

WHAT IS GAMBLING?

GAMBLING TRADITIONALLY CONSISTS OF THREE ELEMENTS:

Consideration

Any activity requiring participants to pay a fee or give something of value to play. This also includes entry or admission fees, chair rentals, suggested donations, purchase requirements or anything else that makes people feel like they should pay to play.

Chance

The outcome is primarily determined by luck.

Prize

Prizes are awarded.

For the game to be considered gambling, all three elements must be present.

- **Charitable gambling:** The five forms of lawful gambling, when conducted by a licensed charitable organization or a 501(C)(3) non-profit under the supervision of the Gambling Control Board, are:
 - Pull-tabs
 - Bingo
 - Raffles
 - Paddlewheels
 - Tip boards
- **Private social bets:** These are spur-of-the-moment wagers between two people or penny-ante card games in your home with friends.

Minnesota law says these activities become illegal when they are “organized, commercialized or systematic.”
- **In-package chance promotions:** Businesses offer you a game piece with purchase of a packaged product that may result in receiving a prize. Although this includes all three elements of gambling, there is an exception because the item you are purchasing is not any more expensive with the game piece than without, and you can request a free game piece without purchase.

The information included in this brochure is not intended to be all-inclusive. **Please refer to online agency resources, or call if you have questions or concerns about anything gambling-related.**

The Alcohol and Gambling Enforcement Division strives to provide education to limit the need for enforcement. The public is encouraged to contact our office for any gambling-related questions.



Minnesota Department of Public Safety
Alcohol and Gambling Enforcement Division
445 Minnesota Street, Suite 1600
St. Paul, MN 55101
651-201-7500 | age.dps.mn.gov

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GAMBLING OVERSIGHT AND ENFORCEMENT IN MINNESOTA

Minnesota Department of Public Safety Alcohol and Gambling Enforcement Division (DPS-AGED)

AGED investigates illegal gambling and other gambling-related crime. It also licenses and regulates slot machines and other gambling devices and provides the state's oversight of the tribal/state compacts and casinos.

445 Minnesota St., Suite 1600
Saint Paul MN 55101
651-201-7500
age.dps.mn.gov

Gambling Control Board (GCB)

The GCB licenses and regulates lawful charitable gambling in Minnesota. It can answer questions about raffles, pull tabs, bingo, paddle wheels, or tip boards and how a charitable organization should run them.

1711 West County Road B, Suite 300
Roseville MN 55113
651-539-1900
mn.gov/gcb

Minnesota Racing Commission (MRC)

The MRC provides regulation and oversight of Running Aces and Canterbury Park horse racing and card rooms.
mrc.state.mn.us

Canterbury Park Office

1100 Canterbury Rd., Suite 100
Shakopee, MN 55379
952-496-7950

Running Aces Office

15201 Zurich St., Suite 212
Columbus, MN 55025
651-925-3951

Minnesota State Lottery

The Lottery oversees and regulates lottery activity in Minnesota, including scratch-offs and multi-state games such as Powerball.

2645 Long Lake Rd.
Roseville, MN 55113
651-635-8273
mnlottery.com



MINNESOTA GAMBLING REGULATIONS



TYPES OF LEGAL GAMBLING

Raffles

If a raffle, drawing or lottery has all three gambling elements, it is only legal if it is run by a licensed charitable organization, a non-profit organization under the supervision of the Gambling Control Board or a tribal entity. Giveaway drawings are okay for anyone to do if they are free to enter.

Pull Tabs, Tip Boards, and Paddlewheels

The same principles as raffles apply to these items.

Bingo

Bingo is regulated in Minnesota, and only approved charitable organizations and tribal entities can conduct a game under that name. A similar game can be operated by bars and other establishments if they use a different name, and it must be free to enter. No purchase of food or drink can be required.

Card Games and Texas Hold 'Em

Minnesota law allows establishments to offer certain card games. They are specifically listed in statute as: cribbage, skat, sheepshead, bridge, euchre, pinochle, gin, 500, smear, and whist. The tournament or contest cannot provide any direct financial benefit to the

promoter or organizer, and the value of all prizes awarded for each tournament or contest cannot exceed \$200. This means that the establishment can charge to play as long as they don't collect more than \$200, and it all goes back to the players.

Texas hold 'em is also allowed at establishments. However, no one under 18 can play, the prizes awarded to an individual winner of a tournament or contest at a single location may not exceed \$200 a day, and payment of any entry fee or other consideration is prohibited. Texas hold 'em must be free to play, which means the bar or organizer is putting up the prize money themselves. They must also make reasonable accommodations for players with disabilities.

Any card games, other than those listed above, which have the elements of consideration, chance and prize are illegal. This includes online gambling.

Dice Games in Liquor Establishments

Minnesota law allows dice games to be played at liquor establishments, such as:

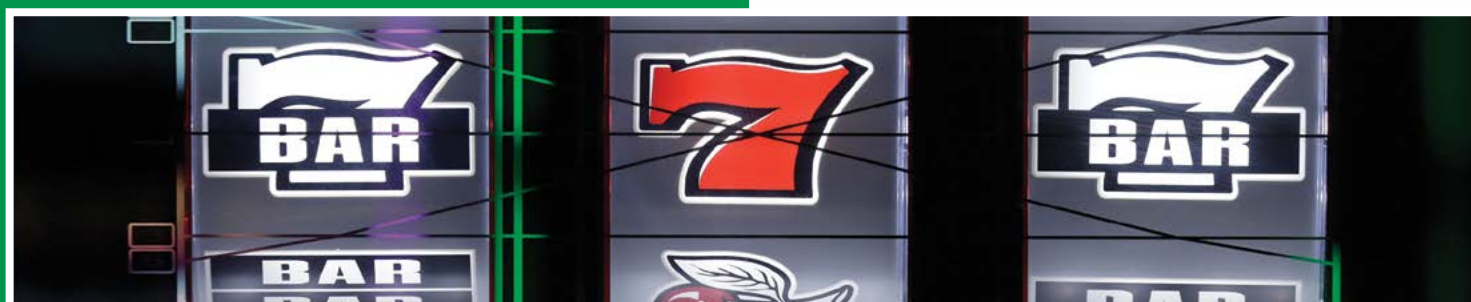
- Board games played with dice
- Shake-a-day
- 3-2-1
- Who buys
- Last chance
- Liar's poker
- 6-5-4
- Horse
- Aces

The bar cannot organize the game or financially participate, and players can only wager food and drinks. The bar's only involvement is to essentially keep the dice or games on-site for the players, and no cash should ever be exchanged between the players or the establishment.

Slot Machines

Tribal casinos are the only entity in Minnesota allowed to legally operate slot machines. Anyone can own a slot machine in their dwelling, as long as they do not take money and pay out prizes.

For more information go to dps.mn.gov (see Alcohol and Gambling Enforcement under divisions).



FAQS

Casino Nights for Charity

Establishments and private citizens need to be aware of the law when holding a casino night. Slot machines and roulette are regulated and cannot be used as part of a casino night. Blackjack and some card games may be played during a casino night if either the element of consideration or prize is removed.

Casino nights are not regulated by the state, so participants would be taking the organizer at their word that the money was going to a specific charity if that is the event's advertised intent.

Poker Runs or Fun Runs

These types of runs occur in many forms, including motorcycle, snowmobile, or otherwise, and include variations of the game and how players win. Most operate by collecting an entry fee or donation before a participant travels to several destinations, or requires them to make a purchase at each of the locations. A participant then receives a card or cards at each location, and the participant with the best card hand at the final destination wins a prize. All three elements of gambling are present, making the game/event illegal. A poker run can be operated legally if there is no cost to participate and no purchase is required to obtain the cards.



Shake-A-Day or "Shaking" the Bar

The game often includes paying a small fee to shake a die to see if you win a free drink or other prize. This has all three elements of gambling and is illegal. Remember, establishments can only provide dice; they cannot participate in dice games.



HOW CAN MONEY BE RAISED WITHOUT VIOLATING GAMBLING LAWS?

There are many ways to raise money for charitable causes without violating gambling laws. By taking away one of the three gambling elements, the game is no longer gambling. For example, raffles offering prizes are legal if consideration is not present. Businesses often do this to attract or reward customers. The most common way to raise money through games is by replacing the chance element with skill. Skill is something that can be improved with time and experience. With skill, organizers can charge people to participate and give away prizes. It is also legal to collect donated items and auction them off to raise money.

Tournament Pools

The most common pool is March Madness brackets where participants pick each winning team during games of the NCAA basketball tournament. If participants pay to enter and there are prizes, it may be considered illegal gambling.

Football Numbers

This game usually appears as a tri-fold tab or board with numbers correlating to scores at certain times of a football game. These games cost money, award prizes and are illegal gambling if not conducted by licensed charitable organizations.

Activities with 100% Payback

We often encounter people who are conducting or participating in gambling activities where all of the money collected is returned to the players. They mistakenly believe this is legal since the organizer is not profiting. There is no exception in Minnesota law for 100 percent payback, and gambling is not made legal even if the organizer does not profit.