

MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION
SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

1238

2001 HOUSE NATURAL RESOURCES

HB 1238

1999 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1238

House Natural Resources Committee

Conference Committee

Hearing Date January 25, 2001

Tape Number	Side A	Side B	Meter #
1		X	1805 to 3042
3	X		2315 to 2452
Committee Clerk Signature			

Minutes:

Chairman Earl Rennerfeldt, Vice Chair Jon O. Nelson, Rep. Brekke, Rep. DeKrey, Rep. Droydal, Rep. Galvin, Rep. Keiser, Rep. Klein, Rep. Nottestad, Rep. Porter, Rep. Weiler, Rep. Hanson, Rep. Kelsh, Rep. Solberg, Rep. Winrich,

Chairman Rennerfeldt: I would like to open the hearing on HB 1238. Is there anyone here to speak in favor of HB 1238.

Rep. Nottestad: HB 1238 finishes what we started 3 or 4 years ago relating to purchase of out of state hunting and fishing licenses by out of state vendors. The original bill prohibited the sale of both hunting and fishing to be sold in the state, it was amended pertaining to fishing and that was permitted to be sold out of state, next to state line in rural areas. Since that time, Game and Fish has put in Internet or 1-800 service. This is being done at the time the bill was being written, but it wasn't available that spring. The request for the change in this bill comes from the local

business men in Grand Forks and the Devils Lake area. The reasons why the bill was drawn up was because we tried with the Legislative Council and Game and Fish to cover all bases. We tried to figure out a way to do it without legislation, but there were too many loopholes. There is one provision, that shows that the commission of Game and Fish only appoints out of state vendors. We have large bodies of water on the Missouri from the Montana line to the South Dakota line. If there was a fishing tournament sponsored in either state near the line, for that purpose the commissioner could put a vendor in that area that would be answerable to him not to the county auditor so there would be control of that. I urge the passage of this bill for a number of reasons, it would increase state revenue. The audited businesses selling out of state fishing licenses and the Devils Lake Fishery, advertise come on in and pick up your bait, your clothing and the like. As a little side light in Minnesota you don't have to pay sales tax on clothing. This would up our sales tax if sold here. It would level the playing field. You cannot buy a Minnesota out of state fishing license in ND. It will also help ND Game and Fish, right now every minnow brought into the state purchased out of state cannot be monitored. This wouldn't stop it, but it would slow it down. There is concern about bait being brought into ND.

Chairman Rennerfeldt: Any questions? Anyone else here to speak in favor of HB 1238?

Dale Merkel - Manager of Scheels Sporting Goods: I have three quick points. As a vendor of licenses, I can tell you that customers that come into buy licenses, don't just stop there. I don't have any hard percentages, but I would say 80-90% buy something else also. I feel as a vendor if we allow our fishing licenses to be sold in other places, we are throwing tax dollars out the window. No only are we doing that, we are taking money right out of the businesses in ND that we are trying so hard to build. I think those two points alone are worth passing this. I don't think

by selling them in another state that we are going to sell more licenses, those people coming to ND are coming anyway. They can buy them anywhere in ND and across the Internet.

Rep. Droydal: I have no problem with this bill at all. In fact you can buy them over the Internet anywhere in country now, so it's kind of a mute point, isn't it?

Merkel: I was just restating that I don't think we need to be able to sell them in out of state places now. That was my point.

Chairman Rennerfeldt: Anyone else here?

Paul Schadewald - ND Game and Fish: This bill will accomplish exactly what the sponsor want it to accomplish. In the past we have had some problems with county auditors in the western part of the state. The county auditors appoint the vendors. In some areas we have problems with no places to buy these license, so we have the county auditors that do have some agents across the line, but with this bill we will be able to work with county auditors and still have those agents but only in situations where there is no other business around to handle the license. We are supportive of this approach.

Rep. Keiser: Can you explain to me what is managed by the County Agents by having the authority to appoint these licenses?

Schadewald: The authority who handles it gets a commission from the fee or license. They get a cut of the license.

Rep. Keiser: Has the Game and Fish Department ever thought that they might like to retain that kind of fee?

Schadewald: We found that some of the county auditors wanted to handle it and some didn't. The Game and Fish liked having a local representative that know the local businesses and can

determine which ones are reliable enough to handle the licenses. They do handle 10's of thousands of dollars. They like the local contact.

Chairman Rennerfeldt: Any more questions of the committee? Anyone else here to speak in favor of HB 1238? Any opposition to HB 1238.

Mike Donahue - NDWF & NDUS: The Federation is neutral on this bill, but the United Sportsmen are opposed to it. (See written testimony).

Chairman Rennerfeldt: Thank you, anyone else opposed to this bill? I will close the hearing on HB 1238.

COMMITTEE WORK

Rep. Droydal: I move a Do Pass on HB 1238.

Rep. DeKrey: I second.

Chairman Rennerfeldt: Any further discussion? Call the roll.

MOVE A DO PASS

YES 15 NO 0

Carried by Rep. Brekke

FISCAL NOTE
 Requested by Legislative Council
 01/15/2001

Bill/Resolution No.: HB 1238

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						
Appropriations						

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.*

No fiscal impact from this bill.

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.*

No fiscal impact.

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.*

None.

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.*

None

Name:	Paul Schadewald	Agency:	ND Game and Fish Department
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Phone Number: 328-6328

Date Prepared: 01/15/2001

Date: 1-25-01
Roll Call Vote #: ~~123~~ #1

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1238

House Natural Resources Committee

Subcommittee on _____
or
 Conference Committee

Legislative Council Amendment Number _____

Action Taken DO PASS

Motion Made By Drovdal Seconded By DeKrey

Representatives	Yes	No	Representatives	Yes	No
Earl Rennerfeldt - Chairman	X		Lyle Hanson	X	
Jon O. Nelson - Vice Chairman	X		Scot Kelsh	X	
Curtis E. Brekke	X		Lonnie B. Winrich	X	
Duane DeKrey	X		Dorvan Solberg	X	
David Drovdal	X				
Pat Galvin	X				
George Keiser	X				
Frank Klein	X				
Darrell D. Nottestad	X				
Todd Porter	X				
Dave Weiler	X				

Total (Yes) 15 No 0

Absent _____

Floor Assignment Rep. Brekke

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

REPORT OF STANDING COMMITTEE (410)
January 25, 2001 4:10 p.m.

Module No: HR-13-1666
Carrier: Brekke
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

HB 1238: Natural Resources Committee (Rep. Rennerfeldt, Chairman) recommends DO PASS (15 YEAS, 0 NAYS, ABSENT AND NOT VOTING). HB 1238 was placed on the Eleventh order on the calendar.

2001 SENATE NATURAL RESOURCES

HB 1238

2001 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1238

Senate Natural Resources Committee

Conference Committee

Hearing Date 3-2-01

Tape Number	Side A	Side B	Meter #
	X		6.6 - 23.5
3-8-01	X		4.6 - 9.8
Committee Clerk Signature <i>Jant James</i>			

Minutes:

SENATOR FISCHER opened the hearing on HB 1238.

REPRESENTATIVE DARRELL NOTTESTAD of District 43, cosponsor introduced HB 1238, A BILL RELATING TO USE OF OUT-OF-STATE VENDORS BY COUNTY AUDITORS TO SELL FISHING LICENSES AND APPOINTMENTS OF AGENTS TO SELL GAME AND FISH LICENSES. He testified that HB 1238 finishes what was started several years ago, pertaining to the sale of hunting and fishing licenses by out of state vendors. The original bill at that time prohibited the sale of licenses out of the state, but fishing was amended out because of fishing areas close to state borders. This was prior to Internet sales and the 800 number of the Game & Fish Department. Since that time the sale of licenses has greatly changed. The request of the bill came from a retailer in Grand Forks. The bill was written up with input from the Game & Fish Department and the Legislative Council. The passage of HB 1238 will increase tax revenue for North Dakota, it will support North Dakota businesses and support North Dakota

tourism. It will also help put a handle on buying out-of-state bait. He is also aware of an amendment that will be submitted later in testimony.

DON DESCHER of Grand Forks and a Scheel's Sporting Goods Store employee, testified in support of HB 1238. He commented that of course the tax revenue is the # 1 issue and would rather see sales of products stay in North Dakota.

SCOTT WAGNER, a Cass County Commissioner testified in support of HB 1238 (See attached testimony). He also proposed amendments to HB 1238 that would give the county auditor the authority to appoint agents to sell licenses.

PAUL SHADEWELL, chief of administrative services division of the State Game & Fish Department testified in support of HB 1238. He explained that the amendment would continue the compliance with the how the state money should flow concerning handling fees within license fees. There are now five counties that have agreements where the county auditors have agreements with the county commissioners, that the county staff will handle the sell of licenses and the commissions that the county auditor would usually get will go to the county. Some go directly to the auditor and this would be a good transition. County governments are changing on how things are done and more counties will be making these kinds of agreements.

SENATOR FREBORG asked that in these agreements the county auditor is not obligated to enter into an agreement with the county commissioners.

PAUL SHADEWELL confirmed and under current law the money goes to the county auditor and that they would have to be willing to make these agreements. It would be up to the auditor and the county commission to make the agreements.

SENATOR FREBORG wanted to clarify that even if the amendment is adopted the authority is still with the county auditor and there is no reason the auditor would have to sign an agreement.

SCOTT SHADEWELL confirmed the question.

There was no neutral or opposing testimony of HB 1238.

SENATOR FISCHER closed the hearing on HB 1238.

MARCH 8, 2001

SENATOR FISCHER opened discussion on HB 1238.

He reviewed the bill and the amendments that were proposed by Scott Wagner of the Cass County Commissioners. The compensation fees from hunting licenses sold would go to the counties instead of the auditors.

SENATOR CHRISTMANN made a motion to adopt the amendments that were proposed by Scott Wagner.

SENATOR EVERY second the motion.

SENATOR FISCHER called for a roll vote # 1 of HB 1238. The vote indicated 7 YAYS,
7 NAYS AND 0 ABSENT OR NOT VOTING.

SENATOR FREBORG made a motion for a "DO PASS as AMENDED" of HB 1238.

SENATOR CHRISTMANN second the motion.

SENATOR FISCHER called for a roll vote # 2 of HB 1238. The vote indicated 7 YAYS,
0 NAYS, AND 0 ABSENT OR NOT VOTING.

SENATOR FISCHER will carry HB 1238.

