

North Dakota Gaming Update



September 2011

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The **Gaming Update** newsletter is published quarterly. Current and previous issues are available for download at no charge, at <http://www.ag.nd.gov/Gaming/Gaming.htm>.

Minot Flood Cleanup

On August 15th, 2011, Jennifer Dockter, Jayme Gildea, Renae Martin, Beth Leintz, Deb McDaniel, and Patty Wondra of the Gaming Division spent the day (along with other staff from the Attorney General's office) helping with the flood recovery effort by cleaning two Minot homes.



Working through All Hands Volunteers, an organization that coordinates volunteers in response to disasters, the Gaming Division employees did their best in providing some much needed assistance in the recovery effort, from pulling nails and sweeping up debris, to pulling up floor boards



and pulling down ceilings and walls. It didn't matter what your skills were there was something for everyone to do!

The gaming employees were very humbled by the gratefulness of the homeowners and the friendliness of the All Hands Volunteer staff. The Salvation Army also came by and offered warm lunches and cool refreshments. ♦

On-line Tax Return Forms

The revised Long Form and Short Form Gaming Tax Returns and the "Auto-Calculating" Gaming Tax Returns have been updated on the Office of Attorney General's website at www.ag.nd.gov to accommodate the new gaming tax rates on gross wagers. If you have any questions regarding the on-line Gaming Tax Returns, contact Deb McDaniel at 328-4848 (local) or 1-800-326-9240.

New Gaming Tax Return Booklets

All licensed organizations should have received the new tax return booklets, including the forms and instructions for preparing the gaming tax returns for each of the four quarters for the fiscal year July 1, 2011 through June 30, 2012. The majority of organizations should see a substantial reduction in their taxes due to the elimination of the pull tab and bingo excise taxes and the simplification of the gaming tax return. Organizations are no longer required to perform complicated calculations for obtaining their allowable expenses with a simplified calculation of 60% of adjusted gross proceeds.

If your organization did not receive its tax return booklet or if you have any questions regarding preparation of the forms, or if you need any additional forms, please contact our office at 1-800-326-9240 or 328-4848 (local). The self calculating tax returns are available at www.ag.nd.gov. ♥

Licensed Gaming Organizations

For the fiscal year ending June 30, 2012, there are 307 organizations licensed to conduct games of chance. The breakdown by type of organization is as follows:

Type	Number
Charitable	19
Civic and Service	30
Educational	5
Fraternal	27
Public Safety	45
Public-Spirited	123
Religious	3
Veterans	55

Gaming Commission

A meeting of the State Gaming Commission was held on July 14, 2011. In addition to receiving an overview of recent legislative law changes the State Gaming Commission discussed continuation of the “Quick Shot” bingo field test. The Commission asked the Office of Attorney General to draft rule changes for the “Quick Shot” bingo devices. The field test for these electronic bingo devices will continue for an additional year or until the Administrative rules can be formally promulgated. ♣

Gaming Site License List

The Office of Attorney General maintains and periodically updates a Gaming Site License List on its web page under the title “License Holders” which can be accessed through both Gaming and Licensing. Based on the most recent Gaming Site License List, the licensed gaming organizations currently conduct charitable gaming at 768 sites in 499 licensed jurisdictions. ♦

Gaming Advisory Board Appointments

The two-year terms of the Advisory Board members expired on June 30, 2011. Gaming Commission Chairman James Wang and Attorney General Wayne Stenehjem appointed several new members to the board. Five individuals were appointed and sixteen members were re-appointed to the Advisory Board for two-year terms effective through June 30, 2013. The current Advisory Board members are:

Chair

Kathy Meagher, ND Special Olympics, Grand Forks

Organizations

Karen Breiner, Plains Art Museum, Fargo

Carol Gefre, Minot Junior Golf Association, Minot

Karen Haugen*, Prairie Public Broadcasting, Fargo

Marvin Knutson, Bison Booster Club, Milnor

Traci LaDouceur, North Dakota Assn for the Disabled, Grand Forks

Janelle Mitzel*, Development Homes, Grand Forks

Ardis Olson, Drayton Curling Club, Drayton

Pete Ressler, American Foundation for Wildlife, Bismarck

Char Schaefer, Mandan Hockey Club, Mandan

Rick Stenseth, Northern Prairie Performing Arts, Fargo

Legislators

Representative William Kretschmar, Venturia

Representative Andrew Maragos*, Minot

Distributors

Pete Bushey*, FPN Gaming, Fargo

Ken Lien, Lien Games Inc., Fargo

Jeff Burns*, Western Distributing Company, Bismarck

Law Enforcement

Mike Flannery, Police Officer, Grand Forks

Other

Mylo Einarson, City Administrator, Grafton

Brian Hill, Lessor, Bismarck

Terri Leier-Sprenger, City of Fargo Gaming Auditor, Fargo

Rudy Martinson, ND Hospitality Association, Bismarck

* - New Member

Gaming Activity-Record Wagers

Gross wagers from charitable games of chance were \$69.6 million for the quarter ended March 31, 2011. This is a 6.6% percent increase or \$4,580,972 when compared to the quarter ended March 31, 2010. The largest increases were in bingo with a \$1,753,896 or 17.6% increase, pull tab dispensing devices with a \$1,327,286 increase or 9%, and twenty-one with a \$931,394 increase or 4.9%. Other game types with large percentage increases were raffles with a 13.3% increase or \$322,668 and poker with an 18.1% increase or \$104,558.

A **record amount of \$2,418,999** was wagered on raffles for the quarter, with adjusted gross proceeds of \$1,351,741. This resulted in a 55.9% of hold by organizations, and is the highest percent of profit of any game type. ♠

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Charitable Gaming Study

On July 26, 2011, the Interim Judiciary Committee held its first meeting on the study of eligibility requirements for veterans, charitable, educational, religious, fraternal, civic and service, public safety, and public-spirited organizations that conduct charitable gaming. The Legislative Council will report its findings and recommendations to the 63rd Legislative Assembly in January 2013.

A copy of the Committee's minutes is available on the Legislative Council's web page at www.legis.nd.gov/assembly/62-2011/interim-info/minutes/index.html. ♦