

MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION

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ROLL NUMBER

DESCRIPTION

1306

2001 HOUSE JUDICIARY

HB 1306

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HIB 1306

House Judiciary Committee

Conference Committee

Hearing Date 02-05-01

Tape Number	Side A	Side B	Meter #
TAPE 1	x		3393 to 6255
TAPE 1		x	01 to 4267
Committee Clerk Signature <i>Joan Diers</i>			

Minutes: Chairman DeKrey opened the hearing on HIB 1306. Relating to the limit on wagers in the game twenty-one under the games of chance laws.

Todd Kranda: Charitable Gaming Association of North Dakota. Rep Reaner and Rep Hawken spoke on the previous bill HIB 1305 as sponsors of HIB 1306. Introduced the amendments with a handout. He refers to the colored handout from the previous bill. The amendments deal with the rent issue allowing the increase of the table rent.

Rep Klemin: Can you tell me, why the decrease in gaming in North Dakota?

Keith Lauer: I don't think there is less gambling in North Dakota, the weekly gamblers were gambling less then before, that doesn't mean that the total number is less.

Rep Klemin: Are the Indian casino's drawing more people away?

Keith Lauer: There certainly is a drop in the charitable gaming, it show that.

Rep Klemin: All it shows is that there is a drop in revenue.

Keith Lauer: If you walk in any casino you will see that, it is public information.

Rep Klemin: There is evidence of the decrease, we just can't see it.

Keith Lauer: Exactly.

Rep Maragos: I didn't see the gaming report, of the 5,000 what per cent had gained?

Keith Lauer: I will have to go back to the report for the numbers.

Rep Maragos: What per cent have never gambled?

Keith Lauer: I'm sure there is, I believe 19%.

Rep Onstad: What percent is addiction is directly related to Indian Casino and what to charitable gaming.

Chairman DeKrey: I can get the committee a copy of the report. He gives information from the report. The problem is identified as male and native American and in those counties closest to the reservations.

Rep Onstad: They are contributing a small portion back to the gambling addiction problem, are they contributing back to the state in direct portion as to whose causing the problem.

Todd Kranda: The compacts now are negotiating that involved some funding for treatment, but I am not familiar with that.

Rep Delmore: When you renegotiating with the compacts, did you have an expansion.

Todd Kranda: I don't know the increase in the different types of games, SEGAN was there maybe they can answer that.

Rick Stenseth: The last compact doubled all the numbers for the Indian Casinos.

Keith Lauer: They added crap, roulette and poker, plus some new games, also and increase in electronic games.

Rep Delmore: In light of this information, we have to take into consideration of what you are asking, and portion of what was given.

Todd Kranda: Please do. We think it would be appropriate.

Rep Klemin: Do you know about the \$85,000.00 a year given to the Mental Health and what they are doing with it, anything else?

Todd Kranda: I don't know that answer.

Rep Klemin: It doesn't sound that they are doing much.

Rep Disrud: Have the psychologists been involved in these studies, the addictive studies?

Todd Kranda: I am not sure who is involved.

Rick Stenseth: In reference to the study, the pathological gamblers are most likely to use other substance abuses and they are also more likely to be compulsive in other areas.

Rep Gunter: Could you explain the chart.

Rick Stenseth: He explains the chart that Chuck Keller handed out.

TAPE II SIDE A

Rick Stenseth continues his testimony on the chart. He gave the reasons why the dollar amount was picked.

Rep Disrud: When was the \$25.00 chip implanted?

Rick Stenseth: I don't know when the paddle wheel statute was enacted.

Rep Disrud: Has there been more gambling problems as a result?

Rick Stenseth: I don't know the impact.

Chairman DeKrey: If there are no further questions, thank you for appearing.

Riek Stenseth: We are dealing with the facts, they are in the study, and make them available so that you can study them.

Bill Shalhoob: representing the Hospitality Association spoke in support of HB 1306.

Chairman DeKrey: We will continue with those who are in favor of HB 1306.

Gary Fonya: Greater Grand Forks Visitors Bureau, spoke in support of HB 1306. His reasons for the decline 1) economy 2) lack of Canadian visitors 3) proliferation of other gaming opportunities and 4) loss of population. We know from word of mouth that people are going to the native American casinos. His reasons for support of this bill 1) people will be staying with local gaming instead of driving distances, 2) value of the dollar 3) expenses exceed what the charities make now and 4) tourism.

Rep Disrud: Is there a limit at the casino.

Gary Fonya: \$60.00 on craps and higher than that at black jack, two tables of \$250.00

Rep Klemin: I do remember the reason for higher limits at the Indian Casinos and now we want higher limits want higher limits, aren't we just going in a circle?

Gary Fonya: I can't speak to that.

Rep Klemin: If you reduce your expense, are you thinking of cutting back on the number of tables to reduce your expenses?

Gary Fonya: Our expenses are as low as they can get. Rep Delmore: Can you see any reasons why the Indian casinos are as far ahead?

Gary Fonya: No.

Chairman DeKrey: Do you have any fears, that we have two class of gamblers. Those that like to casino and those that like charitable gambling.

Gary Ponya: There are always fears in this business, but I feel that most people will not pay any attention.

Chairman DeKrey: Are there any further questions, if not thank you for appearing.

Joseph Dirk: from the Moose organization, spoke in support of HB 1306.

Vickie Wagner: from the Bismarek VFW, spoke in support of HB 1306

Rep Maragos: Is there anything that will preserve the right for the veterans to stay that low.

Vickie Wagner: I don't see that it will change.

Chairman DeKrey: Vice Chr Kretschmar has pointed out to me that it is in the law to \$1.00 the bet. We will move to the opposition.

Governor Link:Chairman of the North Dakota Council on Gambling Problems (see attached testimony)

Chairman DeKrey: Just a note, when they purposed and approved the first gambling compact, the Legislature had no input, so we changed the law accordingly.

Governor Link: Wasn't that a nice day.

Chairman DeKrey: There is frustration from the legislature too.

Rep Disrud: What has been done to train the people at the tables to identify the people with gaming problems?

Governor Link: I don't know.

Rep Disrud: Anything on gambling addiction?

Governor Link: I can't answer.

Rep Maragos: You brought up suicide, are you aware of any increase since we have had charity gaming?

Governor Link: It is recognized as an end result, but I have no numbers, no.

Rep Maragos: I understand the concern.

Governor Link: I don't know if there is a connection.

Chairman DeKrey: No further questions, thank you for appearing.

Warren DeKrey: Spoke in opposition to HB 1306. He has appeared many times to oppose this bill.

Rep Klemin: When you were at the hearing, was the charitable gaming people there?

Warren DeKrey: I am not sure, I can't answer.

Chairman DeKrey: If there are no further questions, thank you for appearing.

Warren Wenzel: United Methodist Pastor, Fairmount ND, spoke in opposition to HB 1306.

Rep Maragos: Can you tell us why Governor Schafer allowed the gaming compact to raise the limit?

Warren Wenzel: It was a puzzle to me. He was surrounded by high pressure people to accomplish the higher limits.

Rep Maragos: What about our arm twisters?

Warren Wenzel: The way I see it, but I don't see a lot of other people that have an economic self interest to get their point across as others do.

Rep Disrud: Asks about the church and there part in the gambling issue.

Warren Wenzel: The United Methodist, ELCA and Presbyterian Church have material to reach out to those people and we have counseling. Part of our church involvement is that we are testifying here today.

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House Judiciary Committee

Bill/Resolution Number HB 1306

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Chairman DeKrey: If there are no further questions, thank you for appearing. If there is no further testimony, we will close the hearing on HB 1306.

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. Hb 1306a

House Judiciary Committee

Conference Committee

Hearing Date 02-12-01

Tape Number	Side A	Side B	Meter #
TAPE 1	X		1028 to 1840
Committee Clerk Signature <i>Joan Diers</i>			

Minutes: Chairman DeKrey called the committee to order on HB 1306.

Rep Delmore: I have some amendments. It adds the money for the rent. Rep Grande seconded the amendments.

DISCUSSION

Chuck Keller, Todd Kranda were asked questions to explain some of the reasons of the amendments.

DISCUSSION CONTINUES

Chairman DeKrey called for a voice vote on the amendments. Motion carries. What are the wishes of the committee? Rep Maragos moved a DO PASS as amend. Rep Delmore second.

DISCUSSION

Chairman DeKrey, the clerk will call the roll on a DO PASS as amend. The motion passes with 10 YES, 5 NO and 0 ABSENT. Carrier Rep Maragos.

FISCAL NOTE
 Requested by Legislative Council
 02/20/2001

Bill/Resolution No.:

Amendment to: HB 1306

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	\$0	\$0	\$42,000	\$0	\$67,000	\$0
Expenditures	\$0	\$0	\$0	\$0	\$0	\$0
Appropriations	\$0	\$0	\$0	\$0	\$0	\$0

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
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

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

The bill would increase the maximum limit of a wager for the game of twenty-one from the present five dollars, to "twenty-five" dollars.

The bill would allow an organization to pay the owner of a gaming site up to an additional one hundred dollars of rent per month for each twenty-one table on which wagers exceeding five dollars are accepted.

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.*

The bill would raise general fund revenue because the gaming tax would be applied to the adjusted gross proceeds (gross proceeds less prizes) that is forecast for the increased activity of the game of twenty-one.

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.*

Not applicable

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.*

Not applicable

Name:	Charles Keller/Kathy Roll	Agency:	Office of Attorney General
Phone Number:	328-4482	Date Prepared:	02/21/2001

FISCAL NOTE

Requested by Legislative Council

01/17/2001

Bill/Resolution No.: HB 1306

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	\$0	\$0	\$42,000	\$0	\$67,000	\$0
Expenditures	\$0	\$0	\$0	\$0	\$0	\$0
Appropriations	\$0	\$0	\$0	\$0	\$0	\$0

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
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

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

The bill would increase the maximum limit of a wager for the game of twenty-one from five dollars, to twenty-five dollars.

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.*

The bill would increase General Fund revenues since the increase in adjusted gross proceeds (gross proceeds less prizes) forecast for the game of twenty-one would be subject to the gaming tax.

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.*

Not applicable

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.*

Not applicable

Name:	Charles Keller/Kathy Roll	Agency:	Office of Attorney General
Phone Number:	328-4482	Date Prepared:	01/29/2001

