

1111. Raffles and Gambling Devices

§1111.010 RAFFLES AND GAMBLING DEVICES; DEFINITIONS. For the purposes of this chapter, certain words and terms are defined as follows:

Subd. 1. Active Member. A member who has paid all his dues to the organization and has been a member of the organization for at least six (6) months.

Subd. 2. Gambling Devices. Those gambling devices known as paddle wheels; "tip boards", pull-tabs (or ticket jars) or apparatus used in conducting raffles.

Subd. 3. Lawful Purpose. One or more of the following:

- (a) 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;
- (b) Initiating, performing or fostering worthy public works or enabling or furthering the erection or maintenance of public structures;
- (c) Lessening the burdens borne by government or voluntarily supporting, augmenting or supplementing services which government would normally render to the people; or,
- (d) The improving, expanding, maintaining or repairing real property owned or leased by an organization.

"Lawful purpose" does not include the erection or acquisition of any real property, unless the local unit of government specifically authorizes the expenditures after finding that the property will be used exclusively for one or more of the purposes specified in this clause.

Subd. 4. Paddle Wheel. A wheel marked off into sections containing one (1) or more numbers, and which, after being turned or spun, uses a pointer or marker to indicate winning chances.

Subd. 5. Net Profit. The gross receipts from the operation of gambling devices and the conduct of raffles, less reasonable sums expended for prizes, local licensing fees, taxes and maintenance costs for the devices. (Ref. Ord. 912, 6/28/94)

Subd. 6. Pull-Tabs or Ticket Jars. A single folded or banded ticket or a card, the face of which is initially covered, or otherwise hidden from view, to conceal a number or set of symbols out of every set of pull-tabs (or ticket jars) will have been designated in advance and at random as prize winners. A participant pays a consideration to an operator for the opportunity to obtain a folded or banded ticket or a card, view the numbers or symbols on it and possibly obtain a prize winning pull-tab (or ticket jar).

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Subd. 7. Raffle. A game in which a participant buys a ticket for a chance at a prize, the winner determined by a random drawing to take place at a location and date printed upon the ticket.

Subd. 8. Tipboard. A board, placard, or other device measuring at least twelve (12) inches square, marked off in a grid or columns, in which each section contains a hidden number or numbers, or other symbol, which determines the winning chances. (Ref.Ord. No. 644, 11/12/80)

§1111.020 RAFFLES AND GAMBLING DEVICES; EXCEPTIONS. Nothing in this chapter shall be construed to authorize any use, possession or operation of:

1. Any gambling device which is activated by the insertion of a coin or token; or

2. Any gambling game or device in which the winning numbers, tickets or chances are in any way determined by the outcome of any athletic contest or sporting event. (Ref. Ord. No. 644, 11/12/80)

§1111.030 RAFFLES AND GAMBLING DEVICES; LICENSE REQUIRED LIMITATION, APPLICATION. No person shall directly operate a gambling device or conduct a raffle except as authorized by statute and this Code and unless a license from the State of Minnesota to do so has first been obtained. Licenses for the conduct or operation of raffles or gambling devices shall be issued only to religious, fraternal, veterans or other non-profit organizations not organized for pecuniary profit and duly existing under the laws of the State of Minnesota; provided that the proceeds therefrom are not to inure to the profit of any individual; provided further, that said organization shall have been in existence for at least three (3) years, shall have at least thirty (30) active members and shall comply with Minnesota Statutes Chapter 349. (Ref. Ord. 736, 12/9/86)

Application for a license to conduct raffles or to operate gambling devices shall be made to the Minnesota Charitable Gambling Board with notice given to the City thirty (30) days prior to action by the State to approve or deny. (Ref. Ord. No.644, 11/12/80; 736, 12/9/86).

§1111.040 Deleted (Ref. Ord. 736, 12/9/86)

§1111.050 Deleted (Ref. Ord. 736, 12/9/86)

§1111.060 Deleted (Ref. Ord. 736, 12/9/86)

§1111.070 RAFFLES AND GAMBLING DEVICES OPERATIONAL REQUIREMENTS.

Subd. 1. Prize Limits. Total prizes from the operation of paddle wheels, tipboards and pull-tabs or ticket jars shall not exceed limits established by the State of Minnesota.

Subd. 2. Premises. Gambling devices shall be operated and raffles conducted by a licensed organization only upon premises which it owns or leases except that tickets for raffles conducted in accordance with this chapter may be sold off the premises. Leases shall be for a period of not less than one (1) year and shall be in writing. The City Council may authorize raffles to be conducted by a licensed organization on the premises not owned or leased by the organization. Copies of all leases shall be provided to the City Clerk at the time of application.

Subd. 3. Records and Reports. All qualified charitable organizations selling or operating gambling devices in White Bear Lake shall keep monthly financial records as required by Minnesota Statutes Chapter 349 and shall submit copies of said records no later than January 30, April 30, July 30 and October 30 for the three (3) prior calendar months. Additionally, the qualified charitable organization shall report on or before the dates above the exact purpose and location of contributions made from the gambling proceeds. (Ref. Ord. 736, 12/9/86; 912, 6/28/94)

Subd. 4. Profits. Profits from the operation of gambling devices or the conduct of raffles shall be used solely for lawful purposes as defined in Minnesota Statutes No. 349.12 and as authorized at a regular meeting of the organization. Not less than fifty (50) percent of the profits from the operation of gambling or the conduct of raffles earned by charitable organizations other than veteran's clubs shall be used for lawful purposes conducted or located within the City's trade area as defined as City of White Bear Lake, White Bear Township, Gem Lake, Vadnais Heights, Birchwood, Mahtomedi and Hugo. (Ref. Ord. 736, 12/9/86; 912, 6/28/94)

Subd. 5. Fidelity Bond. (Section deleted in its entirety.)

Subd. 6. Gambling Manager. A gambling manager for a single licensed organization shall not act as a gambling manager for any other licensed organization. (Ref. Ord. No. 644, 11/12/80)

The City may at any time conduct investigations or audits of gambling managers sufficient to ensure legal compliance and reporting.

Subd. 7. Other Requirements. In addition to satisfying the qualifications set forth in Minnesota Statutes, Chapter 349, the following requirements and qualifications must be complied with by all licensed organizations:

- A. May not have a gambling license in more than three establishments in the City of White Bear Lake.
- B. Shall register with the State Gambling Board all equipment and supplies used in a licensed "on-sale" liquor establishment.
- C. Shall be open to inspection by the White Bear Lake Police Department at any reasonable time without notice or warrant on all records including accounting and other bank records.

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- D. Shall submit all addresses of on and off site locations of storage of records and materials.
- E. Upon renewal of the organization's gambling license, the following will be submitted: Names and addresses of all officers, directors and employees directly related to the conduct of gambling; a copy of written procedures and/or criteria of distribution of funds; a copy of internal control procedures.
- F. Shall notify the City in writing within ten (10) days of any changes in its officers, directors, or employees directly related to the conduct of gambling. (Ref. Ord. 912, 6/28/94; 977, 3/14/00)

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