# Gambling Control Board Agency Profile

[mn.gov/gcb](http://www.mn.gov/gcb)

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| At a glance* Minnesota ranks #1 in the U.S. for charitable gambling
* Lawful gambling gross receipts = $2.1 billion for FY20
* Licensed organizations deposited over $73 million to support their missions in FY20
* Minnesota collected $78 million in charitable gambling taxes in FY20
* 5,593 new games tested and approved in FY20
* 1,144 licensed charitable organizations (conduct gambling year round) operating at ~2,800 sites
* Issued ~4,000 tax-exempt permits (conduct limited gambling with prize value less than $50,000) >$40 million in tax-exempt receipts for FY20
* For every dollar wagered on charitable gambling in Minnesota <2/10th of one cent ($.0016) goes to fund the board for lawful gambling regulation
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## Purpose

The Gambling Control Board regulates the lawful (charitable) gambling industry to ensure the integrity of operations and provide for the lawful use of net profits. Lawful gambling in Minnesota includes bingo, raffles, pull-tabs, tipboards, and paddlewheels. Required accountability and reporting by registered nonprofit organizations ensures proceeds are used for appropriate charitable needs to provide:

* Support for Minnesota veterans and their families
* Reduced costs for youth activities
* Fire and safety equipment for local communities
* Educational and training opportunities for religious and community programs
* Support for local units of government and community projects
* Support for wildlife and natural resources programs
* Support for fraternal groups (Eagles, Moose, Elks, Knights of Columbus)
* Support for clubs including Lions, Jaycees, rod and gun, sports and snowmobile

## Budget

Source: Consolidated Fund Statement

The Gambling Control Board is entirely funded by the industry regulated. All fees collected go into the dedicated lawful gambling regulatory account. License fees are collected from manufacturers, distributors, distributor salespersons, and linked bingo providers. Manufacturers also pay for game approval and testing. Nonprofit organizations conducting gambling pay license and premises permit fees along with a regulatory fee based on gross sales. In FY 2020, a total of $4,412,000 was collected as Board fees.

## STRATEGIES

The board consists of seven citizens and 31 full-time equivalent staff. Regulation, education and guidance are provided to the lawful gambling industry through:

* Monthly board meetings to consider games and licenses and to approve special use of gambling funds
* Issuing licenses and permits for nonprofit organizations, distributors, manufacturers and linked bingo providers
* Compliance reviews and audits of nonprofit organizations’ gambling activities
* Analyzing expenditures and charitable donations reported monthly by licensed organizations
* An individualized mentoring program for nonprofit organizations to ensure compliance with statute
* Investigations for theft and fraud by inspecting gambling products and sites, investigating irregularities found during compliance reviews and responding to allegations made by players
* Sanctions or fines on licensees that are out of compliance with law and rules
* Monthly gambling manager seminars, continuing education classes, and presentations at state-level conventions
* Publication of Lawful Gambling Manual, quarterly industry newsletter, and other materials

## RESULTS

| Type of Measure | Name of Measure | FY2019As of 6/30/19 | FY2020As of 6/30/20 |
| --- | --- | --- | --- |
| Quantity | Lawful Gambling Gross Receipts-Taxed Lawful Gambling Gross Receipts-Tax Exempt | $2,333,086,000 47,837,338 | $2,082,222,000 40,153,661 |
| Quantity | Number of sites where gambling is conducted by 1,150 licensed nonprofit organizations | 2,836 | 2,791 |
| Quantity | Number of sites where electronic games are played | 1,335 | 1,632 |
| Quantity | Tax exempt permits issued to nonprofit organizations that conduct fewer than 5 events with less than $50,000 in prizes during the year | 4,089 | 3,756 |
| Quantity | Gambling products reviewed | 6,235 | 5,593 |

Minnesota Statutes, Chapter 349 <https://www.revisor.mn.gov/statutes/?id=349> provides legal authority for the Gambling Control Board.