

House Research Act Summary

CHAPTER: 300

SESSION: 2000 Regular Session

TOPIC: Omnibus Charitable Gambling Bill

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- 1 **Qualifications of gambling manager.** Allows the gambling control board to provide by rule for qualifications for an organization gambling manager, as an alternative to the requirement that the gambling manager be an active member of the organization for at least two years.
- 2 **Lawful purpose.** Amends the law that makes expenditures to "recognize military service" as a lawful purpose (for which net gambling profits may be spent) subject to rules of the gambling board on maximum compensation, to allow reimbursement of up to \$35 per in-state occasion for military marching, color guard, or honor guard units.
- 3 **Alternative premises payment.** Allows an organization that is allowed by law to spend gambling profits to pay property taxes to elect, as an alternative, to pay itself rent up to \$1,000 per month for use of its premises. Provides that such payments are an allowable expense (and thus subject to the maximum expense percentage of 55 percent of gross profit for bingo and 60 percent for other gambling).
- 4 **Refusals by manufacturer to sell to distributor.** Prohibits a manufacturer from refusing to sell pull-tab games to a licensed distributor unless:
 - the game at issue is sold on an exclusive basis
 - the manufacturer does not sell the pull-tab games to any distributor in Minnesota
 - the sale is prohibited by law or rule
 - the distributor is delinquent on any payment owed to the manufacturer
- 5 **Paddlewheels and tipboards in leased premises.** Allows an organization that operates a paddlewheel using 30 numbers or a tipboard with 30 tickets or less to sell tickets throughout the premises for which the organization's premises permit has been issued, if the paddlewheel is located (or the tipboard seal opened) and winning tickets are redeemed within the leased premises.

- 6 **Exempt gambling.** Allows an organization to conduct gambling that is exempt from board licensing for up to 12 days a year in connection with a county fair, the state fair, a church festival, or a civic celebration. Under present law such gambling is limited to one day per year. Amends the law that limits exempt gambling to one day per year by deleting the requirement that it be limited to 12 hours.
- 7 **Prize valuation.** Allows an organization to pay for merchandise prizes for paddlewheels with 30 numbers or less, or tipboards with 30 tickets or less, up to 30 days after receiving the merchandise.
- 8 **Trade area.** Requires a trade area defined by a city to include each contiguous township as well as each contiguous city.
(The "trade area" law allows a city or county to require organizations conducting gambling within the city or county to spend all or a portion of their net profits within the city or county's trade area.)
- 9 **Effective date.** Makes the act effective immediately.