

Sixty-ninth
Legislative Assembly
of North Dakota

**SENATE BILL NO. 2035
with House Amendments**

SENATE BILL NO. 2035

Introduced by

Legislative Management

(Judiciary Committee)

1 A BILL for an Act to amend and reenact subsections 7 and 21 of section 53-06.1-01,
2 subdivision a of subsection 1 of section 53-06.1-03, subsection 2 of section 53-06.1-10.1, and
3 subdivision c of subsection 2 of section 53-06.1-11.1 of the North Dakota Century Code, relating
4 to the definitions of an educational organization and public-spirited organization, and raffles; and
5 to provide for application.

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

7 **SECTION 1. AMENDMENT.** Subsections 7 and 21 of section 53-06.1-01 of the North
8 Dakota Century Code are amended and reenacted as follows:

- 9 7. "Educational organization" means a nonprofit public or private elementary or
10 secondary school, two-year or four-year college, or university. The term includes a
11 collegiate athletic organization and an educational public service organization when
12 providing educational activities.
- 13 21. "Public-spirited organization" means an organization ~~whose~~the primary purpose of
14 which is for scientific research, ~~amateur sports competition,~~ safety, ~~literary literature,~~
15 arts, preservation of cultural heritage, ~~educational activities,~~ ~~educational public service,~~
16 youth, economic development, ~~tourism,~~support of a designated convention center or
17 visitor bureau, or community medical care, ~~community recreation,~~ or similar
18 organization, ~~which does not meet the definition of any other type of eligible~~
19 ~~organization.~~ However, a domestic nonprofit organization or a group of people
20 recognized as a public-spirited organization by a governing body of a city or county for
21 obtaining a permit does not need to meet this definition. The term does not include a

1 nonprofit club, association, or organization, the primary purpose of which is to provide
2 a direct benefit to its officers or members.

3 **SECTION 2. AMENDMENT.** Subdivision a of subsection 1 of section 53-06.1-03 of the
4 North Dakota Century Code is amended and reenacted as follows:

5 a. ~~An organization recognized as a~~ A domestic nonprofit public-spirited organization
6 or group of people recognized by the governing body of a city or county may
7 apply for permits. A local permit may allow the organization to conduct only
8 raffles, bingo, or sports pools. A restricted event permit may allow the
9 organization to conduct only raffles, bingo, sports pools, paddlewheels,
10 twenty-one, and poker. The organization or closely related organizations as a
11 whole may only award a primary prize that does not exceed eight thousand
12 dollars and total prizes of all games do not exceed forty thousand dollars per
13 year. These maximum prize amounts do not apply to raffles conducted under
14 chapter 20.1-08. The determination of what is a domestic nonprofit
15 "public-spirited organization" is within the sole discretion of the governing body.
16 An organization shall disclose on the application its intended use of the net
17 income from the gaming activity. A governing body may issue a permit for games
18 to be held at designated times and places.

19 **SECTION 3. AMENDMENT.** Subsection 2 of section 53-06.1-10.1 of the North Dakota
20 Century Code is amended and reenacted as follows:

21 2. The maximum cash prize limits of this section do not apply to a ~~public-spirited~~ an
22 educational organization that supports amateur collegiate athletics.

23 **SECTION 4. AMENDMENT.** Subdivision c of subsection 2 of section 53-06.1-11.1 of the
24 North Dakota Century Code is amended and reenacted as follows:

25 c. Uses benefiting an indefinite number of persons by bringing them under the
26 influence of education, cultural programs, or religion which include disbursements
27 to provide:
28 (1) Scholarships for students, if the disbursement is deposited in a scholarship
29 fund for defraying the cost of education to students and the scholarships are
30 awarded through an open and fair selection process.

- 1 (2) Supplementary assistance to a public or private nonprofit educational
- 2 institution registered with or accredited by any state.
- 3 (3) Assistance to libraries and museums.
- 4 (4) Assistance for the performing arts and humanities.
- 5 (5) Preservation of cultural heritage.
- 6 (6) Youth community, youth athletic, and social welfare, ~~and athletic activities.~~
- 7 (7) ~~Adult amateur athletic activities within the state, including team uniforms~~
- 8 ~~and equipment.~~
- 9 ~~(8)~~ Maintenance of places of public worship or support of a body of
- 10 communicants, gathered in common membership for mutual support and
- 11 edification in piety, worship, or religious observances.
- 12 ~~(9)~~(8) Scientific research.

13 **SECTION 5. APPLICATION.** This Act applies to an eligible organization applying for or
14 renewing a license after the effective date of this Act.