

## CHAPTER 107. GAMBLING

---

### 107. GAMBLING

107.01. State Gambling Law Adopted. Except as they may conflict with the provisions of this chapter, the provisions of Minnesota Statutes, Chapter 349, relating to the definition of terms, licensure, and restrictions of gambling are adopted and made part of this chapter as if set out in full herein.

107.02. Reporting Requirements. Each organization licensed to engage in lawful gambling within the City of Rochester shall keep records of its gross receipts, quantities of free play, if any, expenses and profits for each single gathering or occasion at which gambling devices are operated or a raffle is conducted. All deductions from gross receipts for each single gathering or occasion shall be documented with receipts or other records indicating the amount, a description of the purchased item or service or other reason for the deduction, and the recipient. The distribution of profits shall be itemized as to payee, purpose, amount and date of payment. Each organization also shall keep records of the amount of its lawful purpose expenditures of gross profits derived from lawful gambling conducted or located within and without the city's trade area as required by section 107.03. Each licensee shall file a monthly report with the city clerk. This report shall contain the information identified herein and shall be written on a form provided by the city clerk.

107.03 Limitation on Expenditures. Subdivision 1. A licensed organization conducting lawful gambling within the City of Rochester must expend within the City's trade area, ninety-five percent (95%) of its lawful purpose expenditures from the gross profits derived from lawful gambling conducted or located at premises within the City. The City's trade area shall be defined as the boundaries of the City of Rochester and shall include any township contiguous to such boundaries and any cities located wholly or partly within the contiguous townships.

Subd. 2. For purposes of this section, and except as is provided in subdivision 3, an expenditure to a natural person will satisfy the requirement found in subdivision 1 only if the person's legal residence is located within the City's trade area. For purposes of this section, an expenditure to a non-natural person, such as a corporation, partnership, etc., will satisfy the requirement found in subdivision 1 only if the person's principal place of business is located within the City's trade area.

Subd. 3. For the purposes of academic scholarships, lawful gambling proceeds shall be considered to have been made within the City's trade area if they are made to an individual having their primary residence within the City's trade area or if the funds will be used to attend an academic institution within the City's trade area. For purposes of purchasing equipment to be used to fulfill a charitable purpose, the expenditure of funds

## CHAPTER 107. GAMBLING

---

outside the City's trade area shall be considered to have been made within the City's trade area if the licensed organization can establish that the needed equipment was not available within the City's trade area. This information must be readily made available to the public so that any local business that may be able to provide the needed equipment is aware of these purchases.

(3967, 5/17/10; 4102, 1/23/13)

**107.04 Places of Lawful Gambling.** Lawful gambling may occur in any establishment that is eligible to conduct the Minnesota State Lottery.

(3647, 5/24/04)

**107.05 Investigation and License Fees.** Subdivision 1. An organization applying for an initial premises permit or conducting lawful gambling at a site within the City shall be assessed an annual investigation fee of \$250.00 as permitted by Minn. Stat. §349.16, subd. 8.

Subd. 2. An organization conducting lawful gambling on five or fewer days

in a calendar year and not awarding more than \$50,000 in prizes for lawful gambling in a calendar year (exempt from state licensure pursuant to Minn. Stat. §349.166, subd. 2) shall be assessed a license fee of \$15.00 as permitted by Minn. Stat. §349.213, subd. 1.

(#3837, 10/15/07; 3967, 5/17/10; 4034, 10/3/11)

Subd. 3. If it is determined that any organization licensed to engage in lawful gambling within the City of Rochester has violated any provision of this Chapter or of Minn. Stat. Chapter 349, the same shall be reported to the Gambling Control Board and the City may refuse to approve or withdraw its approval related to that organization's license or premises permit (4102, 1/23/13)

(2009, 1/3/79; 2028, 3/5/79; 2218, 11/17/81; 2286, 2/23/85; 2391A, 11/20/84; 2425, 3/5/85; 2786, 12/19/91; 2990, 5/16/95; 3423, 11/6/01; 3433, 12/18/01; 3647, 5/24/04; 3837, 10/15/07; 3967, 5/17/10; 4034, 10/3/11; 4102, 1/23/13)

## CHAPTER 107. GAMBLING

---