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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FIRST SESSION

H. F. No. 2154

03/07/2019 Authored by Lien
The bill was read for the first time and referred to the Committee on Commerce

1.1 A bill for an act
1.2 relating to lawful gambling; modifying regulatory provisions of the Gambling
1.3 Control Board; making clarifying, conforming, and technical changes; amending
1.4 Minnesota Statutes 2018, sections 349.12, subdivision 2; 349.17, subdivision 6;
1.5 349.181, subdivision 5; 349.19, subdivisions 1, 2.

1.6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.7 Section 1. Minnesota Statutes 2018, section 349.12, subdivision 2, is amended to read:

1.8 Subd. 2. Active member. "Active member" means a member:

1.9 (1) who has paid all dues to the organization;

1.10 (2) who is 18 years of age or older;

1.11 (3) who has equal voting rights with all other members;

1.12 (4) who has equal opportunity to be an elected officer;

1.13 (5) who has equal right and responsibilities of attendance at the regularly scheduled
1.14 meetings of the organization;

1.15 (6) whose name and membership origination date appear with the member's knowledge
1.16 and consent on a list of members of the organization; and

1.17 (7) who has been a member of the organization for at least ~~six months~~ the most recent
1.18 90 days.

1.19 EFFECTIVE DATE. This section is effective July 1, 2019.

2.1 Sec. 2. Minnesota Statutes 2018, section 349.17, subdivision 6, is amended to read:

2.2 Subd. 6. **Conduct of bingo.** The price of a face played on an electronic bingo device  
 2.3 may not be less than the price of a face on a bingo paper sheet sold for the same game at  
 2.4 the same occasion. Bingo gift certificates must only be sold for face value. A game of bingo  
 2.5 begins with the first letter and number called or displayed. Each player must cover, mark,  
 2.6 or activate the numbers when bingo numbers are randomly selected and announced or  
 2.7 displayed to the players. The game is won when a player, using bingo paper, bingo hard  
 2.8 card, or a facsimile of a bingo paper sheet, has completed, as described in the bingo program,  
 2.9 a previously designated pattern or previously determined requirements of the game and  
 2.10 declared bingo. A bingo pattern or bingo game requirement may not be completed with  
 2.11 fewer than three bingo numbers having been drawn, unless the game being played is a  
 2.12 cover-none game. The game is completed when a winning card, sheet, or facsimile is verified  
 2.13 and a prize awarded pursuant to subdivision 3.

2.14 **EFFECTIVE DATE.** This section is effective July 1, 2019.

2.15 Sec. 3. Minnesota Statutes 2018, section 349.181, subdivision 5, is amended to read:

2.16 Subd. 5. **Lessor's immediate family.** The lessor's immediate family may not participate  
 2.17 directly or indirectly as a player in a pull-tab, a tipboard, ~~or a paddlewheel,~~ or an electronic  
 2.18 linked bingo game conducted at that premises.

2.19 **EFFECTIVE DATE.** This section is effective July 1, 2019.

2.20 Sec. 4. Minnesota Statutes 2018, section 349.19, subdivision 1, is amended to read:

2.21 Subdivision 1. **Required record of receipts.** (a) A licensed organization must keep a  
 2.22 record of each occasion on which it conducts gambling, including each bingo occasion and  
 2.23 each day on which other forms of lawful gambling are conducted. The record must include  
 2.24 gross receipts, quantities of free plays if any, expenses, prizes, and gross profit. The board  
 2.25 may by rule provide for the methods by which expenses are documented.

2.26 (b) In the case of bingo;

2.27 (1) gross receipts must be compared to the checkers' records for the occasion by a person  
 2.28 who did not sell cards for the occasion; and

2.29 (2) the organization must keep a bingo gift certificate log showing each bingo gift  
 2.30 certificate number, the face value, the date sold, and the date redeemed.

2.31 (c) Separate records must be kept for bingo and all other forms of lawful gambling.

3.1 **EFFECTIVE DATE.** This section is effective July 1, 2019.

3.2 Sec. 5. Minnesota Statutes 2018, section 349.19, subdivision 2, is amended to read:

3.3 Subd. 2. **Accounts.** (a) Gross receipts from lawful gambling by each organization must  
3.4 be segregated from all other revenues of the conducting organization and placed in a separate  
3.5 gambling bank account.

3.6 (b) All expenditures for allowable expenses, taxes, and lawful purposes must be made  
3.7 from the separate account except (1) in the case of expenditures previously approved by  
3.8 the organization's membership for emergencies as defined by board rule, or (2) when  
3.9 restricted to one electronic fund transaction for the payment of taxes for the organization  
3.10 as a whole, the organization may transfer the amount of taxes related to the conduct of  
3.11 gambling to the general account at the time when due and payable.

3.12 (c) The name and address of the bank, the account number for the separate account, and  
3.13 the names of organization members authorized as signatories on the separate account must  
3.14 be provided to the board when the application is submitted. Changes in the information  
3.15 must be submitted to the board at least ten days before the change is made.

3.16 (d) Except as provided in paragraph (e), gambling receipts must be deposited into the  
3.17 gambling bank account within four business days of completion of the bingo occasion, deal,  
3.18 or game from which they are received.

3.19 (1) A deal of paper pull-tabs is considered complete when either the last pull-tab of the  
3.20 deal is sold or the organization does not continue the play of the deal during the next  
3.21 scheduled period of time in which the organization will conduct pull-tabs.

3.22 (2) A tipboard game is considered complete when the seal on the game flare is uncovered  
3.23 or the organization does not continue the play of the deal during the next scheduled period  
3.24 of time in which the organization will conduct tipboards.

3.25 (e) Gambling receipts from electronic gambling must be recorded on a daily basis and  
3.26 deposited into the gambling bank account:

3.27 (1) when the total net receipts from all electronic games at the premises reach the sum  
3.28 of \$2,000 ~~or on or before;~~ and

3.29 (2) within four business days of the first day of the month immediately following the  
3.30 month during which the receipts were generated, ~~whichever occurs first.~~

3.31 (f) Deposit records must be sufficient to allow determination of deposits made from  
3.32 each bingo occasion, deal, or game at each permitted premises.

4.1 (g) The person who accounts for gambling gross receipts and profits may not be the  
4.2 same person who accounts for other revenues of the organization.

4.3 **EFFECTIVE DATE.** This section is effective July 1, 2019.