

CHAPTER 7864
GAMBLING CONTROL BOARD
MANUFACTURERS

7864.0010 LICENSED MANUFACTURERS

7864.0030 MANUFACTURER OPERATIONS,
ACCOUNTS, AND RECORDS**7864.0010 LICENSED MANUFACTURERS.***[For text of subps 1 to 13, see M R]*

Subp 14 **License renewal.** To renew a license at the end of the term a licensee must submit a complete renewal application on a form prescribed by the board at least 75 days before the expiration of the licensee's existing manufacturer's license. A renewal application is not complete until it contains the information required in subparts 6 and 7, and the fee required by Minnesota Statutes, section 349.163, subdivision 2.

Statutory Authority: *MS s 349.151***History:** *23 SR 831***7864.0030 MANUFACTURER OPERATIONS, ACCOUNTS, AND RECORDS.**

Subpart 1 **Standards for manufacture of gambling equipment.** The following items apply to lawful gambling equipment manufactured for sale in Minnesota.

[For text of items A to G, see M R]

H All paddletickets manufactured for sale in Minnesota must conform to the following standards:

[For text of subitems (1) to (4), see M R]

(5) the manufacturer must provide an individual master flare with each sealed grouping of 100 or fewer sequentially numbered paddleticket cards. The flare shall have affixed or imprinted at the bottom a bar code, as required by the commissioner of revenue, that provides all information required by the commissioner of revenue pursuant to Minnesota Statutes, section 297E.04, subdivision 3, and

(6) the front of the master flare for each sealed grouping of 100 or fewer sequentially numbered paddleticket cards shall contain the following information:

[For text of units (a) to (i), see M R]

I No manufacturer or distributor may sell, offer for sale, or furnish a pull-tab dispensing device within Minnesota and no organization may purchase a pull-tab dispensing device in Minnesota unless it conforms to the following standards and has been approved by the board pursuant to this part:

[For text of subitems (1) to (8), see M R]

(9) The pull-tab dispensing device shall ensure that the pull-tabs in each game are randomly dispensed. Each game shall be placed into a minimum of two columns. If the pull-tab dispensing device contains only one game, and a malfunction occurs in one of the columns, the pull-tab dispensing device shall become inoperable until the malfunction has been cleared. If the pull-tab dispensing device contains more than one game, and a malfunction occurs in one of the two or more columns containing any one pull-tab game, all of the columns containing pull-tabs for that one game shall become inoperable until the malfunction has been cleared.

*[For text of subitems (10) to (31), see M R.]**[For text of subp 2, see M.R.]*

Subp 3 **Sale of approved gambling equipment.** The following items pertain to the sale of approved gambling equipment in Minnesota.

[For text of items A to H, see M R.]

I no manufacturer may sell or otherwise provide a partial series of bingo paper sheets or bingo paper sheet packets to a licensed distributor.

[For text of subps 4 and 5, see M R]

Subp 6 Corrective action. If a manufacturer sells gambling equipment that is not in conformance with the standards in subpart 1, the board may require the manufacturer to take corrective action, which may include a recall of the nonconforming gambling equipment.

[For text of items A and B, see M R]

C Within 25 business days of initiation of recall proceedings, all recalled gambling equipment shall have been returned to the manufacturer, and the manufacturer shall notify the board in writing that the recall has been completed. Such notification shall include the following

- (1) a complete inventory of the recalled gambling equipment,
- (2) complete bar code information, as required by the commissioner of revenue, and
- (3) a complete listing, including license numbers, of all distributors from whom the gambling equipment was recalled

[For text of items D and E, see M R]

Subp 7 Records and reports. The following items apply to manufacturer records and reports

[For text of item A, see M R.]

B Sales invoice.

(1) A manufacturer who sells or otherwise provides gambling equipment must record the transaction on a sales invoice

(2) A sales invoice must contain at a minimum the following information as prescribed by the commissioner of revenue

[For text of units (a) to (h), see M R]

- (i) the unit price or monthly lease price, and
- (j) a statement regarding whether the gambling equipment is designated for sale to an Indian tribe

[For text of subitem (3), see M R]

(4) For paddleticket cards, the following information must appear on the sales invoice

[For text of units (a) and (b), see M R]

(c) for each sealed grouping of 100 or fewer sequentially numbered paddletickets, a complete description of each sealed grouping of paddletickets, which will include the name of the game, the manufacturer identification, the form number, and the serial number

(5) For bingo paper sheets and bingo paper sheet packets, the following information must appear on the sales invoice

(a) for breakopen bingo paper sheets, the serial number and color of each set of breakopen bingo paper sheets sold to a distributor,

(b) for each set of bingo paper sheet packets:

[For text of subunits i to iv, see M R]

v the serial number from each sheet in the packet if the serial numbers are not uniform throughout the packet, or the serial number from the top sheet in each packet if the serial numbers are uniform throughout the packet. The serial numbers may be recorded on a separate document which is attached to the invoice, provided that the invoice clearly states that the serial number listing is attached as a separate document,

[For text of unit (c), see M R]

[For text of subitems (7) to (9), see M R]

[For text of item C, see M R]

D Report of delinquent distributor required

(1) A licensed manufacturer shall notify the board in writing if the manufacturer has not received payment from a licensed distributor for gambling equipment within 35 days of shipment. Such notification shall include

[For text of units (a) to (d), see M R]

MINNESOTA RULES 1998

7864.0030 MANUFACTURERS

22

[For text of subitems (2) to (5), see M.R.]

[For text of items E and F, see M.R.]

Statutory Authority: *MS s 349.151*

History: *23 SR 831*