INFORMATION MEMO

Lawful Gambling

Learn what gambling is allowed in Minnesota, like pull-tabs and raffles, and which organizations may conduct them. Understand state regulations on lawful purposes for which gambling money may be spent, licensing, gambling managers, and more. Find out how cities can regulate gambling with “10 percent funds,” investigation fees, trade areas, and local gambling taxes. Links to model ordinance and premises permit forms.

RELEVANT LINKS:
Minn. Stat. §§ 609.75-.763.
25 U.S.C. 2701 et seq.
Minn. Stat. § 3.9221.
Minn. Stat. ch. 349A.
Minn. Stat. ch. 240.
Minn. Stat. § 240.30.
Minn. Stat. ch. 349.
Minn. Stat. § 609.75, subd. 3.
Minn. Stat. § 609.761, subd. 3.
Minn. Stat. § 609.761, subd. 4.

I. Permitted Forms of Gambling
Minnesota law generally criminalizes gambling conducted within the state. However, there are exceptions. Permitted forms of gambling include:

- Native American gaming conducted pursuant to a tribal-state compact.
- The Minnesota State Lottery.
- Pari-mutuel horse racing.
- Card club operations.
- Lawful (often called “charitable”) gambling.
- Private social bets.
- Social skill games.
- Social dice games.

This memo focuses on lawful gambling. It is the only type of gambling subject to municipal regulation.

II. Lawful gambling
Lawful gambling is the “operation, conduct, or sale of bingo, raffles, paddlewheels, tipboards, and pull-tabs.”

A. Bingo
“Bingo” is a game where each player has a bingo hard card, bingo paper sheet, or facsimile of a bingo paper sheet when used in conjunction with an electronic bingo device, for which a consideration has been paid, and is played in accordance with state regulations regarding the conduct of bingo.

1. Bar bingo
“Bar bingo” is a bingo game conducted in an area where intoxicating liquor or 3.2 percent malt beverages are sold and where the licensed organization conducts another form of lawful gambling. Bar bingo does not include linked bingo games.
2. **Linked bingo**

“Linked bingo” is a bingo game played at two or more locations with a common prize pool, a common selection of numbers or symbols, and where the results are transmitted to all participating locations by satellite, telephone or other means by a linked bingo game provider.

B. **Raffles**

A “raffle” is a game in which a participant buys a ticket (or other certificate of participation) for an event where prizes are awarded based on a method of random selection and all entries have an equal chance of winning.

C. **Paddlewheels**

A “paddlewheel” is a vertical wheel (or an electronic device that simulates a wheel) marked off into sections containing one or more numbers that, after being turned or spun, uses a pointer or marker to determine winning numbers matching purchased tickets.

D. **Tipboards**

A “tipboard” is a board, placard or other device containing a seal that conceals the winning number or symbol. Lawful gambling organizations often use tipboards for “meat raffles.”

E. **Pull-tabs**

A “pull-tab” is a single folded or banded paper ticket, a multi-ply card with perforated break-open tabs, or a facsimile of a paper ticket used in conjunction with an electronic device, the face of which is initially covered to conceal one or more numbers or symbols, and where one or more of each set of tickets, cards, or facsimiles has been designated as a winner in advance.

F. **Electronic gambling devices**

1. **Electronic linked bingo**

An electronic bingo device:

- Is used to play electronic linked bingo.
- Activates bingo numbers that are announced or displayed.
- Identifies winning bingo patterns.
- Is limited to 36 “faces” per game.
• Requires coded entry to activate play, but does not allow the use of coins, tokens, or other currency.
• May only be used for play against other bingo players in a bingo game.
• Has no additional function as an amusement or gaming device other than electronic pull-tabs.
• Has the capability to ensure adequate internal controls.
• Permits monitoring by the Gambling Control Board.
• Can be used by players who are visually impaired.

2. **Electronic pull-tabs**

   a. **Games**

   An electronic pull-tab game:

   • Uses facsimiles of pull-tab tickets that are played on an electronic device.
   • Has a predetermined, finite number of winning and losing tickets (not to exceed 7,500 tickets).
   • Sells each ticket for the same price (which is not less than 25 cents per ticket).
   • Is played in conformance with all applicable rules for pull-tabs.
   • Complies with statutory prize limits.
   • Has a unique serial number that may not be regenerated.
   • Has an electronic flare that displays the game name, form number, and predetermined number of tickets in the game (as well as prize tier).
   • Does not mimic a video slot machine.

   The hours of operation for the devices are limited to 8 a.m. to 2 a.m. (although local regulations may be more restrictive). All electronic pull-tab games must be sold and played on the permitted premises and may not be linked to other locations.

   Before playing, individuals must present and register a valid picture identification card that includes the player’s address and date of birth. Players are also limited to the use of one device at a time.

   b. **Devices**

   An electronic pull-tab device is a handheld, portable device that:

   • Is used to play one or more electronic pull-tab games.
   • Requires coded entry to activate play, but does not use coins, tokens, or other currency.
3. Electronic Raffle Selection System

An electronic raffle selection system is a system that uses a random number generator to select winning raffle numbers and includes raffle sales devices. A raffle sales device is an attendant-operated cashier station used as a point of sale for raffle tickets from which a raffle participant may purchase a raffle ticket to participate in an electronic raffle selection system.

4. Eligible locations

A lawful gambling organization that wants to offer electronic pull-tabs must sell paper pull-tabs at that location. The use of these electronic gambling devices (for bingo and pull-tabs) is limited to locations that are:

- Licensed for the on-sale or off-sale of intoxicating liquor or 3.2 malt beverages (except for general food stores or drug stores that sell alcoholic beverages).
- Bingo halls with a seating capacity of 100 or more (as determined under the local fire code).

5. Limitations

The number of electronic gambling devices allowed is based on the size of the premises and the location’s capacity as determined by the fire code. The lawful gambling organization is limited to having no more than:

- Six devices in play at locations with 200 seats or less.
- Twelve devices in play for locations with 201 seats or more.
- Fifty devices in play for locations where bingo is the primary business.
State law allows for electronic devices that can be used for both pull-tab and linked bingo games, although the limitations would still apply. For example, an organization operating at a location with 200 seats or less could have 12 “combo” devices, but at any given time, only six could be “in play” for electronic pull-tabs and only six could be in play for electronic linked bingo.

III. Eligible organizations

Lawful gambling may only be conducted by:

- Fraternal organizations.
- Religious organizations.
- Veterans’ organizations.
- “Other” nonprofit organizations.

For the purpose of lawful gambling eligibility, “other” nonprofit organizations meet at least one of the following criteria:

- Have a current letter of tax exemption from the Internal Revenue Service (IRS).
- Are incorporated as nonprofit corporations and registered with the Minnesota Office of the Secretary of State.
- Are affiliates, subordinates, or chapters of a statewide parent organization that qualifies as a nonprofit.

Otherwise eligible organizations may not conduct lawful gambling without first obtaining a license from the state of Minnesota through the Gambling Control Board (Board). To qualify, an organization must:

- Have at least 15 active members at the time of its initial license application and at least 13 members eligible to vote on gambling matters thereafter.
- Have been in existence for the most recent three years preceding application.
- Identify a qualified gambling manager.
- Not exist for the sole purpose of conducting gambling.

Qualified organizations include American Legions, Veterans of Foreign Wars, Moose Lodges, local athletic associations, and churches.

Cities are not eligible organizations. As a result, neither a city nor any city department may conduct lawful gambling. However, while a city fire department is ineligible, a fire relief association may conduct lawful gambling because it is a separately incorporated nonprofit organization within the meaning of the law.
IV. Revenues and expenditures

Organizations conduct lawful gambling to raise money, but are not free to spend it any way they please. Lawful gambling proceeds may only be used for allowable expenses or lawful purposes.

A. Allowable expenses

Allowable expenses include purchases of goods, services, or other items directly related to the conduct of lawful gambling. Advertising expenditures are also allowable expenses, provided the advertisement only publicizes the conduct of lawful gambling by the organization, and lawful gambling profits do not pay for any non-lawful gambling-related content.

Licensed organizations obtain a rating from the Board based on a comparison between annual lawful purpose expenditures and available profits for the same 12-month period. An organization that expends:

- Fifty percent or more of gross profits on lawful purposes will receive a five-star rating.
- More than 40 percent but less than 50 percent of gross profits on lawful purposes will receive a four-star rating.
- More than 30 percent but less than 40 percent of gross profits on lawful purposes will receive a three-star rating.
- More than 20 percent but less than 30 percent of gross profits on lawful purposes will receive a two-star rating.
- Less than 20 percent of gross profits on lawful purposes will receive a one-star rating.

Any organization that fails to obtain at least a three-star rating (or a two-star rating if the organization conducts lawful gambling in a location where the primary business is bingo) will be automatically placed on probation for one year. If the organization is unable to raise its rating after the probationary term, the Board may suspend the organization’s license or impose a civil penalty.

When determining the appropriate punishment, the Board will consider any “unique factors or extraordinary circumstances” that caused an organization to not meet the minimum rate of profitability, including but not limited to:

- The purchase of capital assets necessary to conduct lawful gambling.
- Construction that impaired access to gambling premises.
- Flooding, tornadoes, or other catastrophes that had a direct impact on the gambling operations.
Although there are limitations on the penalties the Board may normally impose, civil penalties for violating the expense limitation may be up to $10,000.

**B. Lawful purposes**

Lawful purposes for which profits from lawful gambling may be expended include:

- Contributions to nonprofit or festival organizations.
- Contributions to individuals or families suffering from poverty, homelessness, or disability.
- Contributions to programs recognized by the Department of Human Services for the education, prevention, or treatment of problem gambling.
- Contributions to or expenditures on registered or accredited public or private nonprofit educational institutions.
- Contributions to an individual, public or private nonprofit educational institution registered with or accredited by this state or any other state, or to a scholarship fund of a nonprofit whose primary mission is to award scholarships, for defraying the cost of education to individuals where the funds are awarded through an open and fair selection process.
- Contributions funding activities by an organization or government entity that recognizes military service to the United States, the state of Minnesota, or a community.
- Contributions for recreational, community, and athletic facilities and activities intended primarily for persons under age 21, provided that such facilities and activities do not discriminate on the basis of gender, and the organization complies with other statutory requirements.
- Payment of federal, state, and local taxes.
- Contributions to the United States, the state of Minnesota, or any political subdivision, or any agency or any subdivision thereof, other than a direct contribution to a law enforcement or prosecutorial agency.
- Contributions to or expenditures on projects approved by the commissioner of Natural Resources for wildlife management projects that benefit the public at large, grant-in-aid (or other trail) maintenance and grooming, and supplies and training for safety training and education programs coordinated by the Department of Natural Resources.
- Nutritional programs, food shelves, and congregate dining rooms primarily for persons who are age 62 or older or disabled.
• Contributions to a community arts organization, or an expenditure to sponsor arts programs in the community, including but not limited to visual, literary, performing, or musical arts.

• Contributions to honor an individual’s humanitarian service as demonstrated through philanthropy or volunteerism to the United States, the state of Minnesota, or a local community.

Lawful gambling profits may not be used for the purpose of influencing the nomination or election of a candidate for public office, promoting or defeating a ballot question, or for influencing the governmental decision-making process. Organizations may not make a contribution to a city with the knowledge that the city intends to use the contribution for a pension or retirement fund, nor may cities use any contributions derived from lawful gambling for the benefit of a pension or retirement fund. While an organization can make contributions to a 501(c)(3) or other entity, it may not if the purpose (or effect) will be noncompliance with lawful purpose restrictions or requirements.

V. State regulation

The Board has the authority to make rules and regulate lawful gambling to ensure it is conducted in the public’s interest. It issues organization licenses, premises permits, and gambling manager licenses. The Board has the authority to suspend or revoke licenses and permits and may impose civil penalties up to $1,000 for each violation of the state’s gambling laws or rules.

A. Organization licenses

Organizations must be licensed by the Board to conduct most types of lawful gambling. An organization desiring a gambling license must obtain an application from the Board. If the application complies with all legal requirements, the Board will grant the license.

Licenses issued are perpetual and valid unless suspended or revoked by the Board, terminated by the organization, or if the license lapses. A licensed organization must notify the Board within 10 days when any changes in the application information occur. The license, when issued, is not transferable from one organization to another.

A license will be considered to have lapsed if the organization does any of the following:

• Failed to conduct and report any gambling sales activity within seven months from the date of the last gambling activity.

• Failed to have a gambling manager as required.

• Failed to pay annual license and permit fees.
• Surrenders, withdraws, or otherwise terminates the license, and files a termination plan.

When a license is determined to have lapsed, the Board may take one of the following actions:

• Conduct a contested case hearing to revoke or suspend a license.
• Require the organization to file a termination plan.
• Enter a revocation order as of the date the license was considered lapsed.
• Impose a civil penalty.
• Order corrective action.
• Summarily suspend the license.

There is an annual fee of $350 for an organization’s license. Organizations that expect to receive less than $100,000 in gross annual receipts may request a waiver of the organization license fees.

An organization must also report and pay to the commissioner of Revenue a monthly regulatory fee of 0.125 percent of the monthly gross receipts from lawful gambling conducted each month. Failing to pay the monthly regulatory fees in a timely manner may result in disciplinary action.

B. Premises permits

An organization applying for a gambling license must also apply for a premises permit to conduct lawful gambling at any specific location. The Board will not grant a license to an organization that has not applied for at least one premises permit. Because premises permits are location-specific, licensed organizations that want to conduct lawful gambling at multiple locations must first obtain a separate premises permit for each place before lawful gambling can occur.

The Board may not issue a premises permit unless the organization submits with its application a resolution from the city council approving the permit. The resolution must have been adopted within 90 days of the date of the application for the new permit.

Premises permit fees are $150 per year. The premises permit(s) runs concurrently with the organization’s license and is perpetual unless revoked or suspended by the Board, or terminated by the organization.

C. Gambling managers

The Board will not grant a license unless the applying organization has identified a gambling manager who will be licensed by the Board at the time the organization receives its license.
All lawful gambling conducted by a licensed organization must be conducted under the supervision of a licensed gambling manager, someone who has passed the Board’s gambling manager examination and receives continuing education training at least once during each calendar year. The gambling manager must have been an active member of the organization for at least the most recent 90 days at the time of the application for a gambling manager license.

The gambling manager is responsible for ensuring that the organization conducts lawful gambling in compliance with all applicable laws and administrative rules. The gambling manager is also responsible for all receipts derived from lawful gambling.

Upon the death, disability, or termination of the gambling manager, an organization must:

- Contact the Board within one business day and establish a plan to replace the gambling manager.
- Submit a complete application and fee within four business days.

The fee for a gambling manager license is $100. The license runs concurrent with the organization license unless the gambling manager’s license is suspended or revoked by the Board, or terminated by the organization or gambling manager. In addition to the license, the gambling manager must maintain a dishonesty bond in the sum of $10,000 in favor of the organization, conditioned on the faithful performance of the manager’s duties.

### D. Off-site permits

There are limited circumstances where a licensed organization may hold lawful gambling events at a location for which it does not hold a premises permit. Subject to local approval, the Board may issue off-site permits in connection with a county fair, the state fair, a church festival, or a civil celebration. Up to 12 off-site events are allowed each calendar year, and each event is limited to three days. Neither the Board nor the city may charge a fee for issuing an off-site permit.

### E. Bingo hall licenses

A distinct bingo hall license is no longer required in the state of Minnesota.

### VI. Exclusions and exemptions

The state does not license all types of lawful gambling. State law provides exclusions and exemptions for some lawful gambling events.
It is important for cities to know which events are excluded or exempted from state licensing because they may want to regulate these events through local permits.

A. Excluded gambling

The following types of gambling are excluded from state licensing:

- **Bingo conducted by an organization in conjunction with a county fair, state fair, or a civic celebration for no more than 12 consecutive days.** The organization can make no more than four separate applications for activities applied for and approved per calendar year. This exclusion does not apply to linked bingo games.
- **Bingo conducted by an organization on four or fewer days in a calendar year.** This exclusion does not apply to linked bingo games.
- **Bingo conducted within a nursing home or senior citizens housing project, or by a senior citizens’ organization.** This exclusion applies if:
  - The prizes for a single bingo game do not exceed $10.
  - Total prizes awarded at a single bingo occasion do not exceed $200.
  - Only members, or the guests, of the senior citizen organization, nursing home, or housing project are allowed to play.
  - No compensation is paid to any persons who conduct the bingo game.
  - A manager is appointed to supervise the bingo.
- **Raffles conducted by an organization that does not award raffle prizes with a total value in excess of $1,500 in a calendar year or $5,000 if the organization is a 501(c)(3).**

An organization that conducts the first two types of excluded bingo must register with the Board and obtain prior approval by the local governing body. Registration with the Board is not required for senior citizen or nursing home bingo, or raffles that award less than $1,500 in a calendar year.

While the language is subject to interpretation, cities appear to have the authority to require local permits for organizations that conduct the first two types of excluded bingo and raffles with prizes under $1,500 in a calendar year. The raffles do not require registration with the Board. However, the law likely prohibits cities from requiring a local permit to conduct senior citizen or nursing home bingo.
B. Exempted gambling

Certain lawful gambling events are exempt from the state licensing requirements. Under state law, bingo (except linked bingo games), raffles, paddlewheels, tipboards, and pull-tab operations may be conducted by an organization without a license, if the following conditions are met:

- The organization conducts lawful gambling on five or fewer days in a calendar year.
- The organization does not award more than $50,000 in prizes for lawful gambling in a calendar year.
- The organization pays a fee of $100 and submits a Board-prescribed application in writing not less than 30 days before each lawful gambling occasion (the fee increases to $150 if application is postmarked or received less than 30 days before the event). The application must include the date and location of the occasion, the types of lawful gambling to be conducted, and the prizes to be awarded.
- The organization notifies the city 30 days before the lawful gambling occasion (60-day notice is required in a city of the first class).
- The organization purchases all gambling equipment and supplies from a licensed distributor.
- The organization complies with all of the Board’s reporting requirements.

The application submitted to the Board must include local government approval. A currently licensed organization may not obtain an exemption permit, but may once it is no longer licensed to perform lawful gambling.

Cities may require organizations that conduct exempted lawful gambling to obtain local permits. The fee for a local permit may not exceed $100.

VII. Local regulation

While cities may not require state-licensed lawful gambling organizations to obtain local gambling licenses or permits, state law does provide cities the authority to regulate lawful gambling. Cities may adopt gambling regulations that are more stringent than state law or prohibit lawful gambling altogether. A city could restrict the conduct of lawful gambling to certain hours or certain days of the week. A city could prohibit licensed organizations from employing non-members and limit the prizes to be awarded.

Cities are specifically authorized to:
• Require a local permit for the conduct of gambling exempt from state licensing requirements.
• Require organizations to make specific expenditures of up to 10 percent of the net profit from lawful gambling.
• Require organizations to contribute 10 percent of the net profit from lawful gambling to a fund administered by the city.
• Require an organization to expend all or a portion of its expenditures within the cities trade area.
• Charge an investigation fee or impose a gambling tax.

A more stringent regulation or prohibition must apply equally to all forms of gambling within the jurisdiction, with one exception: paddlewheels. A city may exclusively prohibit the use of paddlewheels within its jurisdiction.

A. Local permits
Cities may require a local permit for the conduct of lawful gambling exempt from state licensing requirements. The fee for a local permit may not exceed $100.

B. Specific expenditures
Cities may require organizations to make specific expenditures of up to 10 percent of net profits derived from lawful gambling, but must be careful when enacting such a regulation. Requiring specific expenditures may violate the U.S. Constitution, particularly when the city designates too specific a cause, and approval of a gambling license or permit is conditional on the organization abiding by the regulation.

The First Amendment prohibits any level of government from making laws that abridge the freedom of speech or the right of people to peaceably assemble. The Supreme Court has held that the First Amendment implies that people shall have a right to freedom of association. The First Amendment also provides some protections from compelled association (requiring an individual to support ideals or beliefs with which he or she disagrees).

Compelling an individual to support an organization or cause that he or she does not agree with is an infringement of that person’s First Amendment rights. It is improper for a city to condition the granting of a benefit (approval of a lawful gambling operation) on the recipient’s relinquishment of a constitutional right (freedom of association). Therefore, a municipal regulation that places a condition for the approval of a gambling license on the organization contributing to a cause it may not support is subject to challenge on constitutional grounds.
Cities should use caution and work with their city attorney before requiring specific expenditures from gambling organizations.

C. City-administered funds

A city may accept donations from a gambling organization, but may not require a donation as a condition of license approval or permit issuance. A city can by ordinance require organizations to contribute up to 10 percent per year of their net profits derived from lawful gambling to a fund administered by the city. A report must be submitted to the Board by March 15 of each year. The city must also acknowledge financial contributions of organizations conducting lawful gambling to the community and to the recipients of the funds. The acknowledgement may occur in communications about the funds as well as in the distribution of the funds.

The city may only disburse the funds for charitable contributions. Therefore, although a city may not require direct payments from a gambling organization to any city department, a city can establish a fund and disburse the proceeds of that fund to a city department for lawful purposes, such as a city park system. No direct contributions or payments of gambling money may be made to a law enforcement or prosecutorial agency.

D. Trade areas

A city may by ordinance require those organizations conducting lawful gambling within its jurisdiction to expend all or a portion of their expenditures on lawful purposes conducted or located within a city’s trade area. The ordinance must define the trade area. A city’s trade area must include every city and township contiguous to the defining city. The ordinance must also specify the percentage of expenditures an organization must make within the trade area.

E. Investigation fees

A city may assess an annual investigation fee on organizations that apply for state-issued premises permits or otherwise conduct lawful gambling operations within the jurisdiction. The fee may not exceed:

- $500 in cities of the first class.
- $250 in cities of the second class.
- $100 in all other cities.

Cities that charge an investigation fee may not impose a local gambling tax.
F. Local gambling tax

With certain exceptions, the state generally levies an 8.5 percent tax on lawful gambling. A city may impose a local gambling tax on licensed organizations of up to 3 percent per year of the gross receipts from gambling, less prizes actually paid out. The tax must only raise the revenue necessary to cover the cost of regulating lawful gambling. A city may not use these tax revenues for any other purpose. Thus, if regulating lawful gambling only costs the city an amount equal to 2.5 percent of the gambling revenues, then the city may only impose a tax of 2.5 percent, not the 3 percent maximum.

The city must file an annual report with the Board by March 15 showing the amount of revenue raised by the tax and the use of the tax proceeds. Copies of the required form are available from the Board. All documents pertaining to local site inspections, fines, penalties or other corrective actions must be shared with the Board within 30 days of filing.

If a city imposes a gambling tax, it may not assess an investigation fee against lawful gambling organizations.

VIII. Gambling in the municipal liquor store

Many cities lease space in the municipal liquor store to lawful gambling organizations because of the additional business and revenue gambling can draw. However, allowing gambling in the municipal liquor store raises a number of questions that should be resolved before city property is used for lawful gambling.

IX. High school raffles

School districts, or nonprofit organizations created primarily to support the programs of a school district, may conduct raffles if:

- Raffle tickets are sold and a drawing is conducted only at a high school event sponsored by the school district.
- All raffle tickets are sold for the same price.
- Raffle tickets are sold only to people 18 years of age or older attending the event.
- The drawing is held during or immediately after the conclusion of the event.
- Half the gross receipts from the sale of tickets are awarded as prizes for the raffle, and the remaining half may only be used to defray the school district’s costs of sending event participants to high school activities held at other locations.
If a school district’s (or nonprofit’s) gross receipts from the conduct of raffles exceeds $12,000 in a calendar year or $5,000 in a single raffle, it must report the gross receipts received, the total expenses, total prizes, and an accounting of expenditures to the Board annually.

Because high school raffles are outside the lawful gambling chapter, and state law dedicates all of the receipts to specific purposes, cities probably do not have authority to regulate these activities. Cities that wish to regulate gambling conducted at high school events should consult their city attorney.

X. Liquor raffles

A nonprofit organization conducting a silent auction, raffle, or other fundraising event may conduct live, on-premises auctions or raffles of wine, beer, or intoxicating liquors—provided that the funds from the auction or raffle are dedicated to the charitable purposes of the nonprofit organization, that such auctions or raffles are limited to not more than six occasions per year, and that the alcohol may only be auctioned or raffled to persons who demonstrate they are 21 years of age or older and do not show signs of obvious intoxication.

An organization that intends to award a liquor prize as part of a raffle must qualify as a nonprofit under Minnesota Statutes and Rules, and would be subject to the same local and state regulations as any other raffle. Cities with questions concerning their role regulating these events should consult their city attorney or the state Alcohol and Gambling Enforcement Division.

XI. Enforcement

Lawful gambling benefits cities by providing entertainment for citizens and raising revenues to support worthy purposes. However, because of the large sums of money involved in lawful gambling, there is great potential for unlawful activity. Illegal gambling activity could result in loss of faith in the integrity of lawful gambling, defrauded citizens and organizations, and even organized crime. Cities must work with lawful gambling organizations and state agencies to ensure lawful gambling continues to have a positive impact upon the community.

The Legislature created the Gambling Control Board to maintain the integrity of lawful gambling through licensing and regulation. A city that believes an organization conducting lawful gambling is not complying with the lawful gambling laws should contact the Board for assistance.
The Department of Public Safety’s Alcohol and Gambling Enforcement Division investigates allegations of criminal conduct related to all forms of gambling. If a city suspects that criminal gambling laws are being violated, it should contact Alcohol and Gambling Enforcement.