

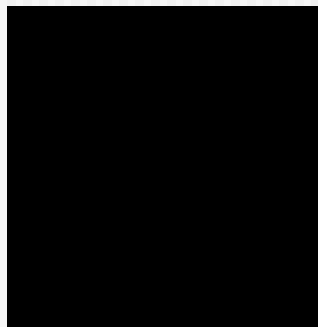
Electronic Pull Tabs in North Dakota



Tracy Bigelow
Investigative Auditor

North Dakota
Office of Attorney General
Gaming Division

North Dakota Office of Attorney General



Wayne Stenehjem
Attorney General



Gaming Division

- What we do
 - Provide Training
 - Perform Audits
 - Perform Investigations
 - Review Tax Returns
 - Conduct Criminal History Record Checks
 - Ensure Tribal/State Compact Compliance

Capitol Building



1977

- State Constitution was amended to allow certain forms of charitable gaming.

1977

- Eligible Organizations:
 - Nonprofit veterans
 - Charitable
 - Educational
 - Religious
 - Fraternal

Authorized Game Types

- The Legislative Assembly may determine what games of chance may be conducted
- One of the games of chance authorized was the game of pull tabs.

1989

- Legislative Assembly permitted the use of electronic video gaming devices
 - “Electronic Video gaming device” means an electronic video machine or device that simulates the play of a game of chance.

Electronic Gaming Devices

- The device may not directly dispense coins, cash, tokens, or anything of value other than a credit voucher.

However,

This bill was then referred to the voters of the State of ND.

December 1989

- Electronic Video Gaming Devices were rejected by the voters of North Dakota
- Electronic video gaming remains not an authorized game type in the State of North Dakota.

1977 - 1991


- Pull tabs were only sold and dispensed by gaming organization employees

1991

- Legislative Assembly authorized employees of licensed alcoholic beverage establishments to provide limited assistance to eligible organizations in the conduct of pull tabs.

*1991 Session
AB 2541*

Omni's Action Machine The Ultimate Fundraiser



**Pull Tab Ticket
Dispensing Machine
Fully Automatic
Guaranteed Profit**

FEATURES

1. Foolproof - no double dipping.
2. Automatic Counting Systems.
Full Electronic Bookkeeping Systems.
Balances automatically.
3. Dispenses - Balances - Secures
Inventory.
4. Accepts \$1, \$2, \$5, \$10 and \$20
Bills.
5. 4 Column Machine - Each column
operates individually. Play 1-4 Games.
6. Programmable Illuminated Header.
7. Best Most Reliable Way of Accounting
for Cash Money.
8. ONLY Machine Licensed by the State of
Pennsylvania.

DISTRIBUTOR:

1991

- State Gaming Commission was established
 - 5 member commission appointed by the Governor
 - Function with no paid staff
 - Current Biennial Budget of \$6,141

State Gaming Commission

- Adopt Rules
 - Methods of Conduct and Play
 - Minimum Procedures for Recordkeeping and Internal Controls
 - Requiring Tax Returns and Taxes Paid
 - Quality Standards of gaming products
 - Ensure Net Proceeds distributed eligibly
 - To Protect and Promote Public Interest
 - To Ensure Fair Games
 - To Prevent and Detect Unlawful Gambling

October 2007

- Electronic Pull Tab Device presented for approval at a State Gaming Commission meeting
 - Motion Passed 4-1 to adopt rules
 - Technological advancement in the game of pull tabs dispensed through a device

Oasis Technologies, Inc.



Oasis ITVM

“The Future Generation of Scratch Tickets and Pull Tabs”

Oasis Technologies, Inc.'s Device

- Pull tabs are printed



Oasis Technologies, Inc.'s Device

- Credits are awarded



Oasis Technologies, Inc.'s Device

- Games/Deals are transferred to the machine electronically
 - Commingle Requirement
- Reports on sales and prizes can be sent to the charity, distributor and even the State.
- Reduce labor
- Reduce instances of inside information

Dispensing Device or Electronic Gaming Device?

- Pull Tab Ticket printed has
 - No Value
 - Not determinative of the outcome of the play.
- The bar employees no longer deface any tickets
 - Player is paid based on the credit vouchers.

Remember...

- “Electronic Video gaming device” means an electronic video machine or device that simulates the play of a game of chance.
- The device may not directly dispense coins, cash, tokens, or anything of value other than a credit voucher.

2008

- Gaming Commission will rescind its motion to draft administrative rules regarding the conduct of pull tabs through electronic video gaming devices.
- The Commission’s actions and therefore rules would not be supported by law

To be continued...

We will have to wait and see if legislation is passed at the next Legislative session starting January 6, 2009.

Thank you!

Tracy Bigelow, Auditor
Gaming Division
600 East Boulevard Ave, Dept 125
Bismarck, ND 58505
701-328-4848
tbigelow@nd.gov