

**Senate Judiciary Committee
House Bill No. 1152
Relating to Poker Runs
March 1, 2023, Peace Garden**

My name is Deb McDaniel, I am the Director of Gaming for the Office of Attorney General. I am here in opposition to House Bill 1152.

As written this bill would exempt any person or group claiming to conduct a poker run (person who aids, organizations or participates) from criminal code 12.1-28-02, Gambling and related offenses.

Gambling is any activity in which a person pays for a chance to win a prize. Three factors for gaming are consideration, chance, and prize.

This bill would allow for any person or group who conduct a poker run (person that aids, organizes, engages, or participates) to conduct without a permit. There would be no notification to the state or local jurisdictions that the activity is taking place, no requirement for charitable purposes, and since exempt from the criminal code could also conduct lotteries, slot machines, and other activity without regulation.

Chapter 53-06.1-03(1)(a) allows an organization to receive a restricted event permit to conduct raffles, bingo, sports pools, paddlewheels, twenty-one and poker. The maximum prize amounts may only award a primary prize that does not exceed eight thousand dollars and total prizes of all games do not exceed forty thousand dollars per year. Permits are received from the governing body of the city or county in which the proposed site is located. A governing body may establish a fee not to exceed twenty-five dollars for each permit.

Poker is permitted in chapter 53-06.1-07.2.

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. For nontournament activity, an organization shall charge each player a fee not to exceed two dollars per one-half hour of playing time, collected in advance. For a tournament, an organization shall charge each player an entry fee and the amount of prizes may not exceed ninety percent of the gross proceeds.

The administrative rule for poker is located under NDAC 99-01.3-09. I have also attached the Guideline for Poker Runs for your review.

There are laws and regulations to conduct Poker Runs and to keep the activity consistent and regulated effectively. This bill as written would allow poker runs without regulation, restriction, or requirements.

Office of Attorney General
Gaming Division

Guideline for Poker Runs
January 2006

Definition:

A poker run is an event conducted by a licensed charitable organization or an organization recognized by a city or county for a charity local permit. Each participant in the event follows a charted course, stopping at five to seven checkpoints along the route to pick up a single playing card. Upon all participants arrival at the final checkpoint a showdown of the poker hands is conducted and prizes are awarded.

Guideline:

1. Poker runs are limited to not more than two occasions per year for a licensed organization (NDCC 53-06.1-07.2 Poker) and not more than one event per year for a charity local permit (NDCC 53-06.1-03(1)(d) Permits, site authorizations, and licenses).
2. A licensed organization must have a site authorization or a charity local permit must be issued for the specific location at which the poker hands are valued (showdown) and a determination is made of the winning hand. The site authorization must not prohibit the conduct of poker.
3. No site authorization or charity local permit is required at checkpoints prior to the final location where the showdown of hands is conducted.
4. The maximum allowable cost is \$18 for a five-card game or \$26 for a seven-card game. (Amounts are based on a blind bet, ante, maximum single bet of \$1, and not more than three raises, of not more than \$1 each, for each round of bets.)
5. Each player in the poker run must be registered.
6. Two employees or volunteers must be present at each checkpoint to ensure that a card is issued to each player in a fair manner.
7. An organization must, after the showdown, cross-check the winning player's cards to the specific cards that were issued and recorded at the checkpoints as being issued.
8. The winning player must be present when the showdown occurs and the prizes are awarded.
9. A licensed organization may voluntarily donate net proceeds to an organization that provides volunteer assistance during the poker run provided that that the donation is not a condition for providing these services.
10. The amount of prizes for a poker run may not exceed 90% of the gross proceeds collected.