



## 2007 Legislative Changes

### Minnesota Gambling Control Board

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# Legislative Changes

Effective May 26, 2007



## Linked Bingo

**Number of games allowed; progressive allowed** - An organization may conduct or participate in not more than than *two* linked bingo games per occasion, one of which may be a *progressive game* in which a portion of the prize is carried over from one occasion to another until won by a player achieving a bingo within a predetermined amount of bingo numbers called.

[Minn. Stat. 349.17, Subdivision 8(a)]

### Prize limits

**Contribution amount** - An organization may not contribute more than \$300 *per linked bingo game to a linked bingo prize pool.* [Minn. Stat. 349.211, Subdivision 1a(1) and 349.17, Subdivision 8(b)]

**Consolation prize** - An organization may not award more than \$200 for a linked bingo game consolation prize. A linked bingo game consolation prize is a prize awarded by an organization after a prize from the linked bingo prize pool has been won.

[Minn. Stat. 349.211, Subdivision 1a(2)]

**Cover-all prize** - The requirement that an organization must reduce the amount contributed to the linked bingo prize pool from the total value of cover-all prizes available during the bingo occasion was removed. [Minn. Stat. 349.211, Subdivision 1a(2)]

**Progressive prize** - For a progressive linked bingo game, if no player declares a valid bingo within the predetermined amount of bingo numbers called, a portion of the prize is carried over to another occasion until the accumulated prize is won. The portion of the prize that is not carried over must be awarded to the first player or players who declares a valid bingo as additional numbers are called. If a valid bingo is declared within the predetermined amount of bingo numbers called, the entire prize pool for that game is awarded to the winner.

The annual limit for (all) progressive bingo game prizes (\$48,000) must be reduced by the amount an organization contributes to progressive linked bingo games during the same calendar year. [Minn. Stat. 349.211, Subdivision 1a(3)]

There is no limit on the progressive amount awarded for a linked bingo game. [Minn. Stat. 349.211, Subdivision 2]

### Separate account

The requirement for an organization to have a separate bank account for the linked bingo prize pool account was eliminated.

[Minn. Stat. 349.19, Subd. 2b]

### Linked bingo prize pool

**Effective August 1, 2007** - The definition of "linked bingo prize pool" was amended to allow a portion of the prize pool to be carried over from one occasion to another in a progressive linked bingo game. [Minn. Stat. 349.12, Subdivision 25d]

## Bingo Cover-all Game

A **cover-all game** may include a game in which all odd or all even numbers are designated by the organization as covered prior to the start of the game. (Per rule, this requires the use of sealed bingo paper.) Minn. Stat. 349.211, Subdivision 1]

**Effective May 26, 2007**

**Pull-tab and Tipboard Games**

**Approval**

The Board is prohibited from denying approval of a pull-tab or tipboard game solely because the game is similar to or bears the name or image of a licensed commercial product. *[Minn. Stat. 349.163, Subdivision 6b]*

**Ticket price**

The maximum price allowed to be charged for a pull-tab or tipboard ticket was changed from \$2 to \$5.  
*[Minn. Stat. 349.211, Subd. 2a and 2c]*

**Effective July 1, 2007**

**Allowable Expenses - Bingo**

The percent of bingo gross receipts that may be used for allowable expenses changed. Effective July 1, 2007, it will be a straight 70% of bingo gross receipts. Currently it is 70% after taxes are deducted. Revenue will provide an updated form in July.  
*[Minn. Stat. 349.15, Subdivision 1]*

**Effective August 1, 2007**

**Fraternal Organizations**

**Definition** - "Fraternal organization" means a nonprofit organization which is a branch, lodge, or chapter of a national or state organization registered by the Internal Revenue Service as a 501(c)8 or a 501(c)10 nonprofit organization and exists for the common business, fraternal, or other interests of its members. The term does not include college and high school fraternities and sororities. *[Minn. Stat. 349.12, Subdivision 16a]*

**Lawful purpose expenditure** under code A-16 was amended to include fraternal organizations, i.e. an expenditure by a **licensed fraternal organization** or a licensed veterans organization for payment of water, fuel for heating, electricity, and sewer costs for a building wholly owned or wholly leased by and used as the primary headquarters of the licensed veterans organization or **fraternal organization**.  
*[Minn. Stat. 349.12, Subdivision 25(a)(16)]*

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**Effective August 1, 2007**

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**Silent Auctions and Raffles**

A nonprofit organization may conduct live, on premises, a silent auction or raffle of wine, beer, or intoxicating liquors, if:

- funds from the auction or raffle are dedicated to the charitable purposes of the nonprofit organization;
- such auctions or raffles are limited to not more than six occasions per year; and
- the alcohol may only be auctioned or raffled to persons who demonstrate that they are 21 years of age or older and do not show signs of obvious intoxication.

Nothing in this legislation authorizes on premises consumption of alcohol.

*[Minn. Stat. 340A.707]*

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**Effective October 1, 2007**

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**Smoking Ban**

Senate File 238 is a bill for an act relating to health; establishing public policy to protect employees and the general public from the hazards of secondhand smoke; requiring persons to refrain from smoking in certain areas; amending Minnesota Statutes 144; and repealing Minnesota Statutes 2006, section 144.415.

*[Minn. Stat. 116L.17, Subdivision 1; 144.412; 144.413; 144.414; 144.416; and 144.417]*