

Fifty-ninth
Legislative Assembly
of North Dakota

ENGROSSED HOUSE BILL NO. 1461

Introduced by

Representatives Weiler, Iverson, Kasper, S. Kelsh, Thoreson

Senator Kringstad

1 A BILL for an Act to amend and reenact sections 53-06.1-07.2 and 53-06.1-11 of the North
2 Dakota Century Code, relating to poker and rent limits.

3 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

4 **SECTION 1. AMENDMENT.** Section 53-06.1-07.2 of the North Dakota Century Code
5 is amended and reenacted as follows:

6 **53-06.1-07.2. Poker.** ~~Poker may be conducted on not more than two occasions per~~
7 ~~year.~~ An organization ~~may~~ must supply the dealer. ~~The maximum single bet is one dollar.~~ Not
8 more than three raises, ~~of not more than one dollar each,~~ may be made among all the players
9 in each round of bets. For nontournament activity, an organization shall charge each player a
10 fee not to exceed two dollars per one-half hour of playing time, collected in advance, or collect
11 a rake of up to ten percent not to exceed five dollars per pot. For a tournament, an
12 organization shall charge each player an entry fee and the ~~amount of prizes may not exceed~~
13 ~~ninety percent~~ organization must retain at least ten percent of the gross proceeds. Games
14 played against the house must base the player's return on a predetermined pay schedule. The
15 organization shall provide playing chips of various denominations. The maximum limit per
16 wager may be set by the organization at no more than twenty-five dollars and original wagers in
17 increments of one dollar must be accepted up to the maximum limit. However, if there is more
18 than one table that is active at a site, the organization may set a minimum wager on no more
19 than one-half of the active tables. An organization may not conduct poker at a site unless the
20 organization has first installed video surveillance equipment as required by rules and the
21 equipment is approved by the attorney general.

22 **SECTION 2. AMENDMENT.** Section 53-06.1-11 of the North Dakota Century Code is
23 amended and reenacted as follows:

24 **53-06.1-11. Gross proceeds - Allowable expenses - Rent limits.**

1. All money received from games must be accounted for according to the gaming rules. Gaming activity for a quarter must be reported on a tax return form prescribed by the attorney general. Unless otherwise authorized by the attorney general, the purchase price of a merchandise prize must be paid from a gaming bank account by check. No check drawn from a gaming or trust bank account may be payable to "cash" or a fictitious payee. A cash prize that exceeds an amount set by rule must be accounted for by a receipt prescribed by the gaming rules.
2. Allowable expenses may be deducted from adjusted gross proceeds. The allowable expense limit is fifty-one percent of the first two hundred thousand dollars of adjusted gross proceeds per quarter and forty-five percent of the adjusted gross proceeds in excess of two hundred thousand dollars per quarter. In addition, an organization may deduct as an allowable expense:
 - a. Two and one-half percent of the gross proceeds of pull tabs.
 - b. Capital expenditures for security or video surveillance equipment used for controlling games if the equipment is required by section 53-06.1-10 or authorized by rule, and it is approved by the attorney general.
 - c. If an organization's total actual expenses exceed the allowable expenses provided by this subsection, the organization may also deduct the expenses up to two additional percent of the first two hundred thousand dollars of adjusted gross proceeds per quarter.
3. Cash shorts incurred in games and interest and penalty are classified as expenses.
4. For a site where bingo is conducted:
 - a. Except under subdivision c, if bingo is the primary game, the monthly rent must be reasonable.
 - b. If bingo is not the primary game, but is conducted with twenty-one, poker, paddlewheels, or pull tabs, no additional rent is allowed.
 - c. If bingo is conducted through a dispensing device and no other game is conducted, the monthly rent may not exceed two hundred seventy-five dollars.
5. For a site where bingo is not the primary game:

- 1 a. If twenty-one, poker, or paddlewheels is conducted, the monthly rent may not
2 exceed two hundred dollars multiplied by the necessary number of tables
3 based on criteria prescribed by gaming rule. For each twenty-one or poker
4 table with a wager greater than five dollars, an additional amount up to one
5 hundred dollars may be added to the monthly rent. If pull tabs is also
6 conducted involving a jar bar or dispensing device, but not both, the monthly
7 rent for pull tabs may not exceed an additional one hundred seventy-five
8 dollars. If pull tabs is conducted involving both a jar bar and dispensing
9 device, the monthly rent for pull tabs may not exceed an additional two
10 hundred dollars.
- 11 b. If twenty-one, poker, and paddlewheels are not conducted but pull tabs is
12 conducted involving a jar bar or dispensing device, but not both, the monthly
13 rent may not exceed two hundred seventy-five dollars. If pull tabs is
14 conducted involving both a jar bar and dispensing device, the monthly rent for
15 pull tabs may not exceed three hundred dollars.