

HOUSE RESEARCH

Bill Summary

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Overview

This bill legalizes linked bingo games, which are bingo games played in two or more locations and linked electronically, with a single prize pool. It increases maximum prizes for pull-tabs and for progressive bingo games. It also makes various minor changes in charitable gambling law.

Section

- 1 **Definition.** Includes linked bingo games in the definition of "bingo" in charitable gambling law.
- 2 **Electronic bingo device.** Defines "electronic bingo device" as an electronic device used by bingo players to enter and keep track of bingo numbers.
- 3 **Gambling equipment.** Expands the definition of "gambling equipment" to include electronic bingo devices and linked bingo paper.
- 4 **Lawful purpose.** Amends the definition to allow the payment of property taxes on premises entirely leased by a veterans organization.
- 5 **Linked bingo paper.** Defines "linked bingo paper" as bingo sheets sealed by the manufacturer to conceal the face until opened. Requires linked bingo paper to have a serial number and bar code with information required by the gambling control board by rule.
- 6 **Linked bingo game.** Defines "linked bingo game" as a single bingo game played using linked bingo paper at two or more locations on which the conducting organizations have premises permits, with a common prize pool and common selection of numbers, and results transmitted electronically to all participating organizations by satellite, telephone, or other means.
- 7 **Linked bingo game prize provider.** Defines "linked bingo game prize provider" as a person who provides the means to link bingo games, provides prize management, or provides equipment for linked bingo games.
- 8 **Net profits for disaster relief.** Deletes the requirement that a disaster must be natural in order for gambling net profits to be spent for relief. Incorporates a definition of disaster from

emergency management law.

- 9 **Powers and duties of board.** Expands the powers of the gambling control board to include powers over linked bingo game providers.
- 10 **Pull-tab dispensing devices.** Repeals the prohibition against placement of pull-tab dispensing devices in leased permitted premises where pull-tabs are also sold by employees of the lessor (bar-ops).
- 11 **Electronic bingo.** Allows the board to authorize electronic bingo devices. Requires rules governing such devices to limit bingo faces to 72, require the device to be used only with bingo paper sheets, require devices to be capable of being remotely monitored by the board, and prohibit the price of a bingo face played on an electronic device to be less than the price of a face on a bingo paper sheet.
- 12 **Actions of licenses of linked bingo game providers.** Extends to the licenses of linked bingo game providers the same authority of the board to revoke or refuse to issue or renew a license of a manufacturer, distributor, bingo hall, or bingo manager.
- 13 **Fees.** Changes the license fee schedule for gambling equipment distributors without changing the amount. Goes from an annual \$3,500 fee to an initial \$3,500 fee followed by renewals every two years for \$7,000.
- 14 **License; fee.** Changes the license fee schedule for gambling equipment manufacturers without changing the amount. From an annual \$5,000 fee the bill changes to an initial \$5,000 fee followed by renewal every two years for \$10,000.
- 15 **Linked bingo licenses.** Provides for licenses for linked bingo games.
- Subdivision 1. Licenses required.** Requires a license to (1) provide the means to link bingo prizes, (2) provide prize management for linked bingo games, and (3) provide gambling equipment for a linked bingo game, unless already licensed as a distributor.
- Subd. 2. Application.** Provides for application for license as linked bingo game provider. Requires a bond of sufficient size to cover all linked bingo game jackpots and any prizes guaranteed by the provider. Sets the license fee at \$3,500. Provides for renewal every two years for \$7,000.
- Subd. 3. Prohibitions.** Prohibits a linked bingo game prize provider from participating or assisting in the conduct of lawful gambling other than conduct of linked bingo. Prohibits a licensed linked bingo game provider from also being licensed as a bingo hall or distributor, or holding an interest in a bingo hall or distributor, or being an employee of a distributor.
- 16 **Fees; term of license.** Changes schedule for paying bingo hall license fees. Makes initial fee \$2,500 with renewal every two years for \$5,000. Current law is an annual \$2,500 fee.
- 17 **Authorization for linked bingo games.** Allows licensed organizations to conduct or participate in linked bingo games with other licensed organizations. Requires each participating organization to participate in linked bingo prizes in proportion to each organization's gross receipts from linked bingo at each location where the organization conducts linked bingo. Sets a minimum participation of \$250 and a maximum of \$1,000.
- Authorizes the board to adopt rules on manner of play of linked bingo games, record-keeping required, reporting of games, prohibiting linked bingo from becoming progressive games, and any other matter related to linked bingo.
- 18 **Linked bingo prizes.** Exempts linked bingo from limits on prizes for other bingo games, other than the limit on total prizes at a bingo occasion.
- 19 **Progressive bingo game prizes.** Increase the maximum starting prize of a progressive bingo

game (a game where a prize may be carried over from one occasion to another) from \$300 to \$500. Increase the total annual limit on progressive bingo prizes per organization from \$36,000 to \$48,000.

20 **Pull-tab prize limits.** Increases from \$500 to \$599 the maximum prize for a single pull-tab.