

HB 1615 NDLC Suggested Amendments

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 a lease rental agreement for a gaming site location. The rental agreement must be contingent on securing approval for the site authorization from the governing body of the city or county.
- b. After securing a lease rental agreement for a gaming site location as provided in subsection a, next securing approval for a site authorization from the governing body of the city or county in which the proposed site is located. A copy of the rental agreement must be submitted with the application for the site authorization. ~~Approval, which may be granted at the discretion of the governing body. The An 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:

- (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 as a condition of site authorization;
- (d) May limit the type of games and the number of electronic pull tab devices or tables for the game of twenty-one per site, and the number of sites upon which a licensed organization may conduct games within the city or county; ~~and~~
- (e) May not require a site to enter a lease with a specific organization as

a condition of receiving a site authorization;

(f) May deny a site authorization if an application is incomplete or if

granting approval would violate a local ordinance or policy. An ordinance or policy placing a condition on how charitable funds may be used may not affect the approval of a site authorization;

(g) May have an ordinance or policy setting the qualifications of eligible organizations receiving a site authorization.

(h) May limit the number of site authorizations an eligible organization can receive.

(gi) May charge a one hundred dollar fee for a site authorization.

(2) This subsection may not be construed to prohibit a governing body from:

(a) Creating and enforcing rules that are more stringent than state law regarding charitable gaming as otherwise permitted in code; or

(b) Denying a site authorization for just cause, including, after consultation with the attorney general, a violation of state law or local rules.

b-c. Annually applying for a license from the attorney general before July first on a form prescribed by the attorney general and remitting a one hundred seventy-five dollar license fee for each city or county that approves a site authorization. The attorney general shall deposit twenty-five dollars of this fee into the charitable gaming technology fund under section 53-06.1-12.4. However, the attorney general may allow an organization that only conducts a raffle or calcutta in two or more cities or counties to annually apply for a consolidated license and remit a one hundred seventy-five dollar license fee for each city or county in which a site is located. The attorney general shall deposit twenty-five dollars of this fee into the charitable gaming technology fund under section 53-06.1-12.4. An organization shall document that it qualifies as an eligible organization. If an organization amends its primary purpose as stated in its articles of incorporation or materially changes its basic character, the organization shall reapply for licensure. The attorney general may deny issuance of a license or deny renewal of a license to an eligible organization that has obtained approval of site authorization under subdivision a, if the organization or site is not in compliance

5 with applicable laws and rules.

6 **SECTION 2. AMENDMENT.** Subsection 2 of section 53-06.1-11 of the North Dakota
7 Century Code is amended and reenacted as follows:

8 2. Allowable expenses may be deducted from adjusted gross proceeds. The allowable
9 expense limit is ~~sixty~~:

- 10 a. Sixty percent of the adjusted gross proceeds per quarter if the total adjusted
11 gross proceeds for the quarter exceed one hundred thousand dollars; and
12 b. Sixty-two percent of the adjusted gross proceeds per quarter if the total adjusted
13 gross proceeds for the quarter are one hundred thousand dollars or less.

