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P.O. Box 583174 • Minneapolis, MN 55458-3174

www.alliedcharitiesmn.org

E-mail: kingw@alliedcharitiesmn.org

Office (612) 659-8399

Hotline (651) 255-6702

Fax (651) 255-6703

Proudly Serving Charitable Gambling Organizations Throughout Minnesota

ACM Legislative Update 5/21/02

MN Legislature Passes HF 3073, Governor Signs Into Law

Last week the Minnesota Legislature passed **HF 3073**, the 2002 Omnibus Gambling Bill, which includes a number of changes to Minnesota Lawful Gambling Statutes. **Chapter 386 - HF 3073** was presented to Governor Jesse Ventura on Saturday, May 18, 2002 and he signed **Chapter 386 - HF 3073** into law on Tuesday, May 21, 2002. A copy of the 3rd engrossment of HF 3073 as passed by the legislature and sent to the Governor can be found on pages 2 - 11.

HF 3073, authored by Representative **Mike Osskopp** of Lake City and Senator **Jim Vickerman** of Tracy, passed the Minnesota House of Representatives on Tuesday, April 9, 2002 by a vote of 92-39, passed the Minnesota Senate on Wednesday, May 15, 2002 by a vote of 59-3, and re-passed the Minnesota House of Representatives as amended by the Minnesota Senate on Friday, May 17, 2002 by a vote of 89-36.

Chapter 386 - HF 3073, the 2002 Omnibus Gambling Bill, includes six different gambling bills that were introduced in 2002 (see back page) and contains 4 Articles. They are:

ARTICLE 1 - TECHNICAL AMENDMENTS

- GCB technical and housekeeping changes

ARTICLE 2 - BINGO; PULL TABS

- *Disaster Relief* - disaster relief changed from natural to as defined in section 12.03, subdivision 2
- *Pull-tab Dispensing Device* - allows bar ops to also have pull-tab dispensing devices
- *Distributor, Manufacturer, & Bingo Hall Licenses* - changes licensing of distributors, manufacturers, & bingo halls to 2 years on renewals after initial term of 1 year and adjust fees accordingly
- *Progressive Bingo Prize* - progressive bingo game prize may start at up to \$500 instead of \$300 - total amount awarded in progressive bingo game prizes in calendar year increased from \$36,000 to \$48,000

- *Pull-tab Prizes* - maximum prize increased from \$500 to \$599

- *Linked Bingo Games & Electronic Bingo Devices* - the gambling control board shall draft model rules relating to linked bingo games and electronic bingo devices and report the rules along with appropriate comments regarding the implementation of the model rules to the legislature by February 1, 2003

ARTICLE 3 - LAWFUL PURPOSE; VETERANS ORGANIZATIONS

- *Real Estate & Assessments LPE* - allows veterans organizations to pay real estate taxes & assessments as lawful purpose on permitted gambling premises that are wholly leased
- *Utility Bills LPE* - allows veterans organizations to pay utility bills as a lawful purpose
- *Military Service Recognition LPE* - allows veterans organizations to expend as a lawful purpose up to \$5,000 per calendar year for members & spouses for meals and membership events held in recognition of military service

ARTICLE 4 - MISCELLANEOUS

Please note the charitable gambling changes of **Chapter 386 - HF 3073** (Articles 1-3) will go into effect on Thursday, August 1, 2002.

We would like to **THANK** Representative **Mike Osskopp** & Senator **Jim Vickerman** for their hard work on the 2002 Omnibus Gambling Bill **Chapter 386 - HF 3073**. Also, a **SPECIAL THANKS** to House Speaker **Steve Sviggum** & Senator **Roger Moe**, the Senate Majority Leader & Chair of the Senate Committee on Rules and Administration. Senator Moe and his staff worked closely with Senator Vickerman and ACM the last week of session to ensure that HF 3073 had an opportunity to reach the Senate floor for a vote.

HF 3073

3rd Engrossment

(pages 2-11) go to:

www.revisor.leg.state.mn.us/cgi-bin/getbill.pl?session=ls82&version=latest&number=HF3073&session_number=0&session_year=

Chapter 386 - HF 3073 (Omnibus Gambling Bill)

Comprised of 6 Bills Introduced in 2002

HF 2793 (Osskopp) & SF 3213 (Lessard)

- Modifying certain provisions relating to lawful gambling; eliminating a certain duplicate listing of the content requirements for gambling equipment distributor sales records; eliminating a certain obsolete exception for the manufacturer licensing requirement and certain obsolete provisions relating to manufacturer pull tab and tipboard flare sales and gambling manager examinations; modifying certain gambling employee registration form content requirements; eliminating the retention requirement for organization compensation records; requiring licensed organizations to submit certain receipt and expenditure reports to the department of revenue in lieu of the gambling control board and eliminating a certain monthly reporting requirement; modifying the time limit for organization payments to distributors and distributor payments to manufacturers for gambling equipment; repealing certain obsolete provisions and a certain provision authorizing bingo premises lessors to furnish bingo equipment without a distributor license (*GCB bill*)

SF 2940 (Vickerman, Metzen, Day, Stumpf, & Stevens) & HF 3073 (Osskopp, Jaros, Gleason, Rhodes, Kilekucki, Larson, & Erickson) - Relating to lawful gambling; providing for the licensing of linked bingo game prize providers by the gambling control board, specifying certain surety bond requirements and prohibited conduct and prescribing a fee; authorizing licensed organizations to conduct or participate in linked bingo games, specifying certain prize contribution requirements and limits and granting the board certain rulemaking authority; expanding the authorized use

by organizations of net profits for disaster relief; eliminating a certain prohibition on the use of pull tab dispensing devices; authorizing the board to provide for the use of electronic bingo devices; increasing certain progressive bingo game and pull tab prize limits (*ACM bill*)

SF 2967 (Reiter, Limmer, Lesewski, Belanger, & Vickerman) & HF 3004 (Jacobson, Osskopp, Vandever, Anderson B, Lieder, Buesgens, Rukavina, Wilkin, Lipman, Erickson, Rifenberg, Daggett, Johnson J, Westerberg, Abeler, Pawlenty, Sykora, & Penas) - Expanding licensed lawful gambling organization lawful purpose expenditures to veterans organization expenditures for utility bills for headquarters buildings and for membership events held in recognition of military service

SF 3144 (Lessard) - Modifying the terms for lawful gambling distributor, manufacturer and bingo hall licenses (*GCB bill*)

HF 3217 (Larson & Gleason) & SF 3312 (Johnson Dave) - Expanding the definition of lawful purpose expenditure for lawful gambling purposes to the payment of real estate taxes and assessments on permitted gambling premises leased by licensed nationally chartered veterans organizations

SF 3282 (Wiger) & HF 3598 (Osskopp) - Authorizing the sale of gambling devices by nonlicensed federally recognized Indian tribes under certain conditions

THANKS to all of the House & Senate authors listed above!



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