

SPORTS AND AMUSEMENTS

CHAPTER 466

SENATE BILL NO. 2334

(Senators Gerhardt, Barta, Meyer)
(Representatives Koppelman, Rohr)

AN ACT to amend and reenact subsection 2 of section 53-06.1-01 of the North Dakota Century Code, relating to the definition of alcoholic beverage establishment for purposes of conducting gaming; and to provide for a legislative management study.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Subsection 2 of section 53-06.1-01 of the North Dakota Century Code is amended and reenacted as follows:

2. "Alcoholic beverage establishment" means an establishment licensed under section 5-01-21 or chapter 5-02 where alcoholic beverages are sold, dispensed, and consumed by guests on the premises. The term does not include a liquor store, gas station, grocery store, or convenience store.

SECTION 2. LEGISLATIVE MANAGEMENT STUDY - OWNERSHIP OF ALCOHOLIC BEVERAGE ESTABLISHMENTS BY CHARITABLE GAMING ORGANIZATIONS.

1. During the 2025-26 interim, the legislative management shall consider studying the ownership of alcoholic beverage establishments by licensed charitable gaming organizations. The study must include:
 - a. The prevalence of the ownership of alcoholic beverage establishments by licensed charitable gaming organizations;
 - b. The process of obtaining ownership of alcoholic beverage establishments, including the use of subsidiaries, partnerships, and organizations;
 - c. The benefits and detriments of licensed charitable gaming organizations owning alcoholic beverage establishments; and
 - d. The interaction between gaming manufacturers and distributors and licensed charitable gaming organizations.
2. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the seventieth legislative assembly.

Approved April 16, 2025

Filed April 16, 2025

CHAPTER 467

HOUSE BILL NO. 1192

(Representatives Frelich, Bahl, Grueneich, J. Johnson, Wagner)
(Senators Burckhard, Klein, Meyer)

AN ACT to amend and reenact subdivision a of subsection 1 of section 53-06.1-03 of the North Dakota Century Code, relating to the limitation on the value of a primary prize a permitted organization conducting gaming may award.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

²⁰⁰ **SECTION 1. AMENDMENT.** Subdivision a of subsection 1 of section 53-06.1-03 of the North Dakota Century Code is amended and reenacted as follows:

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

Approved March 17, 2025

Filed March 18, 2025

²⁰⁰ Section 53-06.1-03 was also amended by section 1 of House Bill No. 1615, chapter 468.

CHAPTER 468

HOUSE BILL NO. 1615

(Representatives Grueneich, Hagert, Koppelman, Vetter, O'Brien)
(Senator Roers)

AN ACT to amend and reenact subsection 2 of section 53-06.1-03 of the North Dakota Century Code, relating to securing approval for a gaming site authorization.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

²⁰¹ **SECTION 1. AMENDMENT.** Subsection 2 of section 53-06.1-03 of the North Dakota Century Code is amended and reenacted as follows:

2. An eligible organization shall apply for a license to conduct only bingo, electronic quick shot bingo, raffles, calcuttas, pull tabs, punchboards, twenty-one, paddlewheels, poker, or sports pools by:
 - a. First securing approval for a site authorization from the governing body of the city or county in which the proposed site is located. ~~Approval, which may be granted at the discretion of the governing body, The approved authorization~~ must be recorded on a site authorization form that is to accompany the license application to the attorney general for final approval. An eligible organization may request a specific site location on the site authorization form.
 - (1) A governing body may deny a site authorization only in accordance with an ordinance or written policy adopted or amended following public comment. Under the ordinance or policy, the governing body:
 - (a) May not require an eligible organization to donate net proceeds to the city, county, or related political subdivision or for community programs or services within the city or county as a condition for receiving a site authorization from the city or county;
 - (b) May not deny a site authorization solely because the eligible organization has not conducted gaming at the site;
 - (c) May not require that an eligible organization be located at a specific site or require a site to enter a lease with a specific organization as a condition of site authorization;
 - (d) May require a signed agreement between an eligible organization and a site owner before approving a site authorization. The agreement must be contingent on securing approval for the site authorization from the governing body of the city or county;

²⁰¹ Section 53-06.1-03 was also amended by section 1 of House Bill No. 1192, chapter 467.

- Filed April 17, 2025

CHAPTER 469**SENATE BILL NO. 2288**

(Senators Dever, Dwyer)
(Representative Klemin)

AN ACT to create and enact a new subsection to section 53-06.1-11.1 of the North Dakota Century Code, relating to the payment of a veterans organization's club expenses with net proceeds from charitable gaming.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. A new subsection to section 53-06.1-11.1 of the North Dakota Century Code is created and enacted as follows:

A veterans organization may use up to twenty percent of net proceeds per quarter for the costs of food and beverages, including alcoholic beverages, incurred operating the veterans organization's club. A veterans organization may operate one club in one location.

Approved March 24, 2025

Filed March 25, 2025

CHAPTER 470

SENATE BILL NO. 2205

(Senators Luick, Dever, Myrdal)
(Representatives Brown, Klemin)

AN ACT to amend and reenact section 53-06.1-11.2 of the North Dakota Century Code, relating to the charitable gaming operating fund.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 53-06.1-11.2 of the North Dakota Century Code is amended and reenacted as follows:

53-06.1-11.2. Charitable gaming operating fund - Attorney general - State treasurer - Allocations - Transfer to the general fund.

1. There is created in the state treasury the charitable gaming operating fund. The fund consists of all gaming taxes, monetary fines, and interest and penalties collected under this chapter.
2. Excluding moneys in the charitable gaming operating fund appropriated by the legislative assembly for administrative and operating costs associated with charitable gaming, the attorney general shall allocate remaining moneys in the charitable gaming operating fund on a quarterly basis as follows:
 - a. ~~Ten thousand~~ Seventy-five thousand dollars to the gambling disorder prevention and treatment fund.
 - b. Subject to legislative appropriations, five percent of the total moneys deposited in the charitable gaming operating fund to cities and counties in proportion to the taxes collected under section 53-06.1-12 from licensed organizations conducting games within each city, for sites within city limits, or within each county, for sites outside city limits. If a city or county allocation is less than two hundred dollars, that city or county is not entitled to receive a payment for the quarter and the undistributed amount must be included in the total amount to be distributed to other cities and counties for the quarter.
3. ~~On or before June thirtieth of each odd numbered year, the attorney general shall certify to the state treasurer the amount of accumulated funds. The attorney general shall transfer to the general fund the balance of net proceeds in the charitable gaming operating fund which exceed the amount appropriated by the legislative assembly for administrative and operating costs associated with charitable gaming for the subsequent biennium. The state treasurer shall transfer the certified amount from the charitable gaming operating fund to the general fund prior to before the end of each biennium.~~

Approved March 24, 2025

Filed March 25, 2025

CHAPTER 471

HOUSE BILL NO. 1253

(Representatives Grueneich, Dockter, Koppelman, J. Olson, Stemen, Wagner)
(Senators Conley, Meyer, Roers)

AN ACT to amend and reenact subsection 10 of section 53-06.1-15.1 of the North Dakota Century Code, relating to the authority of the attorney general to impose fines for gaming violations.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Subsection 10 of section 53-06.1-15.1 of the North Dakota Century Code is amended and reenacted as follows:

10. Impose a monetary fine on a licensed organization, organization that has a permit, distributor, manufacturer, owner of an authorized site, or third-party business operating gaming and working as an agent of the charity for failure to comply with this chapter or any gaming rule. This fine may be in addition to or in lieu of a license suspension or revocation. The monetary fine for each violation by ~~an~~
 - a. An organization is a minimum of twenty-five dollars and may not exceed two percent of the organization's average quarterly gross proceeds, or five thousand dollars, whichever is greater. ~~The monetary fine for each violation by a~~
 - b. A distributor is a minimum of one hundred dollars and may not exceed five thousand dollars. ~~The monetary fine for each violation by a~~
 - c. A manufacturer is a minimum of five hundred dollars and may not exceed two hundred fifty thousand dollars. ~~This fine may be in addition to or in place of a license suspension or revocation.~~
 - d. An owner of an authorized site is a minimum of two hundred fifty dollars and may not exceed two thousand five hundred dollars.

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