

MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION

SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

2308

2001 SENATE HUMAN SERVICES

SB 2308

2001 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2308

Senate Human Services Committee

Conference Committee

Hearing Date February 6, 2001

Tape Number	Side A	Side B	Meter #
1	X		
1		X	
February 7, 2001 2		B	17.8
March 28, 2001 1	X		
Committee Clerk Signature			

Minutes:

The Human Services Committee was called to order by SENATOR LEE. All senators were present.

The hearing was opened on SB 2308.

REPRESENTATIVE CLEARY, sponsor of the bill, introduced the bill. (Written testimony)

KAREN ROMIG LARSON, Director of the Division of Mental Health and Substance Abuse Services in the ND Dept of Human Services, offered comments on the bill. (Written testimony)

SENATOR MATHERN: What would be the rationale for moving from the standards of certification from the national counsel on the problem of gambling to the department's standards

and do you support that? MS. ROMIG LARSON: The national certification standards are extremely tough to achieve and difficult to manage and costly to the professionals to do that.

There are a number of states that are addressing that today.

SENATOR KRINGSTAD, cosponsor of the bill, supports bill in written testimony.

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Senate Human Services Committee

Bill/Resolution Number SB 2308

Hearing Date February 5, 2001

REPRESENTATIVE MARIGOS, cosponsor of bill, supports bill. SENATOR POLOVITZ:

Have we looked into gambling places to pay this? REP. MARIGOS: Yes, it's time for the legislature to act with the pocketbook, not just words.

DICK ELEFSON, Licensed Addiction Counselor and Social Worker engaged in private practices, supports bill. (Written testimony) SENATOR MATHERN: What is your input on the standards. The bill would strike out the National counsel on problem gambling for certification standards and move to the department adopting standards for certification. MR. ELEFSON: I do support this. ND has the highest standards of licensure for addiction councilors of any state in terms of academic credentials, experience and that is not taken into account in the National certification. I strongly support this and would hope to develop more resources in state, not lower them. It is easier for more people to qualify. SENATOR LEE asked about telecounseling? MR. ELEFSON: The face to face is important, but I wouldn't rule it out.

BEN KLAPP, Council on Compulsive Gambling, supports this bill. We need help. Rural areas are a problem. The question was asked if they would fund this? 55/45 is already taken out.. 55% to charitable organizations, 45% to state.

TODD KRANDA, lawyer for the Charitable Gaming Association, , supports bill. Statistics do include tribal gambling. SENATOR MATHERN: Does your organization request funds from the Governor's budget? MR. KRANDA: I'm not sure what communication had occurred with the Governor's office on this request; our support has always been there. There should be some sharing of tribal funds here. Age to play is 18; age to be in the hall at 14. You can accompany an adult at any age, but cannot play..

RON PLANTE, recovering compulsive gambler and ND Gaming and Compulsive Gamblers Counseling, supports bill. The money is need to educate the professional people for the general public. 40% of the compulsive gamblers are teenagers. We need to make compulsive gamblers and their families aware that there is help; to treat this growing emotional illness. The treatments cost \$1200, 1400, 1600. We need a professional hotline. When the gambler reaches out for help he is completely destitute, and will make one call out of desperation. The information he gets has got to be correct. SENATOR LEE: There are several counties that have hotlines. Is there a connection with any of the addiction councilors as a referral point. MR. PLANTE: We are in dire need of our own; just for gamblers. The hotline to Mental Health has worked out but not being professionally trained I've seen incorrect information given out and that is the only chance he has.

ROSE STOLLER, Mental Health Association, commented in a neutral position. For the past two years our Association has received approximately \$85,000 each year from the ND Indian Gaming Association which represents all tribes in ND. Those dollars are their contribution to the program of compulsive gambling. We use these dollars to assist in funding our 24-hour help line. Casino newsletters publicize and promote the number. We are presently taking about 15 calls per month. We have provided training for Casino management and Casino employees in recognition of compulsive gambling problems. We have been able to pay for direct treatment services to the providers. We are also able to pay for transportation costs or travel costs associated with getting treatment. We are cosponsoring a conference on compulsive gambling in April. SENATOR KILZER: Do Human Services Centers provide any services in this area? MS. STOLLER: My hunch is that they do not; Karen Larson can probably tell you.

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Senate Human Services Committee

Bill/Resolution Number SB 2308

Hearing Date February 5, 2001

MS. LARSON: Currently the Human Service Centers do not have the funding to provide the additional training for treatment services.

ART LINK, former Governor of ND, supports bill. He opposes gambling per say! We are dealing with the fallout of gambling. Quoted a passage from Governor's statement. State lottery was again discussed in the House. They also wanted to raise unlimited bets. This is only the rise of gambling. They are trying to compete with the casinos. We need to help the victims; we recognize the people that need help. I hope that we do not permit an endorsement for the act of gambling as a means of providing funds for whatever purposes and legitimizes further expansion of gambling. I do support the provisions of this bill and those who ask for your help in having the legislature do all that it can to help those helpless victims. Final suggestion - We must put the brakes on further expansion of gambling.

SOPHIA PRESZLER, citizen, supports bill. Why would the state endorse gambling. Wish our state would get out of gambling.

The hearing was closed on SB 2308.

Discussion was opened on SB 2308 on February 7, 2001, Tape 2, Side B, Meter 17.8.

SENATOR MATHERN moved to adopt the amendments: Line 2, page 2 to \$600,000.

SENATOR FISCHER seconded it. Discussion on amendments. Roll call vote carried 4-2.

Discussion. SENATOR KILZER moved a DO PASS AS AMENDED and REREFERRED to Appropriations. SENATOR MATHERN seconded. Roll call vote carried 4-2. SENATOR KILZER will carry the bill.

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Senate Human Services Committee

Bill/Resolution Number SB 2308

Hearing Date February 5, 2001

March 28, 2001, Tape 1, Side A, Meter 8.4.

Discussion on the return of SB 2308 and the amendments the House put on. SENATOR

MATHERN moved a DO CONCUR. SENATOR FISCHER seconded the motion. Voice vote

carried. SENATOR KILZER will carry the bill.

FISCAL NOTE
 Requested by Legislative Council
 04/16/2001

Bill/Resolution No.:

Amendment to: Reengrossed
 SB 2308

1A. State fiscal effect: *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	1999-2001 Biennium		2001-2003 Biennium		2003-2005 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures			\$89,000			
Appropriations			\$89,000			

1B. County, city, and school district fiscal effect: *Identify the fiscal effect on the appropriate political subdivision.*

1999-2001 Biennium			2001-2003 Biennium			2003-2005 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2. Narrative: *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

This bill requires the Department of Human Services to contract with qualified treatment service providers for compulsive gambling services. The bill includes an appropriation of \$89,000 of which \$1,000 may be designated for per diem and travel expenses for members of in-state professional boards to meet and set certification standards.

3. State fiscal effect detail: *For information shown under state fiscal effect in 1A, please:*

A. Revenues: *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

B. Expenditures: *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

The expenditures include an operating line item expense of \$88,000 for contracting with qualified treatment providers. In addition, there is designated \$1,000 for the travel costs of professional board members to gather information and set certification standards. The travel would be inquired as an operating line item expense and would be one-time costs in the 01-03 biennium.

C. Appropriations: *Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the*

executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.

An additional appropriation of \$89,000 is included in the bill for compulsive gambling services. These funds would be 100% general funds and were not reflected in the Department's budget request.

Name:	Brenda M. Welsz	Agency:	Department of Human Services
Phone Number:	328-2397	Date Prepared:	04/16/2001

FISCAL NOTE

Requested by Legislative Council
02/20/2001

Bill/Resolution No.:

Amendment to: Engrossed
 SB 2308

1A. State fiscal effect: *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	1999-2001 Biennium		2001-2003 Biennium		2003-2005 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures			\$89,000			
Appropriations			\$89,000			

1B. County, city, and school district fiscal effect: *Identify the fiscal effect on the appropriate political subdivision.*

1999-2001 Biennium			2001-2003 Biennium			2003-2005 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2. Narrative: *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

The bill requires the Department of Human Services to contract with qualified treatment service providers for compulsive gambling services. The bill includes an appropriation of \$50,000 to contract for the services. The bill also requires the department to adopt standards for certification of gambling counselors. Based on a process of developing standards with a representative group of stakeholders, one-time costs of \$39,000 within the 01-03 biennium will also be incurred. The bill's appropriation includes \$39,000 for these costs. This does not include the department's providing on-going supervision and management of the certified individuals.

3. State fiscal effect detail: *For information shown under state fiscal effect in 1A, please:*

A. Revenues: *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

B. Expenditures: *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

The expenditures include \$50,000 for contracting with qualified treatment providers. This would be budgeted in the operating line. There would be additional expenditures of \$39,000 for the process of designing standards of certification. This would include costs of travel for meetings and the cost of contracting with an individual to facilitate this process and would be one-time costs in the 01-03 biennium.

These expenditures would be budgeted in the operating line.

C. Appropriations: *Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.*

An additional appropriation of \$89,000 is included in the bill for compulsive gambling services. These funds would be 100% general funds and were not reflected in the Department's budget request.

Name:	Brenda M. Weisz	Agency:	Department of Human Services
Phone Number:	328-2397	Date Prepared:	02/22/2001

FISCAL NOTE
 Requested by Legislative Council
 02/09/2001

Bill/Resolution No.:

Amendment to: SB 2308

1A. State fiscal effect: *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	1999-2001 Biennium		2001-2003 Biennium		2003-2005 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures			\$600,000			
Appropriations			\$450,000			

1B. County, city, and school district fiscal effect: *Identify the fiscal effect on the appropriate political subdivision.*

1999-2001 Biennium			2001-2003 Biennium			2003-2005 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2. Narrative: *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

The bill requires the Department of Human Services to contract with qualified treatment service providers for compulsive gambling services. The bill includes an appropriation of \$600,000 to accomplish this. It also requires the department to adopt standards for certification of gambling counselors. Based on a process of developing standards with a representative group of stakeholders, one-time costs of \$39,008 within the 01-03 biennium will also be incurred. The department would expect these costs to come out of the appropriation in the bill. This does not include the department's providing on-going supervision and management of the certified individuals.

3. State fiscal effect detail: *For information shown under state fiscal effect in 1A, please:*

A. Revenues: *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

B. Expenditures: *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

The expenditures include \$560,992 for contracting with qualified treatment providers. This would be budgeted in the operating line. There would be additional expenditures of \$39,008 for the process of designing standards of certification. This would include costs of travel for meetings and the cost of contracting with an individual to facilitate this process and would be one-time costs in the 01-03 biennium. These expenditures would be budgeted in the operating line.

C. Appropriations: *Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.*

\$600,000 is included in the bill for compulsive gambling services. The department's request for the 01-03 budget already includes \$150,000 in general funds for compulsive gambling. Therefore, the additional appropriation amount required would be \$450,000. These funds would be 100% general funds.

Name:	Brenda M. Welsz	Agency:	Human Services
Phone Number:	328-2397	Date Prepared:	02/12/2001

FISCAL NOTE
 Requested by Legislative Council
 01/23/2001

Bill/Resolution No.: SB 2308

Amendment to:

1A. State fiscal effect: *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	1999-2001 Biennium		2001-2003 Biennium		2003-2005 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures			\$750,000			
Appropriations			\$600,000			

1B. County, city, and school district fiscal effect: *Identify the fiscal effect on the appropriate political subdivision.*

1999-2001 Biennium			2001-2003 Biennium			2003-2005 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2. Narrative: *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

The bill requires the Department of Human Services to contract with qualified treatment service providers for compulsive gambling services. The bill includes an appropriation of \$750,000 to accomplish this. It also requires the department to adopt standards for certification of gambling counselors. Based on a process of developing standards with a representative group of stakeholders, one-time costs of \$39,008 within the 01-03 biennium will also be incurred. The department would expect these costs to come out of the appropriation included in the bill. This does not include the department's providing on-going supervision and management of the certified individuals.

3. State fiscal effect detail: *For information shown under state fiscal effect in 1A, please:*

A. Revenues: *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

B. Expenditures: *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

The expenditures include \$710,992 for contracting with qualified treatment providers. This would be budgeted in the operating line. There would be additional expenditures of \$39,008 for the process of designing standards of certification. This would include costs of travel for meetings and the cost of contracting with an individual to facilitate this process and would be one-time costs in the 01-03 biennium. These expenditures would be budgeted in the operating line.

C. Appropriations: *Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.*

\$750,000 is included in the bill for compulsive gambling services. The department's request for the 01-03 budget already includes \$150,000 in general funds for compulsive gambling. Therefore, the additional appropriation amount required would be \$600,000. These funds would be 100% general funds.

Name:	Brenda M. Weisz	Agency:	Human Services
Phone Number:	328-2397	Date Prepared:	01/26/2001

CO

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NEXT FIGURE

Date: 2/7/01

Roll Call Vote #: /

2001 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2308

Senate HUMAN SERVICES Committee

Subcommittee on _____

or

Conference Committee

Legislative Council Amendment Number _____

Action Taken Amendment

Motion Made By Sen Mathern Seconded By Sen Fischer

Senators	Yes	No	Senators	Yes	No
Senator Lee, Chairperson	✓		Senator Polovitz	✓	
Senator Kilzer, Vice-Chairperson		✓	Senator Mathern	✓	
Senator Erbele		✓			
Senator Fischer	✓				

Total (Yes) 4 No 2

Absent 0

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

Amend Line 2 page 2 \$ 600,000

Date: 2/7/01

Roll Call Vote #: 2

2001 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2308

Senate HUMAN SERVICES Committee

Subcommittee on _____

or

Conference Committee

Legislative Council Amendment Number _____

Action Taken Do pass as amended + re-referred to App

Motion Made By Sen Kilzer Seconded By Sen Mathern

Senators	Yes	No	Senators	Yes	No
Senator Lee, Chairperson	✓		Senator Polovitz		✓
Senator Kilzer, Vice-Chairperson	✓		Senator Mathern	✓	
Senator Erbele		✓			
Senator Fischer	✓				

Total (Yes) 4 No 2

Absent _____

Floor Assignment Sen Kilzer

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE (410)
February 8, 2001 1:48 p.m.

Module No: SR-23-2750
Carrier: Kitzer
Insert LC: 10186.0201 Title: .0300

REPORT OF STANDING COMMITTEE

SB 2308: Human Services Committee (Sen. Lee, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS and BE REREFERRED to the Appropriations Committee (4 YEAS, 2 NAYS, 0 ABSENT AND NOT VOTING). SB 2308 was placed on the Sixth order on the calendar.

Page 2, line 2, replace "\$750,000" with "\$600,000"

Renumber accordingly

2001 SENATE APPROPRIATIONS

SB 2308

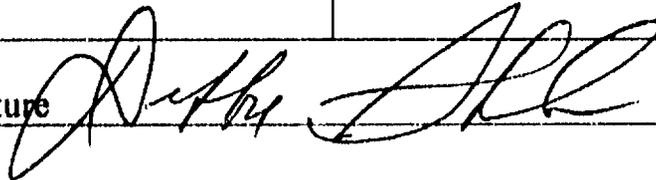
2001 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB2308

Senate Appropriations Committee

Conference Committee

Hearing Date February 13, 2001

Tape Number	Side A	Side B	Meter #
1	X		41.7-52.3
		X	0.0-22.9
Committee Clerk Signature 			

Minutes:

Senator Nething opened the hearing on SB 2308.

Senator Kringstad, sponsor on the bill, that the appropriation for \$150,000 is needed in this bill which was previously reduced.

Representative Audrey Cleary, District #49, appeared in favor of the bill stating we need more help with the addiction of gambling and I support this bill.

Dick Elfson, Licensed Addiction Counselor and social worker engaged in private practice (testimony attached), testified in favor of the bill.

Senator Nething: Original appropriation was for \$750,000 and now reduced to \$600,000.

Impact of this and the amendments.

Dick Elfson: We can work with the amendments.

Senator Solberg: Does the gaming commission help with the gambling addiction?

Dick Elfson: There is some involvement but I'm not sure.

Senator Andrist: Does the problem result more from state gambling or more casinos?

Dick Elefson: Shows equal division for charitable and casino gambling. The state benefits from gambling and should have an obligation.

Senator Tomac: This grant, is it directly to the providers or the program?

Dick Elefson: To the department contracted from the private sector.

Senator Thane: What revenue by gaming commission?

Dick Elefson: I don't know.

Senator Schobinger: Equal revenues charity and casinos find addiction; more from one division?

Dick Elefson: Probably heavier on the electronic gaming like casinos; there is a study on the web site to give you all the stats.

Tape 1, Side A., meter 52.3

Rose Stoller, Mental Health Association, stated Indian tribes contract with Indian gaming. Association with grant is \$85,000 per year used for a variety of issues on gambling. Treatments 24 hour telephone assistant, problem with travel to treatment when most are broke, additional training of casino employees to recognize the symptoms, referrals. There is training now at Prairie Knights, Spirit Lake and Dakota Magic casinos.

Tape 1, Side B, meter 0.0

Senator Heitkamp: What is the costs to the individual because of gambling? Is the state paying to house them verses up front?

Rose Stoller: Not sure but I do agree and this addiction is preventative. Gambling has gone down and resources have impacted this.

Senator Heitkamp: I know some instances where people have lost their homes because of gambling and at some point could go to jail when they are desperate for money.

Rose Stoller: This is a progressive problem. Losing at all stages when connecting crimes to gambling.

Senator Bowman: How long is the program and how many are treated. Is this a growing problem?

Rose Stoller: Information is not available on the numbers treated. In Indian gaming there was about 10 people, and others 5-6.

Dick Eufson: This was for the last 18 months.

Karen Roming Larson, Director of Division of Mental Health and Substance Abuse Services, gave comments on this bill (testimony attached).

Senator Schobinger: Cost \$39,000 to implement line 13 of the bill. Why not require own standards.

Karen Roming Larson: This was from a National Study, the department does not have control over National standards. I agree the National authority is costly.

Senator Andrist: Fiscal note showing appropriation \$600,000, \$450,00 for fiscal and \$150,000. Why did the Executive Budget put in to provide and not originally put in.

Legislative Council: The fiscal note was existing in the appropriation; added \$400,000. It was the departments decision at that time with the budget.

Senator Andrist: I assume the \$150,000 in adequate.

Karen Roming Larson: Pending the study release it was just a guess; the study was just released and now the amount is needed.

Senator Nething: Line 14, certification standards which board established. Final decision from the department to adopt standards, not money included for the rest. Can these two things stand separately?

Page 4

Senate Appropriations Committee
Bill/Resolution Number SB ~~2038~~ 2308
Hearing Date February 13, 2001

Karen Roming Larson: Case can adopt standards with treatment.

Senator Nething: You need standards and you need counselors. The \$150,00 from other budget where people were to afford their own treatment. How can you function with only one counselor for treatment.

Karen Roming Larson: There are five people offering the treatment but they have not completed training at a National level. They are treating about 60 people per year.

Senator Heitkamp: Tribal dollars could help, there is a 50-50 problem and the state is doing it all.

Legislative Counsel: We will look into that.

Karen Roming Larson: I have no information on that.

Senator Tallackson: Third parties are involved and should be included to promote this.

Lisa Vig, Gamblers Choice and certified counselor, spoke supporting this bill and appropriation.

Senator Grindberg: Please explain standards for the \$39,000; if you take that will you need more?

Lisa Vig: Establishing certification is costly and time consuming and it took us 5-6 years to reach where we are at today. ND standards are not as extreme and are with quality.

Senator Andrist: Give an amount of costs in a typical case per person through treatment; can they be denied?

Lisa Vig: Estimated per person is \$775-\$790 for treatment. Gambler can be subsidized with United Way Funds; nobody can be denied.

Representative Andrew Maragos, District 3, and cosponsor of the bill, spoke in its favor and recommended a do pass from the committee.

With no opposition the hearing was closed. Tape 1, Side B, meter 22.9

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Senate Appropriations Committee

Bill/Resolution Number ~~SB-2038~~ 2308

Hearing Date February 13, 2001

February 16, 2001 Full Committee Action (Tape 1, Side B, Meter No. 14.3-30.8)

Senator Nething reopened the hearing on SB2308.

Discussion led to a proposed amendment to be drafted by the Legislative Council- -indicating intent and provide funding as agreed upon by the committee. Senator Holmberg moved the adoption of the amendment; Senator Andrist seconded. Amendment adopted by verbal vote.

Discussion. Senator Thane moved a DO PASS AS AMENDED; seconded by Senator Kringstad.

Call for the Roll Call Vote: 8 yes; 5 no; 1 absent and not voting. Senator Kringstad will carry the amendment and Senator Kilzer (original carrier in committee) will be asked to carry the bill.

10186.0301
Title. . 0 100

Prepared by the Legislative Council staff for
Senate Appropriations
February 16, 2001

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2308

Page 2, line 2, replace "\$600,000" with "\$89,000"

Page 2, line 5, after the period insert "Of the amount provided, \$39,000 is for the development of gambling counselor certification standards."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

SENATE - This amendment reduces the general fund appropriation for a compulsive gambling prevention, awareness, rehabilitation, and treatment program from \$600,000 to \$89,000, of which \$39,000 is for the development of gambling counselor certification standards.

Date: 2-16-01

Roll Call Vote #: 1

2001 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. SB 2308

Senate Appropriations Committee

Subcommittee on _____

or

Conference Committee

Legislative Council Amendment Number 10186.0301

Action Taken Do pass as amended

Motion Made By

Senator Thane

Seconded

By

Senator Kringstad

Senators	Yes	No	Senators	Yes	No
Dave Nothing, Chairman	✓				
Ken Solberg, Vice-Chairman		✓			
Randy A. Schobinger		✓			
Elroy N. Lindaas	✓				
Harvey Tallackson	✓				
Larry J. Robinson	✓				
Steven W. Tomac	✓				
Joel C. Heitkamp					
Tony Grindberg		✓			
Russell T. Thane	✓				
Ed Kringstad		✓			
Ray Holmberg	✓				
Bill Bowman		✓			
John M. Andrist	✓				

Total Yes 8 No 5

Absent 1

Floor Assignment Senator Kringstad

If the vote is on an amendment, briefly indicate intent:

Amendment -
Devin Son Kitz

REPORT OF STANDING COMMITTEE (410)
February 19, 2001 12:11 p.m.

Module No: SR-30-3854
Carrier: Kringstad
Insert LC: 10188.0301 Title: .0400

REPORT OF STANDING COMMITTEE

SB 2308, as engrossed: Appropriations Committee (Sen. Nething, Chairman)
recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends
DO PASS (8 YEAS, 5 NAYS, 1 ABSENT AND NOT VOTING). Engrossed SB 2308
was placed on the Sixth order on the calendar.

Page 2, line 2, replace "\$600,000" with "\$89,000"

Page 2, line 5, after the period insert "Of the amount provided, \$39,000 is for the development
of gambling counselor certification standards."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

SENATE - This amendment reduces the general fund appropriation for a compulsive gambling
prevention, awareness, rehabilitation, and treatment program from \$600,000 to \$89,000, of
which \$39,000 is for the development of gambling counselor certification standards.

2001 HOUSE HUMAN SERVICES

SB 2308

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2308

House Human Services Committee

Conference Committee

Hearing Date March 6, 2001

Tape Number	Side A	Side B	Meter #
Tape 1	X		0 to end
Tape 1		X	0 to 870
Committee Clerk Signature <i>Cornie Easton</i>			

Minutes:

Chairman Price, Vice Chairman Devlin, Rep. Dosch, Rep. Galvin, Rep. Klein, Rep. Pollert, Rep. Porter, Rep. Tieman, Rep. Weiler, Rep. Weisz, Rep. Cleary, Rep. Metcalf, Rep. Niemeier, Rep. Sandvig

Chairman Price: Open hearing on SB 2308.

Senator Kringstad: Presented Bill. We requested \$750,000, and we got \$50,000 plus \$39,000 for the training of the addiction counselors and we would like to see that improved and raised.

Vice Chairman Devlin: The department is going to spend \$50,000 to contract for services with qualified treatment service providers. Who are they in the state?

Senator Kringstad: Lutheran Services, but I'm not sure of all of them. About five counselors in the Fargo-Moorhead area.

Rep. Cleary: Cosponsored the Bill. (See written testimony.) Further resources are needed to combat the growing problem of gambling addiction. SB 2308 asks the Human Service

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2308

House Human Services Committee

Conference Committee

Hearing Date March 6, 2001

Tape Number	Side A	Side B	Meter #
Tape 1	X		0 to end
Tape 1		X	0 to 870
Committee Clerk Signature <i>Corinne Easton</i>			

Minutes:

Chairman Price, Vice Chairman Devlin, Rep. Dosch, Rep. Galvin, Rep. Klein, Rep. Pollert, Rep. Porter, Rep. Tieman, Rep. Weiler, Rep. Weisz, Rep. Cleary, Rep. Metcalf, Rep. Niemeier, Rep. Sandvig

Chairman Price: Open hearing on SB 2308.

Senator Kringstad: Presented Bill. We requested \$750,000, and we got \$50,000 plus \$39,000 for the training of the addiction counselors and we would like to see that improved and raised.

Vice Chairman Devlin: The department is going to spend \$50,000 to contract for services with qualified treatment service providers. Who are they in the state?

Senator Kringstad: Lutheran Services, but I'm not sure of all of them. About five counselors in the Fargo-Moorhead area.

Rep. Cleary: Cosponsored the Bill. (See written testimony.) Further resources are needed to combat the growing problem of gambling addiction. SB 2308 asks the Human Service

Department to adopt standards for certification of gambling counselors. Standards aren't enough unless more money is provided to help those addicted. Please increase the appropriation and vote "yes".

Chairman Price: We heard that the fastest growing group of gamblers are young Native American males. Do you know of any programs in the casino areas or on the reservations?

Rep. Cleary: I believe the Native Americans have given money to the Mental Health Association to help with that project but it is not enough.

Rep. Porter: With the evaluation of your testimony the treatment centers are in major cities. How are you going to get this service out to rural areas where it is needed?

Rep. Cleary: I think it will be with the Human Service Department to get this out.

Rep. Metcalf: Has the previous Governor signed a contract with the tribes as far as the gambling in the casinos is concerned, and was the part of that contract where a certain percentage of money to be allocated for gambling addictions? Are the tribes responsibility to administer this?

Rep. Cleary: I think that is true, but I don't know how that is to be resolved?

Karen Romig Larson: Director of the Division of Mental Health and Substance Abuse Services in the N.D. Department of Human Services. (See written testimony.) While the Division of Mental Health and Substance Abuse Services believes there is necessity for appropriately delivered prevention and treatment services the Division supports Governor Hoeven's budget as submitted.

Chairman Price: The bill asks for different standards as opposed to what we are currently using from the national council. Do you know why that is being requested?

Page 3

House Human Services Committee

Bill/Resolution Number SB 2308

Hearing Date March 6, 2001

Larson: Because the national standards were so stiff, and required so much supervision that it was difficult for people to achieve them. There have been other states that have done some adaptation of those standards.

Chairman Price: If other states have already done this process, do you really think it is going to take \$39,000 for us to do it?

Larson: That is projected based on \$150 an hour for a consultant to help pull that together. We do expect there will be more than licensed addiction counselors who will seek certification and most states have already done that, social workers, psychologists. I would say that would be a maximum amount.

Rep. Klein: I have a question about the counseling process, is it a 10-step program, or 5-step program? How is it different from the alcoholic program?

Larson: I would prefer Lisa Vig answer your question.

Rep. Weiler: Explain the top of your second page - "The Division has requested, in a "hold-even" budgeting effort".

Larson: When we were preparing our budget, it is part of the Department of Human Services we were called and told "hold-even" general fund request. We currently do have an appropriation for \$150,000.

Rep. Galvin: What kind of procedure do you go through to diagnose someone with a gambling problem, do you check the blood or the billfold?

Larson: It is generally an assessment that includes the evaluation of the person.

Rep. Galvin: Do these individuals volunteer for this diagnosis?

Larson: As with other addictions, "volunteer" is a broadly stated word in that there has usually been a crisis.

Rep. Dosch: Does the Department receive any funding from these casinos in regards to this problem?

Larson: The Department doesn't. The N.D. Indian Gaming Association does contract with the Mental Health Association of N.D. To purchase some treatment.

Rep. Porter: How is this bill going to get more people counseling, crisis intervention in both urban and rural North Dakota?

Larson: Part of the issue that happens with compulsive gambling is that there are no third party private insurance companies that will pay for treatment. By the time the individual is requiring treatment, they have no out-of-pocket money and they have not achieved the status that would make them eligible for medical services. We can make it clear in our contracting process that we expect outreach efforts to be part of what we're purchasing.

Rose Stoller: Executive Director of the Mental Health Association in North Dakota. I am in support of this bill and for additional funding being provided. For the last two years the Association has received from the N.D. Indian Gaming Association approximately \$85,000 per year over the last two years. This is to support our 24-hour a week help line. In addition we provide payment to counselor centers for them to provide treatment dollars, provide travel money and money is allocated to train employees to identify a compulsive gambler.

Rep. Metcalf: Has there been any supervision of these employees that have been trained as observants - is this being effective - are they doing what they have been trained to do?

Stoller: We have identified a person at each casino and it is typically someone in Human Resources that make sure that training gets implemented. Each casino has control of how they make decisions.

Rep. Dosch: You indicated that the state is training the Indian casino employees - did I hear that correct?

Stoller: No, the N.D. Indian Gaming Association contracts with the Mental Health Association to do that.

Rep. Dosch: Do you feel that the Indian casinos revenues, or the money that is being wagered at our charitable gaming sites - the bill was asking the state to put forth more money - it seems to me that the majority of the money is being wagered at casinos - have you asked the casinos for additional money? The state is being asked and our portion is relatively small compared to the casinos.

Stoller: It is a relatively new program and we've only had the contract with the Indian Gaming Association for a couple of years. I can't answer the question about the revenue difference.

Rep. Maragos: Cosponsor. I encourage passage of this bill.

Todd Kranda: I am here in behalf of the Charitable Gaming Association of North Dakota. We do support SB 2308. We did testify in the Senate and we thought funding level was appropriate. We would ask the state to reconsider some additional funding even though it is coming from the state. Projected revenue for tax dollars exclusive of excise bingo is \$21.2 for the next biennium.

Lisa Vig: Director of Gambler's Choice. I here in support of SB 2308 with the hope of additional funds to provide treatment and prevention programming.

Chairman Price: Do you think there are states we can model as far a certification for this or do you see this as being a very involved process?

Vig: I am not familiar with some of the other certification programs. Many states are finding it difficult to meet the national standards which are 60 hours of gambling specific training and 2,000 hours of supervised face-to-face contact with compulsive gamblers. Presently I am the

only national certified addiction gambler in North Dakota. If it would be a belief of this committee to forego certification processing, the \$89,000 would be very appropriately used.

Rep. Klein: I am interested in what this programming entails.

Vig: It is fairly consistent with a typical addiction issue. We help gamblers recognize their powerlessness and unmanageability in their life because of the gambling. However, it has unique characteristics, it is different than substance addictions

Rep. Tieman: Do you receive any funding from the church?

Vig: Our agency as a whole receives funding from the church - we are a church based organization.

Rep. Tieman: Does this also include both synods of the Lutheran Church.

Vig: Yes it does. Eastern and Western synods, and Lutheran Church Missouri synod. I will add that we have some individuals here who would like to share their experiences with their addiction and their recovery and if it would be appropriate to respect the sensitive of this with anonymity and individuals from the media would approach them after their testimony.

Chairman Price: If they chose, they can only give their first name.

Elliot: Recovering compulsive gambler. I came to Lutheran Social Services to receive out patient care and it literally saved my life. Thank God for the program being as close to me as possible. I can sympathize with you who are worried about rural North Dakota.

Rep. Niemeier: What led you to counseling?

Elliot: My wife told me the highways or the program. Gambling cycles quickly, it can be over in a year, and then you're broke.

Rep. Metcalf: Is there a specific form of gambling that led you down the road?

Elliot: I started with pull-tabs and then the machines.

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House Human Services Committee

Bill/Resolution Number SB 2308

Hearing Date March 6, 2001

Ed: Recovering compulsive gambler. I stole money to feed my habit and ended up in jail. What does it cost the state to house someone a year in jail?

Rep. Niemeier: Do you feel the urge to go back.

Ed: Yes. It still haunts me.

Frank: Compulsive gambler. This program is right because it is right for our citizens. I'm only the second person who hasn't relapsed in 11 years. That tells you what we are faced with.

Bill: Compulsive gambler. I have a cross addiction. Twenty years ago I went through Heartview, then I became a compulsive gambler. What amazed me was there was so few programs. I am thankful for Lutheran Social Services and I am dedicated.

Rep. Niemeier: Did you feel there was something lacking in your life?

Bill: What drew me in was lonesomeness. I was away from my family.

Dawn Cronin: Gambling Counselor, Lutheran Social Services. I am here to ask you to support SB 2308 and very much to consider increasing you to increase funding. There definitely is a need in our state. There has been an increase in people calling. We are looking to provide extensive treatment. People aren't fixed in 8 weeks.

Rep. Porter: Is there a percentage of people that have multiple addictions?

Cronin: About 50% of our clients are also in recovery for substance abuse.

Rep. Porter: I noticed people trading one addiction for another. What do you do in your program that addresses this?

Cronin: We talk about a relapse plan. We address balance and wholeness of life.

Rep. Niemeier: Do you believe there is an increase in gamblers in our state?

Cronin: We are becoming more aware of the loss of money and people begin to need help.

Rep. Niemeier: Do you turn away applicants?

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House Human Services Committee

Bill/Resolution Number SB 2308

Hearing Date March 6, 2001

Cronin: No, but it has been difficult for our program to keep the dollars flowing.

Ron: Recovering alcoholic and compulsive gambler. It is a wicked disease and is no comparison to alcoholism. Suicide was heavy on my mind, that is what got me into treatment.

Dennis: Compulsive gambler. I was fortunate because I had a problem and I had somewhere to go. My work supervisor encouraged me and I thank her for that. I too was on the edge of suicide. Three things saved me: my kids, higher power, and the GA program.

TJ: Compulsive gambler. Gambling is a fantasy world - it is not reality. There are a lot of people that still need help even though the awareness is there.

Chairman Price: Close hearing on SB 2308.

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2308 A

House Human Services Committee

Conference Committee

Hearing Date March 12, 2001

Tape Number	Side A	Side B	Meter #
Tape 3	X		1610 to 3240
Committee Clerk Signature <i>Cornie Easton</i>			

Minutes:

COMMITTEE WORK:

CHAIRMAN PRICE: Let's go to SB 2308. I spoke to a member of House Appropriations and they took the \$50,000 out on the budget. They were told that they did not use all of this \$150,000 in the last biennium. So we got some different information than they did. Because it was a \$100,000 for the contract with Lutheran Social Services, and the other \$50,000 was with

REP. CLEARY: Compulsive Gambling used some of that in a study and they also got something in the tribes. I'm pretty sure that most of that got used up. Karen Larson would know that for sure. There was in the budget the last two sessions \$150,000 for that program. It wasn't doing anything to add more addiction counselors and to help with the addiction counseling.

CHAIRMAN PRICE: I suggest that you bring that up when you go down to testify.

Page 2

House Human Services Committee

Bill/Resolution Number SB 2308

Hearing Date March 12, 2001

REP. CLEARY: When it came out of the House Human Services Committee, it was \$600,000. I wish the \$600,000 could have been left in but it was not.

CHAIRMAN PRICE: If this bill passes, it would restore it to \$150,000 and add the \$39,000 for the development.

REP. PORTER: I had a couple of problems with this particular program as it came through out committee. It was brought to our attention that this doesn't identify, it just puts the money in there. The \$39,000 has already been talked about to develop the standards. The other problems that I have is that there is nothing in here that gives treatment out into rural North Dakota - it all stays basically in Bismarck and Fargo or where ever Lutheran Services are located. One of the concerns is that there is not awareness programs out in the gaming areas. If I go into a bar in Rodgers, ND and go over to the pull-tabs, it just says where to put the money in. It doesn't say where to call if I have a problem with putting the money in. The message isn't getting out to rural North Dakota. The money is going to a Band-Aid approach on a huge problem.

CHAIRMAN PRICE: Do you have a problem with Section 1 - the \$39,000?

REP. PORTER: Not at all. I don't have a problem with Section 2 if there is a focus on rural North Dakota and a focus on the awareness end of it. It would be as simple as printing stickers and putting their 1-800 number on it so people know where to call. What they are telling us right now is that people don't know where to call. I think there is a huge awareness problem.

REP. CLEARY: And that is part of this bill.

REP. PORTER: But none of that is handled in this piece of legislation.

REP. CLEARY: I know that they have done shops for teachers and social workers to make them more aware of the problem. It is a difficult addiction and we need to do something about it. We get a lot of money from gambling, but we use very little of it for this.

REP. METCALF: To a certain degree I can agree with Rep. Porter that the information is probably not out there, but to do anything to curtail the information being sent out is not going to help the situation at all. Lutheran Services says while the concentration of activity is in the eastern portion of the state, there are treatment services being offered in other regions as personnel and resources allow. What do you have first? Do you have the personnel and the resources, or do you have the activity first. I would hope that by giving them the personnel and resources any mandate that somehow we can put it out there, that this is where we want your resources expended. A label on every machine would be the greatest thing in the world. Can we legislate that, or is something that Lutheran Social Services should be doing on their own initiative.

CHAIRMAN PRICE: I don't know that the casinos would allow them to do it if there wasn't something that said they had to.

REP. METCALF: Well, then maybe we should legislate it.

REP. GALVIN: The first time it came up, I made the remark on the floor that there isn't any cure for stupidity. In my town, the biggest gambling operation the benefits go to Abused Women. So the husband goes down and spends all his money on the tip jars, then goes home and beats up on his wife, and we have to have another program for that.

REP. TIEMAN: I know that Lutheran Social Services in the eastern part of the state has a very good network that goes around. There are also extensive mailings that come up. They have done a good job over the years.

CHAIRMAN PRICE: Are you comfortable with leaving in the \$39,000 to decide what the certified counselor is?

REP. CLEARY: I think I would rather just leave it all together and let the department dispense it.

REP. WEISZ: I would oppose appropriating any dollars.

REP. PORTER: If we aren't specific that they can't use the money to establish those standards, and if we just take that part of it, they're going to do it anyway.

REP. CLEARY: The department would adopt the standards, because the national standards are really very stiff. It discourages people from becoming counselors because they are so difficult and time consuming.

VICE CHAIRMAN DEVLIN: When I read the description on line 4, it really doesn't say anything about the standards. The only place we refer to the standards and money is on line 6. I just think that if we remove line 6 and "of the amount" in line 5, they have a tough time convincing us that they can use any of that money to develop standards because that isn't part of compulsive gambling prevention, awareness, rehabilitation, and treatment.

REP. CLEARY: Couldn't we just add it to the \$89,000?

VICE CHAIRMAN DEVLIN: It is in there already. I will give them the \$89,000, I just won't give them the \$39,000 to set up the other.

CHAIRMAN PRICE: Is there a motion?

VICE CHAIRMAN DEVLIN: I will move that we remove line 6 in section 2 and the words "of the amount" in line 5.

REP. KLEIN: Second.

CHAIRMAN PRICE: All those in favor signify by saying Aye (14 Yes). Anything else?

Page 5
House Human Services Committee
Bill/Resolution Number SB 2308
Hearing Date March 12, 2001

REP. DOSCH: The casinos that are causing the majority of this problem, they virtually are doing nothing in relation to the amount of money that are being wagered out there. Is there anything that can be done to make them accountable?

CHAIRMAN PRICE: Any other discussion? Is there a motion?

VICE CHAIRMAN DEVLIN: I will move the bill as amended with a DO PASS and rereferred to Appropriations.

REP. KLEIN: Second.

CHAIRMAN PRICE: The clerk will read the roll for a DO PASS as amended and be rereferred to Appropriations.

8 YES 6 NO 0 ABSENT CARRIED BY REP. CLEARY

10186.0401
Title.0500

Adopted by the Human Services Committee
March 12, 2001

YR
3/13/01

HOUSE AMENDMENTS TO SB 2308
Page 2, line 5, remove "Of the amount"

HOUSE HUMAN SERVICES

03/13/01

Page 2, remove line 6

Renumber accordingly

Date: 3-12-01
 Roll Call Vote #: 1

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
 BILL/RESOLUTION NO. SB 2308

House Human Services Committee

Subcommittee on _____

or

Conference Committee

Legislative Council Amendment Number _____

Action Taken move remove line 6, Sec. 2

line 5'

Motion Made By Devlin Seconded By Klein

Representatives	Yes	No	Representatives	Yes	No
Clara Sue Price - Chairman	✓		Audrey Cleary	✓	
William Devlin - V. Chairman	✓		Ralph Metcalf	✓	
Mark Dosch	✓		Carol Niemeier	✓	
Pat Galvin	✓		Sally Sandvig	✓	
Frank Klein	✓				
Chet Pollert	✓				
Todd Porter	✓				
Wayne Tieman	✓				
Dave Weller	✓				
Robin Weisz	✓				

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

Date: 3-12-01
Roll Call Vote #: 2

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. SB2308

House Human Services Committee

Subcommittee on _____
or
 Conference Committee

Legislative Council Amendment Number _____

Action Taken move DO PASS as Amended & refer to Appropriations

Motion Made By Devlin Seconded By Klein

Representatives	Yes	No	Representatives	Yes	No
Clara Sue Price - Chairman	✓		Audrey Cleary	✓	
William Devlin - V. Chairman	✓		Ralph Metcalf	✓	
Mark Dosch		✓	Carol Niemeier	✓	
Pat Galvin		✓	Sally Sandvig	✓	
Frank Klein	✓				
Chet Pollert		✓			
Todd Porter		✓			
Wayne Tieman	✓				
Dave Weiler		✓			
Robin Weisz		✓			

Total (Yes) 8 No 6

Absent 0

Floor Assignment Rep. Cleary

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE (410)
March 13, 2001 12:57 p.m.

Module No: HR-43-5473
Carrier: Cleary
Insert LC: 10186.0401 Title: .0500

REPORT OF STANDING COMMITTEE

SB 2308: Human Services Committee (Rep. Price, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS and BE REREFERRED to the Appropriations Committee (8 YEAS, 6 NAYS, 0 ABSENT AND NOT VOTING). SB 2308 was placed on the Sixth order on the calendar.

Page 2, line 5, remove "Of the amount"

Page 2, remove line 6

Renumber accordingly

2001 HOUSE APPROPRIATIONS

SB 2308

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB2308

House Appropriations Committee

Conference Committee

Hearing Date March 20, 2001

Tape Number	Side A	Side B	Meter #
2	x		3335 - 6212
		x	0 - 2988
Committee Clerk Signature <i>ZZ Danhin</i>			

Minutes:

HOUSE APPROPRIATIONS COMMITTEE HEARING ON SB2308.

Rep. Timm: We will open the hearing on SB2308.

Rep. Cleary: (Followed written testimony and then answered questions following her testimony.)

Rep. Timm: Any other testimony in support of SB2308?

Mr. Dick Elefson, Licensed Addiction Counselor. (Followed written testimony and then answered questions following his testimony)

Rep. Kerzman: Could you tell me the status of the tribes offer to pay for a portion of the gambling addiction?

Mr. Elefson: The tribes have signed a contract with the mental health association in North Dakota which does provide for an evaluation and four treatment sessions for people with gambling problems. I believe the amount has been \$80,000 a year.

Page 2

House Appropriations Committee

Bill/Resolution Number SB2308

Hearing Date March 20, 2001

Rep. Wald: Maybe it will be covered later but, with the advent of Indian gaming in North Dakota and full blown casino's Las Vegas style virtually, is most of the gaming addiction in the local charitable which has a \$5 limit on Blackjack and tip jars and that kind of stuff or is it more closely affiliated with the gaming going on in the Indian Casino's?

Mr. Elefson: I think if you look at the study it showing pretty close to an even split between charitable gaming and casino gaming.

Rep. Aarsvold: Has anyone dared to make a projection on the social cost of the gambling addiction problem that we have in this state?

Mr. Elefson: For twelve years I have been coming to the legislature begging for funds to do a social and economic impact study and its fallen on deaf ears. We desperately need this social and economic impact study.

Rep. Koppleman: Your testimony indicates that you are a licensed addiction counselor in private practice in Bismarck, how much of your practice is comprised with gambling addiction verses other type.

Mr. Elefson: Its about 90% gambling.

Rep. Skarphol: You say that half of the problems seems to originate due to the Indian casino's and half of it to charitable gaming is that correct? Answer was yes. You also said that they Indian community is contributing about \$80,000 is that correct? Yes, that is per year.

Rep. Gulleason: Is gambling addiction included in the definition of mental health coverage as covered by insurance companies?

Mr. Elefson: Not to my knowledge, I'm not aware of any insurance company that will pay for compulsive gambling.

Rep. Delzer: Just for the committee's information, in HB1012 there is \$100,000 for gambling addiction services and I'm sure that Mr. Elefson will cover that.

Rep. Martinson: Do you have a way to do a financial correlation between what we really save North Dakota taxpayers in the long run by helping compulsive gambler verses not helping them, so in other words if we give you another \$200,000 there has got to be some savings with regard to the other programs then that won't be used on the road.

Mr. Elefson: Just last week I sent out a survey out to 135 former clients that I hope will reveal some of that information. I do not have any of those returns back.

Rep. Timm: Any other testimony?

Sen. Kringstad: It would be nice if you increase this if possible and I don't know what's been testified to at this point but to give you some example, the last two years there has been approximately \$560 million dollars that has been actually wagered at the table, of that amount about 3 thousands of 1% actually has went into helping and that was in the form of \$150,000 and that isn't very much and I think there has to be something done to help offset the problems that we do have and we have a lot of them.

Rep. Timm: Maybe you could answer the question that was asked by some other committee members, what was the rationale for the senate to cut the appropriation down from \$750,000 to \$89,000. How did you end up at \$89,000

Sen. Kringstad: I didn't have enough votes for the \$750,000 and they went along with the \$89,000.

Todd Krand, Attorney appearing on behalf of the Charitable Gaming Association:

We do support re engrossed Senate bill 2308, we have testified over in the senate originally when it was a larger funding and we do support an increase funding for this bill and the program,

I was going to mention that there was \$100,000 put into HB1012 for the departments budget so actually your looking at \$189,000 of treatment financing. I handed out an excerpt from the study and I will provide this copy to the chair so that if anyone wants to review the details of the document I will have that available instead of making multiple copies, I will just provide this copy to the chairman. With respect to the excerpts I think there are a couple of interesting notes. The study was completed in "92" originally with a sample population of 1517 people, the study most recently conducted in 2000 was about three times as large of a population, and hopefully the accuracy the study is a little clearer in the more current trends that are shown. Also, its important to know that when the original study was completed in "92" the tribal casino's were not on line yet and so certain changes may be affected by that, I don't know if there is an analysis of equal sharing, I don't know if that was in the study but with the study being as large as it is I specifically point that out, but I do believe based upon the dollar amount and volume there certainly is a dwarfing of the charitable gaming operations that go on in the state as compared to the dollar amount and volume of people gambling in tribal casino's. Mr. Krand went on to speak about the study and the statistics and results of that study.

Rep. Timm: Any other testimony?

Lisa Vig, Gambling Counselor with Lutheran Social Services: (Followed written testimony and then answered questions following her testimony.)

Rep. Timm: The term pathological gambler has been used a lot here this morning, are those people helped with counseling or are they into gambling so bad they just keep going?

Ms. Vig: There is no pathological gambler who is beyond help. Compulsive gambling is a very treatable disorder a very treatable illness and without treatment the cost will far out weigh the cost of the treatment.

Rep. Warner: You had the number for people who only attended gamblers anonymous, do you have a similar statistic for people who went through counseling and gamblers anonymous?

Ms. Vig: The return rate is about 50% for gambling addiction relapse.

Rep. Glasshelm: I don't think we got a copy of your testimony. Sorry - I found it.

Rep. Wald: What are your credentials, are you a social worker or a nurse or just what are the credentials that you hold?

Ms. Vig: I'm a licensed addiction counselor and I'm also a nationally certified gambling counselor.

Rep. Kempenich: Does the alcohol and drugs foster this ahead of the gambling or is it the other way around?

Ms. Vig: I guess I don't find that our compulsive gamblers are engaged in addictive alcoholic usage at the same time if there gambling is going on.

Rep. Koppelman: The certification of counselors in the department, now you talked about a national certification that you possess, do you envision this being something they could latch on to some national standards and easily put together or would it be from scratch. How would that work.

Ms. Vig: The national certification standards are very steep. Many , Many hours of training and it took me a long time to get my certification and its very expensive.

Rep. Kerzman: How do people come to you? Do they have to hit bottom or what is the process?

Ms. Vig: Many of our gamblers do come on their own, encouraged by family members or strongly encouraged by family members and some just walk in or are referred.

Rep. Aarsvold: Do preventative programs have any impact on the likely hood of avoiding an addictive behavior?

Ms. Vig: Yes, preventative programs are always important to have in place.

Rep. Timm: Any other testimony in support of SB2308?

The following personnel testified on the success that counseling had in their lives as compulsive gamblers: Each gave his or her story of the addiction they have had.

Elliot, Frank, Bill.

Rose Stoller, Executive Director of the Mental Health Association: We fully support this bill and as has been previously stated how that you will find additional funds for it.

Rep. Koppelman: Can you tell us what percentage of the funds that you just described the distribution of actually go to counseling verses the hot line and education of employees.

Ms. Stoller: About \$35,000 dollars of the grant is set aside.

Dennis, Compulsive Gambler gave his personal testimony about his gambling addiction.

Karen Romig Larson, Director of the Division of Mental Health and Substance Abuse Services In the North Dakota Department of Human Sevices. (Followed written testimony and then answered any questions after her testimony)

Rep. Timm: Any questions of Karen? Any other testimony?

Kurt Luger, Executive Director of the North Dakota Indian Gaming Association:

We have had a long history of gambling in North Dakota as you well know. Mr. Luger went on to speak about the history gambling on the Indian Reservations and what the Indian Gaming casino's are doing to assist in the compulsive gambler treatment.

Rep. Timm: Any questions? Any other testimony in support of SB2308? Any opposition to SB2308? We will close the hearing on SB2308.

HOUSE APPROPRIATIONS COMMITTEE HEARING ON SB2308 COMPLETED.

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB2308A.

House Appropriations Committee

Conference Committee

Hearing Date March 21, 2001

Tape Number	Side A	Side B	Meter #
1	x		937 - 1520
Committee Clerk Signature <i>L. L. Danheer</i>			

Minutes:

HOUSE APPROPRIATIONS COMMITTEE ACTION ON SB2308A.

Rep. Timm: Let's take up action on SB2308. The original request was \$750,000 and the senate cut it down to \$89,000 and if you remember I asked Sen. Kringstad what the reasoning was for the senate to cut it down and he said he didn't have the votes for a higher amount, so he settled for a lower amount.

Rep. Carlisle: I move a DO PASS on SB2308. Seconded by Rep. Martinson.

Rep. Svedjan: There is \$100,000 in HB1012 for compulsive gambling and then the Indian money adds another \$85,000 to that and looking over the testimony we received when we heard this bill there is also about \$80,000 I believe that comes in from United Ways around the state for this purpose, and then I identified another \$40,000 here but I can't see where that comes from, so there appears and If this bill passes they would have somewhere around \$294,000 for this purpose if you add all funds together.

Rep. Timm: This particular bill spells out that they have to adopt standards for certifications so they will probably use most of the money to develop the certification standards.

Rep. Delzer: That is one of the things that bothers me about this bill, in the first place I don't believe that the \$89,000 is enough to make much of a difference when they already have what they have, and I guess I would oppose adding that much more to what they already have, but the certifications really kind of bother me because if you remember from the talk yesterday, the question is what do you take for certification, there is only one national certified person there, so if you pick national they have nobody in the state that can do it, its quite costly and quite hard to get to that point, and if you take less than that your kind of setting up the position that we really don't care about that and I don't believe that's the way this should be funded.

Rep. Warner: Just to clarify one point of Rep. Svedjan's, the money appropriated in the Human Service budget is biannual and the tribal allocation is annual, and there money goes to the mental health association.

Rep. Monson: I don't know if the adoption of the standards for certification really bother me, because now its going to be a local control thing and the standards that are in the present law are talking about the National Council on problem gambling and now it will be the Department of Human Services that would be developing those standards so at least they would somewhat be under our control, I guess I would wonder about how much time and money they would spend to develop those, I hope it would be very little and we would have a little control over them other than having a national organization set the standards, but I guess I'm not really hung up on the certification.

Page 3
House Appropriations Committee
Bill/Resolution Number SB2308
Hearing Date March 21, 2001

Rep. Skarphol: I'm wondering how this is drafted, are they going to have go through the administrative rules process to develop these standards for certification?

Jim, Legislative Council: I think they would have to go through the administrative rules for that.

Rep. Timm: Any other discussion? We have a motion for a DO PASS. Roll call vote will be taken for a DO PASS. (14) YES (7) NO. Motion Passes. Rep. Carlisle will carry the bill to the floor.

End of House Appropriations Committee action on SB2308A.

Date: 3/21/01
Roll Call Vote #: 1

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. SB 2308

House APPROPRIATIONS Committee

Subcommittee on _____

or

Conference Committee

Legislative Council Amendment Number _____

Action Taken DO PASS

Motion Made By CARLISLE Seconded By MARTINSON

Representatives	Yes	No	Representatives	Yes	No
Timm - Chairman		✓			
Wald - Vice Chairman		✓			
Rep - Aarsvold	✓		Rep - Koppelman	✓	
Rep - Boehm	✓		Rep - Martinson	✓	
Rep - Byerly		✓	Rep - Monson	✓	
Rep - Carlisle	✓		Rep - Skarphol		✓
Rep - Delzer		✓	Rep - Svedjan		✓
Rep - Glassheim	✓		Rep - Thoreson	✓	
Rep - Gulleason	✓		Rep - Warner	✓	
Rep - Huether	✓		Rep - Wentz	✓	
Rep - Kempenich		✓			
Rep - Kerzman	✓				
Rep - Kliniske	✓				

Total (Yes) 14 No 7

Absent 0

Floor Assignment CARLISLE

If the vote is on an amendment, briefly indicate intent:

2001 SENATE HUMAN SERVICES

CONFERENCE COMMITTEE

SB 2308

2001 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. CC SB2308

Senate Human Services Committee

Conference Committee

Hearing Date April 4, 2001

Tape Number	Side A	Side B	Meter #
1	X		
April 11, 2001 1	X		
Committee Clerk Signature <i>Paul Kaladychuk</i>			

Minutes:

SENATOR LEE called the Conference Committee to order with all members present; SENATOR ERBELE, SENATOR POLOVITZ, REPRESENTATIVE DEVLIN, REPRESENTATIVE F. KLEIN, REPRESENTATIVE CLEARY. Discussion ensued. KAREN ROMIG-LARSON explained the position of the department. Now they do not set standards. It was suggested to keep the \$89,000 in the fiscal note and the department will be instrumental in getting representatives of professional boards together to work out training and setting standards. REPRESENTATIVE CLEARY: The department could facilitate getting groups together to resolve difficulties. MS. LARSON: Yes, and hopefully provide better service to the public. SENATOR LEE asked if there was a dollar amount they had in mind. MS. LARSON: Approximately \$1,000. Preparation for councilors is not adequate for gambling compulsions. The \$1,000 included in the \$89,000. ROSE STOLLER, of the Mental Health Assoc., supported the department and offered that her Association received \$85,000 from the Native American

Page 2

Senate Human Services Committee
Bill/Resolution Number CC SB2308
Hearing Date April 4, 2001

gaming houses for gambling addictions and are eager to be involved and will do all they can to implement the project. SENATOR POLOVITZ moved to accede to the House amendments and further amend. REPRESENTATIVE DEVLIN seconded the motion. The motion will read the \$1,000 of the \$89,000 will be used for expenses per diem to get the state boards together to set standards and work together on gambling addiction. Roll call vote carried 6-0. SENATOR LEE will carry the bill on the Senate floor. REPRESENTATIVE DEVLIN will carry the bill to the House floor.

April 11, 2001, Tape 1, Side A

The conference committee, SENATOR LEE, SENATOR ERBELE, SENATOR POLOVITZ, REPRESENTATIVE DEVLIN, REPRESENTATIVE F. KLEIN, REPRESENTATIVE CLEARY, was called to order by Chairperson LEE. The Senate had approved the bill, but the House found a glitch and called it back. We had to reconvene because another bill this session had repealed the section of code with which we were dealing and has already been signed by the Governor. We need to put this statement in another section to achieve the intent of the committee. MARK MONASKY, intern, explained the amendments that would address this situation. We will work from the Engrossed bill; the Senate will accede to the House amendments and further amend. SENATOR ERBELE moved the motion as stated. REPRESENTATIVE CLEARY seconded the motion. Roll Call vote carried 6-0-0. SENATOR LEE will carry the bill on the Senate floor. REPRESENTATIVE DEVLIN will carry the bill on the House floor.

JB
4-4-1

PROPOSED AMENDMENTS TO REENGROSSED SENATE BILL NO. 2308

That the Senate accede to the House amendments as printed on pages 967 and 968 of the Senate Journal and page 894 of the House Journal and that Reengrossed Senate Bill No. 2308 be further amended as follows:

Page 2, line 5, after the first comma insert "of which \$1,000 may be designated for per diem and travel expenses for instate professional boards to gather information,"

Re-number accordingly

Page 2, line 4, after the third comma, insert "set standards,"

PROPOSED AMENDMENTS TO REENGROSSED SENATE BILL NO. 2308

That the Senate accede to the House amendments as printed on pages 967 and 968 of the Senate Journal and page 894 of the House Journal and that Reengrossed Senate Bill No. 2308 be further amended as follows:

Page 2, line 4, after the third comma insert "set standards,"

Page 2, line 5, after the first comma insert "of which \$1,000 may be designated for per diem and travel expenses for instate professional boards to gather information,"

Renumber accordingly

JB
4-5-1

PROPOSED AMENDMENTS TO REENGROSSED SENATE BILL NO. 2308

That the Senate accede to the House amendments as printed on pages 967 and 968 of the Senate Journal and page 894 of the House Journal and that Reengrossed Senate Bill No. 2308 be further amended as follows:

Page 2, line 3, after the third "of" insert "setting standards and"

Page 2, line 5, after the first comma insert "of which \$1,000 may be designated for per diem and travel expenses for in-state professional boards to gather information,"

Re-number accordingly

REPORT OF CONFERENCE COMMITTEE

SB 2308, as reengrossed: Your conference committee (Sens. Lee, Erbele, Polovitz and Reps. Devlin, F. Klein, Cleary) recommends that the **SENATE ACCEDE** to the House amendments on SJ pages 967-968, adopt further amendments as follows, and place SB 2308 on the Seventh order:

That the Senate accede to the House amendments as printed on pages 967 and 968 of the Senate Journal and page 894 of the House Journal and that Reengrossed Senate Bill No. 2308 be further amended as follows:

Page 2, line 3, after the third "of" insert "setting standards and"

Page 2, line 5, after the first comma insert "of which \$1,000 may be designated for per diem and travel expenses for in-state professional boards to gather information,"

Renumber accordingly

Reengrossed SB 2308 was placed on the Seventh order of business on the calendar.

REPORT OF CONFERENCE COMMITTEE
(ACCEDE/RECEDE) - 420

07398

Bill Number) SB 2308 (, as (re)engrossed):

Your Conference Committee

For the Senate:

Sen Lee
Sen Erbele
Sen Polovitz

For the House:

Rep Decker
Rep F Klein
Rep Cleary

recommends that the (SENATE/HOUSE) (ACCEDE to) (RECEDE from)
723/724 725/726 8724/H726 8723/H725
the (Senate/House) amendments on (S)/HJ) page(s) ~~1008~~ - 968
967

and place 2308 on the Seventh order.
727

, adopt (further) amendments as follows, and place
_____ on the Seventh order:

having been unable to agree, recommends that the committee be discharged
and a new committee be appointed. 690/515

((Re)Engrossed) 2308 was placed on the Seventh order of business on the
calendar.

DATE: 4/14/01
CARRIER: Sen Lee / Rep Decker
LC NO. 10186 . 0403 of amendment
LC NO. 10186 . 0402 of engrossment
Emergency clause added or deleted _____
Statement of purpose of amendment _____

1) LC (2) LC (3) DESK (4) COMM.

PROPOSED AMENDMENTS TO REENGROSSED SENATE BILL NO. 2308

That the Senate accede to the House amendments as printed on pages 967 and 968 of the Senate Journal and page 894 of the House Journal and that Reengrossed Senate Bill No. 2308 be further amended as follows:

Page 1, line 1, replace "section 53-06.1-18" with "the new section to chapter 50-06" and after "Code" insert "as created by section 2 of House Bill No. 1089, as approved by the fifty-seventh legislative assembly"

Page 1, replace lines 5 through 24 with:

"SECTION 1. AMENDMENT. The new section to chapter 50-06 of the North Dakota Century Code as created by section 2 of House Bill No. 1089, as approved by the fifty-seventh legislative assembly, is amended and reenacted as follows:

Compulsive gambling prevention, awareness, crisis intervention, rehabilitation, and treatment services. The department of human services shall contract with qualified treatment service providers for the development and implementation of a program for gambling prevention, awareness, crisis intervention, rehabilitation, financial counseling, and mental health treatment services. The program may provide outpatient services, partial care services, aftercare services, intervention services, financial counseling services, consultation services, or other form of preventive, rehabilitative, or treatment services for compulsive gamblers. An individual who provides treatment services must ~~meet the minimum standards for certification as a gambling counselor as established by the national council on problem gambling and be a mental health professional as defined in section 25-03.1-02 and meet the minimum standards for certification as a gambling counselor as established by rule by the mental health professional's licensing board.~~ ^{not} An individual who provides financial counseling services must be a certified consumer credit counselor with an accredited financial counseling agency. The department of human services may establish a sliding payment scale for services under the program. The department of human services may establish a centrally located repository of educational materials on identifying and treating compulsive gambling. Any service fee collected by qualified treatment service providers for services provided under the contract must be applied toward the program's compulsive gambling services. The term "qualified treatment service provider" means an entity based in North Dakota which is experienced in and capable of delivering compulsive gambling education, prevention, awareness, crisis intervention, rehabilitation, financial counseling, and mental health treatment services as defined by the department of human services. The term "compulsive gambler" means an individual who is chronically and progressively preoccupied with gambling and the urge to gamble and with gambling behavior that compromises, disrupts, or damages personal, family, or vocational pursuits."

Page 2, line 5, after the first comma insert "of which \$1,000 may be designated for per diem and travel expenses for in-state professional boards to gather information and set certification standards,"

Renumber accordingly

REPORT OF CONFERENCE COMMITTEE

SB 2308, as reengrossed: Your conference committee (Sens. Lee, Erbele, Polovitz and Reps. Devlin, F. Klein, Cleary) recommends that the **SENATE ACCEDE** to the House amendments on SJ pages 967-968, adopt further amendments as follows, and place SB 2308 on the Seventh order:

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Page 2, line 5, after the first comma insert "of which \$1,000 may be designated for per diem and travel expenses for in-state professional boards to gather information and set certification standards."

Renumber accordingly

2001 TESTIMONY

SB 2308

**TESTIMONY
SB 2308**

**SENATE HUMAN SERVICES COMMITTEE
SENATOR JUDY LEE, CHAIRPERSON**

February 6, 2001

Chairperson Lee and members of the Committee. My name is Karen Romig Larson, Director of the Division of Mental Health and Substance Abuse Services in the ND Department of Human Services. I am here today to offer comments on SB 2308.

First I would like to provide a brief historical review of the current status of funding for services for compulsive gambling. In the 1997 Legislative Session, SB 2318 contained defining language for treatment, prevention and education relative to compulsive gambling. There was an appropriation requested with that legislation. The outcome was placement of the defining language in Section 53-06.1-18, and appropriation of \$150,000 in general funds to the Division of Mental Health and Substance Abuse budget to carry out the intent of the defining language; that is, to contract for prevention, education, and treatment services. That appropriation was maintained by the 1999 Legislature; in fact, an additional \$50,000 in "special funds" (providing spending authority, but no funds) was included. During the 1999-01 biennium, the Division has continued its contracts for the originally intended purpose. It currently contracts with Lutheran Social Services of North Dakota for \$100,000 to provide treatment services to individuals who have been diagnosed with compulsive gambling problems. While the concentration of activity is in the eastern portion of the State, there are treatment services being offered in other regions as personnel and resources from LSS allow. We also contract with the ND Council on Compulsive Gambling to provide information, education, and prevention related to

compulsive gambling throughout North Dakota. The Division has requested, in a "hold-even" budgeting effort, \$150,000 in funding for the 2001-03 biennium.

Second, the Fiscal Note provided by the Department of Human Services, in response to SB 2308 does identify the cost to the Department to accomplish the development of gambling counselor certification. That cost is noted as a one time cost, inclusive of contracting with an individual to develop, in concert with a number of professional disciplines, the standards and criteria for certification; and the final production of the certification requirements. It is my belief that ongoing management, and monitoring of such a program is best delegated to a licensing board or commission charged with individual licensure or certification.

Finally, while the Division of Mental Health and Substance Abuse Services believes there is necessity for appropriately delivered prevention and treatment services for North Dakota citizens, the Division supports Governor Hoeven's budget as submitted.

Thank you for the opportunity to speak with you today. I will attempt to respond to any questions you may have.

**HUMAN SERVICES COMMITTEE
SENATOR JUDITH LEE, CHAIRWOMAN
FEBRUARY 6, 2001**

MADAME CHAIRMAN AND MEMBERS OF THE SENATE HUMAN SERVICES COMMITTEE, FOR THE RECORD MY NAME IS REPRESENTATIVE AUDREY CLEARY, AND I REPRESENT DISTRICT 49.

SENATE BILL 2308 SEEKS TO ADD TWO COMPONENTS TO THE CENTURY CODE RELATING TO COMPULSIVE GAMBLING. LINE FOURTEEN ON PAGE ONE ADDS THAT THE DEPARTMENT SHALL ADOPT STANDARDS FOR CERTIFICATION AS A GAMBILING COUNSELOR.

THE SECOND COMPONENT ON PAGE TWO IS AN APPROPRIATION OF \$750,000 TO THE DEPARTMENT OF HUMAN SERVICES TO PROVIDE FOR A COMPULSIVE GAMBLING PREVENTION, AWARENESS, REHABILITATION, AND TREATMENT PROGRAM FOR THE BIENNIUM.

WHILE THE STATE AND THE NATIVE AMERICAN CASINOS HAVE EXPANDED GAMBLING OPPOTUNITIES, HELP FOR THOSE WHO ARE AFFECTED BY PATHOLOGICAL GAMBLING IS WOEFULLY NON-EXISTENT IN MOST OF NORTH DAKOTA. THIS BILL WILL HELP TO REMEDY THAT.

PLEASE VOTE "YES" TO PROVIDE HELP FOR THOSE TRAPPED BY AN ADDICTION TO GAMBLING.

THANK YOU.

**TESTIMONY OF SENATOR ED KRINGSTAD ON SENATE
BILL 2308
2-6-01**

**CHAIRMAN LEE AND MEMBERS OF THE HUMAN SERVICES
COMMITTEE. I AM SENATOR ED KRINGSTAD REPRESENTING
DISTRICT 49 AND BISMARCK, ND.**

**SENATE BILL 2308 RELATES TO COMPULSIVE GAMBLING
PREVENTION, AWARENESS INTERVENTION, REHABILITATION,
AND TREATMENT SERVICES. I WILL NOT SPEND MUCH TIME
ON ANY OF THE ITEMS JUST MENTIONED AS OTHERS ARE TO
TESTIFY ON THOSE AREAS OF SERVICE.**

**SINCE 1977 AND THROUGH 12-31-00 MORE THAN 116 MILLION
HAS BEEN PAID IN TAXES (GAMBLING & EXCISE) FROM
CHARITABLE GAMBLING HAVE BEEN PAID INTO THE NORTH
DAKOTA GENERAL FUND. DURING THE SAME PERIOD OF TIME
THE NORTH DAKOTA LEGISLATURE HAS APPROPRIATED ONLY
\$300,000. DOLLARS TO ADDRESS GAMBLING PROBLEMS. THE
\$300,000. DOLLAR FIGURE REPRESENTS .25 OF 1% OF THE TOTAL
PAID IN TAXES BY CHAITABLE GAMBLING.**

**IT IS ESTIMATED THAT OVER 500 MILLION DOLLARS WAS
WAGERED ON CHARITABLE GAMBLING ALONE IN 1999 AND
2000. THE \$150,000. DOLLAR FIGURE APPROPRIATED DURING
THE 1999 LEGISLATIVE SESSION REPRESENTS .003 OF 1% TO
ADDRESS GAMING PROBLEMS IN COMPARISON TO THE AMOUNT
WAGERED.**

**THE \$750,000. REQUESTED IN THIS BILL PLUS THE \$300,000.
APPROPRIATED DURING THE 1997 AND 1999 LEGISLATIVE SESSIONS
STILL REPRESENTS LESS THAN 1% OF TOTAL TAXES COLLECTED
BY THE NORTH DAKOTA GENERAL FUND SINCE 1977.**

Testimony of Dick Elefson before
The N.D. Senate Human
Services Committee in support
of SB 2308, Feb. 8, 2001

Madam Chairman and members of the Human Services Committee my name is Dick Elefson. I am a Licensed Addiction Counselor and a Licensed Social Worker engaged in private practice. I have specialized in treating compulsive gamblers and their family members since 1987.

I am also a member of the Council on Compulsive Gambling of North Dakota, Inc., organized in 1989 and granted a non-profit 501 (c)-(3) status by the IRS. The Council is the only organization in North Dakota working exclusively to promote and advocate for education in schools, the general public, prevention and research and treatment for problem gamblers and their families.

As most of you have only been in the Legislature a few years I believe a brief background is in order. About ten days ago the Council distributed a pack of gambling materials to every Senator and Representative and I sincerely hope you have read the fact sheet contained in the packets.

The 45th Legislative Assembly put the State of North Dakota into the charitable gambling business by legalizing bingo, raffles, pull tabs/jar tickets and punch boards. The 46th, 47th, 48th, 49th, 50th, 51st, and 52nd Legislative Assembly's each further expanded charitable gambling.

In 1992 the Council took a leadership role in promoting the study of Gambling and Problem Gambling in North Dakota. This study was conducted by Gemini Research, then of Ablany, N.Y, and Precision Marketing of Fargo, N.D.

The results of this study were released on March 23, 1993. The following are quotes from the Executive Summary:

"Research shows that continuous forms of gambling with rapid cycles of play and determination, are more likely to lead to problematic involvement than non-continuous forms of gambling.

Since problem and pathological gamblers in North Dakota tend to have lower than average household income, it will be essential for the government of North Dakota to subsidize prevention and treatment services for individuals who experience problems relating to their gambling.

The results of this survey show that, at a minimum, 4,500 North Dakota Adults are currently experiencing moderate to severe problems related to their involvement in gambling

In implementing services for problem and pathological gamblers in North Dakota, we recommend a two-phase approach and would include:

- ° Establishment of a reliable source of funding;
- ° A wide-reaching public education campaign;
- ° prevention efforts in schools and colleges;
- ° training for health, mental health and social service personnel (including school counselors) in the identification of gambling-

related problems among their clients."

The recommended second phase included the following:

- °training for mental health treatment professionals in how to treat problem and pathological gamblers;
- °establishment of a certification program for gambling counselors
- °establishment of gambling-treatment positions in mental health and substance abuse treatment centers;
- °evaluation of treatment effectiveness; and
- °ongoing assessment of the prevalence of problem and pathological gambling in the general population"

The CCGND again played a leadership role in introducing a Bill to provide an appropriation to implement the recommendations of this study to the 53rd Legislative Assembly. The Bill was defeated on the grounds of "lack of money". A companion Bill was introduced again to the 54th Legislative Assembly, and again with the same results.

In 1994 the CCGND in cooperation with the North Dakota State University developed and distributed 400 copies of a curriculum guide A challenge for Youth designed for grades six through nine. Due to a lack of funding the CCGND was unable to provide teachers with adequate training in the use of this material. Utilizing grant funds received from the Department of Human Services, Division of Mental Health & Substances Abuse services the curriculum guide was revised and updated in the Fall of 1999. On February 23 and 24th the Council will conduct a two day seminar for teacher in the use of this Guide in Grand Forks and on February 26th & 27th in Bismarck. Additional funding is needed to make this training available to teachers on a state-wide basis.

The Council, working with then Attorney General Heidi Heitkamp introduced Senate Bill 2318 which included all of the services recommended in the 1992 I & P Study. Unfortunately, while all of the provisions for services were left intact, the Bill passed with an appropriation reduced to \$ 150,000 for the biennium.

For the fifth time the CCGND returned to the 56th Legislative Session with an adequate appropriation. As the Executive budget requested \$ 150,000, that was all that the Legislature appropriated.

The real frustration arises from the fact that Charitable Gambling since 1977 has paid \$ 113,990,000 in to the State's General Fund. In 1999, that last full year for which data is available, charitable gamblers wagered \$ 421.00 for every man, woman and child in North Dakota.

On January 15, 2001 Dr. Rachel Volberg of Gemini Research made a report to the Governor and Legislative Leaders on Gambling and Problem Gambling in North Dakota: A Replication Study, 1992 to 2000.

The recommendations resulting from this study are quite similar to the 1992 recommendations. They are as follows:

- °Work with insurance companies to obtain coverage for treatment services for individuals with gambling related difficulties.
- °Public education and prevention services.
- °Specific government-industry initiatives to address problem gambling issues in North Dakota.
- °Expanding training opportunities to educate mental health, and addiction counselors in how to screen for gambling problems and to provide treatment.
- °Establish a gambler counselor certification program
- °increase funding to support education, prevention, and treatment through the Department of Human Services;
- °Continued monitoring and research.

Madan Chairman, and members of this Committee I would like to again remind you that charitable gambling taxes paid to the general fund are in excess of \$ 10,000,000 per year. This will continue year after year.

I urge you to pass SB 2308. The services have already been paid for many times over by those who chose to gamble.

I am going to conclude by quoting from Lloyd Omdahl's column which was published in the Bismarck Tribune, February 4, 2001

"The state treasury now gets around \$ 10million yearly from taxes from present gambling and has done very little to deal with addictions. The state doesn't deserve any more gaming revenue until it proves itself willing to assume responsibility for the damage it is already perpetrating on vulnerable gamblers

State lotteries deceive, exploit gamblers

Even though the idea of a North Dakota state lottery has not fared well at the polls in recent years, a determined band of legislators is working to put another constitutional lottery amendment on the 2002 ballot. Without demonizing state lotteries, there are still good reasons for greeting the proposal with skepticism.

It is not true that a preponderance of gamblers is lower-income people hoping to remake their futures with a lucky strike. A recent national Gallup poll reported that 75 percent of people earning more than \$75,000 gamble annually compared with 63 percent of those earning less than \$25,000. Gallup found that lotteries are the most popular form of gambling, but only 22 percent of the public thought gambling should be expanded.

In North Dakota, a survey was conducted recently by the reputable Gemini Research organization, a company specializing in polling on gambling issues. A call-up sample of 5,000 indicated that once-a-week gamblers dropped from 12 percent in 1992 to 4 percent in 1998 — a 67 percent decline. At the same time, those with serious gambling problems doubled from .7 percent to 1.4 percent.

The tax figures compiled by the gaming division of the attorney general's office do not support the finding that gambling has dropped that significantly. Gross gambling receipts in 1993 were \$296 million and dropped to \$256 million in 2000 — a decline of only 12 percent. But gambling in the state actually may have increased since the Native American casinos do not report to the state, and it is generally

believed that these casinos have been drawing gamblers from other forms of gaming. An increase in gambling on reservations would account for the reported increase in addiction.

Gambling addiction is very difficult to quantify, even by the best of pollsters. Since many of the poll questions involve 'socially acceptable' answers, figures are spongy at best. Many people who gamble excessively will not admit to their problem, and will misrepresent their gambling habits. Besides, they may not see their gambling as a problem in the same light as other members of the family.

One of the main arguments being used by lottery proponents is the heavy purchasing of out-of-state lottery tickets by North Dakotans. Considering the number of out-of-state vehicles seen at North Dakota shopping malls, the purchase of out-of-state lottery tickets is minor when compared to the tax revenue being brought to the state by out-of-state shoppers. There is a limit to the number of walls we can build around the state.

There are a number of good reasons for killing the lottery proposal.

First, state lotteries are deceitful. They are promoted as good bets when they are, in fact, the worst form

of gaming. Other forms of gaming return 80 to 90 percent of the bets as prizes, but state lotteries return only 50 percent. To win approval, most lottery advocates have had to promise other legislators all kinds of easy revenue to displace taxes. As a result, around 30 percent of the money in most states is diverted to the general treasury or to some popular state program. Administration and retailer commissions take another 20 percent. Lotteries, though popular, are a bad bet.

A lottery would be a state-run industry that would add to the exploitation of vulnerable people. It would increase the percentage of gamblers who ultimately become addicted. The state treasury now gets around \$10 million yearly in taxes from present gambling and has done very little to deal with addiction. The state doesn't deserve any more gaming revenue until it proves itself willing to assume responsibility for the damage it is already perpetrating on vulnerable gamblers and families.

A state lottery would siphon money away from the 1,000 charitable gaming sites and the Native American casinos.

If we are stuck with saying something good about gambling, all we can say is that, given the choice between a rock and a hard place, communities and tribes are more legitimate beneficiaries running more honest gaming systems than we would find in a state lottery.

(Lloyd Omdahl is a political scientist and former North Dakota lieutenant governor. His column appears on Sundays.)



Lloyd Omdahl

Bismarck TRIBUNE SUNDAY FEB. 07, 2001

CERTIFICATION NO. HW100011



CASH PAYMENT CONFIRMED UP TO \$5,000.00



DOMINION ENTITLEMENT

CASH REMITTANCE
GUARANTEED
TO BEARER

CERTIFICATION OF PRIZE PAYMENT

ATTENTION, ADDRESSEE:
YOU HAVE BEEN GRANTED A CASH PRIZE of up to \$ \$5,000.00
in an official consumer sweepstakes administered by Dominion Entitlement.
READ THIS OFFICIAL DOCUMENT CAREFULLY. THEN RESPOND AS SOON AS POSSIBLE AS INSTRUCTED BELOW

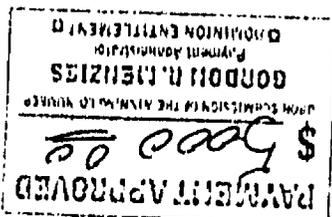
DESIGNATED RECIPIENT
[Redacted]
Bismarck, ND 58501
[Barcode]

ATTENTION, [Redacted]
YOUR CHECK CANNOT BE RELEASED UNTIL
YOU COMPLETE AND RETURN ATTACHED FORM 5440

MAX. PRIZE PAYMENT \$5,000.00
TYPE CONSUMER SWEEPSTAKES
PRIZE BASIS
1. RANDOM DRAWING
2. PRE-ASSIGNED I.D. NUMBERS
3. COMPUTER SELECTION
PRIZE DEDUCTIONS
TREASURY DEPT. 0
STATE TAX 0
OTHER 0
RECIPIENT'S I.D. NUMBER 4182672974

IN THE PRESENCE OF GORDON R. MENZIES AT 02:56 PM
 ATTESTED AND/OR [Redacted]
SUBSCRIBED THAT ON THE BASIS OF PRE-ASSIGNED MATCHING I.D. NUMBERS THE PERSON OR PERSONS NAMED HEREIN SHALL BE ELIGIBLE TO RECEIVE A CASH PRIZE AS LISTED IN THIS OFFICIAL CONFIRMATION PROVIDED THAT PERSON OR PERSONS HAS AND SUBMITS THE WINNING GRAND PRIZE I.D. NUMBER BEFORE THE DEADLINE AND COMPLIES WITH ALL TERMS & CONDITIONS HEREIN. NO PURCHASE REQUIRED. A PURCHASE WILL NOT INCREASE CHANCES OF WINNING. AT THEIR OPTION PERSON OR PERSONS NAMED HEREIN SHALL RECEIVE FULL ELIGIBILITY FOR CONSUMER ENTITLEMENTS VALUED AT NO LESS THAN \$200,000.00. MANDATORY PROCESSING FEE FOR ENTITLEMENT IS LISTED HEREIN.

OFFICIAL SEAL



OFFICIAL SEAL

WITNESS MY HAND & OFFICIAL SEAL:

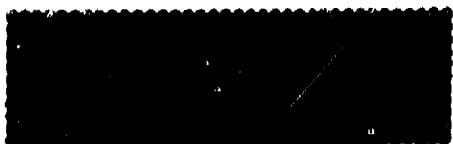
Gordon R. Menzies
SIGNATURE OF COMPANY OFFICER

INSTRUCTIONS FOR CHECK/ENTITLEMENT RELEASE

1. Detach FORM 5440 (at right) and fill out completely.
 2. Mail FORM 5440 & optional PROCESSING FEE in the envelope provided within ten days.
- YOUR CHECK CANNOT BE RELEASED UNTIL WE RECEIVE FORM 5440.

M 5440 COMPLETE IN FULL • ENCLOSE PROCESSING FEE • MAIL IMMEDIATELY

DCC195



CHECK AMOUNT:

• RECIPIENT NAME:

\$5,000.00



CHECK'S I.D. NO.:

• CASH PRIZE STATUS:

182672974

CONFIRMED

CHECK TO THIS ADDRESS:



CHECK ALL APPLICABLE BOXES • SIGN WHERE INDICATED

DECLARATION OF ELIGIBILITY

"I declare that I am age 18 or older and legally eligible to accept a cash prize of up to \$5,000.00 at no cost or obligation. I also acknowledge that a purchase will not increase my chances of winning. With my signature, I further declare that I am not employed by Dominion Entitlement and am solely responsible for any and all taxes that may apply to my cash prize."

SIGN YOUR FULL NAME HERE

As a cash winner, at my option I accept my entitlement and have enclosed a processing fee of \$26.00

I HAVE ENCLOSED:

CASH CHECK MONEY ORDER

MAKE CHECK OR MONEY ORDER PAYABLE TO Dominion Entitlement

DEADLINE IN EFFECT MAIL WITHIN TEN (10) DAYS

SIZE ELIGIBILITY, CORRECTLY ANSWER THE FOLLOWING:

0 - 10 + 75 + 15 X 2 = _____

CONSUMER ADVISORY

TO: RECIPIENT, CERTIFICATION OF PRIZE PAYMENT
FROM: GORDON R. MENZIES, PAYMENT ADMINISTRATOR
IN RE: CASH PRIZE, \$5,000.00

CERTIFICATION NO. A007689R

Please be advised that a strict deadline is currently in effect for this sweepstakes. If you do not respond before the deadline, we must cancel your cash prize.

COMPLETE AND RETURN FORM 5440 AND ENCLOSE ENTITLEMENT PROCESSING FEE IMMEDIATELY



DOMINION ENTITLEMENT

TITLE OR TYPE OF DOCUMENT CERTIFICATION OF PRIZE PAYMENT

NUMBER OF PAGES 1 TIME ISSUED 04:42 EST

AMOUNT OF CASH PRIZE (max.) \$5,000.00

COPY C FOR RECIPIENT

DEUS81

PRINT YOUR NAME AND ADDRESS LEGIBLY

NAME _____
ADDRESS _____
ADDRESS _____
CITY, STATE, ZIP _____



AFFIX INTERNATIONAL AIRMAIL POSTAGE OR USE 2 FIRST CLASS STAMPS

FOR CHECK/ENTITLEMENT ISSUANCE, YOU MUST ENCLOSE THE FOLLOWING:

FORM 5440 (COMPLETED)
PROCESSING FEE



DOMINION ENTITLEMENT
CHECK DISBURSEMENT CENTER
PO BOX 3900
21 MAIN STREET NORTH

Testimony

Senate Bill 2308

Madame Chairman and members of the Government and Veterans Affairs Committee, for the record, my name is Audrey Cleary and I represent District 49 in Bismarck.

Further resources are needed to combat the growing problem of gambling addiction. Competent, qualified, and certified counselors are needed. SB 2308 asks the Human Service Department to adopt standards for certification of gambling counselors. But standards aren't enough unless more money is provided to help those addicted to gambling.

A recent survey found that the prevalence of both lifetime and past year pathological gambling has increased significantly. This has led the researchers to estimate that North Dakota should plan to provide gambling treatment services to 130 to 270 individuals per year.

While the state and the Native American casinos have expanded gambling opportunities, help for those who are affected by pathological gambling is woefully non-existent in most of North Dakota.

Intervention, evaluation and treatment services are available only in Bismarck, Minot, Grand Forks and Fargo. The families of pathological gamblers experience physical and psychological abuse as well as harassment and threats from bill collectors and creditors. Please increase the appropriation in SB 2308 and vote "yes" to provide help for those and their families who are trapped by an addiction to gambling.

Thank you.

SB2308

FREQUENTLY ASKED QUESTIONS BY
LEGISLATORS AND CONCERNED CITIZENS

PREPARED BY LUTHERAN SOCIAL SERVICES
OF NORTH DAKOTA

HOUSE APPROPRIATIONS COMMITTEE

SENATE BILL 2308
MARCH 23, 2001

SB 2208

3/20/01

Lisa Vig

**FREQUENTLY ASKED QUESTIONS BY
LEGISLATORS AND CONCERNED OTHERS**

**PRESENTED BY LUTHERAN SOCIAL SERVICES
OF NORTH DAKOTA**

HOUSE APPROPRIATIONS COMMITTEE

**SENATE BILL 2308
MARCH 23, 2001**

**FREQUENTLY ASKED QUESTIONS BY LEGISLATORS AND CONCERNED
OTHERS**

WHAT IS COMPULSIVE GAMBLING?

A PERSON WHO SUFFERS FROM A CHRONIC AND PROGRESSIVE DISEASE. HE/SHE HAS A PSYCHOLOGICALLY, UNCONTROLLABLE, PRE-OCCUPATION AND URGE TO GAMBLE

DON'T YOU FIND THAT MOST PEOPLE HAVE PROBLEMS WITH CASINO GAMBLING AS OPPOSED TO CHARITABLE OR "SMALL TOWN GAMBLING"?

MANY OF THE CLIENTS COMING TO US FOR HELP ARE EXPERIENCING PROBLEMS WITH CASINO GAMBLING. HOWEVER, THE VAST MAJORITY OF THEM STARTED THEIR "GAMBLING CAREERS" AT THEIR LOCAL BAR'S BLACKJACK TABLES OR BINGO HALLS LONG BEFORE CASINO GAMBLING CAME INTO NORTH DAKOTA. ALSO, WITH THE INCREASED CHARITABLE BETTING LIMITS TO \$25 MANY GAMBLERS WILL NOT NEED TO GO TO THE CASINO FOR HIGH STAKES GAMBLING.

DO MOST OF THE GAMBLERS ADMIT TO HAVING PROBLEMS WITH OTHER ADDICTIONS?

YES. AT LEAST HALF OF THE GAMBLERS WHO COME TO US ARE RECOVERING ALCOHOLICS WHO HAVE BEEN IN TREATMENT FOR ALCOHOLISM BEFORE. IT IS NOT UNUSUAL TO HEAR OUR CLIENTS TALK ABOUT 10, 15 AND EVEN 20 YEARS OF SOBRIETY.

SINCE CASINO GAMBLING IS SO PREVALANT DON'T YOU THINK THE CASINOS SHOULD BE PAYING MORE FOR TREATMENT?

COMPULSIVE GAMBLING IS NOT JUST A CASINO PROBLEM...IT IS A STATE PROBLEM. THE INDIAN GAMING ASSOCIATION HAS PLEDGED \$85,000 EACH YEAR FOR COMPULSIVE GAMBLING RELATED ISSUES INCLUDING FUNDING A LARGE PORTION OF THE RECENT INCIDENCE AND PREVALANCE STUDY, THE MENTAL HEALTH HELPLINE, TRAINING, EMPLOYEE ASSISTANCE PROGRAMS, AND TREATMENT FOR COMPULSIVE GAMBLING. THIS IS A FAR MORE COMPREHENSIVE EFFORT THAN THE STATE OF ND HAS PUT FORTH. WE ALSO NEED TO REMEMBER THAT WE HAVE HAD CHARITABLE GAMBLING IN ND FAR LONGER THAN WE HAVE HAD CASINO GAMBLING.

WHAT DOES TREATMENT COST?

LUTHERAN SOCIAL SERVICES OF ND PROVIDES OUTPATIENT TREATMENT FOR A COMPULSIVE GAMBLER AND HIS/HER FAMILY FOR

APPROXIMATELY \$800. GAMBLERS HAVE EXHAUSTED ALL FINANCIAL RESOURCES BY THE TIME THEY COME TO TREATMENT. SUBSIDY FOR COUNSELING IS IMPERATIVE. CURRENTLY THE STATE OF ND CONTRIBUTES 50,000/YEAR TO HELP GAMBLING ADDICTS AND THEIR FAMILIES...THE UNITED WAYS AROUND THE STATE CONTRIBUTE OVER \$80,000 A YEAR TO HELP FUND TREATMENT. HEALTH INSURANCE WILL PROVIDE NO REIMBURSEMENT FOR THE TREATMENT OF GAMBLING ADDICTION.

WHERE CAN PEOPLE IN ND GET HELP FOR A GAMBLING ADDICTION?

CURRENTLY, COUNSELORS ARE AVAILABLE IN BISMARCK, MINOT, FARGO AND GRAND FORKS. GAMBLERS ANONYMOUS AND GAM-ANON MEETINGS ARE AVAILABLE IN THE MAJOR CITIES.

WHAT ABOUT THE RURAL AREAS?

LITTLE HELP IS AVAILABLE FOR PEOPLE WHO LIVE AWAY FROM A MAJOR CITY. THE ND INDIAN GAMING ASSOCIATION HAS MADE TRAVELLING STIPENDS AVAILABLE FOR PEOPLE WHO NEED TO TRAVEL TO SEE A COUNSELOR. LUTHERAN SOCIAL SERVICES WILL ALSO UTILIZE UNITED WAY DOLLARS TO ASSIST CLIENTS IN TRAVELLING TO APPOINTMENTS. WE HAVE ALSO OFFERED COUNSELING OVER THE PHONE ON MANY OCCASIONS.

HOW MANY PEOPLE ARE YOU SEEING EACH YEAR?

LUTHERAN SOCIAL SERVICES IS TREATING ABOUT 70 GAMBLERS AND 50 FAMILY MEMBERS EACH YEAR.

WHAT ABOUT GETTING RID OF ALL GAMBLING? WOULD THAT HELP?

IT MAY, BUT IT DOESN'T EVEN SEEM TO BE A PLAUSIBLE SOLUTION RIGHT NOW. AS FORMER ATTORNEY GENERAL BOB WEFALD TOLD A LEGISLATIVE COMMITTEE IN 1997, "THE STATE OF ND IS THE BIGGEST GAMBLING ADDICT". WE (ND) HAVE BECOME FAR TOO DEPENDANT ON THE REVENUE GENERATED FROM GAMBLING TO EVER CONSIDER A BAN ON GAMBLING.

DON'T A LOT OF GAMBLERS DO THINGS ILLEGALLY TO SUPPORT THEIR HABIT?

YES. AS THE GAMBLING PROGRESSES, THE GAMBLER BECOMES MORE DESPERATE TO FIND FINANCIAL RESOURCES WITH WHICH TO GAMBLE...ALWAYS BELIEVING THAT ONCE THEY GET A BIG WIN, THEY WILL PAY DEBTS OFF AND STOP GAMBLING. MANY GAMBLERS IN OUR

PROGRAM HAVE WRITTEN NSF CHECKS, SERVED TIME IN JAIL OR THE PENITENTIARY, STOLEN, FORGED SIGNATURES ON CHECKS, CREDIT CARDS, AND BANK LOANS AND IN SOME CASES EMBEZZELED FROM THEIR PLACE OF EMPLOYMENT. THESE ARE COSTLY ISSUES FOR OUR STATE TO DEAL WITH. AS STATED EARLIER THE COST OF \$800 TO PROVIDE TREATMENT FOR A GAMBLER AND FAMILY IS A FAR CRY FROM THE COST OF \$20,111.50 TO HOUSE AN INMATE AT THE PENITENTIARY FOR ONE YEAR.

HAVE YOU TURNED ANY GAMBLERS AWAY?

WE HAVE PROVIDED HELP TO ALL WHO HAVE COME TO US DESPITE THE FACT THAT WE HAVE NOT HAD THE FUNDS TO DO SO. LUTHERAN SOCIAL SERVICES HAS BEEN GRACIOUS ENOUGH TO COVER A \$20,000-\$40,000 DEFECIT IN GAMBLERS CHOICE FOR THE PAST 5-6 YEARS. IN ESSENCE, LSS/ND HAS BEEN SUBSIDIZING THE STATE.

DON'T MOST GAMBLERS HAVE PROBLEMS WITH RELAPSE?

YES. THE NATURE OF ADDICTION (ANY ADDICTION) FORCES US TO DEAL WITH RELAPSE. MOST GAMBLERS SPEND 5-15 YEARS ENTRENCHING THEMSELVES IN ADDICTIVE BEHAVIORS. IT IS QUITE UNREALISTIC TO THINK THAT AFTER 4 MONTHS OF TREATMENT, GAMBLERS WILL HAVE SOLVED ALL PROBLEMS. THE GOOD NEWS IS THAT MANY GAMBLERS WHO HAVE RELAPSED ARE MORE LIKELY TO REACH OUT FOR HELP TO "GET BACK ON TRACK". RECOVERY IS A PROCESS AND A RELAPSE CAN BE PART OF THAT PROCESS.

IS GAMBLING ADDICTION REALLY A PROBLEM IN NORTH DAKOTA?

YES. THE RECENTLY UPDATED INCIDENCE AND PREVALANCE STUDY FOUND THAT ALTHOUGH WEEKLY GAMBLERS IN NORTH DAKOTA HAVE DECREASED FROM 12% TO 8% SINCE 1992, THE NUMBER OF PATHOLOGICAL GAMBLERS HAVE DOUBLED SINCE 1992.

WHY SHOULD I CARE ABOUT GAMBLING ADDICTION?

SOMEDAY SOON, (IF IT HASN'T ALREADY HAPPENED) SOMEONE YOU KNOW OR LOVE WILL BE AFFECTED BY COMPULSIVE GAMBLING. THEY HAVE A RIGHT TO FIND TREATMENT AND HELP FOR THEMSELVES AND THEIR FAMILY MEMBERS THAT IS AFFORDABLE, EFFECTIVE AND CREDIBLE. AS A POLICY MAKER AND STEWARD, ELECTED BY THE PEOPLE OF NORTH DAKOTA, YOU HAVE A RESPONSIBILITY TO HELP CARE FOR THE CITIZENS OF THIS STATE.

PROPOSED AMENDMENTS TO REENGROSSED SENATE BILL 2308 (10186.0400)

That the Senate accede to the House amendments as printed on pages 967 and 968 of the Senate Journal and page 894 of the House Journal and that Reengrossed Senate Bill No. 2308 be further amended as follows:

Page 1, line 1, replace "section 53-06.1-18" with "the new section to chapter 50-06" and after "Code" insert "as created by section 2 of House Bill No. 1089, as approved by the fifty-seventh legislative assembly"

Page 1, replace lines 5 through 24 with:

"SECTION 1. AMENDMENT. The new section to chapter 50-06 of the North Dakota Century Code as created by section 2 of House Bill No. 1089, as approved by the fifty-seventh legislative assembly, is amended and reenacted as follows:

Compulsive gambling prevention, awareness, crisis intervention, rehabilitation, and treatment services. The department of human services shall contract with qualified treatment service providers for the development and implementation of a program for gambling prevention, awareness, crisis intervention, rehabilitation, financial counseling, and mental health treatment services. The program may provide outpatient services, partial care services, aftercare services, intervention services, financial counseling services, consultation services, or other form of preventive, rehabilitative, or treatment services for compulsive gamblers. An individual who provides treatment services must ~~meet the minimum standards for certification as a gambling counselor as established by the national council on problem gambling and~~ be a mental health professional as defined in section 25-03.1-02 and meet the minimum standards for certification as a gambling counselor as established by rule by the mental health professional's licensing board. An individual who provides financial counseling services must be a certified consumer credit counselor with an accredited financial counseling agency. The department of human services may establish a sliding payment scale for services under the program. The department of human services may establish a centrally located repository of educational materials on identifying and treating compulsive gambling. Any service fee collected by qualified treatment service providers for services provided under the contract must be applied toward the program's compulsive gambling services. The term "qualified treatment service provider" means an entity based in North Dakota which is experienced in and capable of delivering compulsive gambling education, prevention, awareness, crisis intervention, rehabilitation, financial counseling, and mental health treatment services as defined by the department of human services. The term "compulsive gambler" means an individual who is chronically and progressively preoccupied with gambling and the urge to gamble and with gambling behavior that compromises, disrupts, or damages personal, family, or vocational pursuits."

Page 2, line 3, ~~after the third "of" insert "setting standards and"~~

Page 2, line 5, after the first comma insert "of which \$1,000 may be designated for per diem and travel expenses for in-state professional boards to gather information,"

*in the setting
of certification standards*

SB 2308

North Dakota Addiction Treatment Providers Coalition

1809 S. Broadway, Suite R

Minot, ND 58701

701 852 3869 or 701 857 2480

To:

State Legislature, Bismarck, N.D.

The North Dakota Addiction Treatment Providers Coalition supports the intent of SB 2308 and requests that you enact legislation that will allow development of treatment services for the problem gambler. Our coalition believes that further resources are needed to combat this addiction and that competent, qualified and certified providers are a key to the system. We support this legislation because it addresses our similar mission for prevention, rehabilitation and lifestyle change. We are strongly committed to developing practitioners that have both an academic and experiential basis for their counseling skills. We desire that clinicians of the treatment services remain educated to the latest treatment alternatives and continue to be certified by an accepted standard of ongoing review. Qualified and competent providers should be a center of any treatment endeavor.

Developing continued awareness of this problem and access to services will be important in the evolution of change. We are optimistic that your current study and careful review will bring about needed alternatives to the individuals and families that suffer from the ravages of compulsive gambling. Please support SB 2308. Thank You.

Sincerely,

Skip Krause, Co-Chairman

Frank Jeanotte, Co-Chairman
Will Bachmeier, Secretary
ND Addiction Treatment Providers
1/31/01

Testimony of Dick Elefson before the North Dakota Senate Appropriations Committee, in support of SB 2308, February 13, 2001

Mr. chairman and members of the Committee my name is Dick Elefson I am a Licensed Addiction Counselor, a Licensed Social Worker engaged in private practice. I have specialized in the treatment of compulsive gamblers since August 8, 1987.

I am also a member of the Council on Compulsive Gambling of North Dakota, Inc., organized in 1989 and granted non-profit 501-(c)-(3) status by the IRS. The Council is neither for nor against legal gambling. The Council is the only organization in North Dakota working exclusively to promote and advocate for gambling education and prevention in schools, colleges, and the general public. We also advocate for training for professionals, establishment of a system of credentials for gambling counselors.

The Forty-Fifth Legislative Assembly launched the State of North Dakota into the charitable gambling business by legalizing bingo raffles, pull tabs/jar tickets, and punch boards in 1977. The forty sixth through the fifty second Legislative passed enabling legislation to expand charitable gambling in North Dakota. We have the distinction of having a greater variety of Charitable games of chance of any state in the Nation. In 1999 the dollars wagered on Charitable Gambling amounted to \$ 421.00 for every man, woman, and child.

In 1992 the CCGND, Inc. took a leadership role in promoting the Study of Gambling and Problem Gambling in North Dakota. This study occurred prior to the opening of the first Native American gambling casinos. This study was conducted by Gemini Research of Albany, New York and Precision Marketing of Fargo, N.D. The results of this study were released on March 23, 1993. The following are quotes from that study:

"Since problem and pathological gamblers in N.D. tend to have lower than average household income, it will be essential for the government of N.D. to subsidize prevention and treatment services for individuals who experience problems related to their gambling"

Gemini researchers in 1993 recommended a two phase approach to address the identified problems: Phase One:

- ° establishment of a reliable source of funding
- ° a wide reaching public education campaign
- ° prevention efforts in schools and colleges
- ° training for health, mental health, and social service personnel (including school counselors) in the identification of gambling related problems among their clients

Phase two

- ° training for mental health treatment professionals in how to treat problem and pathological gamblers
- ° establishment of a certification program for gambling counselors
- ° establishment of gambling treatment positions in mental health and substance abuse treatment centers.

The CCGND again played a leadership role in introducing a Bill to provide an appropriation to implement the recommendations

of this study to the 53rd, 54th, and 55th Legislative Assembly. Since 1977 the Legislature has denied its culpability for its role in contributing to these problems, session after session by refusing to provide adequate funding for identified needed programs and services. The continued and egregious response has been, "There are no funds available."

In July 2000 the CCGND contributed \$ 10,000 to the "Gambling and Problem Gambling in North Dakota: A Replication Study, 1992 to 2000 conducted by Gemini Research and the Social Science Research Institute at the University of North Dakota at Grand Forks.

A report of this Study was made on January 15, 2001 to the Office of the Governor and the Legislative Leadership. The following are recommendations resulting from this study which are quite similar to the 1992 study:

- °Work with insurance companies to obtain coverage for treatment services for individuals with gambling related difficulties.
- °Public education and prevention services.
- °Specific government, industry initiatives to address problem gambling issues in North Dakota.
- °Expanded training opportunities to educate mental health and addiction counselors in how to screen for problem gamblers, and to provide treatment.
- °°Establish a gambling counselor certification program.
- °Increase funding to support education, prevention, and treatment through the Department of Human Services.

In 1994 the CCGND, utilizing grant/contract funds from the Dept. Of Human Services, Division of Mental Health & Substance Abuse Services, in conjunction with the North Dakota State University developed and distributed 400 copies of a curriculum Guide, A Challenge for Youth: Grades 6 through 9. This guide was revised and updated in November 1999. On February 23rd and 24th the CCGND will conduct a two day training session for school guidance Counselors in Grand Forks and also on February 26th and 27th in Bismarck in the use of this curriculum guide. The Council would like to provide this training state-wide, but needs adequate funding to do so.

In 1997 the CCGND working with then Attorney General Heidi Heitkamp introduced SB 2318 which provided for adequate funding to implement the recommendations of the 1992 Study. SB 2318 was enacted into law with all of the provisions of services intact, minus the appropriations necessary to implement them. The appropriation was reduced to \$ 150,000 for the biennium. We tried again in 1999, however, the Executive Budget would only allow the same \$ 150,000 and the Department (Human Services) was not allowed to change that figure.

It was like telling the Department here is a new automobile; it doesn't have an engine or a fuel tank, but drive it as best you can."

Dick Elefson testimony page three

The real frustration arises from the fact that Charitable Gambling alone has contributed \$ 113,990,000 to the State's General Fund since 1977.

CHARITABLE GAMBLING TAXES HAVE AVERAGED OVER TEN MILLION DOLLARS PER YEAR, WHICH DOES NOT INCLUDE SALES TAX FROM BINGO WHICH WOULD ADD ANOTHER TWO MILLION DOLLARS EACH YEAR.

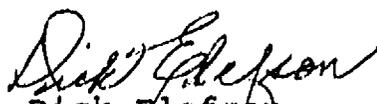
People who have opted to engage in charitable gambling have paid the state IN ADVANCE for these needed services for over 20 year, and they will continue to generate these revenues as long as charitable gambling continues - and it appears that such gambling is here to stay.

The funding requested in SB 2308 is long over due and these funds represent only a small fraction of the total revenue generated from gambling.

Mr. Chairman, and members of the Committee, how bad must bad become before you provide adequate funding to deal with North Dakota's "Hidden Epidemic".

I urge you to do what is JUST, and RIGHT, and give a "Do pass" for SB 2308 with the entire amount requested.

Thank you for the opportunity to present this testimony.


Dick Elefson



**Council On
Compulsive Gambling
of North Dakota, Inc.**

PO BOX 7362 BISMARCK, ND 58507-7362

OFFICE: 418 E. ROSSER SUITE C
BISMARCK, N. D. 58501
ADMINISTRATOR (701) 255-2756

Proposed break-down of expenditures of funds to implement the provisions of SB 2308

Wide reaching public awareness campaign to increase
Public awareness utilizing multi-media and an
exclusive gambling assistance toll free number \$ 55,000

EDUCATION AND TRAINING:

Teacher Training in use of Gambling Education
and Curriculum Guide; Trainers and materials for
eight (8) two day seminars \$ 24,000

Gambling Specific Training for Licensed
Addiction counselors and Mental Health
Professionals: Thirty (30) Hour Course to be
provided in four geographical areas; Trainers
and materials \$ 60,000

Centralized Gambling Resource Prevention Center: \$ 12,000

Gambling Counselor Certification Program \$ 40,000

Treatment and Intervention Services for 300
individuals \$ 360,000

Total Funds needed: \$ 551,000

**TESTIMONY
SB 2308**

**HOUSE HUMAN SERVICES COMMITTEE
CLARA SUE PRICE, CHAIRPERSON**

March 6, 2001

Chairperson Price and members of the Committee: My name is Karen Romig Larson, Director of the Division of Mental Health and Substance Abuse Services in the ND Department of Human Services. I am here today to offer comments on SB 2308.

First I would like to provide a brief historical review of the current status of funding for services for compulsive gambling. In the 1997 Legislative Session, SB 2318 contained defining language for treatment, prevention and education relative to compulsive gambling. There was an appropriation requested with that legislation. The outcome was placement of the defining language in Section 53-06.1-18, and appropriation of \$150,000 in general funds to the Division of Mental Health and Substance Abuse budget to carry out the intent of the defining language; that is, to contract for prevention, education, and treatment services. That appropriation was maintained by the 1999 Legislature; in fact, an additional \$50,000 in "special funds" (providing spending authority, but no funds) was included. During the 1999-01 biennium, the Division has continued its contracts for the originally intended purpose. It currently contracts with Lutheran Social Services of North Dakota for \$100,000 to provide treatment services to individuals who have been diagnosed with compulsive gambling problems. While the concentration of activity is in the eastern portion of the State, there are treatment services being offered in other regions as personnel and resources from LSS allow. We also contract with the ND Council on Compulsive Gambling to provide information, education, and prevention related to

compulsive gambling throughout North Dakota. The Division has requested, in a "hold-even" budgeting effort, in HB 1012, \$150,000 in funding for the 2001-03 biennium. The House has decreased that amount by \$50,000.

Second, the Fiscal Note provided by the Department of Human Services, in response to SB 2308 does identify the cost to the Department to accomplish the development of gambling counselor certification. That cost is noted as a one time cost, inclusive of contracting with an individual to develop, in concert with a number of professional disciplines, the standards and criteria for certification; and the final production of the certification requirements. It is my belief that ongoing management, and monitoring of such a program is best delegated to a licensing board or commission charged with individual licensure or certification.

Finally, while the Division of Mental Health and Substance Abuse Services believes there is necessity for appropriately delivered prevention and treatment services for North Dakota citizens, the Division supports Governor Hoeven's budget as submitted.

Thank you for the opportunity to speak with you today. I will attempt to respond to any questions you may have.

**TESTIMONY
SB 2308
HOUSE APPROPRIATIONS COMMITTEE
REPRESENTATIVE MIKE TIMM, CHAIRMAN
March 20, 2001**

Chairman Timm and members of the Committee: My name is Karen Romig Larson, Director of the Division of Mental Health and Substance Abuse Services in the ND Department of Human Services. I am here today to offer comments on SB 2308.

First I would like to provide a brief historical review of the current status of funding for services for compulsive gambling. In the 1997 Legislative Session, SB 2318 contained defining language for treatment, prevention and education relative to compulsive gambling. There was an appropriation requested with that legislation. The outcome was placement of the defining language in Section 53-06.1-18, and appropriation of \$150,000 in general funds to the Division of Mental Health and Substance Abuse budget to carry out the intent of the defining language; that is, to contract for prevention, education, and treatment services. That appropriation was maintained by the 1999 Legislature; in fact, an additional \$50,000 in "special funds" (providing spending authority, but no funds) was included. During the 1999-01 biennium, the Division has continued its contracts for the originally intended purpose. It currently contracts with Lutheran Social Services of North Dakota for \$100,000 to provide treatment services to individuals who have been diagnosed with compulsive gambling problems. While the concentration of activity is in the eastern portion of the State, there are treatment services being offered in other regions as personnel and resources from LSS allow. We also contract with the ND Council on Compulsive Gambling to provide information, education, and prevention related to compulsive gambling throughout North Dakota. The Division has requested, in a "hold-even" budgeting effort, in HB 1012, \$150,000 in funding for the 2001-03 biennium. The House has decreased that amount by \$50,000.

Second, while this bill calls for the department to adopt standards for certification as a gambling counselor, the reengrossment of the bill has removed reference to allowing a portion of the requested appropriation to be used to develop those certification standards. Development of standards will involve contracting with a coordinator, obtaining examples of standards from other states, involving representatives of various disciplines in the drafting of the standards, finalization of the standards, and development of a mechanism to provide ongoing management of the certification process. It had been originally estimated that this process may cost up to \$39,000.

Finally, while the Division of Mental Health and Substance Abuse Services believes there is necessity for appropriately delivered prevention and treatment services for North Dakota citizens, the Division supports Governor Hoeven's budget as submitted.

Thank you for the opportunity to speak with you today. I will attempt to respond to any questions you may have.

**EXCERPTS FROM GAMBLING AND PROBLEM GAMBLING IN NORTH DAKOTA:
A REPLICATION STUDY, 1992 TO 2000**

These are results taken directly from the study conducted by Gemini Research, Ltd. and presented to the Governor on January 15, 2000. The sample for the 1992 study was 1,517 people vs. 5,002 for the 2000 study. This study was done to examine changes in ND Gaming since the 1992 study.

It is important to note that all of the Native American Casinos in ND became operational after the completion of the baseline study in 1992.

The percentage of North Dakotans who gamble once per week or more often;	1992 result - 12.3%
	2000 result - 4.3%

Defining the Patterns of Participation

Non-Gamblers who have never participated in any type of gambling (19% of sample)

Infrequent Gamblers who participated in one or more type of gambling, but not in the past year (11% of sample)

Past Year Gamblers who participated in one or more types of gambling in the past year but not on a weekly basis (65% of sample)

Weekly Gamblers who participate in one or more types of gambling on a weekly basis (4% of sample)

Weekly gamblers in ND are significantly more likely to be male, age 30-54, Native American, divorced or separated and working full-time. Non-gamblers in ND are more likely to be over 65, widowed, retired, and have annual household incomes of under \$25,000.

Problem gamblers are significantly more likely than non-problem gamblers to smoke daily, to drink alcohol once a week or more often, and to use marijuana or cocaine on a monthly basis. They also are more likely to report their problems and to have sought help for abuse problems.

The combined prevalence of problem and pathological gambling did not change significantly in ND between 1992 and 2000. The Lifetime Combined percentage of those in the sample that gambled showed a 1992 number of 3.5% and a 2000 number of 3.8%. The Current Combined percentages showed a 1992 result of 2.0% and a 2000 result of 2.1% of those who gambled.

Definitions:

Problem gambling is a broad term that refers to all of the patterns of gambling behavior that compromise, disrupt or damage personal, family or vocational pursuits.

Lifetime Problem gamblers were 2.5% of the sample in 1992 and 2.0% in 2000

Current Problem gamblers were 1.3% of the sample in 1992 and 0.7% in 2000

Pathological gambling lies at one end of a continuum of problematic gambling involvement.

These gamblers are problem gamblers who are more likely to require professional treatment.

Pathological gambling is a treatable disorder characterized by loss of control over gambling, chasing of losses, lies and deception, family and job disruption, financial bailouts and illegal acts.

Lifetime Probable Pathological gamblers were 1.0% in 1992 and 1.8% in 2000

Current Probable Pathological gamblers were 0.7% in 1992 and 1.4% in 2000

Based on the results of the study, it is estimated that North Dakota should plan to provide problem gambling treatment services to between 130 and 270 individuals per year.

3/20/01

Senate Bill 2308

Mr. Chairman and members of the Appropriations Committee, for the record, my name is Audrey Cleary and I represent District 49.

Further resources are needed to combat the growing problem of gambling addiction. Competent, qualified, and certified counselors are needed. SB 2308 asks the Human Service Department to adopt standards for certification of gambling counselors. But standards aren't enough unless more money is provided to help those addicted to gambling.

A recent survey found that the prevalence of both lifetime and past year pathological gambling has increased significantly. This has led the researchers to estimate that North Dakota should plan to provide gambling treatment services to 130 to 270 individuals per year.

While the state and the Native American casinos have expanded gambling opportunities, help for those who are affected by pathological gambling is woefully non-existent in most of North Dakota.

Intervention, evaluation and treatment services are available only in Bismarck, Minot, Grand Forks and Fargo. Please increase the appropriation in SB 2308 and vote "yes" to provide help for those trapped by an addiction to gambling.

Thank you.

3/20/01

Testimony of Dick Elfson before the House of Representatives
Appropriation Committee March 23, 2001

Mr. Chairman and members of the Appropriation Committee, for the record, my name is Dick Elfson. I am a Licensed Addiction Counselor in private practice in Bismarck, specializing in the treatment of compulsive gamblers. I am in favor of SB 2308.

Last fall Governor Shafer commissioned Gemini Research to conduct an Incidence & Prevalence Study of Gambling in North Dakota. On January 15, 2001, Dr. Rachael Volberg of Gemini Research presented an Executive Summary to the Governor and Legislative Leaders of both Houses on "Gambling and Problem Gambling in North Dakota: A Replication Study 1992 to 2000". The cost of the 1992 Study was \$ 50,000, and the Replication Study conducted in 2000 was \$ 100,000. Both studies clearly identified the magnitude of gambling and gambling problems in our State. Both studies also made specific recommendations to the Legislature. Unfortunately, the recommendations were never considered, nor funded by the Legislature.

In 1997, SB 2318 was enacted into law with all of the provisions of services intact. However, the appropriation request of \$ 750,000 was reduced to \$ 150,000. The 1997 Legislature again appropriated the same amount, \$ 150,000. We in the gambling field are appreciative of that amount, inadequate as it has been.

This year SB 2308 was introduced with the same provision of services and also an appropriation of \$ 750,000. The Senate reduced the appropriation to \$ 89,000 as it appears before you.

Like the 1992 Study, the 2000 Study contains a number of specific recommendations, and I want to quote two of the most pertinent recommendations to this committee:

1. "Refinement of public education and prevention services targeted toward particular at risk groups, such as youth, Native Americans, as well as venues where problem gamblers are most likely to be found."
2. "an increase in funding to support education, prevention and treatment of problem gambling through the Department of Human Services."

One of the outcomes of this study shows that the number of problem gamblers in North Dakota has doubled since 1992, due primarily to the lack of funding to provide education and prevention programs to the youth and the general population. I implore you not to brush this study aside and ignore the recommendations. Let's not throw \$ 100,000 out of the window.

I urge you to increase the appropriation for SB 2308 to meet the identified needs of this "Hidden Epidemic". I would also remind this committee that Charitable Gambling Taxes alone, contribute 10 Million Dollars to the general fund each year, and will most like continue to do so as long as charitable gambling exists.

Thank you Mr. Chairman and members of the Committee for giving me the opportunity to give my testimony in support of SB2308.

SB 2308

TO: Senator Lee:
FROM: Mark Monasky
DATE: April 10, 2001

I had a talk with Vonette Richter from Legislative Council. She believes the following changes would address our concerns. She also informs me that bill 2308 is technically defunct, as we are attempting to amend section 53-06.1-18 which has already been repealed this legislative session by another bill. She will be conferring with John Walsted from Legislative Council to see how this problem can be remedied.

Suggestions for possible amendments to Reengrossed Senate Bill 2308 with conference amendments (LC # 10186.0700):

Page 1, line 14, remove the underscored sentence.

Page 1, line 15, overstrike "meet the minimum standards for certification"

Page 1, line 16, overstrike "as a gambling counselor as established by the"

Page 1, line 17, remove "department", overstrike "and", and after "25-03.1-02" insert "and meet the minimum standards for certification as a gambling counselor as established by the mental health professional's licensing board"

The amended portion of the bill will read as follows, beginning with line 11 on page 1:

The program may provide outpatient services; partial care services; aftercare services; intervention services; financial counseling services; consultation services; or other forms of preventive, rehabilitative, or treatment services for compulsive gamblers. An individual who provides treatment services must be a mental health professional as defined in section 25-03.1-02 and meet the minimum standards for certification as a gambling counselor as established by the mental health professional's licensing board. An individual who provides financial counseling services

**Fifty-seventh Legislative Assembly of North Dakota
In Regular Session Commencing Tuesday, January 9, 2001**

HOUSE BILL NO. 1089
(Judiciary Committee)
(At the request of the State Gaming Commission)

AN ACT to create and enact a new subsection to section 12.1-30-03 and a new section to chapter 50-06 of the North Dakota Century Code, relating to businesses allowed to operate on Sunday and compulsive gambling services; to amend and reenact section 53-06.1-01, subsections 3 and 4 of section 53-06.1-01.1, subsections 1 and 4 of section 53-06.1-03, subsections 1, 3, and 5 of section 53-06.1-06, sections 53-06.1-07.2, 53-06.1-07.4, and 53-06.1-10, subsection 2 of section 53-06.1-11.1, subsections 1 and 2 of section 53-06.1-14, subsections 3 and 8 of section 53-06.1-15.1, and subsection 2 of section 53-06.1-16 of the North Dakota Century Code, relating to games of chance; to repeal section 53-06.1-18 of the North Dakota Century Code, relating to compulsive gambling services; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. A new subsection to section 12.1-30-03 of the North Dakota Century Code is created and enacted as follows:

Bingo halls and onsite food concessions between the hours of twelve midnight and one a.m. and within the hours permitted under section 12.1-30-01.

SECTION 2. A new section to chapter 50-06 of the North Dakota Century Code is created and enacted as follows:

Compulsive gambling prevention, awareness, crisis intervention, rehabilitation, and treatment services. The department of human services shall contract with qualified treatment service providers for the development and implementation of a program for gambling prevention, awareness, crisis intervention, rehabilitation, financial counseling, and mental health treatment services. The program may provide outpatient services, partial care services, aftercare services, intervention services, financial counseling services, consultation services, or other forms of preventive, rehabilitative, or treatment services for compulsive gamblers. An individual who provides treatment services must meet the minimum standards for certification as a gambling counselor as established by the national council on problem gambling and be a mental health professional as defined in section 25-03.1-02. An individual who provides financial counseling services must be a certified consumer credit counselor with an accredited financial counseling agency. The department of human services may establish a sliding payment scale for services under the program. The department of human services may establish a centrally located repository of educational materials on identifying and treating compulsive gambling. Any service fee collected by qualified treatment service providers for services provided under the contract must be applied toward the program's compulsive gambling services. The term "qualified treatment service provider" means an entity based in North Dakota which is experienced in and capable of delivering compulsive gambling education, prevention, awareness, crisis intervention, rehabilitation, financial counseling, and mental health treatment services as defined by the department of human services. The term "compulsive gambler" means an individual who is chronically and progressively preoccupied with gambling and the urge to gamble and with gambling behavior that compromises, disrupts, or damages personal, family, or vocational pursuits.

SECTION 3. AMENDMENT. Section 53-06.1-01 of the North Dakota Century Code is amended and reenacted as follows:

53-06.1-01. Definitions. As used in this chapter:

1. "Adjusted gross proceeds" means gross proceeds less cash prizes, cost of merchandise prizes, sales tax on bingo cards, pull tab excise tax, and federal excise tax imposed under section 4401 of the Internal Revenue Code [26 U.S.C. 4401].

**GAMBLING AND PROBLEM GAMBLING IN
NORTH DAKOTA: A REPLICATION STUDY, 1992 TO 2000**

Report to the North Dakota Office of the Governor

Rachel A. Volberg, Ph.D.
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P.O. Box 628
Northampton, MA 01060
(413) 584-4667
www.gemini1research.com

January 15, 2001

- The sample in 1992 (N=1,517) was substantially smaller than the sample in 2000 (N=5,002). Furthermore, the sample in 2000 contains significantly more young males and Native Americans—groups that are often difficult to recruit for surveys of all kinds.
- In spite of the inclusion of more young males (traditionally the heaviest gamblers in the general population), gambling participation dropped significantly in North Dakota between 1992 and 2000. The proportion of the adult population in North Dakota that gambles once a week or more often declined from 12% to 4%.
- While gambling participation in general has declined, lifetime participation rates have increased significantly for gaming machines and lottery products. Similarly, past year participation rates have increased significantly for gaming machines, lottery products and casino table games such as roulette and keno.
- The combined prevalence of problem and pathological gambling did not change significantly in North Dakota between 1992 and 2000. However, the prevalence of both lifetime and past year pathological gambling (the most severe category) has increased significantly. This suggests that problem gamblers in North Dakota are experiencing more severe problems and may be in greater need of services.
- Problem gamblers in North Dakota in 2000 are significantly more likely than those in 1992 to be male, to be Native American and to be widowed. Problem gamblers in North Dakota in 2000 are significantly less likely than those in 1992 to be married.

Directions for the Future

The impacts of problem gambling can be high, families and communities as well as for individuals. Pathological gamblers experience physical and psychological stress and exhibit substantial rates of depression, alcohol and drug dependence and suicidal ideation. The families of pathological gamblers experience physical and psychological abuse as well as harassment and threats from bill collectors and creditors. Other significant impacts include costs to employers, creditors, insurance companies, social service agencies and the civil and criminal justice systems.

Given the significant increase in the prevalence of the most severe category of problem gambling in North Dakota, state legislators and other concerned parties may wish to consider a range of ameliorative measures. These include extending health insurance coverage to cover problem gambling treatment, fostering responsible gambling policies and programs by the gambling industries and developing government-industry initiatives to address this issue, expanding training opportunities for treatment professionals, establishing a gambling counselor certification program, increasing funding to the North Dakota Department of Human Services to support increased public education and prevention services as well as problem gambling treatment, and continued monitoring of gambling and problem gambling prevalence to assess the impacts of legal gambling on the residents of North Dakota.

INTRODUCTION

Since the rise of the "third wave" of legal gambling in the United States in the 1960s (Rose, 1986), the availability of gambling has grown tenfold. Today, a person can make a legal wager of some sort in every state except Utah, Tennessee, and Hawaii; 37 states have lotteries. 28 states have casinos and 22 states have off-track betting (National Gambling Impact Study Commission, 1999). Just as telling as the expansion of gambling into new jurisdictions is the growth of the gambling industries. Between 1975 and 1997, revenues from legal wagering in the United States grew by nearly 1,600% from \$3 billion to \$51 billion while gambling expenditures more than doubled as a percentage of personal income, from 0.30 percent in 1974 to 0.74 in 1997 (Christiansen, 1998; Kallick, Suits, Dielman & Hybels, 1976).

In the 1970s and 1980s, gambling legalization proceeded with little consideration of the potentially harmful impacts that gambling can have on individuals, families and communities. In the 1990s, however, prevalence surveys have become an essential component in the establishment and monitoring of legal gambling in the United States and internationally (Abbott & Volberg, 2000; Bondolfi, Osiek & Ferrero, 2000; Gerstein, Volberg, Harwood, Christiansen et al, 1999; Productivity Commission, 1999; Rönnerberg, Volberg, Abbott, Munck et al, 1999; Shaffer, Hall & Vander Bilt, 1999; Sproston, Erens & Orford, 2000; Volberg, 1996).

The main purpose of this study, funded by the North Dakota Office of the Governor, the North Dakota Indian Gaming Association, and the North Dakota Council on Problem Gambling, is to examine changes in gambling participation and the prevalence of gambling-related problems in North Dakota between 1992 and 2000. An additional purpose of this study is to identify the types of gambling causing the greatest difficulties for the citizens of North Dakota. The results of this study will be useful in documenting the impacts of legal gambling on the citizens of North Dakota and in refining the services available to individuals in North Dakota with gambling-related difficulties.

This report is organized into several sections for clarity of presentation. The *Introduction* includes a definition of the terms used in the report while the *Methods* section addresses the details of conducting the survey. The next four sections present findings from the survey in the following areas:

- gambling in North Dakota in 2000;
- prevalence of problem gambling in North Dakota in 2000;
- comparing non-problem and problem gamblers in North Dakota in 2000; and
- comparing the baseline and replication surveys in North Dakota.

Background

In 1992, when the first survey of gambling and problem gambling was carried out in North Dakota (Volberg & Silver, 1993), there were already substantial legal gambling opportunities available to the state's citizens. Although there was no state lottery operating in North Dakota, charitable organizations were permitted to offer live bingo, pulltabs, blackjack and poker games, and off-track wagering on horse races in bars, restaurants, lounges and fraternal organizations throughout the state.

In the wake of the Indian Gaming Regulatory Act of 1988, several Native American tribes in North Dakota established compacts with the state government to operate casinos on their reservations. All of these casinos became operational after the completion of the baseline problem gambling prevalence survey in North Dakota. There are presently five Native American casinos operating in North Dakota. All of these casinos are authorized to run craps and roulette, card games

including blackjack and poker, and slot machines. Tribal casinos are also permitted to offer pari-mutuel and simulcast wagering on horse races taking place both in and outside of North Dakota.

There have also been substantial increases in legal gambling opportunities throughout the region. To the north, the Canadian provinces of Saskatchewan and Manitoba offer North Dakota residents a range of gambling opportunities, including charitable casinos, large-scale bingo halls, and a complete range of lottery products, including sports, bingo and keno games. To the south, video poker machines owned by the South Dakota Lottery are widely available at bars, taverns and restaurants as well as at Native American tribal casinos operating across the border from North Dakota. To the west, Montana offers video gaming machines similar to those in South Dakota as well as pari-mutuel and charitable wagering. Finally, to the east, Minnesota is home to a mature state lottery as well as numerous Native American casinos. (11)

Problem Gambling Services in North Dakota

Services for problem gamblers in North Dakota consist, for the most part, of meetings of the self-help fellowship, Gamblers Anonymous, and a few professional treatment providers. Gamblers Anonymous chapters meet regularly in Bismarck, Devil's Lake, Dickinson, Fargo, Grand Forks, Minot and Williston. Gam-Anon chapters (for family members and friends of problem gamblers) meet in Bismarck, Dickinson and Fargo. Outpatient treatment for individuals with gambling problems is available from a small number of treatment professionals in Bismarck, Fargo, Grand Forks and Minot. These programs offer individual and group counseling sessions, some couple and family therapy and aftercare.

Approximately 50 mental health and addictions treatment professionals in North Dakota have received training in the assessment, diagnosis and treatment of problem gambling. However, because insurance reimbursement for problem gambling treatment is rare, few of these individuals offer treatment for problem gambling. The North Dakota Council on Problem Gambling has been active for several years raising public awareness of problem gambling and working to develop services for problem gamblers and their families in the State. Finally, the helpline operated by the North Dakota Mental Health Association receives funding from the North Dakota Council on Problem Gambling and the North Dakota Indian Gaming Association to provide crisis intervention for problem gamblers as well as information and referrals.

Defining Our Terms

Gambling is a broad concept that includes diverse activities, undertaken in a wide variety of settings, appealing to different sorts of people and perceived in various ways by participants and observers. Failure to appreciate this diversity can limit scientific understanding of gambling. Another reason to note the differences between various forms of gambling arises from accumulating evidence that some types of gambling are more strongly associated with gambling-related problems than others (Abbott & Volberg, 1999a).

People take part in gambling activities because they enjoy them and obtain benefits from their participation. For most people, gambling is generally a positive experience; however, for a minority, gambling is associated with difficulties of varying severity and duration. Some regular gamblers develop significant, debilitating problems that also typically result in harm to people close to them and to the wider community (Abbott & Volberg, 1999a).

Pathological gambling was first included in the third edition of the Diagnostic and Statistical Manual (DSM-III) of the American Psychiatric Association (1980). Each revision of this manual has seen changes in the diagnostic criteria for pathological gambling. The essential features of pathological gambling are presently defined by the American Psychiatric Association (1994) as:

Similarly, past year participation rates have increased for gaming machines, lottery products and casino table games such as roulette and keno.

The combined prevalence of problem and pathological gambling did not change significantly in North Dakota between 1992 and 2000. However, the prevalence of both lifetime and past year pathological gambling (the most severe category) has increased significantly. This suggests that problem gamblers in North Dakota are experiencing more severe problems and may be in greater need of services. Problem gamblers in North Dakota in 2000 are significantly more likely than those in 1992 to be male, to be Native American and to be widowed. Problem gamblers in North Dakota in 2000 are significantly less likely than those in 1992 to be married.

Directions for the Future

The impacts of gambling-related problems can be high, not only for individuals but for families and communities. Pathological gamblers experience physical and psychological stress and exhibit substantial rates of depression, alcohol and drug dependence and suicidal ideation. The families of pathological gamblers experience physical and psychological abuse as well as harassment and threats from bill collectors and creditors. Other significant impacts include costs to employers, creditors, insurance companies, social service agencies and the civil and criminal justice systems (Lesieur, 1998).

How Many To Plan For?

One important purpose of a prevalence survey is to identify the number of individuals in a jurisdiction who may need treatment services for gambling-related difficulties at a given point in time. Experience in many jurisdictions suggests that not all of the individuals in need of treatment for a physical or psychological problem will seek out such treatment. From a policy perspective, the question is: How many individuals should we plan to provide for?

Recently, research indicating that approximately 3% of individuals with severe alcohol-related difficulties actually seek treatment in any one year (Smith, 1993) was successfully replicated in predicting the number of problem gamblers who would seek treatment in two Australian states (Dickerson, 1997). This approach was further tested in Oregon, one of only a few jurisdictions where treatment services for problem gamblers are widely available. The results of the prevalence survey in Oregon suggested that between 600 and 1400 individuals would seek treatment per year. In fact, the problem gambling treatment programs in Oregon have an average annual enrollment of 610 problem gamblers and family members per year (Volberg, 1997).

In calculating the number of problem and pathological gamblers who might seek treatment in North Dakota, we focus on the group of individuals who score as current probable pathological gamblers (e.g. the 4,300 to 9,000 individuals represented by the confidence interval around the point estimate for current probable pathological gambling in North Dakota). Based on this approach, we estimate that North Dakota should plan to provide problem gambling treatment services to between 130 and 270 individuals per year.

Recommendations

Given the increase in the prevalence of probable pathological gambling and the dearth of effective services for problem gamblers, there are several steps that state legislators and other concerned parties may wish to consider implementing in North Dakota. In making such decisions, consideration could be given to developing the following services and activities:

- working with *insurance companies* to obtain coverage for treatment services for individuals with gambling-related difficulties;

-
- refinement of *public education and prevention services* targeted toward particular at-risk groups (e.g. youth, Native Americans) as well as venues where problem gamblers are most likely to be found. These include tribal casinos and bars, taverns, restaurants and lounges where charitable gambling, such as pultabs and blackjack, takes place;
 - support of *industry policies and programs* to minimize gambling-related difficulties among patrons;^a
 - development of specific *government-industry initiatives* to address problem gambling issues in North Dakota;
 - expanding *training opportunities* to educate more mental health, alcohol and substance abuse treatment professionals in how to screen for gambling problems and pathology as well as when and where to refer such individuals for appropriate treatment;
 - establishment of a *gambling counselor certification program* to ensure that individuals seeking help for gambling-related difficulties receive appropriate and effective services;
 - an *increase* in funding to support education, prevention and treatment of problem gambling through the Department of Human Services;
 - *evaluation* of existing services as well as those established in the future; and
 - continued *monitoring* of gambling and problem gambling prevalence to assess the impacts of legal gambling on the residents of North Dakota.

^a In Washington State, for example, an industry working group, representing all of the different types of gambling available in the state, meets on a quarterly basis to address problem gambling issues.

Take the "Right Choice" for a gambling add Make the "Right Choice" for a gambling addiction...

Gamblers Choice, a program of Lutheran Social Services of North Dakota, offers individual, group, and educational programming for problem gamblers and/or their families. Counseling services offered on a sliding fee scale for gamblers and on a "No Charge" basis for family members.

A clearinghouse of educational materials for loan is accessible and includes both books and videos. For a listing of available materials, please call the number below in your area.

Please access the help that is available to you...whether in need of counseling, education, or a need to be routed in the right direction...

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Grand Forks (701) 772-7577

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A Treatment Program for Problem Gamblers and Their Families

of Lutheran Social Services
of North Dakota

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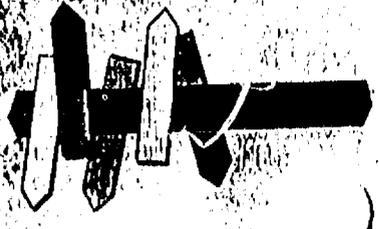
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affects the gambler and
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financially.

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