

2023 SENATE FINANCE AND TAXATION

SB 2126

2023 SENATE STANDING COMMITTEE MINUTES

Finance and Taxation Committee
Fort Totten Room, State Capitol

SB 2126
1/16/2023

Relating to the sale of raffle board squares.

10:02 AM Chairman Kannianen called the meeting to order.

Senators Present: **Kannianen, Weber, Magrum, Patten, Rummel, Piepkorn**

Discussion Topics:

- Raffle ticket receipts
- State stamp
- Raffle board sell-out
- Long-term ticket sales issues

10:02 AM Senator Conley introduced SB 2126, #12756

10:08 AM Deb McDaniel, Director of Gaming for the Office of Attorney General provided neutral testimony. #13574

10:18 AM Senator Conley verbally testified neutrally.

10:20 AM Chairman Kannianen closed hearing on SB 2126

Nathan Liesen, Committee Clerk

2023 SENATE STANDING COMMITTEE MINUTES

Finance and Taxation Committee Fort Totten Room, State Capitol

SB 2126
1/17/2023

Relating to the sale of raffle board squares.

11:35 AM Chairman Kannianen opens discussion for SB 2126.

Senator present: **Kannianen, Weber, Patten, Rummel, Piepkorn, Magrum.**

Discussion Topics:

- Bill review

11:37 AM Senator Weber moved a do pass.

11:37 AM Senator Rummel Seconded.

Senators	Vote
Senator Jordan Kannianen	Y
Senator Mark F. Weber	Y
Senator Jeffery J. Magrum	Y
Senator Dale Patten	Y
Senator Merrill Piepkorn	Y
Senator Dean Rummel	Y

Motion pass 6-0-0

11:40 AM Senator Weber will carry.

11:41 AM Chairman Kannianen Adjourned meeting.

Nathan Liesen, Committee Clerk

REPORT OF STANDING COMMITTEE

SB 2126: Finance and Taxation Committee (Sen. Kannianen, Chairman) recommends **DO PASS** (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2126 was placed on the Eleventh order on the calendar. This bill does not affect workforce development.

2023 HOUSE POLITICAL SUBDIVISIONS

SB 2126

2023 HOUSE STANDING COMMITTEE MINUTES

Political Subdivisions Committee Room JW327B, State Capitol

SB 2126
3/3/2023

Relating to the sale of raffle board squares
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2:19 PM Chairman Longmuir opened the hearing. Members present: Chairman Longmuir, Vice Chairman Fegley, Rep. Hatlestad, Rep. Heilman, Rep. Holle, Rep. Jonas, Rep. Klemm, Rep. Motschenbacher, Rep. Rios, Rep. Toman, Rep. Warrey, Absent: Rep. Ostlie, Rep. Davis, Rep. Hager.

Discussion Topics:

- Timeframes.
- Amendment
- Pre-buy raffles.
- Safety and security of raffles.

Senator Conley: Introduced the bill. Testimony #21968

Deb McDaniel, Director of Gaming Division; Office of Attorney General: Testimony #21970.

Additional written testimony:

Dana Hager, Economic Development Association of ND: Testimony #21967

Hearing closed at 2:37 PM.

Delores Shimek, Committee Clerk

2023 HOUSE STANDING COMMITTEE MINUTES

Political Subdivisions Committee Room JW327B, State Capitol

SB 2126
3/9/2023

Relating to the sale of raffle board squares

10:39 AM Chairman Longmuir opened the meeting. Members present: Chairman Longmuir, Vice Chairman Fegley, Rep. Hatlestad, Rep. Heilman, Rep. Jonas, Rep. Klemin, Rep. Motschenbacher, Rep. Rios, Rep. Toman, Rep. Warrey, Rep. Ostlie, Rep. Davis, Rep. Hager. Absent: Rep. Holle

Discussion Topics:

- Committee action

Rep. Klemin moved a Do Not Pass;
Seconded by Rep. Toman

Representatives	Vote
Representative Donald W. Longmuir	Y
Representative Clayton Fegley	Y
Representative Jayme Davis	Y
Representative LaurieBeth Hager	Y
Representative Patrick Hatlestad	N
Representative Matt Heilman	Y
Representative Dawson Holle	A
Representative Jim Jonas	N
Representative Lawrence R. Klemin	Y
Representative Mike Motschenbacher	N
Representative Mitch Ostlie	N
Representative Nico Rios	Y
Representative Nathan Toman	Y
Representative Jonathan Warrey	y

Roll call vote: 9 Yes 4 No 1 Absent Motion carried
Carrier: Rep. Rios

The meeting closed at 10:54 AM.

Delores Shimek, Committee Clerk

Reconsidered on 3/16/23

2023 HOUSE STANDING COMMITTEE MINUTES

Political Subdivisions Committee Room JW327B, State Capitol

SB 2126
3/16/2023

Relating to the sale of raffle board squares

9:54 AM Chairman Longmuir opened the meeting. Members present: Chairman Longmuir, Vice Chairman Fegley, Rep. Hatlestad, Rep. Heilman, Rep. Holle, Rep. Jonas, Rep. Klemin, Rep. Motschenbacher, Rep. Rios, Rep. Toman, Rep. Warrey, Rep. Davis, Rep. Hager. Absent: Rep. Ostlie

Discussion Topics:

- Reconsideration
- Credit cards
- Amount limits.
- Organization concerns.

Rep. Warrey moved to reconsider:
Seconded by Rep. Holle

Representatives	Vote
Representative Donald W. Longmuir	N
Representative Clayton Fegley	Y
Representative Jayme Davis	Y
Representative LaurieBeth Hager	Y
Representative Patrick Hatlestad	Y
Representative Matt Heilman	N
Representative Dawson Holle	Y
Representative Jim Jonas	N
Representative Lawrence R. Klemin	N
Representative Mike Motschenbacher	Y
Representative Mitch Ostlie	A
Representative Nico Rios	Y
Representative Nathan Toman	N
Representative Jonathan Warrey	y

Roll call vote: 8 Yes 5 No 1 Absent Motion carried.

Rep. Grueneich: Introduced the proposed changes. Testimony #25560

House Political Subdivisions Committee

SB 2126

March 16, 2023

Page 2

Chairman Longmuir appointed a Subcommittee: Rep. Motschenbacher, Chairman
Rep. Toman, Rep. Warrey

The meeting closed at 10:20 AM.

Delores Shimek, Committee Clerk

2023 HOUSE STANDING COMMITTEE MINUTES

Political Subdivisions Committee
Room JW327B, State Capitol

SB 2126
3/17/2023

SUBCOMMITTEE MEETING

Relating to the sale of raffle board squares
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10:00 AM Chairman Motschenbacher opened the meeting. Members present: Chairman Motschenbacher, Rep. Toman, Rep. Warrey

Discussion Topics:

- Timeframes
- Credit card useage.
- ND Century Code.
- License differences.
- Amendments.
- Permit section.

Rep. Motschenbacher: Introduced proposed amendments. Testimony #25699, #26475

Deb McDaniel: Director of Charitable Gaming in ND: No written testimony.

Rep. Toman moved the proposed amendment 23.0225.01003;
Seconded by Rep. Warrey

Representatives	Vote
Representative Mike Motschenbacher	Y
Representative Nathan Toman	Y
Representative Jonathan Warrey	Y

Roll call vote: 3 Yes 0 No 0 Absent

The meeting closed at 10:32 AM.

Delores Shimek, Committee Clerk

2023 HOUSE STANDING COMMITTEE MINUTES

Political Subdivisions Committee Room JW327B, State Capitol

SB 2126
3/23/2023

Relating to the sale of raffle board squares
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9:37 AM Chairman Longmuir opened the meeting. Members present: Chairman Longmuir, Vice Chairman Fegley, Rep. Hatlestad, Rep. Heilman, Rep. Holle, Rep. Jonas, Rep. Klemin, Rep. Motschenbacher, Rep. Ostlie, Rep. Rios, Rep. Toman, Rep. Warrey, Rep. Davis, Rep. Hager.

Discussion Topics:

- Subcommittee report.
- Restricted dollar amount.
- Number of raffles per year.
- State stamp requirement.

Rep. Warrey moved amendment 23.0255.01003. Testimony #26475
Seconded by Rep. Jonas

Representatives	Vote
Representative Donald W. Longmuir	Y
Representative Clayton Fegley	Y
Representative Jayme Davis	Y
Representative LaurieBeth Hager	Y
Representative Patrick Hatlestad	Y
Representative Matt Heilman	Y
Representative Dawson Holle	Y
Representative Jim Jonas	Y
Representative Lawrence R. Klemin	Y
Representative Mike Motschenbacher	Y
Representative Mitch Ostlie	N
Representative Nico Rios	Y
Representative Nathan Toman	Y
Representative Jonathan Warrey	Y

Roll call vote: 13 Yes 1 No 0 Absent; Motion carried.

Rep. Hatlestad moved a Do Pass as Amended;
Seconded by Rep. Warrey.

Motion withdrawn.

House Political Subdivisions Committee

SB 2126

March 23, 2023

Page 2

Rep. Motschenbacher will get additional information for the committee.

The meeting closed at 9:54 AM.

Delores Shimek, Committee Clerk

2023 HOUSE STANDING COMMITTEE MINUTES

Political Subdivisions Committee Room JW327B, State Capitol

SB 2126
3/30/2023

Relating to the sale of raffle board squares

10:00 AM Chairman Longmuir opened the meeting. Members present: Chairman Longmuir, Rep. Hatlestad, Rep. Holle, Rep. Jonas, Rep. Klemin, Rep. Motschenbacher, Rep. Ostlie, Rep. Rios, Rep. Toman, Rep. Warrey, Rep. Davis, Rep. Hager. Absent: Rep. Fegley and Rep. Heilman.

Discussion Topics:

- Amendments.
- Gaming stamp.
- Dollar limit.
- Same day raffles.

Rep. Motschenbacher: Explained the intent of the bill. Raffle and raffle boards are two different things. Testimony #27070

Rep. Ostlie moved amendments 23.0225.01003;
Seconded by Rep. Motschenbacher

Representatives	Vote
Representative Donald W. Longmuir	Y
Representative Clayton Fegley	A
Representative Jayme Davis	Y
Representative LaurieBeth Hager	Y
Representative Patrick Hatlestad	Y
Representative Matt Heilman	A
Representative Dawson Holle	Y
Representative Jim Jonas	Y
Representative Lawrence R. Klemin	Y
Representative Mike Motschenbacher	Y
Representative Mitch Ostlie	Y
Representative Nico Rios	Y
Representative Nathan Toman	Y
Representative Jonathan Warrey	Y

Roll call vote: 12 Yes 0 No 2 Absent Motion carried.

Rep. Ostlie moved a Do Pass as Amended;
Seconded by Rep. Motschenbacher

Representatives	Vote
Representative Donald W. Longmuir	N
Representative Clayton Fegley	A
Representative Jayme Davis	Y
Representative LaurieBeth Hager	N
Representative Patrick Hatlestad	Y
Representative Matt Heilman	A
Representative Dawson Holle	N
Representative Jim Jonas	Y
Representative Lawrence R. Klemin	N
Representative Mike Motschenbacher	Y
Representative Mitch Ostlie	Y
Representative Nico Rios	Y
Representative Nathan Toman	N
Representative Jonathan Warrey	Y

Roll call vote: 7 Yes 5 No 2 Absent Motion carried.

Carrier: Rep. Ostlie

The meeting closed at 10:51 AM

Delores Shimek, Committee Clerk

LA
3-30-23

PROPOSED AMENDMENTS TO SENATE BILL NO. 2126

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to create and enact a new subdivision to subsection 3 of section 53-06.1-03 of the North Dakota Century Code, relating to the sale of raffle boards; and to amend and reenact subsection 3 of section 53-06.1-14 of the North Dakota Century Code, relating to affixing a North Dakota gaming stamp.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. A new subdivision to subsection 3 of section 53-06.1-03 of the North Dakota Century Code is created and enacted as follows:

For a raffle board, an organization permitted to conduct raffles shall sell the numbered squares on the board for the same price and may sell squares at a site thirty days before the drawing.

SECTION 2. AMENDMENT. Subsection 3 of section 53-06.1-14 of the North Dakota Century Code is amended and reenacted as follows:

3. A licensed distributor shall affix a North Dakota gaming stamp to each deal of pull tabs, raffle board, punchboard, sports pool board, calcutta board, and series of paddlewheel ticket cards sold or otherwise provided to a licensed organization or organization that has a permit and shall purchase the stamps from the attorney general for thirty-five cents each. Ten cents of each stamp sold by the attorney general, up to thirty-six thousand dollars per biennium, must be credited to the attorney general's operating fund to defray the costs of issuing and administering the gaming stamps. If an organization hosts an event with a raffle board and only sells numbered squares on the event, the organization is exempt from the requirements under this subsection."

Renumber accordingly

1

REPORT OF STANDING COMMITTEE

SB 2126: Political Subdivisions Committee (Rep. Longmuir, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (7 YEAS, 5 NAYS, 2 ABSENT AND NOT VOTING). SB 2126 was placed on the Sixth order on the calendar.

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to create and enact a new subdivision to subsection 3 of section 53-06.1-03 of the North Dakota Century Code, relating to the sale of raffle boards; and to amend and reenact subsection 3 of section 53-06.1-14 of the North Dakota Century Code, relating to affixing a North Dakota gaming stamp.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

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Renumber accordingly

2023 CONFERENCE COMMITTEE

SB 2126

2023 SENATE STANDING COMMITTEE MINUTES

Finance and Taxation Committee
Fort Totten Room, State Capitol

SB 2126
4/12/2023
Conference Committee

Relating to the sale of raffle board squares.

10:00 AM Chairman Weber opened meeting.

Present: **Weber, Piepkorn, Patten, Motschenbacher, Warrey, Ostlie.**

Discussion Topics:

- Payment options
- Gaming stamp price
- Committee action

10:10 AM Senator Piepkorn moved to Accede to the House amendments.

10:10 AM Senator Kannianen seconded.

10:11 AM Roll Call Vote passed 6-0-0

Senator Piepkorn will carry the bill for the Senate.

Representative Ostlie will carry the bill for the House.

10:11 AM Chairman Weber adjourned meeting.

Nathan Liesen, Committee Clerk

**2023 SENATE CONFERENCE COMMITTEE
 ROLL CALL VOTES**

BILL/RESOLUTION NO. SB 2126 as (re) engrossed

Senate Finance and Taxation Committee

- Action Taken**
- SENATE** accede to House Amendments
 - SENATE** accede to House Amendments and further amend
 - HOUSE** recede from House amendments
 - HOUSE** recede from House amendments and amend as follows
 - Unable to agree**, recommends that the committee be discharged and a new committee be appointed

Motion Made by: Piepkorn Seconded by: Kannianen

Senators	4/12		Yes	No	Representatives	4/12		Yes	No
Weber, Mark F. (R) (Chair)	X		X		Motschenbacher, Mike (R)	X		x	
Patten, Dale (R)	X		X		Warrey, Jonathan (R)	X		X	
Piepkorn, Merrill (D)	x		X		Ostlie, Mitch (R)	X		X	
Total Senate Vote			3		Total Rep. Vote			3	

Vote Count Yes: 6 No: 0 Absent: 0

Senate Carrier Piepkorn House Carrier Ostlie

LC Number _____ . _____ of amendment

LC Number _____ . _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

REPORT OF CONFERENCE COMMITTEE

SB 2126: Your conference committee (Sens. Weber, Patten, Piepkorn and Reps. Motschenbacher, Warrey, Ostlie) recommends that the **SENATE ACCEDE** to the House amendments and place SB 2126 on the Seventh order.

SB 2126 was placed on the Seventh order of business on the calendar.

TESTIMONY

SB 2126

Senator Cole Conley
Senate District 12
Testimony for SB 2126

Madam Chair and committee members,

For the record, my name is Senator Conley from District 12.

SB 2126 is a bill to allow charitable organizations to sell numbered squares on raffle boards at a site 30 days before the day of the drawing (rather than on the day of the drawing as NDAC 99-01.3-05-01 currently allows). Common practice has been that raffle boards have been sold many days prior to the drawing but now the gaming commission has decided to enforce this administrative rule creating a hardship for those trying to raise funds for their communities.



Drew H. Wrigley
ATTORNEY GENERAL

STATE OF NORTH DAKOTA
OFFICE OF ATTORNEY GENERAL
www.attorneygeneral.nd.gov
(701) 328-2210

Senate Finance and Taxation
Senate Bill No. 2126
Relating to the Sale of Raffle Board Squares
January 16, 2023, Fort Totten Room

During the 2019 session the requirement of a permitted organization to have a state gaming stamp on a raffle board was removed from statute. This was to make it less expensive and easier for a permitted organization to conduct a raffle board. This requirement was removed since it was determined that since the squares on the raffle board were sold and the drawing held onsite at the event then just having the site authorization was enough to regulate that the games of chance being conducted were approved.

Should you accept this activity the Office of Attorney General would respectively request that an amendment be made to require a state gaming stamp once again on raffle boards for the permitted organizations to ensure citizens when purchasing a square on the raffle board that the game has been authorized by the state and local governing body.

A licensed distributor shall affix a North Dakota gaming stamp to each deal of pull tabs, raffle board, punchboard, sports pool board, calcutta board, and series of paddlewheel ticket cards sold or otherwise provided to a licensed organization or organization that has a permit and shall purchase the stamps from the attorney general for thirty-five cents each. Ten cents of each stamp sold by the attorney general, up to thirty-six thousand.

North Dakota laws and rules allow several variations on the conduct of a raffle.

Raffle ticket sales – where a player may purchase a raffle ticket for a drawing to be held at a future date. It is a two part ticket where the stub to be placed in a receptacle has pertinent information on the player so that the player can be contacted should they win. The other part of the ticket is given to the player as a receipt of the purchase and gives the player pertinent information regarding the place and time of the raffle and prizes to be won. Last session it was also approved that licensed organizations may sell tickets online and accept electronic payment.

Calendar Raffle – is a raffle in which a player's ticket stub is entered in two or more drawings held on predetermined days over an extended period of time for predetermined prizes. The player again receives a receipt of the purchase that gives the player pertinent information regarding the raffle.

Raffle Board – is a board on which numbered squares must be sold for the same price at a site on the day of the drawing. The organization completes the board with the cost per square and prizes. For each square sold, an employee writes the player's full name on the square purchased and duplicate numbers corresponding to the numbered squares on the board must be placed into a receptacle for drawing.

Double Roll Ticket – this is a raffle where two single tickets are printed side by side on a roll with a consecutive number. Both tickets must have the same number. A double roll raffle must also be conducted on the same day of the event.

Electronic fifty-fifty raffles – can be conducted either by manual drawing or by using a random number generator. Fifty-fifty raffle tickets must be sold and drawings held onsite at the location of and on the date of the event.

Thank you for your time and consideration.

Deb McDaniel
Director of Gaming
Office of Attorney General



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701-355-4458 • www.ednd.org

Testimony of Dana Hager
Economic Development Association of North Dakota
In Support of SB 2306
March 3, 2023

Chair Longmuir and members of the House Political Subdivisions Committee:

My name is Dana Hager, executive director of the Economic Development Association of North Dakota (EDND). I want to express our support for SB 2306 regarding Job Development Authorities (JDA).

EDND represents more than 80 state economic development organizations on the front line of economic development efforts throughout North Dakota. The organization's primary purpose is to promote the creation of new wealth throughout North Dakota to develop more vibrant and efficient communities and improve quality of life. Many of our members are governed through the JDA chapter of Century Code to "encourage and assist in the development of employment and promotion of tourism within the county."

The new subsection proposed in SB 2306 does not impact or change the way a county JDA currently operates but allows for more flexibility in establishing strong and invested boards for JDAs. This change will streamline the process for our communities and create more efficiencies and better communication between EDOs and JDAs. EDND supports steps to help strengthen our organizations who working hard for North Dakota at the local level.

Thank you for the time and energy to discuss SB 2306. EDND urges a Do Pass.

Chairman Longmuir and members of the committee, for the record, I am Senator Conley from District 12 in Jamestown. Currently, Administrative Rule NDAC 99-01.3-05-01 states that raffle board sales can only take place on the day of the drawing. SB 2126 is a bill to extend sales from 1 day to 30 days before the drawing.

Raffle boards are often used in small communities to raise funds for charitable causes such as providing assistance to a family in need or to raise funds for the local rural fire department.

Common practice has been to sell squares on the board and then close the raffle when the board is full. In small communities it is just not possible to sell out the board in 1 day, which ends up limiting the amount of funds raised for good community causes.

SB 2126 passed the Senate on a 44-3 vote and I am asking for a favorable recommendation.

Thank you

Sen. Conley



Drew H. Wrigley
ATTORNEY GENERAL

STATE OF NORTH DAKOTA
OFFICE OF ATTORNEY GENERAL
www.attorneygeneral.nd.gov
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House Political Subdivisions
Senate Bill No. 2126
Relating to the Sale of Raffle Board Squares
March 3, 2023, Room 327B

North Dakota laws and rules allow several variations on the conduct of a raffle.

Raffle ticket sales – where a player may purchase a raffle ticket for a drawing to be held at a future date. It is a two-part ticket where the stub is placed in a receptacle and has pertinent information about the player so that the player can be contacted should they win or if there is an issue with the raffle. The other part of the ticket is given to the player as a receipt of the purchase and gives the player pertinent information regarding the place and time of the raffle and prize(s) to be won.

Calendar Raffle – is a raffle in which a player's ticket stub is entered in two or more drawings held on predetermined days over an extended period of time for predetermined prizes. The player again receives a receipt of the purchase that gives the player pertinent information regarding the raffle.

Raffle Board – is a board on which numbered squares must be sold for the same price at a site on the day of the drawing. The organization completes the board with the cost per square and prizes. For each square sold, an employee writes the player's full name on the square purchased and duplicate numbers corresponding to the numbered squares on the board must be placed into a receptacle for drawing.

Double Roll Ticket – this is a raffle where two single tickets are printed side by side on a roll with a consecutive number. Both tickets must have the same number. A double roll raffle must also be conducted on the same day of the event.

Electronic fifty-fifty raffles – can be conducted either by manual drawing or by using a random number generator. Fifty-fifty raffle tickets must be sold and drawings held onsite at the location of and on the date of the event.

During the 2019 session the requirement of a permitted organization to have a state gaming stamp on a raffle board was removed from statute. This was to make it less expensive and easier for a permitted organization to conduct a raffle board. This requirement was removed since it was determined that since the squares on the raffle board were sold and the drawing held onsite at the event then just having the site authorization was enough to regulate that the games of chance being conducted were approved.

Should this bill pass the Office of Attorney General Gaming Division questions the safety and security of the conduct of selling squares on a raffle board over a period of time. There is no way for an organization to contact a player and a player would not have a receipt of purchase with information concerning the raffle.

Deb McDermid

Should you accept this activity the Office of Attorney General would respectively request that an amendment be made to NDCC 53-06.1-14, Distributors and manufacturers, requiring a state gaming stamp once again on raffle boards for the permitted organizations to ensure citizens when purchasing a square on the raffle board that the game has been authorized by the state and local governing body.

53-06.1-14(3) (Distributors and manufacturers.)

A licensed distributor shall affix a North Dakota gaming stamp to each deal of pull tabs, raffle board, punchboard, sports pool board, calcutta board, and series of paddlewheel ticket cards sold or otherwise provided to a licensed organization or organization that has a permit and shall purchase the stamps from the attorney general for thirty-five cents each. Ten cents of each stamp sold by the attorney general, up to thirty-six thousand.

Thank you for your time and consideration.

Deb McDaniel
Director of Gaming
Office of Attorney General

COST PER SQUARE: \$ _____

DATE OF RAFFLE: _____

State _____
Gaming Stamp _____

PRIZE:

1	2	3	4	5	6	7	8	9	10
11	12	13	14	15	16	17	18	19	20
21	22	23	24	25	26	27	28	29	30
31	32	33	34	35	36	37	38	39	40
41	42	43	44	45	46	47	48	49	50
51	52	53	54	55	56	57	58	59	60
61	62	63	64	65	66	67	68	69	70
71	72	73	74	75	76	77	78	79	80
81	82	83	84	85	86	87	88	89	90
91	92	93	94	95	96	97	98	99	100

ORGANIZATION NAME

LICENSE/PL (IT NUMBER

23.0225.01001

Sixty-eighth
Legislative Assembly
of North Dakota

SENATE BILL NO. 2126

Introduced by

Senators Conley, Elkin, Vedaa

Representatives Grueneich, Ostlie

1 A BILL for an Act to amend and reenact section 53-06.1-10.1 of the North Dakota Century
2 Code, relating to the sale of raffle board squares.

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

4 **SECTION 1. AMENDMENT.** Section 53-06.1-10.1 of the North Dakota Century Code is
5 amended and reenacted as follows:

6 **53-06.1-10.1. Raffles.**

- 7 1. A prize for a raffle may be cash or merchandise but may not be real estate. ~~No~~A single
8 cash prize may not exceed ~~twenty-five~~five thousand dollars and the total cash prizes in
9 one day may not exceed ~~twenty-five~~five thousand dollars. However, on not more than
10 two occasions per year a licensed organization may, at the request of a winning
11 player, exchange a merchandise prize valued at not more than ~~twenty-five~~five
12 thousand dollars for a cash prize.
- 13 2. The maximum cash prize limits of this section do not apply to a public-spirited
14 organization that supports amateur collegiate athletics.
- 15 3. An organization permitted to conduct raffles ~~in this state~~ may conduct a fifty-fifty raffle
16 either by manual drawing or by using a random number generator. Fifty-fifty raffle
17 tickets must be sold and drawings held onsite at the location of and on the date of the
18 event. Fifty-fifty raffles may not be conducted online over the internet.
- 19 4. ~~A licensed organization permitted to conduct raffles in this state may sell online over~~
20 ~~the internet and may accept an electronic payment, including payment by a debit card~~
21 ~~or a credit card, for the purchase of a raffle ticket. An organization that accepts~~
22 ~~payment by credit card for the purchase of a raffle ticket shall limit an individual's ticket~~
23 ~~purchases using a credit card to five hundred dollars per day, not to exceed~~
24 ~~one thousand five hundred dollars per week. If a licensed organization accepts~~

Sixty-eighth
Legislative Assembly

1 ~~electronic payment for the purchase of a raffle ticket, the organization shall verify the~~
2 ~~ticket purchaser is at least eighteen years of age and physically is located in the state.~~
3 — 5. For a raffle board, an organization permitted to conduct raffles must sell the numbered
4 squares on the board for the same price and may sell squares at a site ~~thirty~~fourteen
5 days before the drawing.

PROPOSED AMENDMENTS TO SENATE BILL NO. 2126

Page 1, line 8, overstrike "twenty-five" and insert immediately thereafter "five"

Page 1, line 9, overstrike "twenty-five" and insert immediately thereafter "five"

Page 1, line 11, overstrike "twenty-five" and insert immediately thereafter "five"

Page 1, line 19, overstrike "A licensed organization permitted to conduct raffles"

Page 1, line 19, overstrike "may sell online over"

Page 1, overstrike lines 20 through 24

Page 2, overstrike lines 1 and 2

Page 2, line 3, remove "5."

Page 2, line 4, replace "thirty" with "fourteen"

Renumber accordingly

23.0225.01000

Sixty-eighth
Legislative Assembly
of North Dakota

SENATE BILL NO. 2126

Introduced by

Senators Conley, Elkin, Vedaa

Representatives Grueneich, Ostlie

1 A BILL for an Act to amend and reenact section 53-06.1-10.1 of the North Dakota Century
2 Code, relating to the sale of raffle board squares.

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

4 **SECTION 1. AMENDMENT.** Section 53-06.1-10.1 of the North Dakota Century Code is
5 amended and reenacted as follows:

6 **53-06.1-10.1. Raffles.**

- 7 1. A prize for a raffle may be cash or merchandise but may not be real estate. ~~No~~A single
8 cash prize may not exceed twenty-five thousand dollars and the total cash prizes in
9 one day may not exceed twenty-five thousand dollars. However, on not more than two
10 occasions per year a licensed organization may, at the request of a winning player,
11 exchange a merchandise prize valued at not more than twenty-five thousand dollars
12 for a cash prize.
- 13 2. The maximum cash prize limits of this section do not apply to a public-spirited
14 organization that supports amateur collegiate athletics.
- 15 3. An organization permitted to conduct raffles ~~in this state~~ may conduct a fifty-fifty raffle
16 either by manual drawing or by using a random number generator. Fifty-fifty raffle
17 tickets must be sold and drawings held onsite at the location of and on the date of the
18 event. Fifty-fifty raffles may not be conducted online over the internet.
- 19 4. A licensed organization permitted to conduct raffles ~~in this state~~ may sell online over
20 the internet and may accept an electronic payment, including payment by a debit card
21 or a credit card, for the purchase of a raffle ticket. An organization that accepts
22 payment by credit card for the purchase of a raffle ticket shall limit an individual's ticket
23 purchases using a credit card to five hundred dollars per day, not to exceed
24 one thousand five hundred dollars per week. If a licensed organization accepts

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Legislative Assembly

- 1 electronic payment for the purchase of a raffle ticket, the organization shall verify the
2 ticket purchaser is at least eighteen years of age and physically is located in the state.
3 5. For a raffle board, an organization permitted to conduct raffles must sell the numbered
4 squares on the board for the same price and may sell squares at a site thirty days
5 before the drawing.

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8 cash prize may not exceed ~~twenty-five~~five thousand dollars and the total cash prizes in
9 one day may not exceed ~~twenty-five~~five thousand dollars. However, on not more than
10 two occasions per year a licensed organization may, at the request of a winning
11 player, exchange a merchandise prize valued at not more than ~~twenty-five~~five
12 thousand dollars for a cash prize.
- 13 2. The maximum cash prize limits of this section do not apply to a public-spirited
14 organization that supports amateur collegiate athletics.
- 15 3. An organization permitted to conduct raffles ~~in this state~~ may conduct a fifty-fifty raffle
16 either by manual drawing or by using a random number generator. Fifty-fifty raffle
17 tickets must be sold and drawings held onsite at the location of and on the date of the
18 event. Fifty-fifty raffles may not be conducted online over the internet.
- 19 4. ~~A licensed organization permitted to conduct raffles in this state may sell online over~~
20 ~~the internet and may accept an electronic payment, including payment by a debit card~~
21 ~~or a credit card, for the purchase of a raffle ticket. An organization that accepts~~
22 ~~payment by credit card for the purchase of a raffle ticket shall limit an individual's ticket~~
23 ~~purchases using a credit card to five hundred dollars per day, not to exceed~~
24 ~~one thousand five hundred dollars per week. If a licensed organization accepts~~

1 ~~electronic payment for the purchase of a raffle ticket, the organization shall verify the~~
2 ~~ticket purchaser is at least eighteen years of age and physically is located in the state.~~
3 ~~5. For a raffle board, an organization permitted to conduct raffles must sell the numbered~~
4 ~~squares on the board for the same price and may sell squares at a site ~~thirtyfourteen~~~~
5 ~~days before the drawing. For each square sold on a raffle board, an employee shall~~
6 ~~legibly write the player's full name and phone number in the square purchased by the~~
7 ~~player.~~

PROPOSED AMENDMENTS TO SENATE BILL NO. 2126

Page 1, line 8, overstrike "twenty-five" and insert immediately thereafter "five"

Page 1, line 9, overstrike "twenty-five" and insert immediately thereafter "five"

Page 1, line 11, overstrike "twenty-five" and insert immediately thereafter "five"

Page 1, line 19, overstrike "A licensed organization permitted to conduct raffles"

Page 1, line 19, overstrike "may sell online over"

Page 1, overstrike lines 20 through 24

Page 2, overstrike lines 1 and 2

Page 2, line 3, remove "5."

Page 2, line 4, replace "thirty" with "fourteen"

Renumber accordingly

Should you accept this activity the Office of Attorney General would respectfully request that an amendment be made to NDCC 53-06.1-14, Distributors and manufacturers, requiring a state gaming stamp once again on raffle boards for the permitted organizations to ensure citizens when purchasing a square on the raffle board that the game has been authorized by the state and local governing body.

53-06.1-14(3) (Distributors and manufacturers.)

A licensed distributor shall affix a North Dakota gaming stamp to each deal of pull tabs, raffle board, punchboard, sports pool board, calcutta board, and series of paddlewheel ticket cards sold or otherwise provided to a licensed organization or organization that has a permit and shall purchase the stamps from the attorney general for thirty-five cents each. Ten cents of each stamp sold by the attorney general, up to thirty-six thousand.

Thank you for your time and consideration.

Deb McDaniel
Director of Gaming
Office of Attorney General

23.0225.01003
Title.

Prepared by the Legislative Council staff for
Representative Toman
March 17, 2023

PROPOSED AMENDMENTS TO SENATE BILL NO. 2126

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to create and enact a new subdivision to subsection 3 of section 53-06.1-03 of the North Dakota Century Code, relating to the sale of raffle boards; and to amend and reenact subsection 3 of section 53-06.1-14 of the North Dakota Century Code, relating to affixing a North Dakota gaming stamp.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. A new subdivision to subsection 3 of section 53-06.1-03 of the North Dakota Century Code is created and enacted as follows:

For a raffle board, an organization permitted to conduct raffles shall sell the numbered squares on the board for the same price and may sell squares at a site thirty days before the drawing.

SECTION 2. AMENDMENT. Subsection 3 of section 53-06.1-14 of the North Dakota Century Code is amended and reenacted as follows:

3. A licensed distributor shall affix a North Dakota gaming stamp to each deal of pull tabs, raffle board, punchboard, sports pool board, calcutta board, and series of paddlewheel ticket cards sold or otherwise provided to a licensed organization or organization that has a permit and shall purchase the stamps from the attorney general for thirty-five cents each. Ten cents of each stamp sold by the attorney general, up to thirty-six thousand dollars per biennium, must be credited to the attorney general's operating fund to defray the costs of issuing and administering the gaming stamps."

Renumber accordingly

23.0225.01003

Sixty-eighth
Legislative Assembly
of North Dakota

SENATE BILL NO. 2126

Introduced by

Senators Conley, Elkin, Vedaa

Representatives Grueneich, Ostlie

1 A BILL ~~for an Act to amend and reenact section 53-06.1-10.1 of the North Dakota Century~~
2 ~~Code, relating to the sale of raffle board squares.~~ for an Act to create and enact a new
3 subdivision to subsection 3 of section 53-06.1-03 of the North Dakota Century Code, relating to
4 the sale of raffle boards; and to amend and reenact subsection 3 of section 53-06.1-14 of the
5 North Dakota Century Code, relating to affixing a North Dakota gaming stamp.

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

7 ~~**SECTION 1. AMENDMENT.** Section 53-06.1-10.1 of the North Dakota Century Code is~~
8 ~~amended and reenacted as follows:~~

9 ~~**53-06.1-10.1. Raffles.**~~

10 ~~1. A prize for a raffle may be cash or merchandise but may not be real estate. No~~ A single
11 cash prize may not exceed twenty-five thousand dollars and the total cash prizes in
12 one day may not exceed twenty-five thousand dollars. However, on not more than two
13 occasions per year a licensed organization may, at the request of a winning player,
14 exchange a merchandise prize valued at not more than twenty-five thousand dollars
15 for a cash prize.

16 ~~2. The maximum cash prize limits of this section do not apply to a public spirited~~
17 ~~organization that supports amateur collegiate athletics.~~

18 ~~3. An organization permitted to conduct raffles in this state may conduct a fifty-fifty raffle~~
19 ~~either by manual drawing or by using a random number generator. Fifty-fifty raffle~~
20 ~~tickets must be sold and drawings held onsite at the location of and on the date of the~~
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9 **SECTION 1.** A new subdivision to subsection 3 of section 53-06.1-03 of the North Dakota
10 Century Code is created and enacted as follows:

11 For a raffle board, an organization permitted to conduct raffles shall sell the
12 numbered squares on the board for the same price and may sell squares at a site
13 thirty days before the drawing.

14 **SECTION 2. AMENDMENT.** Subsection 3 of section 53-06.1-14 of the North Dakota
15 Century Code is amended and reenacted as follows:

16 3. A licensed distributor shall affix a North Dakota gaming stamp to each deal of pull
17 tabs, raffle board, punchboard, sports pool board, calcutta board, and series of
18 paddlewheel ticket cards sold or otherwise provided to a licensed organization or
19 organization that has a permit and shall purchase the stamps from the attorney
20 general for thirty-five cents each. Ten cents of each stamp sold by the attorney
21 general, up to thirty-six thousand dollars per biennium, must be credited to the
22 attorney general's operating fund to defray the costs of issuing and administering the
23 gaming stamps.

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3. A licensed distributor shall affix a North Dakota gaming stamp to each deal of pull tabs, raffle board, punchboard, sports pool board, calcutta board, and series of paddlewheel ticket cards sold or otherwise provided to a licensed organization or organization that has a permit and shall purchase the stamps from the attorney general for thirty-five cents each. Ten cents of each stamp sold by the attorney general, up to thirty-six thousand dollars per biennium, must be credited to the attorney general's operating fund to defray the costs of issuing and administering the gaming stamps."

Renumber accordingly