

Gambling in Minnesota 1945-2005: Timeline

	Charitable Gambling	Horse Racing	State Lottery	Tribal Casinos	Other
1945	Bingo legalized for first time				
1947					Gov. Youngdahl's anti-slot machine law enacted
1963	Bingo law amended to limit compensation to workers				
1964			New Hampshire creates first modern state lottery		
1967			New York becomes first large lottery state		
1971		Bill to legalize pari-mutuel betting reaches floor of both houses for first time			
1972			First lottery bill introduced in Minnesota		
1976	Bingo law amended to require local licensing, regulate use of profits				
1978	Paddlewheels, tipboards, raffles legalized	Bill for constitutional amendment to allow pari-mutuel betting nearly passes House			
1981	Pull-tabs legalized			U.S. Court of Appeals says tribes may conduct bingo on Indian land without state regulation; bingo parlors appear on Indian reservations in Minnesota	
1982		Legislature passes bill to put pari-mutuel betting amendment on the ballot; voters approve in November		More bingo parlors open on Indian land, including Mdewakanton Sioux near Prior Lake and Prairie Island near Red Wing	

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1983		Legislature approves pari-mutuel enabling legislation and creates Minnesota Racing Commission			
1984	Legislature transfers regulation and licensing from local governments to Charitable Gambling Control Board; gambling tax enacted				Legislature legalizes possession of "video games of chance" (video poker, etc.) but not gambling on them
1985	Deadline for exchanging local licenses for state licenses extended after gambling board is swamped with applications	Canterbury Downs opens in Shakopee for first season of racing			Bill to legalize casino in Ely rejected
1986	Pull-tab tax becomes tax on ideal gross	Canterbury Downs total wagering peaks at \$134 million		Fond du Luth bingo parlor opens in downtown Duluth Video gaming machines begin to appear in tribal casinos	
1987	Local governments allowed to tax charitable gambling	Canterbury Downs shows signs of financial strain and requires new infusion of cash; owners unsuccessfully seek tax relief from legislature		U.S. Supreme Court rules in <i>Cabazon</i> decision that tribes could conduct any gambling form that a state permits, without state regulation	
1988	Gross receipts approach \$500 million; most gambling board functions shifted to Administration Department	Canterbury Downs given significant tax relief as tax basis shifts from total wagering to total takeout; mandated share of takeout dedicated to purses increased	Legislature puts state lottery amendment on ballot; legislation dedicates half of revenue to environmental trust fund, half to Greater Minnesota Corp. Voters approve amendment in November	Congress passes Indian Gaming Regulatory Act affirming legal basis for gaming on tribal land; authorizes tribal-state compacts for casino-style gambling	

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1989	Gross receipts exceed \$1 billion; gambling board becomes agency of Department of Gaming; newspaper articles raise questions about uses of gambling proceeds; 13-member board replaced by 6-member board plus gaming commissioner; combined receipts tax imposed on pull-tab and tipboard revenues	Out-of-season simulcasting legalized; track ownership files for bankruptcy; track put up for sale	Lottery legislation enacted with lottery as division of Department of Gaming; lottery put under supervision of lottery director with advisory board George Andersen named first lottery director	State signs compacts with 7 tribes for video gambling	Legislature creates Department of Gaming with commissioner sitting on gambling and lottery boards and racing commission Legislature increases penalties for gambling on video games of chance
1990	Charitable gambling criticized by Attorney General and office of Legislative Auditor for lax enforcement, lack of accountability, and spending on noncharitable purposes Legislature passes reform bill to require posting of pull-tab winners, tighten lawful purpose expenditures, increase enforcement resources	Track bought by Detroit investors, who enter into partnership with Ladbroke International to manage the track; winter simulcasting begins	Minnesota State Lottery begins sales in April; sales begin with instant tickets; on-line games added in August Legislature redirects lottery profits, reducing environmental trust fund to 40 percent, Greater Minnesota Corp. to 25 percent, and remainder to infrastructure Legislature proposes constitutional amendment to guarantee environmental trust fund's 40 percent share for 10 years; voters approve in November	State signs video compacts with 2 more tribes Federal magistrate rules that state must negotiate compacts with tribes for blackjack, based on state's "private social bet" exemption	Compulsive gambling program created in Department of Human Services, funded through lottery proceeds Legislature ends licensing of video games of chance and instead classifies them as illegal gambling devices

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1991	Legislature begins reversing reforms by relaxing pull-tab posting requirement	Legislature passes bill to legalize off-track betting; racing commission approves rules for telephone betting	Lottery profits reallocated again, with 60 percent of net proceeds dedicated to state general fund Lottery proposes, then withdraws plan for Nintendo home lottery play	State signs video compacts with last 2 tribes State signs compacts with 11 tribes for blackjack	Department of Gaming abolished; racing commission, gambling board, lottery made independent
1992		Off-track betting and telephone betting declared unconstitutional by state supreme court; racing commission declines to approve simulcasting for 1993 without commitment from Ladbroke for live racing	Minnesota joins multi-state Powerball game	14 casinos operating on Indian land offering video gambling and blackjack; gross wager estimated at \$1 billion or more	Congress prohibits states from licensing or operating sports betting; grandfathers existing systems First compulsive gambling treatment program using state funds opens
1993		Without simulcasting days approved, Canterbury Downs closes for the year Irwin Jacobs buys track, but quickly puts it back up for sale Curt and Randy Sampson lead ownership group buying track		Number of casinos grows to 17, total wager estimated at \$5 billion	Legislative effort to legalize video lottery in bars hits high point as issue is tied to fishing rights on Lake Mille Lacs
1994		Legislature passes constitutional amendment to allow off-track betting, but voters narrowly reject it Canterbury Downs operates as simulcasting-only facility			Video lottery in bars rejected

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1995		Canterbury Downs, renamed Canterbury Park, reopens with live racing season of 51 days	Legislature abolishes lottery board		Attorney General tells legislature that it would little chance of winning a lawsuit to invalidate federal law prohibiting sports betting Advisory Council on Gambling report to legislature recommends no new forms of gambling, no major change in existing forms
1996	Tax relief granted as legislature allows refunds on taxes paid on unsold boxes of pull-tabs	Legislature grants additional tax relief by exempting first \$12 million in takeout from pari-mutuel tax	Lottery reaches \$375 million in total sales for FY 1996		
1997	Allowable expenses raised to 65 percent of gross profit for bingo, 55 percent for other forms Sanctions against organizations on premises where illegal gambling occurs relaxed				Special legislative session to deal with stadium issues, including options to fund stadiums with gambling revenue, ends with no agreement
1998	Lawful gambling taxes reduced by 5 percent				
1999	Additional 5 percent reduction in gambling taxes	Legislature authorizes card club for Canterbury Park where betting on "unbanked" card games is allowed			
2000	Gambling taxes again reduced by additional 5 percent	Card club opens at Canterbury			

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2003	Licensed gambling organizations assessed new regulatory fee of 0.1 percent of gross receipts to fund gambling regulation	Minnesota House passes bill to allow “racino” at Canterbury, but Senate rejects plan	Minnesota Center for Environmental Advocacy criticizes lottery, claiming its performance in returning state revenue is below average Legislative Auditor undertakes study of lottery operations	Red Lake, White Earth bands propose partnership with state for metro area casino; legislature fails to approve	Caesar’s Entertainment proposes massive casino project at Mall of America; bill is withdrawn before vote Total national volume of Internet wagering estimated at \$5.7 billion
2004			Lottery director George Andersen found dead in January, death later ruled a suicide Legislative Auditor report issued shortly thereafter criticizes several lottery contracts and business arrangements but finds no evidence of illegal acts Legislature creates task force to study lottery organization Michael Vekich named interim lottery director, later succeeded on permanent basis by Clint Harris	Gov. Pawlenty proposes tribes share revenues with state, suggests “other gambling options” if they decline Mille Lacs tribal chair Melanie Benjamin proposes new relationship between tribes and state, suggests that tribal gaming revenue be used for nontribal purposes including stadiums or assistance to local governments, nonprofits, or other tribes Tribal leaders critical after governor intensifies efforts to seek other gambling options	
2005			Lottery task force report advocates reestablishment of lottery board but with mostly advisory function		Legislative Auditor releases program evaluation report on gambling, recommends improved oversight over charitable gambling