

Fifty-ninth
Legislative Assembly
of North Dakota

ENGROSSED HOUSE BILL NO. 1503

Introduced by

Representatives Boehning, Delmore, Iverson, Thoreson, Williams

Senator Syverson

1 A BILL for an Act to create and enact two new sections to chapter 53-06.1 of the North Dakota
2 Century Code, relating to games of chance.

3 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

4 **SECTION 1.** A new section to chapter 53-06.1 of the North Dakota Century Code is
5 created and enacted as follows:

6 **Additional games of chance permitted.** Any organization eligible for licensure under
7 this chapter as of January 1, 2004, may conduct any game of chance, not otherwise specifically
8 provided for under this chapter, which is allowed pursuant to the tribal-state gaming compacts
9 entered under chapter 54-58, subject to the rules adopted by the state gaming commission
10 regarding conduct and play of games and number of gaming sites. The rules must provide
11 that:

- 12 1. Except for gaming sites in existence as of January 1, 2004, a new gaming site may
13 not be located within one thousand feet [300.48 meters] of another gaming site;
- 14 2. The total number of electronic gaming machines for all games may not exceed fifty
15 machines per gaming sites; and
- 16 3. Rent at a site may not exceed three hundred dollars for the first game type or
17 device and may not exceed fifty dollars for each additional game type or device,
18 not to exceed ten percent of adjusted gross profits.

19 **SECTION 2.** A new section to chapter 53-06.1 of the North Dakota Century Code is
20 created and enacted as follows:

21 **Gaming tax - Property tax relief fund - Deposits and allocations.**

- 22 1. A gaming tax of ten percent on any game of chance authorized under section 1 of
23 this Act is imposed on the adjusted gross proceeds earned by a licensed
24 organization in a quarter and must be computed and paid to the attorney general

- 1 on a quarterly basis on the tax return. The gaming tax must be paid from adjusted
2 gross proceeds and is not part of the allowable expenses.
- 3 2. Except as provided in subsections 3 and 4, the state treasurer shall deposit
4 gaming taxes, monetary fines, and interest and penalties collected in the general
5 fund in the state treasury.
- 6 3. The state treasurer shall deposit sixty percent of the total gaming taxes collected
7 under this section in the gaming tax allocation property tax relief fund. Pursuant to
8 legislative appropriation, moneys in the gaming tax allocation property tax relief
9 fund must be distributed quarterly to cities and counties in proportion to the taxes
10 collected under this section from licensed organizations that conduct games within
11 each city, for sites within city limits, or within each county, for sites outside city
12 limits. If a city or county allocation under this subsection is less than two hundred
13 dollars, that city or county is not entitled to receive a payment for the quarter and
14 the undistributed amount must be included in the total amount to be distributed to
15 other cities and counties for the quarter.
- 16 4. Five percent of the amount to be deposited in the general fund, not to exceed five
17 hundred thousand dollars per biennium, must be deposited in the compulsive
18 gambling prevention and treatment fund.