

On the Horizon: Rulemaking and Education Updates

A Message from the Executive Director

As we open a new fiscal year, I want to take a moment to look ahead at what the coming months have in store for Minnesota's charitable gambling community—there is quite a bit on the horizon.

In June I had the privilege of attending the North American Gaming Regulators Association conference alongside colleagues from across the country and beyond. Conversations like those are a good reminder of how far Minnesota's charitable gambling community has come and how much the work you do here is recognized. Minnesota stands as the largest charitable gambling state in the nation, a distinction that reflects not just scale, but decades of cooperation between licensees, operators, and regulators working toward a shared purpose. That collaborative spirit is something worth acknowledging as we head into a new year.

That work continues this fall. The Board has four active rulemaking efforts underway, each moving toward implementation in the months ahead. The proposed rules addressing Fund Losses, Excluded and Exempt Activity, Merchandise Prizes, and CEO Classes have each been through preliminary proposal and public comment, and we anticipate formal announcements on next steps soon. As those timelines solidify, we are committed to making sure you have what you need to be ready.

That commitment extends to education. Watch for announcements about targeted informational sessions designed to walk through the practical implications of each rule change—what it means for your operations, what's changing, and what stays the same. And this fall we will be launching a new suite of continuing education classes for gambling managers. Details on topics, scheduling, and registration will be announced soon. Strong, well-informed managers are the backbone of this industry, and expanding our CE offerings reflects our ongoing investment in that.

The charitable gambling sector does meaningful work in communities across Minnesota, and the Board takes seriously its responsibility to support that work through clear guidance and practical education. We look forward to the year ahead.



Executive Director
MN Gambling Control Board

Meat Raffle Law Changes Passed by Legislature

The Minnesota Legislature passed changes this session that update Minnesota Statutes governing paddlewheels under Minnesota's lawful gambling laws. Meat raffles, the most common application of paddlewheels without tables, will see the largest impact. The changes are intended to address rising

(Continued on next page)

Meat Raffles *(continued from page 1)*

meat costs and modernize long-standing limits that many organizations and legislators believed no longer reflected current pricing—limits that had remained unchanged for more than 30 years.

The legislation received bipartisan support, driven by widespread recognition that the previous \$70 prize limit no longer reflected current meat prices. The changes are a prime example of the industry shaping policy: charitable organizations are in the best position to identify operational challenges, and the Legislature responded accordingly.

Changes under the new law include:

- The maximum ticket price for a paddlewheel without a table increases from \$2 to \$5.
- The maximum merchandise prize value increases from \$70 to \$200 per spin.
- Cash or cash equivalent prize values remain \$70.

Important Compliance Reminder: Prize Receipts

Gambling managers should be aware of an important recordkeeping requirement tied to the higher prize values. Organizations must complete and maintain prize receipts for meat raffle prizes with a fair market value of \$100 or more. Organizations that traditionally purchased smaller prize packages may now find themselves crossing the \$100 reporting threshold more frequently, especially given current food prices. Organizations should review their current procedures to ensure that documentation is collected and retained whenever higher-value meat raffle prizes are awarded.

Next Steps

- The changes are scheduled to take effect August 1, 2026.
- Organizations that intend to offer tickets at the increased value will need to purchase new tickets with the updated ticket cost from a licensed distributor when available.
- Organizations must complete and maintain prize receipts for meat raffle prizes valued at \$100 or more. Value is based off the fair market value of the prize, not the cost the organization paid for the prize.

For more information about meat raffles and raffle prize requirements, visit the Minnesota Gambling Control Board website or contact your Compliance Specialist.



Allied Charities of Minnesota was a major advocate for the recent legislative changes, including hosting a mock meat raffle at their Rally for the Raffle press conference at the State Capitol in May. Allied Charities' president, Amanda Jackson, hosted the event.

New Monthly Reporting Requirement: The LG100B2

Starting with July 2026 reports, organizations will need to submit the monthly LG100B2 along with the other monthly financial reports that are submitted to the GCB. The Schedule B2, Lawful Gambling Report of Barcoded Games, is a similar form that organizations already send to the MN Department of Revenue. The first LG100B2 report will be due August 20 with your other July reports. Similar to other financial reports, B2s must be typed and submitted electronically. Like other financial reports, if your organization uses software, you may use a different form format than the LG100B2 form provided by the GCB as long as all the required information is included. If you have questions about the LG100B2 or other required monthly financial reports, please contact your Compliance Specialist.

Licensing Reminders: Keeping Your Organization in Compliance

A few routine requirements can make a significant difference in keeping your organization's gambling license in good standing. Here's a quick review of some common situations where timely action matters.

1. Changes to the Gambling Manager Position

Licensed organizations sometimes face changes in their Gambling Manager position—whether due to retirement, resignation, or unexpected circumstances such as illness or death. When that happens, notifying the Gambling Control Board promptly and submitting the required materials helps keep your organization in good standing.

A new Gambling Manager must be licensed before stepping into the role. To begin the process, submit the following to the GCB's Roseville office:

- Completed LG212 Gambling Manager Application
- \$100 application fee
- \$10,000 insurance bond (list your organization as the obligee, not the GCB)

Planned Changes

If you know in advance that your Gambling Manager will be leaving—due to retirement, resignation, or another planned transition—submit the required materials as early as possible to avoid delays and ensure continuity of operations.

Emergency Changes

When an unexpected situation arises, such as a sudden resignation, medical emergency, or death, Minnesota Statute requires your organization to:

- Contact the GCB within 1 business day
- Submit all required application materials within 4 business days

Reaching out quickly allows the Board to work with your organization to maintain compliance while minimizing disruption to your lawful gambling operations.

2. Report Officer Changes Promptly

When organizational officers change, licensed organizations must submit an LG200B Organization Officers Affidavit within ten days. Timely reporting keeps your records accurate and helps you stay in compliance with applicable statutes and rules.

Failure to submit within the required timeframe may result in citations or other administrative sanctions. Consider establishing an internal process to make sure officer changes are caught and reported without delay.

3. Review Applications Before Submitting

Before sending in any application or renewal paperwork, take a few minutes to check for missing signatures, incomplete sections, or omitted attachments. Incomplete submissions slow down processing and often require follow-up from GCB staff—a quick review on the front end saves time for everyone.

References: mn.gov/gcb/assets/lg200b_tcm1192-550215.pdf
revisor.mn.gov/rules/7861.0220
revisor.mn.gov/statutes/cite/349.167
mn.gov/gcb

Plan Now for FY27 Code A22 Spending

Lawful gambling organizations should be calculating their Code A22 spending limit for fiscal year 2027—and planning how to use it before it's gone.

Code A22 allows organizations to spend up to five percent of their gross profits from the previous fiscal year on the repair, maintenance, or improvement of real property and capital assets they own, or on replacement of a capital asset that can no longer be repaired. The fiscal year runs July 1 through June 30, and any unused allowance does not carry forward. If you don't use it, you lose it.

The spending limit for FY27 is based on your organization's FY26 gross profits—figures that will be available after June 2026 reports are filed. That makes now a good time to identify projects, gather estimates, and get your planning in order.

A few important reminders about what Code A22 does and doesn't cover: building expansions and bar-related expenditures are not allowable under this provision. And if extraordinary circumstances require spending beyond the five-percent limit, organizations must request board approval in advance using form LG269.

For a worksheet to help calculate and track your A22 expenditures, see form LG267 on the GCB website.



Continues in the New Location!

The Citation and CRG activity reports are now located on our website. You can find them at:
gcb.mn.gov / Publications / Gaming News



Gambling Control Board meetings are open to the public and may be attended either in person or online. Please check our website (mn.gov/gcb) to confirm the date, time, location, and for information on how to join online.

Upcoming meetings:
July 20, 2026 10:00 a.m.
Aug 17, 2026 10:00 a.m.
Sept 21, 2026 10:00 a.m.

Board Members:

Doug Forsman, Chair (Shakopee)
Jim Nardone, Vice Chair (Grand Rapids)
Mike Sundin, Secretary (Esko)
Alan deJesus (Minneapolis)
Bill English (Plymouth)
Kate Luthner (Forest Lake)
Vacant