

Sixty-ninth Legislative Assembly of North Dakota

Introduced by

Legislative Management (Judiciary Committee)

PROPOSED AMENDMENT TO

SENATE BILL NO 2035

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 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, designated convention and visitors bureau, or
17 community medical care, ~~community recreation, or similar organization,~~ which does
18 not meet the definition of any other type of eligible organization. However, a domestic
19 nonprofit organization or a group of people recognized as a public-spirited organization
20 by a governing body of a city or county for obtaining a permit does not need to meet this
21 definition. any other organization, or group recognized by a governing body of a city or
22 county, organized and operated not for pecuniary profit or gain but for the primary
23 purpose of improving or alleviating a condition of public concern within the state or
24 conferring a direct benefit on the community at large. The term does not include a
25 nonprofit club, association, or organization, the primary purpose of which is to provide a
26 direct benefit to its officers or members.

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

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

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

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

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

22 c. Uses benefiting an indefinite number of persons by bringing them under the
23 influence of education, cultural programs, or religion which include disbursements
24 to provide:
25 (1) Scholarships for students, if the disbursement is deposited in a scholarship
26 fund for defraying the cost of education to students and the scholarships are
27 awarded through an open and fair selection process.
28 (2) Supplementary assistance to a public or private nonprofit educational
29 institution registered with or accredited by any state.

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

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