

# ND Game Legislation Recommendations

Joe Richardson, Gaming Studio, May 2010

North Dakota is a pioneer in charitable gaming in structure of our gaming and regulation. Yet, the hard-wiring, in statute, definitions of games authorized to be played leads to game-fatigue, dismissal of technological evolutions, and an environment where incremental game upgrades/ changes are contorted to fit statutory language rather than an open appraisal of game upgrades, additions and replacements.

The form of gaming that contributes most directly to public value projects is ultimately the responsibility of volunteer boards of directors composed of civic leaders. It is also the form of gaming that is mandated to use the least secure, most difficult and expensive to audit and highest cost delivered chance. The public policy no longer reflects the intent.

We understand, and certainly appreciate, the political, social and economic character of charitable gaming in North Dakota. We also believe that we can/have designed gaming products that are both in keeping with that character and that will excite players. We also believe that North Dakota's charitable gaming can be a remarkable economic development vehicle without altering its essential character and sensitivities.

Toward that end, we merely ask that a process be set in place that will allow us, a local, homegrown enterprise, to compete for our market, idea-for-idea, with game design firms from other parts of the country who are also seeking our market. Toward that end, we provide the following legislative suggestions:

1. The Attorney General may promulgate rules and authorize new games for use by qualified organizations conducting charitable gaming if such games have been found to be within the general character of charitable gaming in North Dakota by the North Dakota Gaming Commission and subject to the following conditions:

- 1.1. **Player activated** electronic games with immediate payouts.

- 1.1.1. Shall be constructed in lots of chances each with finite quantity of chances not to exceed 5,000, among which are contained all of the winning and losing chances available.
- 1.1.2. Shall display for each lot/ deal to players prior to any play having commenced on such lot/ deal:
  - 1.1.2.1. total quantity of chances each lot/ deal.
  - 1.1.2.2. quantity and size of all available winning

- chances contained in each lot/ deal by amount of prize awarded.
- 1.1.2.3. the exact payout amount for each winning chance available.
- 1.1.2.4. define those winning chance payout levels that, upon all of them being redeemed, would cause the game to retire automatically.
- 1.1.2.5. the payout percentage;
- 1.1.2.6. the average payout percentage expectancy for lots of same quantity of chances, winning chances and losing chances, theme and denomination per chance.
- 1.1.3. Shall not offer any prize from a single wager or purchase of a single chance for which a random event occurs that awards more than \$500.00.
- 1.1.4. After play has commenced for a lot/ deal, the following shall be displayed for such lot/ deal, available to be viewed by players, prior to any further play being conducted from such lot/ deal:
  - 1.1.4.1. the actual quantity of chances remaining in the lot/ deal, expressed as a percentage, rounded to at least the nearest 10%.
  - 1.1.4.2. the quantity of winning chances that remain available from the lot/ deal that pay at, or in excess, of fifty times the amount wagered on a single chance
- 1.2. Electronic devices that assist in the play of bingo cards shall be allowed so long as bingo is the only game that is and can be played from such devices.
- 1.3. The North Dakota State Lottery is authorized to provide services to charitable gaming organizations accordingly:
  - 1.3.1. The North Dakota State Lottery may provide financing assistance, technical support and maintenance services on gaming equipment.
    - 1.3.1.1. The Lottery may charge charitable organizations fixed or volume-based fees for their services, as approved by the North Dakota Gaming Commission and The Lottery.
  - 1.3.2. Services, methods of and amounts of compensation for such services, must be approved by the North Dakota Gaming

Commission, the Attorney General and The Lottery.

1.3.3. Licensed organizations may form cooperative agreements to operate games in common and share in the proceeds from common games under the following condition:

1.3.3.1. Such games are not player-activated in that the random events occur at pre-determined time intervals.

1.3.3.1.1. Predetermined shall mean a time set at least 24 hours in advance.

2. For purposes of specifically reviewing new game ideas, the Attorney General, North Dakota Gaming Commission and The Lottery may receive confidential information from game designer/ manufacturers, and hold such information in confidence.

The above parameters provide game designers and manufacturers with greater flexibility to design specifically for public sector gaming in North Dakota.

*The above will not allow for video poker and slot machines.*