

HOUSE BILL NO. 1238

Introduced by

Representative Kretschmar

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 authorized charitable gaming under a charity local permit.

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 more
9 closely related organizations may have a license or permit at one time. A college or
10 university fraternity, sorority, or club is not closely related to an educational
11 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, bingo,
14 or sports pools, or a charity local permit to conduct only raffles, bingo, sports
15 pools, paddlewheels, twenty-one, and poker. The organization or closely related
16 organizations as a whole may only award a primary prize that does not exceed
17 six thousand dollars, except that a raffle cash prize may not exceed the limits of
18 section 53-06.1-10.1, and total prizes of all games do not exceed twelve
19 thousand dollars per year. These maximum prize amounts do not apply to raffles
20 conducted under chapter 20.1-08. The determination of what is a "public-spirited
21 organization" is within the sole discretion of the governing body. An organization
22 shall disclose on the application its intended use of the net income from the
23 gaming activity. A governing body may issue a permit for games to be held at
24 designated times and places.

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