



ACM Legislative Update 3/8/06

225 9th St E Unit 309 • Saint Paul, MN 55101-2514

Office: 651-224-4533

www.alliedcharitiesmn.org

Fax: 651-255-6703

E-mail: kingw@alliedcharitiesmn.org

Hotline: 651-255-6702

Proudly Serving Charitable Gambling Organizations Throughout Minnesota

First Gambling Hearings Set

The House Gaming Division has scheduled what will likely be there only two meetings of the 2006 session for March 10, 2006 & March 14, 2006 (see below for agenda as of 9:30 am 3/7/06). The Gambling Control Board & Allied Charities Of Minnesota bills should be introduced in the Minnesota House on Wednesday, March 8, 2006 and it is hoped that they will be added to the agenda for March 10 and/or March 14. With the first committee deadline scheduled for Tuesday, March 28, 2006 (see page 3) things are moving quickly this session. **We hope you contacted YOUR Minnesota State Senator & Representative as per the 2/10/06 ACM Legislative Update.**

FRIDAY, March 10, 2006 - 10:00 AM

Committee: Gaming Division - Room: 5 State Office Building

Chair: Rep. Andrew Westerberg

Agenda: *HF 2908 (Seifert) Allowable gambling expenses restrictions modified (see page 2).*

HF 3099 (Westerberg) Electronic horse race wagering authorized, and card club provisions modified.

HF 3100 (Beard) Card club provisions modified.

HF 2719 (Erickson) Card club table limitations eliminated.

HF 3101 (Buesgens) Gambling other than parimutuel betting authorized at licensed racetrack, and constitutional amendment proposed.

And additional bills to be announced.

This meeting will be continued at 2:30 p.m. March 14 in 5 State Office Building.

TUESDAY, March 14, 2006 - 2:30 PM

Committee: Gaming Division - Room: 5 State Office Building

Chair: Rep. Andrew Westerberg

Agenda: Continuation of gaming bills from March 10 meeting.

2006 Gambling Bill Introductions

Listed below are all of the gambling bills introduced to date during the 2006 Minnesota Legislative Session (3/1/06 - 3/7/06):

Senate File (SF) 2413 (Kubly; Murphy) & House File (HF) 2908 (Seifert; Cybart; Peterson, A.; Koenen; Westrom; Heidgerken) - Lawful gambling profits allowable expenditures restrictions and organization report form requirements modifications

HF 2719 (Erickson) - Card club table limitations eliminated.

HF 3099 (Westerberg; Beard; Erickson; Demmer; Buesgens) - Electronic horse race wagering authorized, and card club provisions modified.

HF 3100 (Beard; Erickson; Powell; Demmer; Buesgens) - Card club provisions modified.

HF 3101 (Buesgens; Beard; Erickson; Powell; Demmer; Dean) - Gambling other than parimutuel betting authorized at licensed racetrack, and constitutional amendment proposed.

To view all 2005-2006 House Gambling Bills go to the URL below (then bookmark this page):

www.revisor.leg.state.mn.us/revisor/pages/search_status/status_results.php?body=House&search=topic&session=0842005&topic%5B%5D=%27Gambling%27&submit_topic=GO

To view all 2005-2006 Senate Gambling Bills go to the URL below (then bookmark this page):

www.revisor.leg.state.mn.us/revisor/pages/search_status/status_results.php?body=Senate&search=topic&session=0842005&topic%5B%5D=%27Gambling%27&submit_topic=GO

HF 2908/SF 2413 Allowable Expense Bill

H.F. No. 2908, as introduced 3/1/06 - 84th Legislative Session (2005-2006) Posted on Feb 16, 2006

House Authors as of 3/6/06

Seifert; Cybart; Peterson, A.; Koenen; Westrom; Heidgerken

S.F. No. 2413, as introduced 3/1/06 - 84th Legislative Session (2005-2006) Posted on Feb 07, 2006

Senate Authors as of 3/6/06

Kubly; Murphy

1.1 A bill for an act

1.2 relating to gambling; modifying restrictions on allowable expenses; making
1.3 technical changes to reporting requirements for lawful gambling organizations;
1.4 amending Minnesota Statutes 2005 Supplement, sections 349.15, subdivision 1;
1.5 349.19, subdivision 5.

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

1.7 Section 1. Minnesota Statutes 2005 Supplement, section 349.15, subdivision 1, is
1.8 amended to read:

1.9 Subdivision 1. **Expenditure restrictions.** Gross profits from lawful gambling
1.10 may be expended only for lawful purposes or allowable expenses as authorized by the
1.11 membership of the conducting organization at a monthly meeting of the organization's
1.12 membership. Provided that no more than 70 percent of the gross profit less the tax imposed
1.13 under section 297E.02, subdivision 1, from bingo, and no more than 60 percent of the
1.14 gross profit from other forms of lawful gambling, may be expended ~~biennially during the~~
1.15 ~~term of the license~~ for allowable expenses related to lawful gambling. ~~For licenses issued~~
1.16 ~~after June 30, 2006, compliance with this subdivision will be measured on a biennial basis~~
1.17 ~~that is concurrent with the term of the license. Compliance with this subdivision is a~~
1.18 ~~condition for the renewal of any license beginning on July 1, 2008.~~

1.19 **EFFECTIVE DATE.** This section is effective the day following final enactment.

1.20 Sec. 2. Minnesota Statutes 2005 Supplement, section 349.19, subdivision 5, is
1.21 amended to read:

1.22 Subd. 5. **Reports.** A licensed organization must report to the Department of
1.23 Revenue and to its membership monthly, or quarterly in the case of a licensed organization
2.1 which does not report more than \$1,000 in gross receipts from lawful gambling in any
2.2 calendar quarter, on its gross receipts, expenses, profits, and expenditure of profits
2.3 from lawful gambling. The report must include a reconciliation of the organization's
2.4 profit carryover with its cash balance on hand. If the organization conducts both bingo
2.5 and other forms of lawful gambling, the figures for both must be reported separately.
2.6 The organization must report annually to its membership and annually file with the
2.7 board a financial summary report in a format prescribed by the board that identifies the
2.8 organization's receipts and use of lawful gambling proceeds, including:

2.9 (1) gross receipts;

2.10 (2) prizes paid;

2.11 (3) allowable expenses;

2.12 (4) lawful purpose expenditures, including annual totals for types of charitable
2.13 contributions and all taxes and fees as per section 349.12, subdivision 25, paragraph

2.14 (a), clauses (8) and (18);

2.15 (5) the percentage of annual gross profits used for charitable contributions; and

2.16 (6) the percentage of annual gross profits used for all taxes and fees as per section
2.17 349.12, subdivision 25, paragraph (a), clauses (8) and (18).

2.18 The commissioner of revenue and the board must develop one form that licensed
2.19 organizations shall use to report the information required under this subdivision.

2.20 **EFFECTIVE DATE.** This section is effective August 1, 2006.

Senate Gaming Policy Committee

For 2005-2006 the Senate Committee with jurisdiction over gaming policy issues is the *Senate Agriculture, Veterans, and Gaming Committee*. Below is complete Committee information:

Agriculture, Veterans, and Gaming Committee

226 Capitol
75 Rev. Dr. Martin Luther King Jr. Blvd.
St. Paul, MN 55155-1606
651-296-5968

Regular Meeting Schedule: Room 112 Capitol,
Mondays and Wednesdays, 3:00 - 5:30 pm

Members: 14

Chair: **Jim Vickerman** - Tracy - DFL

Vice Chair: **Rod Skoe** - Clearbrook - DFL

Ranking Minority Member: **Steve Dille** - Dassel - R

Dick Day - Owatonna - R

David Hann - Eden Prairie - R

Dean Johnson - Willmar - DFL

Paul Koering - Fort Ripley - R

Becky Lourey - Kerrick - DFL

Steve Murphy - Red Wing - DFL

Sean Nienow - Cambridge - R

Ann Rest - New Hope - DFL

Dallas Sams - Staples - DFL

Yvonne Prettnner Solon - Duluth - DFL

Betsy Wergin - Princeton - R

Committee Staff

Administrator: Tim Michaels 651-296-5968

Legislative Assistant: Sandi Brown 651-296-5650

Legislative Assistant: Todd Olson 651-296-4196

Counsel: Carol Baker 651-296-4395

Legislative Analyst: Greg Knopff 651-296-9399

Fiscal Analyst: Daniel Mueller 651-296-7680

Committee Deadlines Set

House and Senate leadership have agreed on a number of dates for the 2006 legislative session, including committee deadlines.

- Tuesday, March 28 - committees act favorably on bills in the house of origin
- Tuesday, April 4 - committees act favorably on bills or companions that met the first deadline in the other body
- Tuesday, April 11 - committees act favorably on omnibus finance bills

The deadlines do not apply to the House Capital Investment, Taxes, Ways and Means or Rules and Legislative Administration committees.

There will be a break for precinct caucuses with no committee meetings March 6-7. The House will reconvene March 8 at noon.

A Passover/Easter break is tentatively scheduled from 2 p.m. April 12 until noon April 18.

Know Your Minnesota State Legislators

Please note that it is very important that charitable gambling organizations/companies and their members & employees know the Minnesota State Senator and Representative that represent their area. If you are not sure who represents you contact the Senate Information Office (651-296-0504

or 651-296-2887) or House Information Office (651-296-2146 or 800-657-3550) for help in identifying your Minnesota State Senator & Representative. ***Or go to the District Finder at: geo.commissions.leg.state.mn.us/districts/start.html and enter your street address & 5-digit zip code.***

House Gaming Policy Committee & Division

For 2005-2006 the House Committee with jurisdiction over gaming policy issues is the **House Regulated Industries Committee**. This Committee will have a **Gaming Division** to deal with gaming bills. Below is complete Committee & Division information:

Regulated Industries Committee

533 State Office Building
100 Rev. Dr. Martin Luther King Jr. Blvd.
St. Paul, MN 55155-1206
651-296-4929

Regular Meeting Schedule: Room 5 State Office Building, Tuesdays and Wednesdays, 2:30 p.m.

Members: 24

- Chair: Torrey Westrom** - Elbow Lake - R
- Vice Chair: Michael Beard** - Shakopee - R
- Lead-DFL: Irv Anderson** - International Falls - DFL
- Joe Aitkins** - Inver Grove Heights - DFL
- Mike Charron** - Woodbury - R
- Tom Emmer** - Delano - R
- Sondra Erickson** - Princeton - R
- Bob Gunther** - Fairmont - R
- Tom Hackbarth** - Cedar - R
- Rick Hansen** - South St Paul - DFL
- Bill Hilty** - Finlayson - DFL
- Joe Hoppe** - Chaska - R
- Thomas Huntley** - Duluth - DFL
- Sheldon Johnson** - St Paul - DFL
- Morrie Lanning** - Moorhead - R
- John Lesch** - St Paul - DFL

- Aaron Peterson** - Madison - DFL
- Duke Powell** - Burnsville - R
- Maria Ruud** - Minnetonka - DFL
- Dean Simpson** - New York Mills - R
- Paul Thissen** - Minneapolis - DFL
- Neva Walker** - Minneapolis - DFL
- Andrew "Andy" Westerberg** - Blaine - R
- Kurt Zellers** - Maple Grove - R

Gaming Division

549 State Office Building
100 Rev. Dr. Martin Luther King Jr. Blvd.
St. Paul, MN 55155-1206
651-296-4226

Regular Meeting Schedule: Call of the Chair

Members: 9

- Chair: Andrew "Andy" Westerberg** - Blaine - R
- Lead-DFL: Joe Aitkins** - Inver Grove Heights - DFL
- Sondra Erickson** - Princeton - R
- Tom Hackbarth** - Cedar - R
- Bill Hilty** - Finlayson - DFL
- Joe Hoppe** - Chaska - R
- Thomas Huntley** - Duluth - DFL
- John Lesch** - St Paul - DFL
- Kurt Zellers** - Maple Grove - R

Committee & Division Staff

Administrator: Brian Fahey 651-296-9302
Legislative Assistant: Kathleen Anderson 651-296-8871



Legislative Update
3/8/06

