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2005 HOUSE CONSTITUTIONAL REVISION

HCR 3035

2005 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HCR3035

Constitutional Revision

Conference Committee

Hearing Date 2-23-05

Tape Number	Side A	Side B	Meter #
1	X		1---- End
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Committee Clerk Signature <i>Miane Dean</i>			

Minutes:

Chairman Koppelman: (Tape 1, Side A, beginning) opened the hearing on HCR3035.

Rep Kasper: (1.0) introduced HCR3035. The resolution is very simple; it is a companion resolution to HB1509, which we passed last week in the ND House. L. 21-24 state that the Legislative Assembly shall authorize the establishment of Internet live poker establishments. The Internet live poker establishments must be located in the state & licensed & regulated by the state. (We might want to work on the language for clarification.) The intent of the bill is to set up a business opportunity whereby the Internet poker sites that are located throughout the world right now, none of which are in the US, would locate to ND, bring their jobs, be licensed & regulated by the Attorney General in the State of ND. Currently there's approximately 2,000 Internet poker sites world wide; the United Kingdom & Australia (the nations) have set up regulations to license & authorize these poker sites, so there are some located there, but the vast majority of poker sites are off shore, where there is little licensing & no powerful regulation &

oversight to speak of. I view this resolution & the outcome of the bills as an economic development & job opportunity bills for the State of ND. What we are actually licensing are the Internet service providers, which provide the Internet capability to play the Internet poker, which I'll give a demonstration of. The poker sites need huge computerization & broad band width capabilities. They hire technicians who are computer experts who program & reprogram the contents of their Internet poker games to keep up to date & continually improve the capabilities of those games. (3.0) Over the weekend I talked with the president of Paradise Poker, who is located in London, they're the 3rd largest poker Internet site in the world. When I asked him what the typical number of jobs that would come to ND, he said for the larger sites (like theirs & others) you'd be dealing with 25-35 employees per site. They'd be high tech jobs that would have degrees in computer programing, they'd be executive & marketing type of jobs. Obviously, some of these individuals with these sites would come from out of state, so we'd bring new population to our state. Many of the jobs could be hired from our state, one of the areas that they would certainly be looking to hire ND citizens for is in the area of customer service. These poker sites have 24/7 customer service 800 numbers for people who are the sites to call in. Sometimes they get disconnected, sometimes they have a problem with a connection, etc. These customer service jobs could be located anywhere in the state of ND; what an opportunity for small rural towns in our state, to have well pd customer service jobs. These are not telemarketing jobs where they're calling out, they're customer service jobs where people are calling in to them to help them solve computer problems. We could help reinforce the need for jobs in rural ND. Another area of spin off for job creation in our state is in the area of the broad band needs. These poker sites need huge capabilities for high speed Internet connections & we have, all over our state, companies

that provide those services, so they would be able to hook up to these companies & provide revenue. One of the companies I spoke with said they spend over \$13,000 per month in Internet service fees alone. So there again another opportunity to expand the businesses that are providing those services in ND & keep those jobs here.

Rep Kasper gave a demonstration on line. (4.2) These Internet sites are actual live time; when you go to one of these sites, you're playing with players all around the world on actual live time as we speak. What I will demonstrate (on the demonstration software through the computer) is a web site called "partypoker.com", the largest web site in the world; it's estimated that they will gross over a billion dollars of revenue this yr alone. Later on in the afternoon or evening, I've seen the number of tables up to 9,000; I've seen players in the 60-70,000 range. (8.9) You can play any amount of money you want or use play money. When you use play money (many people do) you can accumulate chips & win prizes, then they sponsor a tournament where you're all playing for free money & it's a competition as it would be at your kitchen table. (10.9) There's been some suggestions in the newspapers that this is just like horse racing; I suggest this could not be further from the truth. When you go to the horse races, you're betting on whether or not a horse is going to win, place or show; you have no control over the horse or jockey; you don't know whether the horse has been doped or the jockey pd off ... here, you're making a decision every time the cards come up, whether or not you're going to risk any of your chips.

(demonstration complete) ND would be the first state to be regulated or license the site & "the early bird gets the worm". The reason they want these sites regulated is, when they're off shore, a player like any one of us, the first thing we think of is, "Is that computer program fair & honest, or do they have somebody playing for the house & are they fixing the game & stealing my

money?" The industry doesn't wish to steal anybody's money, because every time somebody plays, they take a little out of the pot, so they make their money whether you win or you lose, but there's the uncertainty of the players that there is something going on. They welcome & relish the regulation & the oversight of the game. (10.9) The players welcome & relish it, because you want to be assured, if you are playing for real dollars, that the game is honest. They have asked for the last few yrs, for a state to step forward & license & regulate them. I became aware of this game when I saw a CPA from Tennessee win the 2003 world series of poker & saw the reruns on TV. He actually qualified for the buy into the tournament (a \$10,000 buy in) in Las Vegas, by getting on the Internet, risked \$40.00 & won his way into the tournament & he won \$2.5 million dollars. Obviously, that doesn't happen everyday, but he happened to do that & I thought, "That looks interesting". So we have a lake home in Minnesota & I went over there & they had a poker table just like this & I sat down & played the game & got interested. I ordered a card player magazine, that is the guru magazine for the industry & in the industry they started talking about the fact that no state had stepped forward to license & regulate the industry. That's where the genesis for HB1509 & HCR3035 came from. I began talking to some of the people that are in the industry & I'll share with you what's going to happen in the future in the next couple of weeks. There's a concern by some about not regulating this game properly; in talking with industry representatives from all over the world in the last couple of weeks, there are software packages right now, that will overlay on that Internet site ... they will monitor every activity that will go on, every bet & payment made & all the people playing & betting. They also can monitor that no under age people can play the game, which was another concern. They also have timing devices, so to addresss the concern about problem gambling (if someone plays too long, that

they're going to lose all their money) they will monitor how much money people are putting in & the time line they're playing. If there's a certain amount of time that a person has been playing the game continuously. they will actually cut them off & stop them from playing to prohibit them from getting them into a problem. The money laundering is a problem & visiting over the weekend with a number of the people who will be coming here in the next couple of weeks, we have a wonderful entity in the State of ND called the Bank of ND. It's owned by the State of ND; the fit between the regulation by the Attorney General's office & the Bank of ND, where the money could be required to be deposited, can absolutely prevent any money laundering whatsoever, because the software that would monitor the games would be able to track everything & the Bank of ND would have access to all the records. In my discussion with them, they said this is a wonderful key that ND has no other state has, which makes it more attractive for the industry to want to come to our state. The industry & the players are becoming professional. I was thinking about the PGA (Professional Golf Assoc) where they register for their golf tournament, they pay money & they win money. The professional poker tour is a professional organization; they register for these tournaments, they pay & they can win money. The industry is being professionalized worldwide; there's a world poker tour, there's international tournaments & there's tournaments all over the US. In 2 weeks when HB1509 (companion to HCR3035) will be heard on the Senate side; there will be industry representatives coming to ND to talk about the ramifications of us passing this bill & the people of ND passing the amendment to the constitution. The names & their backgrounds of some of the people that will be here are as follows: Frank Catania (former Assistant Attorney General of NJ was the head of the AG's dept that regulated the gaming industry in NJ from 1994-1999), Patrick O'brien

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(Ft Lauderdale, Fl, former 25 yr special agent with the US Customs Service where he served as a special agent in charge of South Fl & the Caribbean & Assistant Regional Commissioner in NY, where his primary responsibilities involved combating money laundering, drug smuggling & illegal exports of arms & technology), Nygell Payne (Group Chief Exec from Sporting Vet PLC in London). I've been visiting with these folks & they're the owners of Paradise Poker (the 3rd largest in the world). Nygell has testified before the British House of Lords & Commons on the UK gambling bill, the European Union in Brussels & in the past 30 days, which was interesting, he was in Washington, DC meeting with over 30 Chiefs of Staffs of US Senators, including Senator Dorgan's staff, regarding poker regulation in the US. Barry Schulman (Editor of Card Player Magazine, the largest poker magazine in business over the 18 yrs & promoter of regulation of Internet poker industry). Sue Schneider (CEO of Gaming News, her company arranges the national & international congregate conventions & events for the poker industry), Mike Sexton (the host of world poker tour, the hugely successful TV program featuring Texas Hold'em, played by professionals, also on the board of directors of Party Poker, the site we just looked at). Allen Jaffray Schulman (from Los Angeles, an Atty with expertise in federal laws as it pertains to poker). All of those, plus more; there will be professional poker players coming to ND. We have a 3 day schedule; they'll be arriving in Bismarck on Sunday, March 13th. March 14th, will be a day at the Capitol, where they will meet & greet the legislatures. Senators & House Members have a press conference at 11:00AM, meet with the Governor & the Attorney General's staff, then that evening there will be a big social event at the Civic Center, where we will have a presentation by the people on the stage. We're involving the Commerce Department of ND, we're asking the GNDA to be involved & to bring in business leaders from around the

state, so they can meet these folks. We're going to set up some Texas Hold'em Tables & use chips as you saw here, where anyone in audience who wishes to volunteer to play in the game will be able to do so. On Tuesday morning, the members will be testifying in front of the Senate Committee that will hear HB1509; they're excited about coming & I'm excited that they're coming. What is the potential economic impact to the State of ND if HB1509 becomes law & the people of our state approve a constitutional amendment? As I've stated, they're 1800 -2000 poker sites world wide. If 200 of these sites came to ND & I was talking to these people from around the world, they indicated to me time after time that "Jim, you have no idea what the impact to ND is going to be if you pass this legislation because of the job opportunity & the wealth that could come to our state. If we regulate those 200 sites & the key is, we will also be licensing the players at a \$10.00 license fee, there's estimated 300 million poker players world wide & my bill would allow for licensing of anybody in the world, it would not restrict obviously to ND. (20.3) I've thrown out a number, \$500 Million dollars of revenue per yr to the State of ND & as I've talked with these folks over the last week, since we've passed HB1509, they've said "Jim, you could be very low, based on the dollar amount that could be to your state." I asked them, "If you come to ND & other states pass legislation, would you pack up & move?" & they said "Absolutely not! You're the 1st state, & you have the Bank of ND, which no other state does; if we come to ND, we're staying."

The companion bill calls for 60% of the revenue that is generated out of the regulation & licensing of these sites, to go to the property tax relief of all the people of the State of ND, so \$200, 300, 400, maybe \$50 Million, whatever the number is, 60% of those dollars are going to go to reduce people's property tax. As we all know, people in our state are very tired of their

property tax going up & this is a way for this legislature to allow property tax relief for people of our state. 20% will go to the Education Fund Trust Fund to reduce education funding & the last 20% will go the general fund. I did not want to (on this bill) give the legislature all this money so we could figure out how to spend it foolishly; I wanted the people of ND to benefit to the tune of at least 80% of those dollars.

My last point is, this is a constitutional amendment & would require the people of ND to voice their opinion. If we pass a HCR3035, & the senate does & the Governor signs it, all we're giving is the opportunity for the people of ND to say "Yes, we want this industry to come here." or "No, we do not." I suggest, that is the prudent & the wise thing for this committee to do & for the assembly (on both sides of the isle) is to give this to the vote of the people & let our people decide. I think that when they hear the whole story, & when you hear the story when the professionals come here in the next 2 wks, I think you're going to say, "You know what, this is a legitimate opportunity."

The last statement, Mr Chairman; is the bill calls the rules & regulations to be written by the Attorney General & participation with the legislative body. Any concerns any legislators have about how this could be a scam, how it could be wrong, how it could not work properly in the State of ND, can be addressed in the rules when they're written. That is my intent, the intent is not to extend gambling; I submit to you that the Internet is here to stay, whether we pass this legislation or not, it is not going away. The Internet poker industry is here to stay, whether we pass this legislation or not, these will continue to grow; the estimation is they're growing at 10% per month in volume. What we are allowing to do, if we pass this congruent resolution, is to bring that industry to the State of ND, to give us honest, fair regulation & licensing & help

protect the people that are young, so they won't play; help problem gamblers, if they do have a problem, to be regulated & to help them get help. I can't see, Mr Chairman & committee members, any reason that we wouldn't want to move forward with this bill. I'd be happy to answer any questions.

Chairman Koppelman: (23.0) Any questions?

Rep Klemin: On L. 14, there's a change that you didn't mention, I'm assuming you didn't make that change itself from shall to may. Do you know what the effect of doing that is?

Rep Kasper: No, I don't, that was drafted by Bonnie Richter, Legislative Council ... it might be a clean up measure, but we can ask her why.

Rep Klemin: Sometimes clean up measures come back to haunt you. Doing a clean up on the constitution is not so easy to change. Also, the L. 23, the establishments must be located in the state & I'd like to have you define what that really means.

Rep Kasper: The site itself & the employees must be here. If it would give the committee comfort, I would suggest that in the rules, we'd clarify that in the bill. I'd have no objections to any clarification that might be more distinct & specific to address any concerns.

Rep Klemin: (24.1) With the sites being located here (of course, the sites on the Internet basically, as a computer program) does that mean that the hardware, & all the people that it takes to operate that hardware & to develop & run your software, must all be physically present in ND?

Rep Kasper: Precisely, that is the intent of the bill, that is what the industry understands about the bill & that is what they'd desire to do if this passes.

Rep Klemin: You had said that one of the major parts of this would be the customer service, so you're saying that the intent is that they couldn't take the customer service part of it & moved it to India, as have been done in other cases. Is that what you're saying?

Rep Kasper: Absolutely, without a doubt.

Rep Klemin: There are huge broad band needs that you mentioned; ND has been developing this broad band system, but with using up so much of the available band width, how would that effect the available band width for other current users in ND, who are also trying to develop their business or for personal use?

Rep Kasper: I don't think we could even come close to using up the available space of the broad band in ND, there's huge amounts of excess capacity that we've got.

Rep Klemin: You also mentioned that no other state has done this, explain that.

Rep Kasper: (26.1) Maybe no other legislator has stepped forward with the same passion & zeal that I have. Some people don't understand what this is all about, they haven't taken the time to look, or haven't contacted the industry as I have. I really can't tell you why, all I can tell you is that nobody has.

Rep Klemin: I understood from somewhere that the both the Clinton administration & the Bush administration have taken a position that doing this inside the US would violate a federal law. I know that you got a letter from the Assistant Attorney General saying that it doesn't violate this part of the federal law. Is that correct, that the last 2 administrations had that view point?

Rep Kasper: Yes, the law you're referring to is called the Federal Liar Act, which was passed in 1961 to prohibit gambling on sporting events, such as: football, baseball or whatever it may be. That law was drafted to prohibit the potential money laundering & betting on those sporting

events. District Court & Federal Court have ruled specifically that the Federal Liar Act does not apply to the Internet poker establishments. I talked this over with the Attorney General & his staff; they agree, you have a copy of the letter. The attorneys that I've talked to around the country are very confident that if this were ever tried in court, the State of ND would prevail under our state constitution & our rights compared to the federal constitution. They're not very concerned.

Rep Klemin: (27.5) What effect would this have on charitable gaming & the 2nd part of that, in respect to charitable gaming, is why couldn't any charitable gaming organization do this now?

Rep Kasper: I don't believe they could do it now, because they're restricted in the charitable gaming that they can provide under the Constitution of ND, so this is a step beyond. As far as, could the charitable institutions develop their own web site? They could, this would be a way for charities to expand their opportunity to raise dollars for the people of ND & the charities through hosting their own poker web site; absolutely, as long as they abide by the rules set up by the Attorney General & are licensed & regulated by the Attorney General's office, they would be able to do so. Any entrepreneur in ND, for that example, if they wanted to locate their site here, would be able to establish a business like this. It's not prohibited to these companies that are already coming in; other companies could do so as well.

Rep Klemin: (28.5) We're putting in to amend the constitution here & we're doing it specifically for Internet live poker, which really doesn't seem like a constitutional kind of level or thing to be putting in there; but why did you limit it to that? Why not just allow any kind of gaming, which would encompass Internet live poker or any other casino establishment, why don't we just open it all wide up?

Rep Kasper: I believe that would be going too far; the intent of my bill is to narrowly focus on Internet poker alone, I did not wish to open the gaming laws in the State of ND. I want to license & regulate the Internet poker activity that's already going on, so my intent is not to expand that area; the casinos are doing their gaming & the charities have their gaming. I want to leave those things alone; we just want to welcome this industry to our state.

Rep Kretschmar: (29.7) I believe that change on L.14 is part of the Legislative Council's method or style.

Rep Conrad: (30.2) As I understand, the Internet companies are looking for a state to regulate them to expand their market, right?

Rep Kasper: They're looking for a state to regulate them so they will be able to say, on their web site, that we are licensed & regulated by the Attorney General of the State of ND. It adds credibility & safety to the players who play the game; that is their desire, no state to this point has stepped forward to say, "We will do that". We would be doing that through the Concurrent Resolution & HB1509.

Rep Conrad: So they expect that their customers will come back to them because they'll think it's reliable &; isn't that why they're doing it?

Rep Kasper: Any business is in business to expand their business, so their intent would be; we can say to the world, these 300 million & some poker players around the world, that if you play our site that is in ND, where the money is deposited in the Bank of ND, that is licensed & regulated by the Attorney General & our programs are looked at by the Attorney General; you can play with the assurance that you're playing a safe & honest game. That would give them a competitive advantage over sites that aren't located here & that's exactly what they're saying.

Once these sites start coming to ND, the market is going to demand that the ones that want to compete with them are going to come here too, so it will be opening the doors for them to come, which will expand the opportunity for good jobs in our state.

Rep Conrad: (31.9) As I understand it in the Internet world, we would be creating a virtual Las Vegas. ND would become a virtual Las Vegas, so you won't have take a plane to fly to Las Vegas, you can just log on & gamble.

Rep Kasper: I think you're going way beyond what this bill does. Las Vegas has numerous types of gaming, they have all types of slot machines, all kinds of live poker, all types of other gaming. Again, I might remind you, Rep Conrad, that this is going on right anyway, so the question is not whether this gambling on the Internet poker is going to continue, that's not the question, because the Internet is here to stay & those sites are here to stay. The question is; is the State of ND & the people of ND going to benefit from us licensing & regulating & locating them here? Are we going to make the games honest? I submit to you, Rep Conrad, that that is a much bigger issue, then the issue you're talking about.

Rep Conrad: (33.2) All I'm asking, is that the Internet creates a whole different way of looking at the world, it's a whole different way of looking at the world. We don't have to put a stamp on an envelope. It creates a virtual world, because we have no direct contact with each other, so I believe this will create a virtual Las Vegas; ND will become the Virtual Las Vegas. People will come here to do their gambling; they won't have to fly, they won't have to drive, but they will come here to do their gaming.

Rep Kasper: (33.7) No, they won't come here, they'll sit at their computer, in their home in Texas, Connecticut, Florida, New York, Pennsylvania, Brussels & New Zealand & play on the

Internet; they will not come to North Dakota. Why would they come to ND & spend the money, when they click on, just like I did there? We're not creating a traffic of gamblers, we're creating a web site that will be regulated by our state & the people of our state will benefit from the revenue, that's what we're creating.

Rep Meier: (34.3) Canada currently has this type of gaming, correct?

Rep Kasper: Yes, there's an Indian Reservation that hosts some of these sites, I think it's in British Columbia & I can't tell you how many, but I know there are some.

Rep Meier: Do you have any idea how much revenue is going into Canada right now with the gaming?

Rep Kasper: I believe they're located on an Indian Reservation & I think it's under Indian Reservation Gaming Laws, in the nation of Canada, that they're able to be there. When the people from the industry come a couple weeks, that would be answer to get from them, I really can't answer that.

Chairman Koppelman: (35.3) You mentioned earlier, a site that was hosted in London & as you know, I'm on the House Judiciary Committee also, which passed the bill (I've passed a copy of HB1509 to committee members to refer to) & I believe what we heard in the Judiciary Committee was that most of these sites are offshore & yet there are apparently some that are Canadian or British. How would ND hosting sites like this make people more confident then playing a game in London or British Columbia?

Rep Kasper: (36.7) I can't answer that, that's a good question for when the industry representatives come, particularly Nygell Payne who I spoke with, from London, a couple of days ago. All I can tell you is that he was most excited about coming to ND, so there must be

something about those laws in the UK; Australia has national laws also that allow for these web sites to hosted regularly. I'd have to defer you to the experts.

Chairman Koppelman: (36.7) If we to locate & regulate them here, & you eluded to the fact that with the Bank of ND & with money flowing, people would know exactly who's betting how much & to make sure that we avoid people getting into too much trouble gambling too much. If that's the case, I assume that you're also monitoring how much they win. Are there income tax implications to this & would that be a disincentive for some of these players that might be playing offshore & say "No one will know how much I make" & though it's illegal, it might be saying "I'm going to make all this money & not pay any taxes. If I have to come to ND to play to speak (so to speak) virtually, then I have to pay my taxes.

Rep Kasper: I don't know the answer the answer to that question either, I would imagine that those would be confidential records, not open to the Tax Commissioner of our state. They're meant to confidential to the bank that monitors the activity & the sites themselves & the Attorney General. If the rules were written that we wish to open those records to the tax dept, that would have to be something that would have to discussed. I haven't even thought of that.

Chairman Koppelman: Is there a mechanism to cap property taxes by a like amount, would local tax entities still be able tax the same amount?

Rep Kasper: HB1509 requires that the amount of dollars that the Political Subdivision receives must then have a lowering of the mill levy in the property tax, so the intent is, you lower the mill levy, if they're going to raise the tax up, they're going to have to face the people's wrath, so we're not trying to create lower it here & raise it there.

Chairman Koppelman: My final question, with the employees coming in (executives, computer specialists, marketing & customer service jobs) one of things that has raised some eyebrows, since the lottery has been implemented, is the amount of money that's spent advertising & marketing the lottery. That sort of flies in the face of what we were told had already happened, which was that all we are trying to do is make sure that people who already play the lottery don't go across the river in Mn to do it, but do it here in our state, where we can tax & regulate it, etc. (could be apples & oranges) If marketing is involved & all the benefits for the industry you're talking about would occur by this happening in ND, I'd assume there's going to be a big effort to market this & to say "Come & play live Internet poker, it's based in ND, it's regulated there, it's safe, etc & that marketing would be nation wide or even world wide. I suppose you could make an argument to say, a lot of ND people in our state might be enticed to do it, it's right in our state, why don't we do it. Do you foresee that happening?

Rep Kasper: There's a big difference between the lottery, which is sponsored by the State of ND, & the advertising dollars that are being spent by the State of ND, compared to private business marketing their own business. I would submit that, that's a corporate decision those sites & executives are going to make on their own. Remember this, the more they market worldwide, the more revenue that is generated to the sites, the more tax dollars the people of ND are going to get to reduce their property tax & fund education. I also submit, right now the people of ND are playing & can continue to play on the Internet, whether or not we pass this legislation. Again, I want to get back to that point, whether we do this or not, the Internet is here to stay & the Internet poker sites are here to stay & they're growing by 10% a month. The question is, is ND going to get in front of it, are we going to regulate it properly, are we going to

benefit from the revenue stream & can we put in safeguards to make sure that young people are not gambling & that problem gamblers are helped & stopped? That is the intent, & the industry wishes to help do that. In my discussions with them, they have 6 key points (41.7) that they believe the regulations should address, all of which I shared with you & they all came from them, not from me. When you meet these folks when they come here, I think you'll be impressed, these are not low life gambling types, these are business executives that have great credentials & great backgrounds & believe that it's time that a state stepped forward to step into the regulatory stream & license & regulate the industry; they're asking for it & they want it & they'll be here to show you that they do want ND to be the state that does it.

Rep Klemm: (42.4) A follow up to your question on the income tax, I'm not sure how this works, but it's my understanding that there's some federal laws that require certain withholding from winnings at the casinos now for winnings. Federal law says that the casino operator must withhold a certain amount for federal income tax & that sort of thing; wouldn't that also apply in this situation?

Rep Kasper: Obviously, we have to follow federal law, number 1. Number 2, we have to follow state law, so whatever the law requires, the rules that are written by the Attorney General, with the legislatures input & the committee input, that writes the rules & regulations, should address that.

Rep Klemm: The Attorney General can't write rules that work around existing federal or state law on withholding of gambling proceeds.

Rep Kasper: That's right, I thought that's what I said, that we should address that state & federal law & follow it.

Chairman Koppelman: Thank for you for your testimony. I would remind the committee & the people in the audience, you're welcome to testify, but we have gone over time, so please make sure you don't repeat information that's already been shared, limit your testimony to your support or opposition & any new information you might have. With that, continue testimony in support of HCR3035.

Rep Thoreson, District 44, Fargo: (44.2) appeared in support of HCR3035. I want commend the committee for the tough questions you've asked Rep Kasper; these are things that need to be brought up when the industry representatives get here. The thing we need to remember is, whether or not this legislation goes through, we have these people in our state, probably several hundred or thousand, who are right now doing this. The numbers that we saw on the screen awhile ago, out of those 27,000 people, I would venture to guess that were quite a few North Dakotans in that pool. By passing this legislation, we'll make sure that those people are regulated by our state. I trust my bank that I bank with, because they're regulated by the State of ND, I trust my insurance agent because he's regulated by the State of ND. In this case, while it's a very different industry, I would hope that we would place the toughest regulations possible on these companies since they're doing this. It's an emerging industry & something we don't know a lot about, but we're going to have the opportunity to ask tough questions of the people when they come here & I think by doing that & giving the people a choice with this resolution; they will make the ultimate decision & hopefully & we will all benefit from it. With that I would be happy to answer any questions.

