

CHAPTER 111: GAMBLING; BINGO

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Cross-reference:

Public nuisances affecting morals and decency; unauthorized gambling devices, betting, and the like, see §93.03

GAMBLING

§ 111.01 ADOPTION OF STATE LAW.

The provisions of Minnesota Statutes 1974 Section 349.26 (M.S. § 349.26) relating to the definition of terms, licensing, conditions of bonds of licensees, and all other matters pertaining to

the conduct of raffles and operation of pull-tabs are adopted and made a part of this code as if set out in full. ('75 Code, § 13.106)
(Ord. 1035.83, passed 4-21-83)

§ 111.02 LICENSE REQUIRED.

No raffle shall be conducted nor shall any pull-tabs be operated within the limits of the city without a license. Licenses shall be issued only to organizations meeting the criteria of M.S. § 349.26(9). ('75 Code, § 13.107) (Ord. 1035.83, passed 4-21-83) Penalty, see § 111.99

§ 111.03 LICENSE APPLICATION.

Every application for a license to conduct a raffle or operate pull-tabs shall be made in the form prescribed by the City Council and shall be verified and filed with the City Manager. The application shall contain, in addition to any other information called for in the application form, the name of the applicant organization, the particular facts which qualify the organization for the license under M.S. § 349.26(9), the name of the gambling manager, the gambling devices which the organization proposes to operate and the location at which it will be operated.
(‘75 Code, § 13.108) (Ord. 1035.83, passed 4-21-83)

§ 111.04 BOND.

Every application for a license shall be accompanied by a fidelity bond given by the gambling manager in favor of the organization in the sum of \$10,000 conditioned on the faithful performance of his or her duties. The City Council may in its discretion by unanimous vote waive the requirement of a bond in any particular case.
(‘75 Code, § 13.109) (Ord. 1035.83, passed 4-21-82)

§ 111.05 LICENSE FEE AND TERM.

(A) The annual fee for a raffle license, pull-tab license and a single event pull-tab license shall be as may be adopted from time to time by Council resolution or ordinance.

B) Each application for a license shall be accompanied by a receipt from the City Treasurer for payment in full of the license fee. All fees shall be paid into the General Fund. If an application for a license is rejected, the Treasurer shall refund the amount paid.

(C) Each license except for a license issued for a single event shall be issued for a period of one year except that if the application is made during the license year, a license may be issued for the remainder of the year for a pro rata fee, with any expired fraction of a month being counted as one month. Every license shall expire on April 13 of each year.

(D) No refund of any fee shall be made except as authorized by statute or provisions of this code.
(’75 Code, § 13.110) (Ord. 1035.83, passed 4-21-83)

§ 111.06 LICENSE APPROVAL.

The City Council shall investigate all facts set out in the application and shall hold a public hearing at which any person shall have the opportunity to be heard for or against the granting of the license. After the investigation and hearing, the Council shall, in its discretion, grant or refuse the application.

(’75 Code, § 13.111) (Ord. 1035.83, passed 4-21-83)

§ 111.07 LICENSE CONDITIONS; TRANSFERABILITY.

(A) *Persons and premises licensed; transfer.* Each license shall be issued only to the applicant organization and for the premises described in the application. No license may be transferred to another person or place without City Council approval. Any transfer of the license without said approval is a ground for revocation of the license. (’75 Code, § 13.112)

(B) *Delinquent taxes and charges.* No license shall be granted for operation on any premises on which taxes, assessments, or other financial claims of the city are delinquent and unpaid. (’75 Code, § 13.113)

(Ord. 1035.83, passed 4-21-83) Penalty, see § 111.99

§ 111.08 LICENSE SUSPENSION AND REVOCATION.

The Council may revoke or suspend any license for violation of any statute or ordinance relating to the operation of gambling devices. The licensee shall be granted a hearing upon at least 10 days' notice before revocation or suspension is ordered except where mandatory revocation is provided by law.

(’75 Code, § 13.114) (Ord. 1035.83, passed 4-21-83)

Cross-reference:

Suspension of sexually oriented business or business employee license for gambling on premises,

see §117.21

§ 111.09 LIMITATION ON LICENSING AUTHORITY.

Nothing in this chapter shall be construed to allow the operation of paddle-wheels, tip-boards or any other gambling device other than raffles and pull-tabs, and no license may be granted for the operation of any gambling device other than raffles and pull-tabs.

(’75 Code, § 13.115) (Ord. 1035.83, passed 4-21-83)

BINGO

§ 111.20 PURPOSE.

The purpose of this subchapter is to closely regulate and control the conduct of the game of bingo and to prohibit commercialization of bingo.
(’75 Code, § 13.501) (Ord. 1000.76, passed - -76)

§ 111.21 DEFINITIONS.

For the purpose of this subchapter, the following definitions shall apply unless the context clearly indicates or requires a different meaning.

ACTIVE MEMBER. A member of the organization requesting a license whose dues are paid for the current membership period and who has been a member for at least six months.

BINGO. A game where each player has a card or board for which a consideration has been paid containing five horizontal rows of spaces, with each row except the central one containing five figures. The central row has four figures with the word “free” marked in the center space thereof. A player wins a game of bingo by completing any pre-announced combination or spaces or, in the absence of a pre-announcement of a combination of spaces, any combination of five spaces in a row, either vertically, horizontally, or diagonally.

BINGO OCCASION. A single gathering or session at which a series of one or more successive bingo games is played.

ELIGIBLE ORGANIZATION. Any fraternal, religious, veterans, or other nonprofit organization which has been in existence for at least three years and has at least 30 active members.

PROFIT. The gross receipts collected from one or more bingo occasions less reasonable sums necessarily and actually expended for bingo supplies and equipment, prizes, rent, and utilities used during the bingo occasions, bingo license fees, and compensation to persons lawfully hired to conduct or assist in conducting a bingo occasion.
(’75 Code, § 13.502) (Ord. 1000.76, passed - -76)

§ 111.22 LICENSE REQUIRED; FEE AND TERM, TRANSFERABILITY, AND THE LIKE.

(A) No bingo occasion shall be conducted except by an eligible organization which has secured a license for that purpose as provided in this subchapter.

(B) A license shall be valid for 12 calendar months from the date of issuance.

(C) The annual license fee shall be as may be adopted from time to time by Council resolution or ordinance.

(D) A license application shall be acted upon by the Council no sooner than 30 days and no later than 180 days after the date of application.

(E) No bingo license issued may be transferred to any other person or organization. No bingo license shall be transferred to any location other than the location specified in the license, without prior approval by the Council.

('75 Code, § 13.503) (Ord. 1000.76, passed - -76) Penalty, see § 111.99

§ 111.23 LICENSE APPLICATION.

Every application for a bingo license shall be made to the City Clerk on a form supplied by the city and containing such information as the Clerk or the Council may require. No person shall make a false statement in an application. Copies of each application shall be referred to the city's Police Chief, Fire Chief and Building Inspector for their recommendations.

('75 Code, § 13.504) (Ord. 1000.76, passed - -76)

Cross-reference:

Reports to accompany license application, see § 111.30

§ 111.24 LICENSE SUSPENSION AND REVOCATION.

The Council may suspend for a period not exceeding 60 days or revoke any bingo license for violation of any provision of M.S. Ch. 349 or this subchapter. The holder of the license shall be granted a hearing upon at least 10 days' notice before revocation or suspension is ordered. The notice shall state the time and place of the hearing and the nature of the charges against the license.

('75 Code, § 13.505) (Ord. 1000.76, passed - -76)

§ 111.25 CONDUCT OF BINGO.

(A) *Bingo manager.* Each licensed organization shall appoint a bingo manager to supervise bingo occasions conducted by it. The bingo manager must be a member of the licensed organization with dues paid for the current membership period and must have been a member of the organization for at least two years. Each bingo occasion shall be conducted under the direct supervision of the bingo manager, who shall be responsible for the conduct of the bingo occasion in compliance with all applicable laws and ordinances. No person shall act as a bingo manager for more than one organization.

(B) *Checkers.* One or more checkers shall be engaged for each bingo occasion. The checkers shall be active members of the licensed organization or spouses of active members of

the licensed organization. The checker or checkers shall record the number of cards purchased and played in each game prior to the completion of each game and record the prizes awarded to the recorded cards. Each checker shall certify all figures which he or she has recorded as accurate and correct to the best of his or her knowledge on forms prescribed by the City Clerk.

(C) *Other workers.* Additional persons may be engaged for other duties in connection with bingo occasions as needed, but no person shall assist in the conduct of a bingo occasion who is not an active member of the licensed organization or the spouse of an active member of the licensed organization.

(D) *Compensation.* No person shall receive more compensation for any duties in connection with any one bingo occasion than the amount as may be adopted from time to time by Council resolution or ordinance.

(E) *Number of bingo occasions authorized.* No more than 104 bingo occasions each year or two bingo occasions each week shall be conducted by any licensed organization.

(F) *Duration of bingo occasion.* A bingo occasion shall not continue for more than four consecutive hours.

('75 Code, § 13.506) (Ord. 1000.76, passed - -76) Penalty, see § 111.99

§ 111.26 LEASED PREMISES; DUTIES OF LESSORS; LEASES.

(A) An person, corporation, or eligible organization which leases any premises that it owns to two or more eligible organizations for purposes including the conduct of bingo occasions shall not allow more than four bingo occasions to be conducted on the premises in any week.

(B) Any eligible organization which leases any premises to one or more other eligible organizations for purposes including the conduct of bingo occasions shall use the proceeds of the rental, less reasonable sums for maintenance, furnishings, and other necessary expenses, only for the uses for which bingo profits may be used, as set out in § 111.33 of this subchapter. Not less than once each year the lessor organization shall report to the City Council the disposition of all receipts which it has received during the reporting period from the rental of its facilities to other organizations for purposes including the conduct of bingo occasions.

(C) No eligible organization shall conduct bingo on any leased premises without a written lease for a term at least equal to the remainder of the term of the bingo license of the lessee organization. Lease payments shall be at a fixed monthly rate, or rate per bingo occasion, not subject to change during the term of the lease. No such lease shall provide that rental payments be based on a percentage of receipts or profits from bingo occasions.

('75 Code, § 13.507) (Ord. 1000.76, passed - -76) Penalty, see § 111.99

§ 111.27 EXEMPTIONS.

Bingo may be conducted without complying with the requirements of § 111.25 (E) and (F), and § 111.26 if conducted:

(A) In connection with the county fair conducted by the county agricultural society or in connection with a civic celebration recognized by resolution of the City Council, provided that bingo shall not be conducted for more than 12 days during any one county fair or recognized civic celebration; or

(B) By an organization that conducts fewer than five bingo occasions in any calendar year. ('75 Code, § 13.514) (Ord. 1000.76, passed - -76)

§ 111.28 PRIZES.

(A) Prizes for bingo games (single and cover-alls) shall be such amounts as may be adopted from time to time by Council resolution or ordinance. Merchandise prizes shall be valued at fair market retail value.

(B) Each bingo winner shall be determined and every prize shall be awarded and delivered the same day on which the bingo occasion is conducted. ('75 Code, § 13.508) (Ord. 1000.76, passed - -76) Penalty, see § 111.99

§ 111.29 RECORDS AND RECEIPTS.

(A) Each licensed organization shall keep records of its gross receipts and profits for each bingo occasion. All deductions from gross receipts from a bingo occasion shall be documented with receipts or other records. The distribution of profits shall be itemized as to payee, amount, and date of payment. Records required by this subchapter shall be preserved for three years.

(B) Gross receipts shall be compared to the checkers' records for the bingo occasion by a person who did not sell cards for the bingo occasion. If a discrepancy exceeding such amount as may be adopted from time to time by Council resolution or ordinance is found between the amount of gross receipts for a bingo occasion as determined by the checkers' records, and the amount of gross receipts as determined by totaling the cash receipts, the discrepancy shall be reported to and investigated by the Council.

(C) Bingo gross receipts shall be segregated from other revenues of an organization and placed in a separate account. Each organization shall maintain separate records of its bingo operations. The person who accounts for bingo gross receipts and profits shall not be the same person who accounts for other revenues of the licensed organization. ('75 Code, § 13.509) (Ord. 1000.76, passed - -76) Penalty, see § 111.99

§ 111.30 REPORTS.

(A) Each licensed organization shall report monthly to its membership its gross receipts from bingo, its profits from bingo, and the distribution of those profits itemized as required by § 111.29(A).

(B) At the time of making its first license application under this subchapter, and on an annual basis thereafter, each licensed organization shall file with the Council copies of the following:

(1) The most recently filed Department of the Treasury, Internal Revenue Service "Return of Organization Exempt from Income Tax," Form 990, or a comparable form if the organization is required to file the form with the Department of the Treasury;

(2) The most recently filed Department of the Treasury, Internal Revenue Service "Exempt Organization Business Income Tax," Form 990-T, or a comparable form if the organization is required to file the form with the Department of the Treasury;

(3) The most recently filed annual report required of charitable organizations by M.S. § 309.53, provided that an organization that is licensed to conduct bingo but is exempt from submitting this report to the Department of Commerce under M.S. § 309.53(1a) shall nevertheless submit such a report under this subdivision;

(4) The most recently filed Minnesota Department of Commerce "Statement of Bingo Operations." All information contained in the statement shall be true, correct, and complete to the best of the knowledge of the person or persons signing the statement;

(5) Any lease agreements required by this act executed by the organization in regard to premises leased for the conduct of bingo.

(C) No person shall knowingly make a false statement in any report required by this section. ('75 Code, § 13.510) (Ord. 1000.76, passed - -76) Penalty, see § 111.99

§ 111.31 RECORDS INSPECTIONS.

Any city official or employee having a duty to perform with reference to a bingo license, and any police officer, may inspect and examine the bingo records of any licensed organization upon 24 hours' notice.

('75 Code, § 13.511) (Ord. 1000.76, passed - -76)

§ 111.32 USE OF RECEIPTS.

No expense shall be incurred or amounts paid in connection with the conduct of bingo except those reasonably expended for bingo supplies and equipment, prizes, rent, or utilities used

during the bingo occasion, bingo license fees, and compensation to persons lawfully hired to conduct or assist in conducting a bingo occasion.

('75 Code, § 13.512) (Ord. 1000.76, passed - -76) Penalty, see § 111.99

§ 111.33 USE OF PROFITS.

(A) Profits from any bingo occasions shall be expended only as authorized by a resolution meeting of the licensed organization and only for one or more of the following purposes:

(1) Benefiting persons by enhancing their opportunity for religious or educational advancement, by relieving or protecting them from disease, suffering, or distress, by contributing to their physical well-being, by assisting them in establishing themselves in life as worthy and useful citizens, or by increasing their comprehension of and devotion to the principles upon which this nation was founded;

(2) Initiating, performing, or fostering worthy public works or enabling or furthering the erection or maintenance of public structures;

(3) Lessening the burdens borne by government or voluntarily supporting, augmenting, or supplementing services which government would normally render to the people;

(4) The improving, expanding, maintaining, or repairing of real property owned or leased by the licensed organization.

(B) Profits from bingo occasions shall not be expended for the erection or acquisition of any real property unless the City Council specifically authorizes the expenditures after finding that the property will be used exclusively for one or more of the purposes specified in this section.

('75 Code, § 13.513) (Ord. 1000.76, passed - -76) Penalty, see § 111.99

§ 111.99 PENALTY.

(A) Any person, firm, or corporation who violates any provision of this chapter for which another penalty is not specifically provided shall, upon conviction, be penalized as provided in § 10.99.

(B) Violation of any provision of § 111.20 et seq. shall be a misdemeanor. A person convicted of violating any provision of § 111.20 et seq. shall be penalized as provided in § 10.99, plus the costs of prosecution. ('75 Code, § 13.515) (Ord. 1000.76, passed - -76)