

**SENATE**  
**STATE OF MINNESOTA**  
**NINETY-THIRD SESSION**

**S.F. No. 3086**

(SENATE AUTHORS: EICHORN)

DATE	D-PG	OFFICIAL STATUS
03/22/2023	2209	Introduction and first reading Referred to State and Local Government and Veterans

1.1 A bill for an act

1.2 relating to gambling; authorizing the city of Cohasset to operate a casino gaming

1.3 facility regulated by the Department of Public Safety; authorizing the city to issue

1.4 additional on-sale intoxicating liquor licenses.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. **CASINO GAMING.**

1.7 Subdivision 1. **Authorization.** The city of Cohasset is authorized to own or lease and

1.8 to operate a casino gaming facility within the city limits of Cohasset subject to the limitations

1.9 imposed by this section.

1.10 Subd. 2. **Contracts.** No contract shall be entered into by the city of Cohasset for the

1.11 financing, construction, lease, or operation of the casino gaming facility unless approved

1.12 by the joint committee established under subdivision 3.

1.13 Subd. 3. **Joint committee.** A joint committee consisting of seven members is created

1.14 to review and approve all contracts relating to any casino gaming facility operated by the

1.15 city of Cohasset. The city may enter into a lease or management agreement for the operation

1.16 of the casino. Three members of the joint committee shall be members of the city council

1.17 of the city of Cohasset appointed by the city council of Cohasset. Three members shall be

1.18 employees of the Department of Public Safety appointed by the commissioner of public

1.19 safety. The joint committee shall elect a chair from among its members. The committee

1.20 may elect other officers as it deems necessary. The attorney general is the attorney for the

1.21 joint committee.

1.22 Subd. 4. **Investigation.** Before approving any contract relating to the ownership, lease,

1.23 or operation of a casino, the joint committee shall conduct, or request the Bureau of Criminal

2.1 Apprehension to conduct, a comprehensive background and financial investigation of all  
2.2 of the parties to the contract. The joint committee may charge any person or corporation  
2.3 that is to be a party to a contract an investigation fee to cover the cost of the investigation  
2.4 and shall from this fee reimburse the bureau for its share of the cost of the investigation.

2.5 Subd. 5. **Games and prize limits permitted.** The casino is authorized to conduct video  
2.6 games of chance and blackjack. The commissioner of public safety shall, after public hearing,  
2.7 establish the games that may be played and the rules of play and the prize limits for each  
2.8 game.

2.9 Subd. 6. **Records and reports.** The gross receipts from the operation of the gaming  
2.10 casino must be segregated from all other revenues of the city of Cohasset and placed in a  
2.11 separate account. The city must report to the commissioner of public safety on its gross  
2.12 receipts, expenses, and profits from the operation of the gaming facility.

2.13 Subd. 7. **Powers of commissioner of public safety.** (a) The commissioner of public  
2.14 safety must enforce and investigate the provisions of this section. The commissioner may,  
2.15 after public hearing, adopt any rule necessary to implement this section or to ensure the  
2.16 integrity of the gaming operation within the city of Cohasset.

2.17 (b) The commissioner and the commissioner's employees shall have the authority, without  
2.18 notice or warrant, to:

2.19 (1) inspect and examine the premises where casino gaming is conducted;

2.20 (2) inspect all gambling equipment or supplies in, about, upon, or around the premises  
2.21 where casino gaming is conducted; and

2.22 (3) inspect, examine, and audit all books, records, and other documents pertaining to  
2.23 the casino gaming operation.

2.24 Subd. 8. **Gaming by certain persons prohibited.** No person under the age of 18 may  
2.25 participate in any game conducted at a casino gaming facility operating under this section.

2.26 Subd. 9. **Use of profits.** Amounts collected by the city of Cohasset from the operation  
2.27 of the gaming facility less sums necessarily and actually expended for gaming supplies and  
2.28 equipment, prizes, rent, utilities, maintenance of gaming equipment or the facility, taxes or  
2.29 fees imposed by law, repayment of bonds or mortgage, insurance, compensation or wages  
2.30 paid for conducting or managing the operation, and advertising must be deposited in an  
2.31 account in the city fund and dedicated to the purposes of property tax relief. At the end of  
2.32 each fiscal year, the governing body of the city of Cohasset must certify to the commissioner  
2.33 of revenue the amount of money derived from the Cohasset casino and deposited in the

3.1 account designated for property tax purposes under this subdivision. Before the city of  
3.2 Cohasset adopts its proposed tax levy under Minnesota Statutes, section 275.065, the city  
3.3 must subtract from its levy the amount equal to the deposit of revenue in the account created  
3.4 under this section. The city must adopt the amount remaining as its proposed tax levy and  
3.5 certify this amount to the county auditor.

3.6 Subd. 10. **Lawful gaming.** Gaming conducted under this section is not a lottery or  
3.7 gambling within the meaning of Minnesota Statutes, sections 609.75 to 609.763.

3.8 **Sec. 2. COHASSET LIQUOR LICENSES.**

3.9 Notwithstanding any law to the contrary, the city of Cohasset may issue two on-sale  
3.10 intoxicating liquor licenses in addition to those authorized by law. The licenses authorized  
3.11 to be issued under this section must be issued to a hotel, motel, or restaurant. The licenses  
3.12 are subject to all other provisions of Minnesota Statutes, chapter 340A.

3.13 **Sec. 3. EFFECTIVE DATE.**

3.14 Notwithstanding Minnesota Statutes, section 645.021, subdivision 2, this act is effective  
3.15 only upon its approval by a majority of the voters of the city of Cohasset voting on the  
3.16 question at an election on the question of approval of this act.