

TITLE 53
Sports and Amusements
Summary of Bills Enacted by 2009 Legislative Assembly

This memorandum summarizes 2009 legislation primarily affecting North Dakota Century Code Title 53. Bills primarily affecting other titles also affect this title, and relevant provisions of those bills are summarized in this memorandum.

House Bill No. 1003 removes the limitation on the number of terms that a member of the Lottery Advisory Commission may serve.

House Bill No. 1194 provides that the maximum allowable value of a primary raffle prize for a raffle conducted with a local permit does not apply to raffles conducted under Chapter 20.1-08. The bill also provides that an eligible organization includes an organization authorized by the Secretary of State as a foreign corporation under Chapter 10-33. The bill provides that the foreign corporation, for purposes of charitable gaming, may not conduct a game other than a raffle under Chapter 20.1-08.

House Bill No. 1317 decreases from 4.5 percent to 3 percent the excise tax on the gross proceeds from the sale at retail of pull tabs.

House Bill No. 1367 increases the maximum allowable value of a primary raffle prize for a raffle conducted with a local permit from \$2,500 to \$6,000.

House Bill No. 1551 reduces the amount of gaming taxes the horse racing licensee is required to pay the state. The bill also provides that of the amount due for all unclaimed tickets and breakage, 20 percent is to be deposited into the racing promotion fund, 30 percent is to be deposited into the breeders' fund, and 50 percent is to be deposited into the purse fund.

Senate Bill No. 2024, which was vetoed by the Governor, relates to the powers and duties of the Racing Commission. The bill would have provided that the commission is established in the office of the Agriculture Commissioner. The bill would have changed the authority for the appointment of the commission members from the Governor to the Agriculture Commissioner. The bill would have provided that the commission is responsible for the aspects of the horse racing industry which deal with live racing. The bill would have transferred from the commission to the Attorney General the authority for the regulation and enforcement of pari-mutuel wagering. The bill also would have lowered the gaming taxes the licensee is required to pay the state. All provisions of the bill other than the changes to the tax structure would have become effective on July 1, 2011.

Senate Bill No. 2091 provides that the Attorney General rather than the State Treasurer is responsible for depositing gaming and excise taxes in the state treasury.

Senate Bill No. 2215 defines net income as gross proceeds less cash prizes, cost of merchandise prizes, and expenses to conduct the gaming activity. The bill also clarifies that various interest, penalties, and taxes apply to licensed organizations.