



## ACM Legislative Update 3/19/04

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*Proudly Serving Charitable Gambling Organizations Throughout Minnesota*

### HF 2521 & SF 2435 Pass House & Senate Committees

1st, on Friday, March 12, 2004 the House Governmental Operations and Veterans Affairs Policy Committee heard & passed **HF 2521-ACM's Charitable Gambling Policy Bill**. A delete all amendment was adopted which made **HF 2521 the 2004 Omnibus Charitable Gambling Policy Bill**. The amendment was comprised of revised language of **HF 2521-ACM's Charitable Gambling Policy Bill**; revised language of **HF 3000-Gambling Control Boards Charitable Gambling Policy Bill**; & the language from **HF 1835-Representative Seifert's Bill** which previously passed the House, which expands the definition of lawful purpose of lawful gambling to include payment for expenses of sending certain veterans to National World War II Memorial dedication events. **HF 2521** as amended was recommended to pass and sent to the House floor. A summary of **HF 2521** as amended is printed on page 2. The Minnesota House of Representatives will likely take up the **2004 Omnibus Charitable Gambling Policy Bill**, **HF 2521**, early next week.

**HF 2521** authors are Representatives **Carl Jacobson** of Vadnais Heights, **Loren Solberg** of Grand Rapids, **Jim Rhodes** of St. Louis Park, **Mary Ellen Otremba** of Long Prairie, **Sondra Erickson** of Princeton, & **Andy Westerberg** of Blaine. **HF 3000** author is Representative **Carl Jacobson** of Vadnais Heights. **HF 1835** authors are Representatives **Marty Seifert** of Marshall, **Irv Anderson** of International Falls, **Bernie Lieder** of Crookston, **Jim Rhodes** of St. Louis Park, **Doug Magnus** of Slayton, **Sondra Erickson** of Princeton, **Char Samuelson** of New Brighton, **Bill Haas** of Champlin, **Eric Lipman** of Lake Elmo, **Lyle Koenen** of Maynard, **Peter Adolphson** of Minnetonka, **Scott Newman** of Hutchinson, **Phyllis Kahn** of Minneapolis, **Jim Abeler** of Anoka, & **Connie Bernardy** of Fridley.

2nd, on Monday, March 15, 2004 the Senate Agriculture, Veterans and Gaming Committee heard & passed **SF 2435-ACM's Charitable Gambling Policy Bill**. A delete all amendment was adopted which made **SF 2435 the 2004 Omnibus Charitable Gambling Policy Bill**. The amendment was comprised of revised language of **SF 2435-ACM's Charitable Gambling Policy Bill**; revised language of **SF 2728-Gambling Control Boards Charitable Gambling Policy Bill**; & revised language from **SF 1796-Senator Frederickson's Bill** & **SF 1583-Senator Wiger's Bill** which expands the definition of lawful purpose of lawful gambling to include payment for expenses of sending certain veterans to National World War II Memorial dedication events. **SF 2435** as amended was recommended to pass and sent to the Senate floor. A summary of **SF 2435** as amended is printed on page 3. The Minnesota Senate will likely take up the **2004 Omnibus Charitable Gambling Policy Bill**, **SF 2435**, the last week of March.

**SF 2435** authors are Senators **Jim Vickerman** of Tracy, **Jim Metzen** of South St. Paul, **Dick Day** of Owatonna, **Dallas Sams** of Staples, & **Leroy Stumpf** of Thief River Falls. **SF 2728** author is Senator **Jim Vickerman** of Tracy. **SF 1796** authors are Senators **Dennis Frederickson** of New Ulm, **Jim Vickerman** of Tracy, **Dean Johnson** of Willmar, **Carrie Ruud** of Breezy Point, & **Bill Belanger** of Bloomington. **SF 1583** author is Senator **Chuck Wiger** of North St. Paul.

Please note the only difference between **HF 2521** & **SF 2435** at this time is **HF 2521** has the original GCB "Promotional Tickets" language and **SF 2435** does not. The "Promotional Tickets" language will be deleted from **HF 2521** when the bill is heard by the Minnesota House of Representatives next week.

### ACM's Sports Tipboard Bill (HF 2520) Passes House Committee

On Wednesday, March 10, 2004 the House State Government Finance Committee heard and passed **HF 2520 - ACM's Sports Tipboard Bill**. The House State

Government Finance Committee recommended that **HF 2520** pass and be re-referred to the House Taxes Committee.

# HF 2521 Summary (Omnibus Charitable Gambling Policy Bill)

**Sections 1 & 2** expands the definition of gambling equipment to include “promotional tickets” - tickets manufactured similar to pull-tabs but distributed at no cost to recipient and requires that promotional tickets be manufactured by a licensed manufacturer and distributed by a licensed distributor. **(GCB)**

**Section 3** requires that cash shortages be reported by site instead of by organization. Limits remain the same (.3% of gross receipts) but is based on fiscal year (12 months) beginning July 1, 2004. **(GCB)**

**Section 4** clarifies that manufacturers must make all gambling equipment available for sale to distributors - not just “pull-tabs”. **(GCB)**

**Section 5** (housekeeping item) clarifies that the fee for a gambling manager is an “annual” fee. **(GCB)**

**Section 6** (housekeeping item) deletes the reference to “class of license” - class of license was removed last session. **(GCB)**

**Section 7** restores the original language for multiple seal tipboards and cumulative or carryover tipboard prizes. Original language became null & void after rules were not formally proposed for adoption within 18 months of passage. **(ACM/GCB)**

**Section 8** adjusts the maximum rent allowed for a “bar operation” from \$2,000 to \$2,500 and clarifies cash shortages as an “expense”. Also limits the involvement of a lessor’s immediate family in the conduct of lawful gambling. **(GCB)**

**Section 9** expands the number of “off-site” activities from 1 day to 4 days per calendar year plus 1 event up to 12 days in connection with a county fair, the state fair, a church festival, or a civic celebration. **(ACM/GCB)**

**Section 10** (housekeeping item) removes the reference to class license. **(GCB)**

**Section 11** raises the total prize level limits at a bingo occasion from \$2,500 to \$2,800 unless a cover-all game is played in which case the limit is raised from \$3,500 to \$3,800. **(ACM)**

**Section 12** allows licensed veteran organizations to use gambling proceeds to send up to 2 WW II veterans to Washington DC for the WW II Memorial dedication in May. Maximum expense allowance is \$1,500 per veteran. Allows a donation to other veterans posts. **(REPRESENTATIVE SEIFERT)**

**Section 13** repeals the original language for multiple seal tipboards and cumulative or carryover tipboard prizes. **(REVISOR)**

**Section 14** effective dates: Section 3 is effective July 1, 2004. Sections 1, 2, and 4 to 13 are effective the day following final enactment.

*To view HF 2521 go to:*

**<http://www.revisor.leg.state.mn.us:8181/SEARCH/BASIS/hstat/public/www/SF>**

*then enter HF2521 for bill number & click on search.*

# SF 2435 Summary (Omnibus Charitable Gambling Policy Bill)

**Section 1** requires that cash shortages be reported by site instead of by organization. Limits remain the same (.3% of gross receipts) but is based on fiscal year (12 months) beginning July 1, 2004. **(GCB)**

**Section 2** clarifies that manufacturers must make all gambling equipment available for sale to distributors - not just “pull-tabs”. **(GCB)**

**Section 3** (housekeeping item) clarifies that the fee for a gambling manager is an “annual” fee. **(GCB)**

**Section 4** (housekeeping item) deletes the reference to “class of license” - class of license was removed last session. **(GCB)**

**Section 5** restores the original language for multiple seal tipboards and cumulative or carryover tipboard prizes. Original language became null & void after rules were not formally proposed for adoption within 18 months of passage. **(ACM/GCB)**

**Section 6** adjusts the maximum rent allowed for a “bar operation” from \$2,000 to \$2,500 and clarifies cash shortages as an “expense”. Also limits the involvement of a lessor’s immediate family in the conduct of lawful gambling. **(GCB)**

**Section 7** expands the number of “off-site” activities from 1 day to 4 days per calendar year plus 1 event up to 12 days in connection with a county fair, the state fair, a church festival, or a civic celebration. **(ACM/GCB)**

**Section 8** (housekeeping item) removes the reference to class license. **(GCB)**

**Section 9** raises the total prize level limits at a bingo occasion from \$2,500 to \$2,800 unless a cover-all game is played in which case the limit is raised from \$3,500 to \$3,800. **(ACM)**

**Section 10** allows licensed veteran organizations to use gambling proceeds to send up to 2 WW II veterans to Washington DC for the WW II Memorial dedication in May. Maximum expense allowance is \$1,500 per veteran. Allows a donation to other veterans posts. **(SENATOR FREDERICKSON)**

**Section 11** repeals the original language for multiple seal tipboards and cumulative or carryover tipboard prizes. **(REVISOR)**

**Section 12** effective dates: Section 1 is effective July 1, 2004. Sections 2 to 11 are effective the day following final enactment.

*To view SF 2435 go to:*

**<http://www.revisor.leg.state.mn.us:8181/SEARCH/BASIS/sstat/public/www/SF>**

*then enter SF2435 for bill number & click on search.*

## 2004 Gambling Bill Introductions

Listed below are the gambling bills introduced since the 3/5/04 ACM Legislative Update (thru 3/17/04):

**SF 2553 (Neuville & Hann) & HF 2760 (Knoblach, Lipman, Samuelson, Newman, & Strachan)** - Gambling; legislative findings provided, attorney general legal actions directed, tribal-state compacts governing video games of chance bases eliminated, and governor directed to seek renegotiation of required new tribal-state compacts.

**SF 2728 (Vickerman) & HF 3000 (Jacobson)** - Modifying certain lawful gambling regulation provisions; expanding the definition of gambling equipment to promotional tickets and modifying the definition of promotional ticket; modifying the amount of cash shortages allowed to be reported to the gambling control board by licensed organizations; expanding the restriction on licensed manufacturer refusals to sell to distributors from pull tab games to gambling equipment; clarifying the fee for gambling managers licenses as an annual fee and eliminating the authority of certain rules to provide for differing training requirements for gambling managers; requiring the board to adopt rules for tipboard games with multiple seals and for cumulative or carryover tipboard prizes; increasing the rent limit on leased gambling premises; prohibiting organization employment of immediate family members of the lessor as compensated employees; extending the duration limit for off premises lawful gambling activities; modifying certain reporting requirements. *(GCB Bill)*

**SF 2783 (Metzen, Tomassoni, Sparks, Day, & Murphy)** - Card club maximum table requirement eliminated. *(Companion to HF 2011)*

**SF 2829 (Hann)** - State lottery abolishment.

**SF 2888 (Pariseau)** - Casino; merit-based scholarship programs established, Casino Control Commission established, casino license authorized, lawful gambling tax rates reduced, money appropriated, and constitutional amendment proposed. *(Companion to HF 2571)*

**HF 3021 (Thissen)** - Local parks lottery game feasibility study required.

*Correction to 3/5/04 ACM Legislative Update*

**HF 2600 (Jacobson & Krinkie)** - Gambling oversight citizens committee created and money appropriated. *(Listed incorrectly as HF 2516 previously)*

*To view all 2003/2004 House Gambling Bills go to the URL below & click on Gambling:*

<http://www.revisor.leg.state.mn.us:8181/housetop.html>

*To view all 2003/2004 Senate Gambling Bills go to the URL below & click on Gambling:*

[http://www.revisor.leg.state.mn.us:8181/senate\\_subjects.html](http://www.revisor.leg.state.mn.us:8181/senate_subjects.html)



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