

Sixty-eighth  
Legislative Assembly  
of North Dakota

## ENGROSSED HOUSE BILL NO. 1296

Introduced by

Representatives Grueneich, Cory, Dockter, Hagert, Headland, Marschall, Nathe, O'Brien,  
Stemen, Thomas, Vetter

Senator Meyer

1 A BILL for an Act to amend and reenact subsection 2 of section 53-06.1-03 and subsection 2 of  
2 section 53-06.1-11 of the North Dakota Century Code, relating to approval for a gaming site  
3 authorization and modification of allowable expense limits.

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

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

7 2. An eligible organization shall apply for a license to conduct only bingo, electronic quick  
8 shot bingo, raffles, calcuttas, pull tabs, punchboards, twenty-one, paddlewheels,  
9 poker, or sports pools by:

10 a. First securing a lease for a gaming site location.

11 b. After securing a lease for a gaming site location, next securing approval for a site  
12 authorization from the governing body of the city or county in which the proposed  
13 site is located. ~~Approval, which may be granted at the discretion of the governing~~  
14 body. The approved authorization must be recorded on a site authorization form  
15 that is to accompany the license application to the attorney general for final  
16 approval. A governing body ~~may~~:

17 (1) May not require an eligible organization to donate net proceeds to the city,  
18 county, or related political subdivision or for community programs or  
19 services within the city or county as a condition for receiving a site  
20 authorization from the city or county. ~~A governing body may~~ ;

21 (2) May limit the number of tables for the game of twenty-one per site and the  
22 number of sites upon which a licensed organization may conduct games  
23 within the city or county. ~~A governing body may~~ ;

- 1           (3) May charge a one hundred dollar fee for a site authorization; and  
2           (4) May not require a site to enter into a lease with a specific organization as a  
3           condition of receiving a site authorization;  
4           (5) May not deny approval of a site authorization because an organization has  
5           not previously conducted gaming at that site; and  
6           (6) May deny approval of a site authorization if an application is incomplete or if  
7           granting approval would violate a local ordinance. An ordinance that places  
8           a condition on how charitable funds may be used shall have no effect on the  
9           approval of a site authorization.

10        ~~b.c.~~ Annually applying for a license from the attorney general before July first on a  
11        form prescribed by the attorney general and remitting a one hundred fifty dollar  
12        license fee for each city or county that approves a site authorization. However,  
13        the attorney general may allow an organization that only conducts a raffle or  
14        calcutta in two or more cities or counties to annually apply for a consolidated  
15        license and remit a one hundred fifty dollar license fee for each city or county in  
16        which a site is located. An organization shall document that it qualifies as an  
17        eligible organization. If an organization amends its primary purpose as stated in  
18        its articles of incorporation or materially changes its basic character, the  
19        organization shall reapply for licensure.

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

- 22        2. Allowable expenses may be deducted from adjusted gross proceeds. The allowable  
23        expense limit is ~~sixty~~:  
24        a. Sixty percent of the adjusted gross proceeds per quarter if the total adjusted  
25        gross proceeds for the quarter are more than one hundred thousand dollars; and  
26        b. Sixty-two percent of the adjusted gross proceeds per quarter if the total adjusted  
27        gross proceeds for the quarter are equal to or less than one hundred thousand  
28        dollars.