

Sixty-first
Legislative Assembly
of North Dakota

HOUSE BILL NO.

Introduced by

Representative Wrangham

1 A BILL for an Act to amend and reenact subsection 1 of section 53-06.1-03 of the North Dakota
2 Century Code, relating to local permits and charity local permits.

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

4 **SECTION 1. AMENDMENT.** Subsection 1 of section 53-06.1-03 of the North Dakota
5 Century Code is amended and reenacted as follows:

- 6 1. Except as authorized by the attorney general, an organization that has its license
7 suspended or revoked, or has relinquished or not renewed its license and not
8 disbursed its net proceeds, is ineligible for a license or permit. Only one of two or
9 more closely related organizations may have a license or permit at one time. A
10 college or university fraternity, sorority, or club is not closely related to an
11 educational organization. An organization shall apply for a permit as follows:
- 12 a. An organization recognized as a public-spirited organization by the governing
13 body of a city or county may apply for a local permit to conduct only raffles,
14 bingo, or sports pools, or a charity local permit to conduct only raffles, bingo,
15 sports pools, paddlewheels, twenty-one, and poker. The organization or
16 closely related organizations as a whole may only award a primary prize that
17 does not exceed ~~two six~~ six thousand ~~five hundred~~ dollars, except that no raffle
18 cash prize may exceed the limits of section 53-06.1-10.1, and total prizes of
19 all games that do not exceed twelve thousand dollars per year. The
20 determination of what is a "public-spirited organization" is within the sole
21 discretion of the governing body. An organization shall disclose on the
22 application its intended use of the net income from the gaming activity. A
23 governing body may issue a permit for games to be held at designated times
24 and places.

- 1 b. An organization shall apply to the governing body of the city or county in
2 which the proposed site is located. Application must be made on a form
3 prescribed by the attorney general. Approval may be granted at the discretion
4 of the governing body. A governing body may establish a fee not to exceed
5 twenty-five dollars for each permit. A permit must be on a fiscal year basis
6 from July first to June thirtieth or on a calendar-year basis.
- 7 c. Except for the restriction of subsection 1 of section 53-06.1-11.1, an
8 organization that has a local permit may use the net income from the gaming
9 activity for any purpose that does not violate this chapter or gaming rules.
- 10 d. An organization that has a charity local permit is restricted to one event per
11 year and:
- 12 (1) May not pay remuneration to employees for personal services;
13 (2) Shall use chips as wagers;
14 (3) Shall redeem a player's chips for merchandise prizes or cash;
15 (4) Shall disburse net income to eligible uses referenced by subsection 2 of
16 section 53-06.1-11.1; and
17 (5) Shall file a report prescribed by the attorney general with the governing
18 body and attorney general.