464.530, or has violated a rule adopted by the department, or has allowed such a violation to occur upon premises over which the applicant, licensee or interested person has substantial control.

(c) Has knowingly caused, aided or abetted, or conspired with another to cause, any person to fail or refuse to comply with the provisions, requirements, conditions, limitations or duties imposed by ORS 167.108 to 167.164, 464.270 to 464.380, 464.420 or 464.450 to 464.530, or to fail or refuse to comply with a rule adopted by the department.

(d) Has obtained a license or permit by fraud, misrepresentation or concealment, or through inadvertence or mistake.

(e) Has been convicted of or forfeited bond upon, or has been granted diversion upon a charge involving forgery, theft, willful failure to make required payments or reports to a government agency at any level, or filing false reports to a government agency, or any similar offense or offenses, or of bribing or otherwise unlawfully influencing a public official or employee of any state or the United States, or of any crime, whether a felony or misdemeanor, involving gambling activity, physical injury to individuals or moral turpitude.

(f) Denies the department or its designee access to any place where a licensed game is conducted, denies such access by any law enforcement officer, or fails promptly to produce for inspection or audit any records or items it is required by law or by department rule to produce.

(g) Fails to display the appropriate license or permit on the premises where the licensed game is conducted at all times during the conduct of the game.

(h) Misrepresents or fails to disclose to the department any material fact.

(i) Fails to demonstrate to the department, by clear and convincing evidence, qualifications for the license or permit according to state law and the rules of the department establishing such qualifications.

(j) Is subject to current prosecution or pending charges, or to a conviction regardless of whether it has been appealed, for any offense described in paragraph (e) of this subsection. At the request of an applicant for an original license, the department may defer decision upon the application during the pendency of the prosecution or appeal.

(k) Has pursued or is pursuing economic gain in a manner or context which violates criminal or civil public policy of this state and creates a reasonable belief therefor that the participation of such person in bingo, lotto, raffle or Monte Carlo event operations would be inimical to the proper operation of a lawful bingo, lotto, raffle or Monte Carlo event operation.

(2) The department may also impose a civil penalty not to exceed $10,000 for any violation of any provision of subsection (1) of this section. [1987 c.914 §12; 1997 c.867 §14]

464.480 Procedure for suspension, revocation or denial of license. Whenever the Department of Justice proposes to suspend or revoke or refuse to issue or renew a license or permit, opportunity for a hearing shall be accorded as provided in ORS chapter 183. [1987 c.914 §13]

464.490 Vacation of suspension upon payment of penalty. If the Department of Justice or its designee suspends any license for a period of 30 days or less, the order may provide that the suspension shall be vacated upon payment to the department of a monetary penalty as fixed in the order. [1987 c.914 §14]

ENFORCEMENT

464.500 Enforcement authority of department; hearings. (1) In order to determine compliance with state law and rules of the department relating to the operation of bingo, lotto, raffles or Monte Carlo events, the Department of Justice or its designee may:

(a) Investigate whether a person has violated state law or rules of the department relating to the operation of bingo, lotto or raffle games or Monte Carlo events.

(b) Inspect the records of any person who lends money to, or in any other manner finances, any licensee or applicant for any license or who receives any income or profits from the use of the license.

(2) The department or its designee may conduct investigations into the operation of any bingo, lotto or raffle game or Monte Carlo event in this state. For that purpose, the department or its designee may subpoena witnesses, compel attendance, take depositions and testimony and require the production of material relevant to the investigation.

(3) The department or its designee may hold contested case hearings which shall be subject to ORS 183.413 to 183.470, subject to review as provided under ORS 183.480 to 183.490.

(4) Upon failure to obey a subpoena or to answer questions asked by the department's designee and upon reasonable notice to all persons affected, the department may apply to the circuit court for an order compelling compliance.

(5) Hearings regarding suspension, revocation or denial of bingo, lotto, raffle or Monte Carlo event licenses or permits shall be conducted by an administrative law judge assigned from the Office of Administrative Hearings established under ORS 183.605. The administrative law judge may administer oaths and conduct the hearings as provided in ORS 183.413 to 183.470. [1987 c.914 §18; 1997 c.867 §15; 1999 c.849 §§90,91; 2003 c.75 §38]

464.510 Regulation of rent; inspection of premises and records; rules; reports. (1) The Department of Justice may prohibit the operation of a licensed bingo, lotto, raffle or Monte Carlo event operation if, in the determination of the department, the rent for the premises on which the operation is conducted, or the fees for Monte Carlo event services or equipment by a supplier of gaming equipment, are unreasonably high. Rent may not be paid, either in whole or in part on the basis of a percentage of the receipts or profits derived from the bingo, lotto, raffle or Monte Carlo event operation. The department may by rule establish additional standards of suitability for premises used in the conduct of bingo, lotto, raffles or Monte Carlo events.

(2) As used in subsection (1) of this section, "unreasonably high" means that the price charged for the space, equipment or services is significantly above the fair mar-

ket value for the space, equipment or services and the amount charged for the space, equipment or services will result in a comparatively small profit for the licensee.

(3) Rent may not be paid to a related taxpayer, as that term is defined in Section 1239 of the Internal Revenue Code as amended and in effect on December 31, 1996.

(4) An organization conducting a bingo, lotto, raffle or Monte Carlo event operation shall keep such records of the operation as required by the Department of Justice.

(5) The premises on which the operation is conducted and all records required by the department shall be subject to inspection and audit at any reasonable time, with or without notice, upon demand by the department or its designee or the district attorney for the county in which the operation is conducted or the district attorney's designee. The records shall be subject to inspection and audit also by the Superintendent of State Police or the superintendent's designee and by the sheriff of the county in which the operation is conducted or the chief of police of the city in which the operation is conducted, or the designee of either, for the purpose of determining compliance or noncompliance with state law and the rules of the department.

(6) As used in this section, "reasonable time" for inspection of records includes but is not limited to:

(a) If the records are located anywhere upon premises, a portion of which are regularly open to the public or to members and guests, anytime that the premises are open for business, whether or not bingo, lotto, raffles or Monte Carlo events are being conducted at that time; and

(b) If the records are not located upon premises described in paragraph (a) of this subsection, then anytime between the hours of 8 a.m. and 9 p.m., Monday through Friday.

(7) The operator of a bingo, lotto, raffle or Monte Carlo event operation shall provide to the department, at such reasonable intervals as the department may determine, reports detailing all receipts and disbursements in connection with the bingo, lotto, raffle or Monte Carlo event operation, together with such other reasonable information as the department may require in order to determine whether the operation complies with the provisions of state law and rules of the department relating to the operation of bingo, lotto, raffles or Monte Carlo events. [1987 c.914 §17(2) to (7); 1989 c.171 §95; 1997 c.839 §68; 1997 c.867 §16; 2003 c.417 §4]

464.520 Injunctive relief; when other licenses may be voided; investigation of off-race course mutuel wagering applicant or licensee. (1) A bingo, lotto or raffle game or Monte Carlo event conducted in violation of state gambling law or in violation of rules adopted by the Department of Justice may be enjoined in an action commenced by:

(a) The department;

(b) The district attorney of the county in which the game is conducted;

(c) The governing body of any county in which the game is conducted; or

(d) The governing body of any city in which the game is conducted.

(2) When a violation of state law relating to the conduct of bingo, lotto or raffle games or Monte Carlo events, or a violation of any rule of the department relating thereto, occurs on premises for which a license, permit or certificate issued by this state, or by a political subdivision or public agency of this state, is in effect, any such license, permit or certificate may be voided by the issuing authority. No license, permit or certificate so voided shall be issued or reissued for the premises for a period of at least 60 days thereafter.

(3) The Department of Justice or its designee may conduct investigations into the operation of any off-race course mutuel wagering applicant or licensee. For that purpose, the department may subpoena witnesses, compel attendance, take depositions and testimony and require the production of material relevant to the investigation. [1987 c.914 §19; 1997 c.867 §17]

464.530 Jurisdiction of Circuit Court for Marion County; liability of department personnel. (1) No trial court of the State of Oregon other than the Circuit Court of Marion County shall have jurisdiction over any action or proceeding against the Department of Justice or any employee of the department, for anything done, omitted to be done in or arising out of the performance of the duties of the department.

(2) Neither the department nor any employee thereof shall be personally liable in any action for damages sustained by any person because of any act done or omitted by the department, or any employee of the department, in the performance of the duties of the department. [1987 c.914 §15]

PENALTIES

464.990 [Repealed by 1967 c.344 §10]

464.995 Penalties. (1) A person who, in applying for a license from the Department of Justice under ORS 167.118, 464.250 to 464.380, 464.420 and 464.450 to 464.530, or in any book or record required to be maintained by the department, or in any report required to be submitted to the department under

ORS 167.117 and 167.118 and this chapter, makes any false or misleading statement or entry, or who willfully fails to maintain or make any entry required to be maintained or made, or who willfully refuses to produce for inspection by the department or its designee, any book, record or document required to be maintained or made by federal or state law, commits a Class A misdemeanor.

(2) Except as otherwise provided by law, violation of any provision of ORS 167.117 or 167.118 or this chapter or any rules of the Department of Justice adopted pursuant thereto, by any licensee or permit holder of the department, is a Class A misdemeanor and grounds for suspension or revocation of the license or permit of the violator. [1987 c.914 §§22,24]