

HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. 374

01/26/2015 Authored by Sanders, Hoppe, Lillie, Davids, Daudt and others
The bill was read for the first time and referred to the Committee on Commerce and Regulatory Reform
02/05/2015 Adoption of Report: Re-referred to the Committee on State Government Finance
02/12/2015 Adoption of Report: Re-referred to the Committee on Ways and Means
02/18/2015 Adoption of Report: Placed on the General Register
Read Second Time
05/08/2015 Referred to the Chief Clerk for Comparison with S. F. No. 229
05/11/2015 Postponed Indefinitely

A bill for an act

relating to gambling; making clarifying, conforming, and technical changes
relating to lawful gambling; modifying games, prizes, and other provisions
regulating the conduct of lawful gambling; prohibiting director of State Lottery
from offering casino-style games; suspending the sale of certain tickets of the
State Lottery through a Web site or self-service devices; amending Minnesota
Statutes 2014, sections 349.12, subdivision 18, by adding subdivisions; 349.16,
by adding a subdivision; 349.163, by adding subdivisions; 349.1635, subdivision
4; 349.17, subdivisions 5, 6, 9; 349.1711, subdivisions 1, 2; 349.1721,
subdivision 4; 349.173; 349.181, subdivision 3; 349.19, subdivisions 2, 10, 11;
349.211, subdivisions 1, 1a, 2, by adding a subdivision; 349A.13; repealing
Minnesota Statutes 2014, sections 349.169; 349.19, subdivision 9.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 2014, section 349.12, is amended by adding a
subdivision to read:

Subd. 8a. **Continuation raffle.** "Continuation raffle" means the selection of winning
entries from previously selected winning entries until a final selection of winning entries is
determined and no additional consideration is required beyond the initial consideration
to enter the raffle. A continuation raffle may be conducted over a period of time but
cannot exceed 12 months.

Sec. 2. Minnesota Statutes 2014, section 349.12, subdivision 18, is amended to read:

Subd. 18. **Gambling equipment.** "Gambling equipment" means gambling
equipment that is either disposable or permanent gambling equipment.

(a) Disposable gambling equipment includes the following:

(1) bingo hard cards or paper sheets, including linked bingo paper sheets;

(2) paper and electronic pull-tabs;

2.1 (3) jar tickets;
2.2 (4) paddle tickets and paddle ticket cards;
2.3 (5) tipboards and tipboard tickets; and
2.4 (6) promotional tickets that mimic a pull-tab or tipboard;
2.5 (7) raffle boards; and
2.6 (8) a disposable sealed placard, containing all 75 randomly placed bingo letter
2.7 and number combinations, that, when opened, is used to select the bingo numbers in
2.8 a single game of bingo.

2.9 (b) Permanent gambling equipment includes the following:
2.10 (1) devices for selecting bingo numbers;
2.11 (2) electronic bingo devices;
2.12 (3) electronic pull-tab devices;
2.13 (4) pull-tab dispensing devices;
2.14 (5) programmable electronic devices that have no effect on the outcome of a game
2.15 and are used to provide a visual or auditory enhancement of a game;
2.16 (6) paddlewheels; and
2.17 (7) paddlewheel tables.

2.18 Sec. 3. Minnesota Statutes 2014, section 349.12, is amended by adding a subdivision
2.19 to read:

2.20 Subd. 21a. **Hot-ball bingo prize.** "Hot-ball bingo prize" is an additional prize
2.21 awarded to a winning bingo face for which the last bingo number called in the bingo game
2.22 matches a previously designated bingo number announced to all players immediately prior
2.23 to the beginning of the bingo game or the bingo occasion. All players participating in a
2.24 bingo game that offers a hot-ball bingo prize must be eligible to win the hot-ball bingo
2.25 prize at no additional cost to the player.

2.26 Sec. 4. Minnesota Statutes 2014, section 349.12, is amended by adding a subdivision
2.27 to read:

2.28 Subd. 33a. **Raffle board.** "Raffle board" means a placard with up to 200 squares
2.29 whereby participants in the raffle write their names to indicate entry.

2.30 Sec. 5. Minnesota Statutes 2014, section 349.16, is amended by adding a subdivision
2.31 to read:

2.32 Subd. 2a. **Merged organizations.** If two or more organizations merge or otherwise
2.33 join together to form a new organization and at least one of the organizations has an active

3.1 lawful gambling license, the board shall consider the new organization to have been in
3.2 existence for the most recent three years if all other requirements of subdivision 2 are met.

3.3 Sec. 6. Minnesota Statutes 2014, section 349.163, is amended by adding a subdivision
3.4 to read:

3.5 Subd. 3a. **Promotional materials.** A manufacturer may provide to an organization
3.6 for use at a premises where lawful gambling is conducted by the licensed organization,
3.7 marketing, promotional, or point-of-sale items or materials for the promotion of lawful
3.8 gambling, provided the total value of the items or materials provided to the organization
3.9 does not exceed \$250 per year. Any marketing, promotional, or point-of-sale items and
3.10 materials used for the promotion of lawful gambling may not include items normally
3.11 purchased by the lessor of a premises in the lessor's business.

3.12 Sec. 7. Minnesota Statutes 2014, section 349.163, is amended by adding a subdivision
3.13 to read:

3.14 Subd. 5a. **Disposable sealed placard requirements.** A disposable sealed placard
3.15 used for the selection of bingo numbers in a bingo game in this state must have imprinted
3.16 on it a unique serial and form number and a symbol that is at least one inch high and one
3.17 inch wide consisting of an outline of the geographic boundaries of Minnesota with the
3.18 letters "MN" inside the outline.

3.19 Sec. 8. Minnesota Statutes 2014, section 349.163, is amended by adding a subdivision
3.20 to read:

3.21 Subd. 8a. **Raffle board standards.** (a) A manufacturer may not ship or cause to be
3.22 shipped into this state or sell for use or resale in this state any raffle board that does not
3.23 have affixed to or imprinted at the bottom a bar code that provides all information required
3.24 by the commissioner of revenue under section 297E.04, subdivision 2. A person other
3.25 than a manufacturer may not manufacture, alter, modify, or otherwise change a raffle
3.26 board as allowed by this chapter or board rules.

3.27 (b) A raffle board sold by a manufacturer for use or resale in Minnesota must have
3.28 imprinted on it a symbol that is at least one inch high and one inch wide consisting of an
3.29 outline of the geographic boundaries of Minnesota with the letters "MN" inside the outline
3.30 and must have the serial number of the board imprinted on the bar code at the bottom of
3.31 the board in numerals at least one-half inch high.

3.32 (c) A raffle board may not contain more than 200 squares.

Sec. 9. Minnesota Statutes 2014, section 349.1635, subdivision 4, is amended to read:

Subd. 4. **Prohibition.** (a) Except for services associated exclusively with a linked bingo game, a linked bingo game provider may not participate or assist in the conduct of lawful gambling by an organization. No linked bingo game provider or employee, representative, agent, affiliate, or other employee of a linked bingo game provider may:

(1) hold any financial or managerial interest in a premises leased for the conduct of bingo;

(2) also be licensed as a distributor or hold any financial or managerial interest in a distributor;

(3) sell or lease linked bingo game equipment to any person not licensed as an organization;

(4) purchase gambling equipment to be used exclusively in a linked bingo game from any person not licensed as a manufacturer under section 349.163;

(5) provide a lessor of gambling premises or an appointed official any compensation, gift, gratuity, premium, or contribution; and

(6) provide an employee or agent of the organization any compensation, gift, gratuity, premium, or other thing of value greater than \$25 per organization in a calendar year.

(b) A linked bingo provider may provide to an organization for use at a premises where lawful gambling is conducted by the licensed organization, marketing, promotional, or point-of-sale items or materials for the promotion of lawful gambling, provided the total value of the items or materials provided to the organization does not exceed \$250 per year. Any marketing, promotional, or point-of-sale items and materials used for the promotion of lawful gambling may not include items normally purchased by the lessor of a premises in the lessor's business.

~~(b)~~ (c) Employees of the board and the Division of Alcohol and Gambling Enforcement may inspect the books, records, inventory, and business premises of a licensed linked bingo game provider without notice during the normal business hours of the linked bingo game provider. The board may charge a linked bingo game provider for the actual cost of conducting scheduled or unscheduled inspections of the licensee's facilities.

Sec. 10. Minnesota Statutes 2014, section 349.17, subdivision 5, is amended to read:

Subd. 5. **Bingo cards and sheets.** (a) The board shall by rule require that all licensed organizations: (1) conduct bingo only using a bingo paper sheet or facsimile of a bingo face that bears an individual number recorded by the distributor or linked bingo game provider; and (2) use each bingo paper sheet for no more than one bingo occasion. In lieu of the requirements of clause (2), a licensed organization may electronically record

5.1 the sale of each bingo hard card or paper sheet at each bingo occasion using an electronic
5.2 recording system approved by the board.

5.3 (b) The requirements of paragraph (a) shall only apply to a licensed organization
5.4 that received gross receipts from bingo in excess of \$150,000 in the organization's last
5.5 fiscal year.

5.6 (c) Each bingo hard card, bingo paper sheet, or a facsimile of a bingo paper sheet
5.7 must have five horizontal rows of spaces with each row except one having five not more
5.8 than two numbers in each space. The center row must have four spaces with not more
5.9 than two numbers in each space and the center space marked "free." Each column must
5.10 have one of the letters B-I-N-G-O in order at the top. Bingo paper sheets may also have
5.11 numbers that are not preprinted but are filled in by players.

5.12 Sec. 11. Minnesota Statutes 2014, section 349.17, subdivision 6, is amended to read:

5.13 Subd. 6. **Conduct of bingo.** The price of a face played on an electronic bingo device
5.14 may not be less than the price of a face on a bingo paper sheet sold for the same game at the
5.15 same occasion. A game of bingo begins with the first letter and number called or displayed.
5.16 Each player must cover, mark, or activate the numbers when bingo numbers are randomly
5.17 selected and announced or displayed to the players. The game is won when a player, using
5.18 bingo paper, bingo hard card, or a facsimile of a bingo paper sheet, has completed, as
5.19 described in the bingo program, a previously designated pattern or previously determined
5.20 requirements of the game and declared bingo. A bingo pattern or bingo game requirement
5.21 may not be completed with fewer than three bingo numbers having been drawn, unless the
5.22 game being played is a cover-none game. The game is completed when a winning card,
5.23 sheet, or facsimile is verified and a prize awarded pursuant to subdivision 3.

5.24 Sec. 12. Minnesota Statutes 2014, section 349.17, subdivision 9, is amended to read:

5.25 Subd. 9. **Linked bingo games played exclusively on electronic bingo devices.** In
5.26 addition to the requirements of subdivision 8, the following requirements and restrictions
5.27 apply when linked bingo games are played exclusively on electronic bingo devices.

5.28 (a) The permitted premises must be:

5.29 (1) a premises licensed for the on-sale or off-sale of intoxicating liquor or 3.2 percent
5.30 malt beverages, except for a general food store or drug store permitted to sell alcoholic
5.31 beverages under section 340A.405, subdivision 1; or

5.32 (2) a premises where bingo is conducted as the primary business and has a seating
5.33 capacity of at least 100.

5.34 (b) The number of electronic bingo devices is limited to:

(1) no more than six devices in play for permitted premises with 200 seats or less;
(2) no more than 12 devices in play for permitted premises with 201 seats or more; and
(3) no more than 50 devices in play for permitted premises where bingo is the primary business.

Seating capacity is determined as specified under the local fire code.

(c) Prior to a bingo occasion, the linked bingo game provider, on behalf of the participating organizations, must provide to the board a bingo program in a format prescribed by the board.

(d) Before participating in the play of a linked bingo game, a player must present ~~and register~~ a valid picture identification card that includes the player's ~~address and~~ date of birth. Except for prize receipts required by section 349.19, subdivision 10, an organization is not required to register or retain any information contained on the player's picture identification card.

(e) An organization may remove from play a device that a player has not maintained in an activated mode for a specified period of time determined by the organization. The organization must provide the notice in its house rules.

Sec. 13. Minnesota Statutes 2014, section 349.1711, subdivision 1, is amended to read:

Subdivision 1. **Sale of tickets.** (a) Tipboard games must be played using only tipboard tickets that are either (1) attached to a placard and arranged in columns or rows, or (2) separate from the placard and contained in a receptacle while the game is in play. The placard serves as the game flare.

(b) Except for a sports-themed tipboard, the placard must contain a seal or seals that ~~conceals~~ conceal the winning ~~number~~ numbers or ~~symbol~~ symbols. When a tipboard ticket is purchased and opened from a game containing more than ~~32~~ 100 tickets, each player having a tipboard ticket with one or more predesignated numbers or symbols must sign the placard at the line indicated by the number or symbol on the tipboard ticket.

Sec. 14. Minnesota Statutes 2014, section 349.1711, subdivision 2, is amended to read:

Subd. 2. **Determination of winners.** When the predesignated numbers or symbols have all been purchased, or all of the tipboard tickets for that game have been sold, ~~the~~ a seal must be removed to reveal a number or symbol that determines which of the predesignated numbers or symbols is the winning number or symbol. The seal must be opened by an employee or volunteer of the organization, but if there is more than one seal on the placard, the eligible player may select which seal is opened. A tipboard may also contain consolation winners, or winning chances that are determined in whole or in part

7.1 by the numerical outcome of one or more professional sporting events, that need not be
7.2 determined by the use of the seal.

7.3 Sec. 15. Minnesota Statutes 2014, section 349.1721, subdivision 4, is amended to read:

7.4 Subd. 4. **Electronic pull-tab device requirements and restrictions.** The following
7.5 pertain to the use of electronic pull-tab devices as defined under section 349.12,
7.6 subdivision 12b.

7.7 (a) The use of any electronic pull-tab device may only be at a permitted premises
7.8 that is:

7.9 (1) a premises licensed for the on-sale or off-sale of intoxicating liquor or 3.2 percent
7.10 malt beverages, except for a general food store or drug store permitted to sell alcoholic
7.11 beverages under section 340A.405, subdivision 1; or

7.12 (2) a premises where bingo is conducted as the primary business and has a seating
7.13 capacity of at least 100; and

7.14 (3) where the licensed organization sells paper pull-tabs.

7.15 (b) The number of electronic pull-tab devices is limited to:

7.16 (1) no more than six devices in play at any permitted premises with 200 seats or less;

7.17 (2) no more than 12 devices in play at any permitted premises with 201 seats
7.18 or more; and

7.19 (3) no more than 50 devices in play at any permitted premises where the primary
7.20 business is bingo.

7.21 Seating capacity is determined as specified under the local fire code.

7.22 (c) The hours of operation for the devices are limited to 8:00 a.m. to 2:00 a.m.

7.23 (d) All electronic pull-tab games must be sold and played on the permitted premises
7.24 and may not be linked to other permitted premises.

7.25 (e) Electronic pull-tab games may not be transferred electronically or otherwise to
7.26 any other location by the licensed organization.

7.27 (f) Electronic pull-tab games may be commingled if the games are from the same
7.28 family of games and manufacturer and contain the same game name, form number, type
7.29 of game, ticket count, prize amounts, and prize denominations. Each commingled game
7.30 must have a unique serial number.

7.31 (g) An organization may remove from play a device that a player has not maintained
7.32 in an activated mode for a specified period of time determined by the organization. The
7.33 organization must provide the notice in its house rules.

7.34 (h) Before participating in the play of an electronic pull-tab game, a player must
7.35 present ~~and register~~ a valid picture identification card that includes the player's ~~address~~

and date of birth. Except for prize receipts required by section 349.19, subdivision 10, an organization is not required to register or retain any information contained on the player's picture identification card.

(i) Each player is limited to the use of one device at a time.

Sec. 16. Minnesota Statutes 2014, section 349.173, is amended to read:

349.173 CONDUCT OF RAFFLES.

(a) Raffle tickets or certificates of participation at a minimum must list the three most expensive prizes to be awarded and include the location, date, and time of the selection of the winning entries. If additional prizes will be awarded, a complete list of additional prizes must be publicly posted or visibly on display at the event and copies of the complete prize list made available upon request. Raffles conducted under the exemptions in section 349.166 may use tickets that contain only the sequential number of the raffle ticket and no other information if the organization makes a list of prizes, or visibly displays the prizes at the event, and a statement of other relevant information required by rule available to persons purchasing tickets and if tickets are only sold at the event and on the date when the tickets are drawn.

(b) Raffles must be conducted in a manner that ensures:

(1) all entries in the raffle have an equal chance of selection;

(2) entry in the raffle is not conditioned upon any other purchase, except that a certificate of participation may be a button with a nominal value of less than \$5;

(3) the method of selection is conducted in a public forum;

(4) the method of selection cannot be manipulated or based on the outcome of an event not under the control of the organization;

(5) physical presence at the raffle is not a requirement to win; and

(6) all sold and unsold tickets or certificates of participation are accounted for.

(c) An organization that is permitted under this section and authorized by the Gambling Control Board to conduct raffles may conduct a raffle in conjunction with a wild game or fish taking event. The wild game or fish must be legally taken under chapters 97A to 97C, and rules adopted pursuant to those chapters. The organization may sell a combined ticket for a single price for the event and raffle, provided that the combined ticket states the amount of the price that applies to the wild game or fish event, and the amount that applies to the raffle. All other provisions of sections 349.11 to 349.23 apply to the raffle.

(d) Methods of selecting winning entries from a raffle other than prescribed in rule may be used with the prior written approval of the board.

9.1 Sec. 17. Minnesota Statutes 2014, section 349.181, subdivision 3, is amended to read:

9.2 Subd. 3. **Organization and lessor employees and volunteers.** (a) For purposes of
9.3 this section, "volunteer" means a person who is not compensated by an organization but
9.4 who performs activities in the conduct of lawful gambling for that organization.

9.5 (b) For purposes of this section, "conduct of pull-tabs, tipboards, and paddlewheels"
9.6 includes selling tickets, redeeming tickets, auditing games, making deposits, spinning the
9.7 paddlewheel, and conducting inventory.

9.8 (c) For purposes of this section, "conduct of bingo" includes selling bingo hard cards,
9.9 bingo paper sheets, or facsimiles of bingo paper sheets; completing bingo occasion records;
9.10 selecting or announcing bingo numbers; making deposits; and conducting inventory.

9.11 (d) An organization or lessor employee or volunteer who is involved in the conduct of
9.12 pull-tabs, tipboards, or paddlewheels at a permitted premises may not participate directly
9.13 or indirectly as a player in a pull-tab, tipboard, or paddlewheel game at that same premises.
9.14 This restriction is in effect until six weeks after the employee or volunteer is no longer
9.15 involved in the conduct of pull-tab, tipboard, or paddlewheel games at that same premises.

9.16 (e) A volunteer involved in the conduct of a tipboard or paddlewheel game that
9.17 has no more than 32 chances per game may participate as a player in pull-tab, tipboard,
9.18 or paddlewheel games at the same premises, except on the same business day that the
9.19 volunteer was involved in the conduct of the games.

9.20 ~~(e)~~ (f) An employee or volunteer who is involved in the conduct of any lawful
9.21 gambling during a bingo occasion may not participate directly or indirectly as a player in
9.22 any lawful gambling during that bingo occasion.

9.23 Sec. 18. Minnesota Statutes 2014, section 349.19, subdivision 2, is amended to read:

9.24 Subd. 2. **Accounts.** (a) Gross receipts from lawful gambling by each organization
9.25 must be segregated from all other revenues of the conducting organization and placed in a
9.26 separate gambling bank account.

9.27 (b) All expenditures for allowable expenses, taxes, and lawful purposes must be
9.28 made from the separate account except (1) in the case of expenditures previously approved
9.29 by the organization's membership for emergencies as defined by board rule, (2) as provided
9.30 in subdivision 2a, or (3) when restricted to one electronic fund transaction for the payment
9.31 of taxes for the organization as a whole, the organization may transfer the amount of taxes
9.32 related to the conduct of gambling to the general account at the time when due and payable.

9.33 (c) The name and address of the bank, the account number for the separate account,
9.34 and the names of organization members authorized as signatories on the separate account

must be provided to the board when the application is submitted. Changes in the information must be submitted to the board at least ten days before the change is made.

(d) Except as provided in paragraph (e), gambling receipts must be deposited into the gambling bank account within four business days of completion of the bingo occasion, deal, or game from which they are received.

(1) A deal of paper pull-tabs is considered complete when either the last pull-tab of the deal is sold or the organization does not continue the play of the deal during the next scheduled period of time in which the organization will conduct pull-tabs.

(2) A tipboard game is considered complete when the seal on the game flare is uncovered or the organization does not continue the play of the deal during the next scheduled period of time in which the organization will conduct tipboards.

(e) ~~Gambling receipts from all electronic pull-tab games and all linked electronic bingo games~~ gambling must be recorded on a daily basis and deposited into the gambling bank account ~~within four business days~~ when the total net receipts from all electronic games at the premises reach the sum of \$2,000 or on or before the first day of the month immediately following the month during which the receipts were generated, whichever occurs first.

(f) Deposit records must be sufficient to allow determination of deposits made from each bingo occasion, deal, or game at each permitted premises.

(g) The person who accounts for gambling gross receipts and profits may not be the same person who accounts for other revenues of the organization.

Sec. 19. Minnesota Statutes 2014, section 349.19, subdivision 10, is amended to read:

Subd. 10. **Pull-tab records.** (a) The board shall by rule require a licensed organization to require each winner of a paper pull-tab prize of \$100 or more to present identification in the form of a driver's license, Minnesota identification card, or other identification the board deems sufficient to allow the identification and tracking of the winner. The rule must require the organization to retain winning paper pull-tabs of \$100 or more, and the identification of the winner of the pull-tab, for 3-1/2 years.

(b) A licensed organization must require each person cashing out an electronic pull-tab device with \$600 or more in credits to present identification in the form of a driver's license, Minnesota identification card, or other identification the board deems sufficient to allow the identification and tracking of the winner. The organization must retain the identification of the winner for 3-1/2 years.

(c) An organization must maintain separate cash banks for each deal of paper pull-tabs unless (1) the licensed organization uses a pull-tab dispensing device, or (2) the

11.1 organization uses a cash register, of a type approved by the board, which records all
11.2 sales of paper pull-tabs by separate deals.

11.3 (e) (d) The board shall:

11.4 (1) by rule adopt minimum technical standards for cash registers that may be used
11.5 by organizations, and shall approve for use by organizations any cash register that meets
11.6 the standards; and

11.7 (2) before allowing an organization to use a cash register that commingles receipts
11.8 from several different paper pull-tab games in play, adopt rules that define how cash
11.9 registers may be used and that establish a procedure for organizations to reconcile all
11.10 pull-tab games in play at the end of each month.

11.11 Sec. 20. Minnesota Statutes 2014, section 349.19, subdivision 11, is amended to read:

11.12 Subd. 11. **Information made part of organization minutes.** A licensed
11.13 organization which receives a copy of a ~~written audit under subdivision 9, or an audit~~
11.14 ~~or compliance report prepared by an agency of the state,~~ must place the audit report or
11.15 compliance report in the minutes of the next meeting of the organization following
11.16 receipt of the report. Copies of such minutes must be made available to all members
11.17 of the organization upon request.

11.18 Sec. 21. Minnesota Statutes 2014, section 349.211, subdivision 1, is amended to read:

11.19 Subdivision 1. **Bingo.** Except as provided in subdivisions 1a, 1b, and 2, prizes for a
11.20 single bingo game may not exceed \$200 except prizes for a cover-all or cover-none game,
11.21 which may exceed \$200 if the aggregate value of all cover-all or cover-none prizes in a
11.22 bingo occasion does not exceed \$1,000. Total prizes awarded at a bingo occasion may not
11.23 exceed \$2,800, unless a cover-all and cover-none game is played in which case the limit is
11.24 ~~\$3,800~~ \$4,800. A prize may be determined based on the value of the bingo packet sold to
11.25 the player. For purposes of this subdivision, a cover-all game is one in which a player must
11.26 cover all spaces except a single free space to win and includes a game in which all odd or all
11.27 even numbers are designated by the organization as covered prior to the start of the game
11.28 and a cover-none game is one in which a player does not cover any numbered spaces to win.

11.29 Sec. 22. Minnesota Statutes 2014, section 349.211, subdivision 1a, is amended to read:

11.30 Subd. 1a. **Linked bingo prizes.** Prizes for a linked bingo game shall be limited
11.31 as follows:

12.1 (1) ~~for linked bingo games played without electronic bingo devices, an organization~~
12.2 ~~may not contribute to a linked bingo game prize pool more than \$300 per linked bingo~~
12.3 ~~game per site;~~

12.4 (2) ~~for linked bingo games played exclusively with electronic bingo devices, an~~
12.5 organization may not contribute more than 85 percent of the gross receipts per permitted
12.6 premises to a linked bingo game prize pool;

12.7 ~~(3)~~ (2) no organization may award more than \$200 for a linked bingo game
12.8 consolation prize. For purposes of this subdivision, a linked bingo game consolation
12.9 prize is a prize awarded by an organization after a prize from the linked bingo prize pool
12.10 has been won;

12.11 ~~(4)~~ (3) for a progressive linked bingo game, if no player declares a valid bingo for
12.12 a progressive prize or prizes based on a predetermined and posted win determination, a
12.13 portion of the gross receipts may be carried over to another game until the accumulated
12.14 progressive prize is won. The portion of the prize that is not carried over must be awarded
12.15 to the first player or players who declares a valid bingo as additional numbers are called. If
12.16 a valid bingo is declared, the entire prize pool for that game is awarded to the winner; and

12.17 ~~(5)~~ (4) for linked bingo games played exclusively with electronic bingo devices,
12.18 linked bingo prizes in excess of \$599 shall be paid by the linked bingo game provider to
12.19 the player within three business days. Winners of linked bingo prizes in excess of \$599
12.20 will be given a receipt or claim voucher as proof of a win.

12.21 Sec. 23. Minnesota Statutes 2014, section 349.211, is amended by adding a subdivision
12.22 to read:

12.23 Subd. 1b. **Hot-ball bingo prizes.** An organization may award up to \$500 for a
12.24 hot-ball bingo prize in a bingo occasion.

12.25 Sec. 24. Minnesota Statutes 2014, section 349.211, subdivision 2, is amended to read:

12.26 Subd. 2. **Progressive bingo games.** Except as provided in subdivision 1a, a prize of
12.27 up to \$2,000 may be awarded for a progressive bingo game, including a cover-all game.
12.28 The prize for a progressive bingo game may start at up to \$500 and be increased by up to
12.29 \$100 for each occasion during which the progressive bingo game is played. A consolation
12.30 prize of up to \$200 for a progressive bingo game may be awarded in each occasion during
12.31 which the progressive bingo game is played and the accumulated prize is not won.

12.32 Sec. 25. Minnesota Statutes 2014, section 349A.13, is amended to read:

12.33 **349A.13 RESTRICTIONS.**

13.1 Nothing in this chapter:

13.2 (1) authorizes the director to conduct a lottery game or contest the winner or winners
13.3 of which are determined by the result of a sporting event other than a horse race conducted
13.4 under chapter 240;

13.5 (2) authorizes the director to install or operate a lottery device operated by coin or
13.6 currency which when operated determines the winner of a game; ~~and~~

13.7 (3) authorizes the director to sell pull-tabs as defined under section 349.12,
13.8 subdivision 32.; and

13.9 (4) authorizes the director to offer the play of, on an electronic terminal, through a
13.10 Web site, or by any other means or device, casino-style games, including but not limited
13.11 to blackjack, craps, keno, dice games, roulette, or poker.

13.12 Sec. 26. **STATE LOTTERY; SELF-SERVICE DEVICE AND ONLINE SALES.**

13.13 (a) By October 30, 2015, the director of the State Lottery shall suspend the sale of
13.14 lottery tickets through: (1) a self-service device that is part of, shares a display with, or
13.15 is adjacent to a retail petroleum dispenser under Minnesota Statutes, section 239.751,
13.16 including all contracts related to this activity; and (2) a self-service device that is part of,
13.17 shares a display with, or is adjacent to an electronic financial terminal under Minnesota
13.18 Statutes, section 47.61, subdivision 3, including all contracts related to this activity. The
13.19 suspension under this paragraph remains in effect until repealed or amended by law.

13.20 (b) By October 30, 2015, the director of the State Lottery shall suspend the sale of
13.21 instant win lottery tickets through a Web site, including all contracts related to this activity.
13.22 The suspension under this paragraph remains in effect until repealed or amended by law.
13.23 The suspension under this paragraph does not apply to the sale of tickets of a joint lottery
13.24 within the meaning of Minnesota Statutes, section 349A.02, subdivision 3, or games
13.25 that rely on a drawing to select a winner.

13.26 Sec. 27. **REPEALER.**

13.27 Minnesota Statutes 2014, sections 349.169; and 349.19, subdivision 9, are repealed.

13.28 Sec. 28. **EFFECTIVE DATE.**

13.29 Sections 1 to 27 are effective the day following final enactment.

349.169 FILING OF PRICES.

Subdivision 1. **Filing required.** When required by the board, manufacturers, distributors, and linked bingo game providers must file with the director the prices at which the manufacturer, distributor, or linked bingo game provider will sell all gambling equipment currently offered for sale by that manufacturer, distributor, or linked bingo game provider. The filing must be in a format the director prescribes.

Subd. 2. **Copies.** The director shall provide copies of price filings to any person requesting them and may charge a reasonable fee for the copies. Any person may examine price filings in the board office at no cost, and the director shall make the filings available for that purpose.

Subd. 3. **Sales at filed prices.** When required to report under subdivision 1, no manufacturer may sell to a distributor or linked bingo game provider, and no distributor or linked bingo game provider may sell to an organization, any gambling equipment for any price other than a price the manufacturer, distributor, or linked bingo game provider has filed with the director under subdivision 1, including volume discounts, and exclusive of transportation costs.

349.19 ACCOUNTS, RECORDS, AND REPORTS.

Subd. 9. **Annual financial audit; filing requirement.** An organization licensed under this chapter must have an annual financial audit when required by section 297E.06, subdivision 4.