
From: Behm, Nicki M..

Sent: Monday, February 27, 2023 10:39 AM

Subject: Updated Permit Forms and Information from the Attorney General - Gaming Division

FROM THE OFFICE OF: North Dakota Attorney General - Gaming Division

600 East Boulevard Avenue, Dept 125

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ATTN: All City and County Officials (Auditors)

FROM: Nicki Behm, Administrative Assistant

RE: Local Permits or Restricted Event Permits

DATE: February 27, 2023

To avoid delays in the mail, please send the permits to the Gaming Division either by email at nibehm@nd.gov or fax at 701-328-3535. The site authorizations will still be sent to the licensing department.

Enclosed in this letter is important information from the Office of Attorney General regarding city and county expectations for gaming. You will also find a list of organizations that are ineligible for a permit or license in North Dakota until they have conducted training with our office. In the future, consent to reissue a permit or license to the organizations on this list will come from the Office of Attorney General.

Our office is also announcing updated applications for permits and restricted event permits. Attached, please find the updated forms. These updated forms can be found on the Attorney General's website at attorneygeneral.nd.gov. Organizations that are requesting a permit, must complete an *Application for a Local Permit or Restricted Event Permit (SFN 9338)*. On the application, they must provide the specific dates of the event(s), site name, and site physical address. Please note that the authorized city or county person shall complete the *Local Permit or Restricted Event Permit (SFN 17926)*.

The approval of a permit from the auditor's office is determined where the event(s) is being held.

- If the event(s) is held in city limits, the application would be given to the city auditor to issue a permit if approved.
- If the event(s) is held outside of city limits, the application would be given to the county auditor to issue a permit if approved.

When issuing a permit, the permit is required to be sent to the Office of Attorney General within 14 days of issuance. Additionally, the permits are to be approved and issued before the first event date. Permits cannot be issued the day of or after the event has occurred.

The dates authorized on the permit must only be the actual dates of the event(s) and cannot include the dates the organization is selling raffle tickets. The start date must be the first event date to the end date as the last event date. If an organization requests to conduct another event outside of the dates authorized on the original permit, they must then complete a new application and begin the approval process again. If a permit has been amended, please indicate so on the permit and email to the gaming division.

Each event and its corresponding date(s) must be listed on the permit. Therefore, if an organization is conducting a raffle and bingo, the permit must list the date of the raffle and the dates of each bingo event. If the organization will conduct gaming on a specific day of each week or month, then details regarding when the activity will repeat must be included. *For example, raffle drawing on 3/18/2023 and bingo conducted every Friday from 1/1/2023 – 3/31/2023.*

Restricted Event Permits are only issued for the game types of Poker, Twenty-One, and Paddlewheels. Restricted Event permits are limited to only 1 permit per fiscal year (July 1 – June 30). Once an organization applies for a Restricted Event Permit, they may not apply for any permits for the remainder of the fiscal year. A Restricted Event Permit must not be issued to an organization with a local permit for that fiscal year. When a restricted event permit is issued, a Report on a Restricted Event Permit (SFN 52880) must be filed with the office of Attorney General within 30 days of the event by the organization.

It has come to our attention that some organizations are wanting to conduct a “Poker Run.” This game type is a version of Poker and must be treated as such, requiring issuance of a Restricted Event Permit. If the organization is insisting that they are drawing for the number on the card (not a determination of the cards in a hand), the office then recommends that they do not use playing cards. Instead use double roll tickets and call the event a “Fun Run.” This game type would then be considered a raffle and shift its status to a Local Permit. This would allow the organization to conduct this game type more than once a year.

Other Game Type Descriptions:

Per the North Dakota Games of Chance Administrative Rules 99-01.3-05-01 (*Raffle Board*). A winning player is determined by drawing a number of a square on a raffle board from a receptacle or by an alternate fair method approved by the attorney general. For a raffle board, the numbered squares on the board must be sold for the same price at a site on the day of the drawing. A licensed organization or organization with a permit shall complete on the board the cost per square, prizes, and date of the raffle and, for a licensed organization, ensure a raffle board includes a state gaming stamp affixed by a distributor.

Per the North Dakota Games of Chance Administrative Rules 99-01.3-07-01 (*Sports Pools*). A sports-pool must be a multiple line or multiple square board based on the professional sporting event, provide for an equal chance for each player to win, and be acquired from a distributor. An organization shall designate one opponent along the vertical columns of numbers and the other opponent along the horizontal rows of numbers. However, if the opponents are unknown when the board is being sold, and organization shall designate identifiable conferences, divisions, or events.

Application information:

When an organization completes the application for a site location that already has a licensed organization conducting games of chance, it is required that the permitted organization to contact the licensed organization for approval. Our office insists the permitted organization obtain written consent or email from the licensed organization prior to approval of the permit. Documentation of consent shall be sent with the permit to the Office of Attorney General – Gaming Division. Please note the following rules for a permitted organization conducting activity at a licensed organization site:

1. The permitted organization should contact the licensed organization to make them aware of the event being held at their location.

2. If the activity will be conducted at the site where there is a licensed organization, the gaming must be suspended **all day**, unless.
 - a. The game type is for a raffle, then gaming only needs to be suspended during the raffle drawing; or
 - b. When the area for the raffle is physically separated from the area where games are conducted by the regular organization, then the gaming does not need to be suspended. Such as a separate conference room.
 - c. Full text of rule can be found N.D.C.C § 53-06.1-03 (3)(a)

Per the North Dakota Rules and Regulations, only a non-profit organization is approved to conduct any game-of-chance in North Dakota. If an organization has been issued a gaming license, then all gaming must be conducted under the license.

The group of people or nonprofit corporation that is seeking to conduct a game-of-chance are required to have a local permit to conduct the activity. It would be the city's responsibility to determine if the group or nonprofit corporation is considered "public spirited" for issuance of the permit since only charitable gaming is allowed in North Dakota. This can be done by looking at who is conducting the activity or what charitable purpose the proceeds from the activity will be used for. A single person is not allowed to receive a permit or license, it must be an organization or group of people.

Issuance of a local permit to a public-spirited organization is at the discretion of the local governing body. The definition of Public-Spirited Organization can be found in N.D.C.C. § 53-06.1-01. The rules for permits and the game types can be found in N.D.A.C § 99-01.3-01-05 & 99-01.3-05. These are available online at the office of Attorney General website at www.attorneygeneral.nd.gov – Licensing and Gaming / Gaming / Gaming Laws, Rules, and Publications / Review the Laws & Rules.

If you have any questions about this document, you may contact me at the Office of Attorney General at 1-800-326-9240.

Thank you,

Nicki Behm

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