

Sixty-sixth  
Legislative Assembly  
of North Dakota

## ENGROSSED HOUSE BILL NO. 1533

Introduced by

Representatives Dockter, Headland, Howe, K. Koppelman

Senator Meyer

1 A BILL ~~for an Act to create and enact a new section to chapter 53-06.1 of the North Dakota~~  
2 ~~Century Code, relating to the creation of the charitable gaming technology fund; to amend and~~  
3 ~~reenact subsection 1 of section 53-06.1-12 of the North Dakota Century Code, relating to~~  
4 ~~charitable gaming tax; to provide a continuing appropriation; and to provide an allocation.~~for an  
5 Act to provide for a legislative management study of charitable gaming laws.

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

7 ~~— **SECTION 1. AMENDMENT.** Subsection 1 of section 53-06.1-12 of the North Dakota~~  
8 ~~Century Code is amended and reenacted as follows:~~

9 ~~— 1. A gaming tax is imposed on the total gross proceeds received by a licensed~~  
10 ~~organization in a quarter and it must be computed and paid to the attorney general on~~  
11 ~~a quarterly basis on the tax return. This tax must be paid from adjusted gross~~  
12 ~~proceeds and is not part of the allowable expenses. For a licensed organization with~~  
13 ~~gross proceeds~~The tax is:

14 ~~— a. Not exceeding one million five hundred thousand dollars the tax is one~~One third  
15 ~~of one percent of gross proceeds from electronic pull tabs.~~

16 ~~— b. One percent of gross proceeds from all other games for a licensed organization~~  
17 ~~with gross proceeds not exceeding one million five hundred thousand dollars.~~

18 ~~— b. Exceeding one million five hundred thousand dollars the tax is fifteen~~

19 ~~— c. Fifteen thousand dollars plus two and twenty five hundredths percent of gross~~  
20 ~~proceeds exceeding one million five hundred thousand dollars~~from all other  
21 ~~games for a licensed organization with gross proceeds exceeding one million five~~  
22 ~~hundred thousand dollars.~~

23 ~~— **SECTION 2.** A new section to chapter 53-06.1 of the North Dakota Century Code is created~~  
24 ~~and enacted as follows:~~

1 ~~— **Charitable gaming technology fund -- Continuing appropriation.**~~

2 ~~— There is created in the state treasury the charitable gaming technology fund. The fund~~  
3 ~~consists of all moneys deposited in the fund. Moneys in the fund are appropriated to the~~  
4 ~~attorney general on a continuing basis for contracting for and purchasing equipment and~~  
5 ~~software for a charitable gaming technology system, training employees to operate the system,~~  
6 ~~and maintaining and updating the system.~~

7 ~~— **SECTION 3. GAMING TAX ALLOCATION -- EXCEPTION.** Notwithstanding the provisions~~  
8 ~~of section 53-06.1-12, from the deposits designated for deposit in the general fund under~~  
9 ~~subsection 3 of section 53-06.1-12 in fiscal year 2020, the attorney general shall deposit four~~  
10 ~~hundred thousand dollars into the charitable gaming technology fund.~~

11 **SECTION 1. LEGISLATIVE MANAGEMENT STUDY - CHARITABLE GAMING LAWS.**

12 During the 2019-20 interim, the legislative management shall consider studying the state's  
13 charitable gaming laws. The study must include:

- 14 1. An evaluation of whether charitable gaming is being expanded properly; whether the  
15 addition of new games, such as sports betting and historic horse racing, is  
16 appropriate; and whether such expansion should be approved by the voters;
- 17 2. An evaluation regarding the appropriate limitations, restrictions, and oversight if new  
18 games are added;
- 19 3. An evaluation of whether a portion of gaming proceeds should be deposited in the  
20 gambling disorder prevention and treatment fund; and
- 21 4. A review of whether the laws regarding taxation, eligible uses for proceeds, gambling  
22 sites and locations, limitations, enforcement, conduct and play of charitable gaming  
23 are fair, adequate, and appropriate.

24 The legislative management shall report its findings and recommendations, together with any  
25 legislation required to implement the recommendations, to the sixty-seventh legislative  
26 assembly.