FIRST ENGROSSMENT

Fifty-seventh Legislative Assembly of North Dakota

## ENGROSSED HOUSE BILL NO. 1089

Introduced by

**Judiciary Committee** 

(At the request of the State Gaming Commission)

- 1 A BILL for an Act to create and enact a new subsection to section 12.1-30-03 and a new
- 2 section to chapter 50-06 of the North Dakota Century Code, relating to businesses allowed to
- 3 operate on Sunday and compulsive gambling services; to amend and reenact section
- 4 53-06.1-01, subsections 3 and 4 of section 53-06.1-01.1, subsections 1 and 4 of section
- 5 53-06.1-03, subsections 1, 3, and 5 of section 53-06.1-06, sections 53-06.1-07.2, 53-06.1-07.4,
- 6 and 53-06.1-10, subsection 2 of section 53-06.1-11.1, subsections 1 and 2 of section
- 7 53-06.1-14, subsections 3 and 8 of section 53-06.1-15.1, and subsection 2 of section
- 8 53-06.1-16 of the North Dakota Century Code, relating to games of chance; to repeal section
- 9 53-06.1-18 of the North Dakota Century Code, relating to compulsive gambling services; and to
- 10 declare an emergency.

## 11 BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. A new subsection to section 12.1-30-03 of the North Dakota Century
Code is created and enacted as follows:

- Bingo halls and onsite food concessions between the hours of twelve midnight and
  three a.m. and within the hours permitted under section 12.1-30-02.
- SECTION 2. A new section to chapter 50-06 of the North Dakota Century Code is
   created and enacted as follows:
- 18 Compulsive gambling prevention, awareness, crisis intervention, rehabilitation,
- 19 and treatment services. The department of human services shall contract with qualified
- 20 treatment service providers for the development and implementation of a program for gambling
- 21 prevention, awareness, crisis intervention, rehabilitation, financial counseling, and mental
- 22 <u>health treatment services. The program may provide outpatient services, partial care services,</u>
- 23 aftercare services, intervention services, financial counseling services, consultation services, or
- 24 other forms of preventive, rehabilitative, or treatment services for compulsive gamblers. An

1	individual w	ho provides treatment services must meet the minimum standards for certification					
2	as a gambling counselor as established by the national council on problem gambling and be a						
3	mental health professional as defined in section 25-03.1-02. An individual who provides						
4	financial counseling services must be a certified consumer credit counselor with an accredited						
5	financial counseling agency. The department of human services may establish a sliding						
6	payment so	cale for services under the program. The department of human services may					
7	<u>establish a</u>	centrally located repository of educational materials on identifying and treating					
8	<u>compulsive</u>	gambling. Any service fee collected by qualified treatment service providers for					
9	services pr	ovided under the contract must be applied toward the program's compulsive					
10	gambling s	ervices. The term "qualified treatment service provider" means an entity based in					
11	North Dako	ta which is experienced in and capable of delivering compulsive gambling					
12	education,	prevention, awareness, crisis intervention, rehabilitation, financial counseling, and					
13	mental hea	Ith treatment services as defined by the department of human services. The term					
14	<u>"compulsive</u>	e gambler" means an individual who is chronically and progressively preoccupied					
15	with gambli	ng and the urge to gamble and with gambling behavior that compromises, disrupts,					
16	6 or damages personal, family, or vocational pursuits.						
17	SEC	CTION 3. AMENDMENT. Section 53-06.1-01 of the North Dakota Century Code is					
18	amended a	nd reenacted as follows:					
19	53-0	06.1-01. Definitions. As used in this chapter:					
20	1.	"Adjusted gross proceeds" means gross proceeds less cash prizes, cost of					
21		merchandise prizes, sales tax on bingo cards, pull tab excise tax, and federal					
22		excise tax imposed under section 4401 of the Internal Revenue Code [26 U.S.C.					
23		4401].					
24	2.	"Charitable organization" means an organization whose primary purpose is for					
25		relief of poor, distressed, underprivileged, diseased, elderly, or abused persons,					
26		prevention of cruelty to children or animals, or similar condition of public concern.					
27	3.	"Civic and service organization" means an organization whose primary purpose is					
28		to promote the common good and social welfare of a community as a sertoma,					
29		lion, rotary, jaycee, kiwanis, or similar organization.					
30	4.	"Closely related organization" means an organization that controls, is controlled by,					
31		or is under common control with another organization. Control exists when an					

1		organization has the authority or ability to elect, appoint, or remove a majority of
2		the officers or directors of another organization or, by policy, contract, or otherwise,
3		has the authority or ability to directly or indirectly direct or cause the direction of the
4		management or policies of another organization.
5	5.	"Compulsive gambler" means an individual who is chronically and progressively
6		preoccupied with gambling and the urge to gamble and with gambling behavior
7		that compromises, disrupts, or damages personal, family, or vocational pursuits.
8	<del>6.</del>	"Distributor" means a person that sells, markets, or distributes equipment usable in
9		the conduct of games.
10	<del>7.</del> <u>6.</u>	"Educational organization" means a nonprofit public or private elementary or
11		secondary school, two-year or four-year college, or university.
12	<del>8.</del> <u>7.</u>	"Eligible organization" means a veterans, charitable, educational, religious,
13		fraternal, civic and service, public safety, or public-spirited organization domiciled
14		in North Dakota, incorporated as a nonprofit organization, and which has been
15		actively fulfilling its primary purpose within this state during the two immediately
16		preceding years. However, an educational organization does not need to be
17		incorporated. An organization's primary purpose may not involve the conduct of
18		games. The organization may be issued a license by the attorney general.
19	<del>9.</del> <u>8.</u>	"Fraternal organization" means an organization, except a school fraternity, which is
20		a branch, lodge, or chapter of a national or state organization and exists for the
21		common business, brotherhood, or other interests of its members. The
22		organization must have qualified for exemption from federal income tax under
23		section 501(c)(8) or 501(c)(10) of the Internal Revenue Code.
24	<del>10.</del> <u>9.</u>	"Games" means games of chance.
25	<del>11.</del> <u>10.</u>	"Gross proceeds" means all cash and checks received from conducting games,
26		sales tax on bingo cards, and admissions.
27	<del>12.</del> <u>11.</u>	"Licensed organization" means an eligible organization licensed by the attorney
28		general.
29	<del>13.</del> <u>12.</u>	"Local permit" means a permit issued by a governing body of a city or county to a
30		nonprofit organization or group of people domiciled in North Dakota by a governing
31		body of a city or county.

1	<del>14.</del>	<u>13.</u>	"Manufacturer" means, for a pull tab or bingo card, a person who designs, prints,
2			assembles, or produces the product. For a pull tab or bingo card dispensing
3			device or bingo card marking device, a manufacturer means the person who
4			directly controls and manages development of and owns the rights to the
5			proprietary software encoded on a processing chip that enables the device to
6			operate.
7	<del>15.</del>	<u>14.</u>	"Net proceeds" means adjusted gross proceeds less allowable expenses and
8			gaming tax.
9	<del>16.</del>	<u>15.</u>	"Person" means any person, partnership, corporation, limited liability company,
10			association, or organization.
11	<del>17.</del>	<u>16.</u>	"Public safety organization" means an organization whose primary purpose is to
12			provide firefighting, ambulance service, crime prevention, or similar emergency
13			assistance.
14	<del>18.</del>	<u>17.</u>	"Public-spirited organization" means an organization whose primary purpose is for
15			scientific research, amateur sports competition, safety, literary, arts, agriculture,
16			preservation of cultural heritage, educational activities, educational public service,
17			youth, economic development, tourism, community medical care, community
18			recreation, or similar organization, which does not meet the definition of any other
19			type of eligible organization. However, a nonprofit organization or a group of
20			people recognized as a public-spirited organization by a governing body of a city or
21			county for obtaining a local permit does not need to meet this definition.
22	<u>-</u>	<del>19.</del>	"Qualified treatment service provider" means an entity based in North Dakota
23			which is experienced in and capable of delivering compulsive gambling education,
24			prevention, awareness, crisis intervention, rehabilitation, and financial counseling
25			and mental health treatment services as defined by the department of human
26			services.
27	<del>20.</del>	<u>18.</u>	"Religious organization" means a church, body of communicants, or group
28			gathered in common membership whose primary purpose is for advancement of
29			religion, mutual support and edification in piety, worship, and religious
30			observances.

21. 19. "Veterans organization" means any congressionally chartered post organization, or
any branch or lodge or chapter of a nonprofit national or state organization whose
membership consists of individuals who are or were members of the armed
services or forces of the United States. The organization must have qualified for
exemption from federal income tax under section 501(c)(19) of the Internal
Revenue Code.

7 SECTION 4. AMENDMENT. Subsections 3 and 4 of section 53-06.1-01.1 of the North
8 Dakota Century Code are amended and reenacted as follows:

- Commission members are entitled to forty sixty-two dollars and fifty cents per day
   for compensation for each day spent on commission duties and mileage and
   expense reimbursement as allowed to other state employees.
- 4. The commission shall adopt rules in accordance with chapter 28-32, to administer
  and regulate the gaming industry, including methods of conduct, play, and
  promotion of games; minimum procedures and standards for recordkeeping and
  internal control; requiring tax returns and reports from organizations or distributors;
  methods of competition and doing business by distributors and manufacturers;
  acquisition and use of gaming equipment; quality standards for the manufacture of
- 18 pull tabs, paper bingo cards, and pull tab and bingo card dispensing devices; to
- 19 ensure that net proceeds are <del>disbursed to</del> <u>used for</u> educational, charitable,
- patriotic, fraternal, religious, or public-spirited uses; to protect and promote the
  public interest; to ensure fair and honest games; to ensure that fees and taxes are
  paid; and to prevent and detect unlawful gambling activity.

23 SECTION 5. AMENDMENT. Subsections 1 and 4 of section 53-06.1-03 of the North
24 Dakota Century Code are amended and reenacted as follows:

 Except as authorized by the attorney general, an organization that has its license suspended or revoked, or has relinquished or not renewed its license and not disbursed its net proceeds, is ineligible for a license or local permit. Only one of two or more closely related organizations may have a license or local permit at one time. A college or university fraternity, sorority, or club is not closely related to an educational organization. An organization shall apply for a local permit as follows:

1		a.	An organization recognized as a public-spirited organization by the governing		
2			body of a city or county may apply for a local permit to conduct only raffles,		
3			bingo, or sports pools. The organization or closely related organizations as a		
4			whole may only award a primary prize that does not exceed one thousand		
5			dollars and total prizes of all games that do not exceed six thousand dollars		
6			per year. The determination of what is a "public-spirited organization" is		
7			within the sole discretion of the governing body which should in its		
8			determination consider the definition of a public-spirited organization under		
9			subsection 18 of section 53-06.1-01 and eligible uses of net proceeds under		
10			subsection 2 of section 53 06.1 11.1. A governing body may issue a local		
11			permit for games to be held at designated times and places.		
12		b.	An organization shall apply to the governing body of the city or county in		
13			which the proposed site is located. Application must be made on a form		
14			prescribed by the attorney general. Approval may be granted at the		
15			discretion of the governing body. A governing body may establish a fee not to		
16			exceed twenty-five dollars for each local permit. A local permit must be on a		
17			fiscal year basis from July first to June thirtieth or on a calendar-year basis.		
18		C.	Except for the restriction of subsection 1 of section 53-06.1-11.1, an		
19			organization that has a local permit may use gaming proceeds for any		
20			purpose that does not violate this chapter or gaming rules.		
21	4.	A lo	cal permit or site authorization and license and rules relating to the conduct		
22		and	<del>play of games</del> must be displayed at a site.		
23	SEC		<b>6.</b> AMENDMENT. Subsections 1, 3, and 5 of section 53-06.1-06 of the		
24	North Dako	ta Ce	ntury Code are amended and reenacted as follows:		
25	1.	No p	person, except a member, volunteer, an employee of a licensed organization or		
26		an o	rganization that has a local permit, or an employee of a temporary		
27		emp	loyment agency who provides services to a licensed organization, may		
28		man	age, control, or conduct any game. "Member" includes a member of an		
29		auxi	liary organization. In conducting pull tabs or bingo through a dispensing		
30		devi	ce or selling raffle tickets, the attorney general may allow an employee of an		
31		alcoholic beverage establishment to provide limited assistance to an organization.			

- 1 3. An organization shall maintain complete, accurate, and legible bank and 2 accounting records in North Dakota for all gaming activity and establish an 3 adequate system of internal control. The governing board of an eligible 4 organization is primarily responsible and may be held accountable for the proper 5 determination and <del>distribution</del> use of net proceeds. If an organization does not 6 renew its license or its license is denied, relinquished, or revoked and it has not 7 disbursed all of its net proceeds, the organization shall file an action plan as 8 prescribed by the gaming rules with the attorney general.
- 9 5. A person is restricted from being involved in gaming and the attorney general shall
  10 conduct a criminal history record check as follows:
- 11 A person who has pled guilty to or been found guilty of a felony offense a. (1) 12 as defined by the laws of this state, other states, or the federal 13 government, or has pled guilty to or been found guilty of a violation of 14 this chapter, a gaming rule, chapter 12.1-28 or 53-06.2, or offenses of 15 other states or the federal government equivalent to offenses defined in 16 these chapters, regardless of whether the person has completed or 17 received a deferred imposition of sentence, deferred prosecution, or 18 suspended sentence, may not be a licensed distributor, may not be an 19 investor in or board member or consultant to a licensed distributor, or 20 be employed by a licensed distributor to sell or distribute gaming 21 equipment, and may not be employed by a licensed organization to 22 conduct games on a site, for five years from the date of conviction, 23 release from incarceration, or expiration of parole or probation, 24 whichever is the latest.
- 25(2)Paragraph 1 does not apply if the offense to which the person pled26guilty or has been found guilty is a misdemeanor and the person has27received a deferred imposition of sentence or deferred prosecution and28has fully complied with the terms of the deferral.
- b. A person who has pled guilty to or been found guilty of a misdemeanor
  offense in violation of section 6-08-16.1 or chapter 12.1-06, 12.1-23, or
  12.1-24 or offenses of other states, the federal government, or a municipality

1 equivalent to these offenses, regardless if the person has completed or 2 received a suspended sentence, may not be a licensed distributor, may not or 3 be employed by a licensed distributor to sell or distribute gaming equipment, 4 and may not be employed by a licensed organization to conduct games on a 5 site, for two years from the date of conviction, release from incarceration, or 6 expiration of parole or probation, whichever is the latest, unless the person 7 has received a deferred imposition of sentence or deferred prosecution and 8 has fully complied with the terms of the deferral.

9 Unless an employee is exempt by the gaming rules or attorney general, the C. 10 attorney general shall conduct a criminal history record check of each 11 employee of a licensed organization or distributor and charge a fee of twenty 12 dollars. The fee may be waived by the attorney general if a federal agency or 13 local law enforcement agency has done a record check. The attorney general 14 may require advance payment of any additional fee necessary to pay the cost of a record check of a person for whom adequate background information 15 16 sources are not readily available. Instead of paying the additional fee, a 17 person may cancel the record check. The advance payment must be placed 18 in the attorney general's refund fund. The unused funds must be returned to 19 the person within thirty days of the conclusion of the record check. The 20 Unless a federal or local law enforcement agency conducts the record check, 21 the attorney general shall notify the organization or distributor and person of 22 the result. The attorney general shall keep the information confidential except 23 in the proper administration of this chapter or any gaming rule or to provide to 24 an authorized law enforcement agency.

25 **SECTION 7. AMENDMENT.** Section 53-06.1-07.2 of the North Dakota Century Code 26 is amended and reenacted as follows:

53-06.1-07.2. Poker. Poker may be conducted on not more than two occasions per
year. An organization may supply the dealer. The maximum single bet is one dollar. Not more
than three raises, of not more than one dollar each, may be made among all the players in
each round of bets. An For nontournament activity, an organization shall assess charge each
player a fee not to exceed two dollars per one-half hour of playing time, collected in advance.

A fee may be charged For a tournament, an organization shall charge each player for an entry
 into a tournament for prizes and this fee may be in place of or in addition to the fee assessable
 at one-half hour intervals and the amount of prizes may not exceed ninety percent of the gross
 proceeds.

5 **SECTION 8. AMENDMENT.** Section 53-06.1-07.4 of the North Dakota Century Code 6 is amended and reenacted as follows:

7 **53-06.1-07.4.** Paddlewheels. A paddlewheel is a mechanical vertical wheel marked 8 off into equally spaced sections that contain numbers or symbols, and which after being spun, 9 uses a pointer to indicate the winning number or symbol. The maximum price per paddlewheel 10 ticket or chip is two dollars. No money may be used as a wager. A table and chips must be 11 used to register a player's wager when a prize is a variable multiple of the wager. Otherwise, a 12 paddlewheel ticket must be used. A player may not place wagers valued at totaling more than 13 twenty dollars on each spin of the paddlewheel. Cash, chips, or merchandise prizes may be 14 awarded. No single cash prize, value of chips, or the retail value of the merchandise prize to 15 be awarded for a winning wager ticket or chip may exceed one hundred dollars.

SECTION 9. AMENDMENT. Section 53-06.1-10 of the North Dakota Century Code is
 amended and reenacted as follows:

18 **53-06.1-10.** Twenty-one. No money may be used as a wager. The organization shall 19 provide playing chips of various denominations to players. The maximum limit per wager may 20 be set by the organization at not more than five dollars and original wagers in increments of 21 one dollar must be accepted up to the maximum limit. A player may not play more than two 22 hands at the same time. Only the player actually playing a hand may place a wager on any 23 hand. Each player plays the player's hand against the dealer's hand. Any requirement to pool 24 tips is within the sole discretion of each organization. Except for a site that has twenty-one 25 gross proceeds averaging less than ten thousand dollars per guarter, an organization may not 26 conduct twenty-one at the site with wagers exceeding two dollars unless the organization has 27 first installed video surveillance equipment as required by rules and the equipment is approved 28 by the attorney general.

SECTION 10. AMENDMENT. Subsection 2 of section 53-06.1-11.1 of the North
 Dakota Century Code is amended and reenacted as follows:

1	2.	A lic	A licensed organization shall disburse net proceeds within the period prescribed by			
2		rule	rule and for only these educational, charitable, patriotic, fraternal, religious, or			
3		pub	public-spirited uses:			
4		a.	Uses	for stimulating and promoting state and community-based economic		
5			deve	lopment programs within the state which improve the quality of life of		
6			comr	munity residents.		
7		b.	Uses	for developing, promoting, and supporting tourism within a city, county,		
8			or the	e state.		
9		C.	Uses	benefiting an indefinite number of persons by bringing them under the		
10			influe	ence of education, cultural programs, or religion which include		
11			disbu	ursements to provide:		
12			(1)	Scholarships for students, if the disbursement is deposited in a		
13				scholarship fund for defraying the cost of education to students and the		
14				scholarships are awarded through an open and fair selection process.		
15			(2)	Supplementary assistance to a public or private nonprofit educational		
16				institution registered with or accredited by any state.		
17			(3)	Assistance to libraries and museums.		
18			(4)	Assistance for the performing arts and humanities.		
19			(5)	Preservation of cultural heritage.		
20			(6)	Youth community, social welfare, and athletic activities.		
21			(7)	Adult amateur athletic activities within the state, including uniforms and		
22				equipment.		
23			(8)	Maintenance of places of public worship or support of a body of		
24				communicants, gathered in common membership for mutual support		
25				and edification in piety, worship, or religious observances.		
26			(9)	Scientific research.		
27		d.	Uses	benefiting an indefinite number of persons by relieving them of disease,		
28			suffe	ring, or constraint which include disbursements to provide:		
29			(1)	Assistance to an individual or family suffering from poverty or		
30				homelessness.		

1		(2)	Encouragement and enhancement of the active participation of the
2			elderly in our society.
3		(3)	Services to the abused.
4		(4)	Services to persons with an addicted behavior toward alcohol,
5			gambling, or drugs.
6		(5)	Funds to combat juvenile delinquency and rehabilitate ex-offenders.
7		(6)	Relief for the sick, diseased, and terminally ill and their physical
8			well-being.
9		(7)	Funds for emergency relief and volunteer services.
10		(8)	Funds to nonprofit nursing homes, nonprofit day care centers, and
11			nonprofit medical facilities.
12		(9)	Social services and education programs aimed at aiding emotionally
13			and physically distressed, handicapped, elderly, and underprivileged
14			persons.
15		(10)	Funds for crime prevention, fire protection and prevention, and public
16			safety.
17		(11)	Funds to relieve, improve, and advance the physical and mental
18			conditions, care and medical treatment, and health and welfare of
19			injured or disabled veterans.
20	e.	Uses	that perpetuate the memory and history of the dead.
21	f.	Uses	increasing comprehension of and devotion to the principles upon which
22		the n	ation was founded, not of direct benefit to the eligible organization or any
23		mem	ber thereof which include disbursements to aid in teaching the principles
24		of lib	erty, truth, justice, and equality. However, beauty pageants do not
25		quali	fy.
26	g.	The e	erection or maintenance of public buildings, <u>facilities</u> , utilities, or
27		wate	rworks.
28	h.	Uses	lessening the burden of government which include disbursements to an
29		entity	that is normally funded by a city, county, state, or United States
30		gove	rnment and disbursements directly to a government entity or its agency.

1	i.	Uses	s benefiting a definite number of persons who are the victims of loss of
2		hom	e or household possessions through explosion, fire, flood, or storm and
3		the lo	oss is not covered by insurance.
4	j.	Uses	s benefiting a definite number of persons suffering from a seriously
5		disat	oling disease or injury causing severe loss of income or incurring
6		extra	ordinary medical expense which is not covered by insurance.
7	k.	Uses	s, for community service projects, by chambers of commerce exempt
8		from	federal income tax under section 501(c)(6) of the Internal Revenue
9		Code	e. A project qualifies if it develops or promotes public services, including
10		educ	ation, housing, transportation, recreation, crime prevention, fire
11		prote	ection and prevention, safety, tourism, and health. Uses that directly
12		bene	fit a chamber of commerce do not qualify.
13	I.	Uses	s for or of benefit to efforts in support of the health, comfort, or well-being
14		of the	e community which include disbursements to provide:
15		(1)	Funds for adult bands, including drum and bugle corps.
16		(2)	Funds for trade shows and conventions conducted in this state.
17		(3)	Funds for nonprofit organizations that operate a humane society, zoo,
18			or fish or wildlife reproduction and habitat enhancement program.
19		(4)	Funds for public transportation, community celebration, and recreation.
20		(5)	Funds for preservation and cleanup of the environment.
21	m.	To th	ne extent net proceeds are used toward the primary purpose of a
22		chari	itable, educational, religious, public safety, or public-spirited organization,
23		or ar	e used for a veterans or public cemetery by a veterans organization, that
24		has o	obtained a final determination from the internal revenue service as
25		quali	fying for exemption from federal income tax under section 501(c)(3) or
26		501(	c)(19) of the Internal Revenue Code, the organization may establish a
27		spec	ial trust fund or foundation as a contingency for funding or maintaining
28		the c	organization's future program services should the organization
29		disco	ontinue conducting games or dissolve.

1n.Uses for a fundraising activity unrelated to an organization's program services2provided that the gross revenue from the activity is disbursed to uses3prescribed by this subsection.

SECTION 11. AMENDMENT. Subsections 1 and 2 of section 53-06.1-14 of the North
Dakota Century Code are amended and reenacted as follows:

- 6 A manufacturer of pull tabs, bingo cards, bingo card marking devices, or pull tab 1. 7 dispensing devices and a distributor shall apply annually for a license upon a form 8 prescribed by the attorney general before the first day of April in each year and pay 9 a license fee of four thousand dollars. The license fee for a A distributor is shall 10 apply annually for a license and pay a license fee of one thousand five hundred 11 dollars. The license fee for a manufacturer is four thousand dollars. Application 12 must be made on a form prescribed by the attorney general before the first day of 13 April in each year.
- 14 A licensed distributor may not sell, market, or distribute gaming equipment except 2. 15 to a licensed distributor, licensed organization, organization that has a local permit, 16 or other person authorized by gaming rule or the attorney general. A manufacturer 17 of a pull tab dispensing device, pull tab, bingo card marking device, or bingo card 18 may only sell, market, or distribute the manufacturer's pull tab dispensing device 19 and processing chip encoded with proprietary software, pull tab, bingo card 20 marking device, or bingo card to a licensed distributor. A licensed distributor may 21 purchase or acquire a pull tab dispensing device and processing chip encoded 22 with proprietary software, pull tab, bingo card marking device, or bingo card only 23 from a licensed manufacturer or licensed distributor. However, a distributor may 24 purchase or acquire a used pull tab dispensing device from a licensed 25 organization. A distributor may not duplicate a manufacturer's processing chip 26 encoded with proprietary software. No gaming equipment or prizes may be sold at 27 an excessive price.
- SECTION 12. AMENDMENT. Subsections 3 and 8 of section 53-06.1-15.1 of the
  North Dakota Century Code are amended and reenacted as follows:
- Seize and remove from a site or premises and impound any gaming equipment,
   supplies, games, or books and records for the purpose of examination and

1		insp	ection. When books or records are seized, the attorney general shall provide					
2		copi	es of those records or books within seventy two hours of a specific request by					
3		the	the organization for a copy of the books or records seized.					
4	8.	Req	uire <del>a licensed</del> or authorize an organization to pay a bingo or raffle prize to a					
5		play	er <u>on a dispute or</u> based on a factual determination or a hearing by the					
6		atto	rney general.					
7	SEC		<b>13. AMENDMENT.</b> Subsection 2 of section 53-06.1-16 of the North Dakota					
8	Century Co	de is	amended and reenacted as follows:					
9	2.	It is	unlawful for a person <del>playing or conducting a game, or otherwise</del> :					
10		a.	To use bogus or counterfeit chips or pull tabs or to substitute or use any					
11			game, cards, pull tabs, or game piece that have been marked or tampered					
12			with.					
13		b.	To employ or have on one's person any cheating device to facilitate cheating					
14			in any game, or to attempt to commit or commit a theft, or to assist in					
15			committing any other fraudulent scheme.					
16		c.	To willfully use any fraudulent scheme or technique, including when a person					
17			directly or indirectly solicits, provides, or receives inside information of the					
18			status of a game of pull tabs for the benefit of any person.					
19		d.	To alter or counterfeit a site authorization, license, or North Dakota gaming					
20			stamp.					
21		e.	To knowingly cause, aid, abet, or conspire with another person or to cause					
22			any person to violate this chapter or a gaming rule.					
23		A pe	A person violating this subsection is guilty of a class A misdemeanor unless the					
24		tota	amount gained through the use of these items, schemes, or techniques					
25		resu	lted in a person obtaining over five hundred dollars, then the offense is a					
26		clas	s C felony. However, if a person <u>knowingly</u> uses a fraudulent scheme					
27		rega	arding soliciting, providing, using, or receiving inside information involving the					
28		gam	e of pull tabs or uses a fraudulent scheme or technique to cheat or skim					
29		invo	lving pull tabs, twenty-one, paddlewheels, or bingo, regardless of the amount					
30		gain	ed, the offense is a class C felony.					

## 1 SECTION 14. REPEAL. Section 53-06.1-18 of the North Dakota Century Code is

- 2 repealed.
- 3 **SECTION 15. EMERGENCY.** This Act is declared to be an emergency measure.