

MICROFILM DIVIDER

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



ROLL NUMBER

DESCRIPTION

12809

2007 HOUSE NATURAL RESOURCES

HB 1289

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. HB 1289

House Natural Resources Committee

Check here for Conference Committee

Hearing Date: January 19, 2007

Recorder Job Number: 1425

Committee Clerk Signature

Sorey Oensted

Minutes:

Chairman Porter opened the hearing on HB 1289.

Representative Dietrich came to the podium as a sponsor of HB 1289. See attached written testimony marked as Item #1.

Representative Solberg asked why the Minnesota/Wisconsin Chapter was named in this bill.

Representative Dietrich said that the auctions have been handled by them in the past. They have been raising the funds for this in the past. They do this on a cost share basis. I believe that 10% stays with the chapter for handling this and 90% comes back to the state of North Dakota for the bighorn sheep study and to further big horn sheep in the state of North Dakota.

Representative Hunskor asked if the total amount of money that Game and Fish would the amount of money retrieved from this raffle approach the amount that it has been.

Representative Dietrich said that Game and Fish was here at the hearing and ready to answer that question today.

Chairman Porter added that this had been addressed on the fiscal note that was with this bill.

Representative David Munson from District 10 came forward as a sponsor of this bill. He agrees with this bill and he thought this was a very good chance for a lot of ordinary people and hunters to have a chance at actually participating in this bighorn sheep hunt in this manner

instead of the auction where they go for thousands and thousands of dollars. He was not sure what the raffle tickets would sell for but he thought it would be in the range of most people's checkbook. He urged passage of this bill.

Mr. David Hill came forward to testify on HB 1289. See attached written testimony marked as Item #2.

Representative Hunskor asked that when you talk about this being an opportunity for the average hunter to participate, why do you say either raffle or auction. If the raffle is the way to go why isn't it just raffle?

Mr. Hill wanted to direct question to the Game and Fish.

Representative Solberg asked if the Minnesota-Wisconsin Chapter would be the ones to determine the price of the raffle, and if so, what would that price be?

Mr. Hill said he thought that the state of North Dakota would determine that price.

Representative Solberg asked if that figure had been suggested.

Mr. Hill indicated that not to his knowledge.

Representative Nottestad asked what type of format was planned in selling these raffles. Certainly you will go beyond North Dakota, Minnesota and Wisconsin. How do you see this being done?

Mr. Hill said they talked about doing internet sales for the raffle. There would be no limit on the tickets.

Representative Hanson said that he was a major sponsor when they put the auction in and he was a member of NAWS at that time. The reason they approved it then were to get money into the state of North Dakota to fund the sheep in western North Dakota. If we are taking in \$50,000, can we still fund our sheep and the biologist in North Dakota? Do you think we can take in \$50,000?

Mr. Hill said that he thought they could. You will have a much better chance of getting a license this way than if you had to pay \$50,000 for the license on an auction. He thinks it will give people a chance, nationally and internationally, to get this license.

Mr. Randy Krile from the North Dakota Game and Fish came forward in support of HB 1289. See attached testimony marked as Item #3.

Chairman Porter asked Mr. Krile if the North Dakota Attorney General had been involved in this discussion and is all the gaming laws alright.

Mr. Krile said the exact procedures for the raffle are still being worked on. They asked the Minnesota-Wisconsin Chapter if their state laws allowed the selling raffle tickets over their website and they insured us that they did. We will be visiting with our Attorney General's Office to make sure that is alright as well. The Game and Fish will not be selling raffle tickets over their website. There will be a hot link to the Minnesota website. There was a discussion about the ticket prices. The original concept was \$5.00 or \$10.00.

Representative Keiser said he understood the intent, but he did not think the bill was well crafted. He referenced line 10 where it says it will be issued by lottery. It goes on to say that the Governor may by proclamation make available, so either we are going to have two licenses, one that must be issued by lottery or the Governor may. The language does not sound right to him.

Mr. Krile said this language has been in place for a number of years. It allows the state of North Dakota to have a lottery for a certain number of licenses. The Governor, by proclamation, may allow one additional license to be used as an auction. Last year they had 6 licenses available. Five were issued by lottery and one was issued by auction. If you think the language is cumbersome, they could work on that.

Representative Keiser said he would be comfortable with that. This is an additional license that can be issued by a proclamation?

Mr. Krile said that was correct. For the past 21 years they have had this arrangement with the Minnesota-Wisconsin chapter. It started out as an agreement with the National organization, but there were strings attached as to how we could use the money. They did not allow us to do what we needed to do in this state. We moved to the Minnesota-Wisconsin chapter about 7 or 8 years ago.

Representative DeKrey asked why it was a raffle or an auction. Why don't we just make it a raffle?

Mr. Krile said that if the raffle doesn't work out, they can always go to the auction. The department needs to raise the money to fund the sheep in western North Dakota.

Representative DeKrey asked if they hoped to get \$50,000 on the auction.

Mr. Krile said they hope so. When they started dealing with this last summer, they heard from members that it was time to make this change. Those people met and went through the foundations board of directors in Minneapolis. They endorsed this concept. They based the decision to forward with the raffle based on what they had seen in other states. Oregon is one state that exceeded their auction revenue with a raffle.

Representative Hanson asked about the wording on several lines as a "national lottery". Do we have to change this to a state lottery?

Mr. Krile said that part of the bill relates to that part of the state lottery for those licenses not include the auction license.

Representative Hanson asked that if we do not raise enough money through the sale of tickets, would you recommend going back to the auction.

Mr. Krile said if the funds were significantly reduced from what they were with the auction, they would seriously have to look at that.

Representative Hanson asked about the moose lottery. He said that they are running out of people to sell the tickets. Do you think we will get enough people to sell tickets?

Mr. Krile said he hoped so. He hopes that the website will prove to be helpful. At the current time about 40% of the deer licenses are obtained on the website.

Representative Keiser referred to line 23 and wanted to know why we would give this 10% revenue to this group. Why wouldn't we want to do the auction in-house?

Mr. Krile said that they do not run the auction. The Minnesota-Wisconsin chapter runs the auction. The state of North Dakota, through the Governor, simply provides the license. One of our representatives goes to the banquet and their auction for technical questions. As a state agency, we are not set up to run an auction.

Mr. Mike Donahue came forward representing the North Dakota Wildlife Federation. They support HB 1289 and recommend a do pass.

There was no further testimony in support of HB 1289.

Chairman Porter asked for testimony in opposition to HB 1289.

Mr. Dennis Daniel came forward saying he did not necessarily oppose this bill, but in several places it says raffle or auction. His idea would be to go to the raffle and stay with the raffle or go to the auction and stay with the auction. He does not like jumping back and forth.

According to the Game & Fish magazine 8,500 people in North Dakota applied for 5 licenses. He felt that any of those 8,500 people would have paid \$20.00 plus the \$3.00 to apply and that would be \$175,000. If you sold the tickets for \$10.00 you would have \$85,000. Every time that he sees that someone paid \$50,000 for the license, he knows there is no way he could

ever afford that license. He would like the chance through a raffle. If you want to give the average person a chance, then go to the raffle.

Mr. David Munch came forward in opposition to HB 1289. He said that he wanted the auction part thrown out. He wants it to be a raffle. The average man cannot afford the auction.

Everyone in the country deserves a chance at it. That tag should not be worth any more than a regular big game tag should cost. It can less, but it should never be more so that the average person can afford it. We are paying the guys 10% of whatever they take in and they should earn their money. If they can't do it, maybe we need to start our own organization to do this.

The hearing was closed on HB 1289.

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. HB 1289

House Natural Resources Committee

Check here for Conference Committee

Hearing Date: January 19, 2007

Recorder Job Number: 1426 (beginning at 1:25 on the tape)

Committee Clerk Signature

Shirley Osmo

Minutes:

Chairman Porter opened the committee meeting with HB 1289.

There was a motion by **Representative Nottestad** for a do pass. There as a second by **Representative DeKrey**. There was no discussion.

The Clerk took roll. Let the record show 14 yes, 0 no with everyone present.

Representative Clark will carry the bill to the floor.

FISCAL NOTE
Requested by Legislative Council
01/10/2007

Bill/Resolution No.: HB 1289

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.*

	2005-2007 Biennium		2007-2009 Biennium		2009-2011 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.*

2005-2007 Biennium			2007-2009 Biennium			2009-2011 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

Currently one bighorn sheep licenses is auctioned nationally and the proceeds go Game and Fish. This bill would allow the option of issuing this tag through either an auction or a raffle. Either way the revenue is expected to be about \$25,000 to \$35,000 per year, as it is now.

B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

No fiscal impact.

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.*

C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.*

Name:	Paul T. Schadewald	Agency:	ND Game and Fish Department
Phone Number:	328-6328	Date Prepared:	01/10/2007

Date: 1-19-07
 Roll Call Vote #: 1

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
 BILL/RESOLUTION NO. HB 1289

House Natural Resources Committee

Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Pass

Motion Made By Nottestad Seconded By DeKrey

Representatives	Yes	No	Representatives	Yes	No
Chairman - Rep. Porter	✓		Rep. Hanson	✓	
Vice-Chairman - Rep Damschen	✓		Rep. Hunskor	✓	
Rep. Charging	✓		Rep. Kelsh	✓	
Rep. Clark	✓		Rep. Meyer	✓	
Rep. DeKrey	✓		Rep. Solberg	✓	
Rep. Drovdal	✓				
Rep. Hofstad	✓				
Rep. Keiser	✓				
Rep. Nottestad	✓				

Total Yes 14 No 0

Absent _____

Floor Assignment Clark

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

REPORT OF STANDING COMMITTEE (410)
January 19, 2007 12:14 p.m.

Module No: HR-13-0825
Carrier: Clark
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

HB 1289: Natural Resources Committee (Rep. Porter, Chairman) recommends DO PASS
(14 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1289 was placed on the
Eleventh order on the calendar.

2007 SENATE NATURAL RESOURCES

HB 1289

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. HB 1289

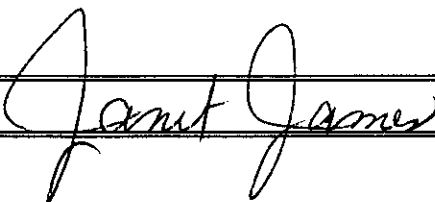
Senate Natural Resources Committee

Check here for Conference Committee

Hearing Date: February 23, 2007

Recorder Job Number: # 3773

Committee Clerk Signature



Minutes:

Senator Stanley Lyson, Chairman of the Senate Natural Resources Committee opened the hearing on HB 1289 relating to a bighorn sheep raffle or auction.

All members of the committee were present.

Representative Don Dietrich of District 42 introduced HB 1289 (see attachment 1).

Senator Lyson asked if there are many more bills referencing to raffles and auctions of licenses.

Representative Dietrich answered that this auction has been in existence for some time and HB 1289 offers the North Dakota Game and Fish Department the option of either an auction or raffle.

Senator Layton Freborg asked if this is the only bighorn sheep license that is given away,

Representative Dietrich confirmed this to be true.

Senator Lyson asked why it is only for Minnesota and Wisconsin.

Representative Dietrich responded that it is the largest chapter that has the largest membership and developed the auction. They have the contacts to bring the most funding as the last auction brought in almost \$50,000.

Randy Kreil, Chief of the Wildlife Division of the North Dakota Game and Fish Department testified in support of HB 1289 (see attachment #2).

Senator Lyson asked if a license is won in a raffle can the license be transferred to some one else.

Randy Kreil confirmed that under state law a license cannot be transferred.

Senator Herbert Urlacher asked if with the increase of bighorn sheep if there is room to have one auction and one raffle.

Randy Kreil stated there are six big horn sheep licenses available with five for North Dakota residents through the regular lottery process. Available license numbers have changed over the years according to the population of sheep. The goal is to have as many licenses available to the public as possible within reason. There are between 8-10,000 applicants each year for this very popular licenses.

Senator Ben Tollefson asked what would influence the governor one way or the other and why not just request a raffle.

Randy Kreil answered that initially the discussions regarding changing to this was a raffle, the North American Wild Sheep Foundation was going to sell raffle chances on a website to anyone in the United States. It was questioned in the house hearing if this is legal and Minnesota law did not allow this. There are concerns the raffle would not result in as much profit as the auction and without the internet to sell tickets it might not be as lucrative, therefore this bill provides the option if things are figured out regarding the gaming issue on the internet. There is no North Dakota chapter of this organization and North Dakotans belong to the Minnesota/Wisconsin chapter, therefore this is the reason why this chapter is being considered in the bill. HB 1289 is to allow the option and do not want it to be required.

Senator Freborg asked again if another bighorn sheep license is given away for any other purposes.

Randy Kreil answered no although there is an elk raffle by the Rocky Mountain Elk Foundation and the Game Warden Association has a moose raffle .

Senator Constance Triplett asked how those work with the internet gaming rules.

Randy Kreil stated these organizations to not use the internet or website to sale raffle tickets, but use the old fashioned way of selling tickets. The electronic form of selling tickets makes the process easier and many sportsmen are used to using this method.

Senator Triplett asked how much is raised by the old fashioned method.

Randy Kreil stated it has been as low as \$5000 and as high as \$10,000-\$20,000 based on their volunteers involved in the process.

Representative David Monson of District 10 cosponsor of HB 1289 testified in support of HB 1289 stating it is a good option to have the raffle as the auction is limited to the wealthy and the raffle allows the common people the opportunity to win this coveted license.

Mike Donahue of the United Sportsmen of North Dakota and the North Dakota Wildlife Federation testified the organizations are support of HB 1289.

Senator Lyson asked for opposing testimony of HB 1289 and hearing none asked for testimony in a neutral position.

Senator Lyson closed the hearing on HB1289.

Senator Tollefson made a motion for a Do Pass of HB 1289.

Senator Constance Triplett second the motion.

A roll call vote was taken for Do Pass of HB 1289 indicating 7 Yeas, 0 Nays and 0 absent or not voting.

Senator Ben Tollefson will carry HB 1289.

Date: 2-23-07

Roll Call Vote #: 1

2007 SENATE STANDING COMMITTEE ROLL CALL VOTES

BILL/RESOLUTION NO. 1289

Senate Natural Resources Committee

Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Pass

Motion Made By Tollefson Seconded By Triplett

Senators	Yes	No	Senators	Yes	No
Sen. Stanley Lyson, Chairman	✓		Sen. Joel Heitkamp	✓	
Sen. Ben Tollefson, ViceChairman	✓		Sen. Jim Pomeroy	✓	
Sen. Layton Freborg	✓		Sen. Constance Triplett	✓	
Sen. Herbert Urlacher	✓				

Total (Yes) 7 No 0

Absent 0

Floor Assignment Tollefson

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

REPORT OF STANDING COMMITTEE (410)
February 23, 2007 12:57 p.m.

Module No: SR-35-3775
Carrier: Tollefson
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

HB 1289: Natural Resources Committee (Sen. Lyson, Chairman) recommends DO PASS
(7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1289 was placed on the
Fourteenth order on the calendar.

2007 TESTIMONY

HB 1289

Item #1

House Bill 1289
Representative Don Dietrich
19 January 2007

Good Morning Mr. Chairman and members of the Natural Resources Committee.

For the record, I am Representative Don Dietrich serving District 42, in Grand Forks.

I appear before you today to present HB 1289. This bill will allow the Governor by proclamation to make available to the Minnesota-Wisconsin chapter of the foundation for North American wild sheep, a license to hunt bighorn sheep by raffle or auction.

In 2006, the auction price for the big horn sheep license was near the \$50,000 mark. This is a very hefty price for a license and is out of the reach for the majority of hunters.

By allowing the big horn sheep license to be raffled, the average hunter would have a chance to obtain a big horn sheep license. In fact, at all of the past auctions, no North Dakota resident has been successful in obtaining a big horn sheet license.

The North Dakota Game & Fish Department strongly favors HB1289, and I believe that they have personnel here to reply to any technical questions.

Mr. Chairman, and members of the committee, the sportsmen and sportswomen of North Dakota would appreciate your DO PASS RECOMMENDATION of HB1289.

I stand ready to answer any questions that you may have.

Thank You

TESTIMONY OF DAVID HILL

FARGO, NORTH DAKOTA

ON HOUSE BILL 1289

Presented to the House Natural Resources Committee

January 19, 2007

Good morning – my name is David Hill and I am from Fargo and have been a member of the Minnesota – Wisconsin Chapter of the Foundation for North American Wild Sheep for 10 years. I am not a lobbyist for the organization nor am I an officer. I am representing myself and am here today to ask that you pass House Bill 1289.

The costs associated with managing bighorn sheep can be high and the numbers of licenses are usually limited. As a result, many western states and provinces have auctioned licenses through national and state chapters of the Foundation for North American Wild Sheep (FNAWS) in an attempt to generate much needed revenue for managing bighorns.

However, one of the seven components of the North American Wildlife Conservation Model is: **Allocation of Wildlife by Law (Every citizen in good standing - regardless of wealth, social standing or land ownership - is allowed to participate in the harvest of wildlife within guidelines set by lawmakers).** Consequently, many believe auctioning bighorn sheep licenses to a small constituency of wealthy hunters is contradictory to this important principle. Although auction license purchasers have

generously raised over \$655,000 since 1986 for North Dakota's bighorn management program, thus giving much more than they have taken, the negative perception still exists by many that bighorns are managed largely for their benefit.

Raffling licenses may be a more appropriate alternative for funding the management of bighorn sheep in North Dakota because it allows the public to have a better chance to get one of these limited licenses while still generating much needed funds for our bighorn management program.

I support the legislation that would allow Minnesota-Wisconsin FNAWS the option of raffling North Dakota's annual bighorn sheep license for the following reasons:

1. Other states have demonstrated that bighorn raffles oftentimes generate as much or more revenue than do auctions.
2. A raffle license would afford the general public much greater participation and access to the license. This would likely enhance the public's interest in North Dakota's bighorn sheep management program.
3. North Dakota's auction license is typically purchased by non-residents who are not members of MN-WI FNAWS. Although they are by no means guaranteed to win, a raffle would greatly increase the likelihood of a North Dakota resident &/or MN-WI FNAWS member receiving the license.

4. There have been negative comments made by some North Dakota residents and some in the media that our small bighorn sheep population is managed "for wealthy out-of-state hunters." A raffle would eliminate this perception.

Although some individuals would have the ability to purchase a greater number of raffle tickets, thereby increasing their odds of being drawn, a raffle would still permit a far greater number of "Average Joe" sportsmen with the ability to hunt bighorn sheep in North Dakota. Therefore, I enthusiastically support this bill.

Item #3



"VARIETY IN HUNTING AND FISHING"

NORTH DAKOTA GAME AND FISH DEPARTMENT

100 NORTH BISMARCK EXPRESSWAY BISMARCK, NORTH DAKOTA 58501-5095 PHONE 701-328-6300 FAX 701-328-6352

HOUSE BILL 1289

Testimony from the North Dakota Game and Fish Department

Relating to a bighorn sheep license raffle or auction

House Natural Resources Committee

January 19, 2007

The North Dakota Game and Fish Department supports House Bill 1289 and would encourage you to pass this legislation. Current law states the governor may annually provide one bighorn sheep license to the Minnesota-Wisconsin Chapter of the Foundation for North American Wild Sheep to auction with the proceeds going toward the management of bighorn sheep in North Dakota. The bill before you changes the existing law to allow for a raffle or an auction.

The auction has been very successful since its inception 21 years ago with more than \$656,000 being generated. However, we believe the time has come to allow the use of a raffle to raise funds for bighorn management. A raffle will allow a wider range of people to participate beyond those who have the means to competitively bid for this special hunting opportunity. The Foundation and the Department agree that using a raffle to generate bighorn management funds is a good idea and believe that with proper marketing the raffle will generate a similar amount of funds as the auction did.

The Foundation will be responsible for running the raffle as they have done with the auction with the department providing oversight concerning procedures. Raffle procedures will be similar to the moose and elk raffles with the only significant difference being that it is Internet based. Tickets will be sold on the Foundation's web site with a hot link to their web site on our department's home page.

In closing, the department and the Foundation have worked closely over the past two decades to improve our understanding of bighorn sheep habitat and biology with the result being an increased population and enhanced hunting opportunities. We believe that passing House Bill 1289 will move us forward by maintaining the funding for sheep management and allow a wider range of people to have an additional opportunity to hunt for one of these magnificent animals.

House Bill 1289
Representative Don Dietrich
23 February, 2007

Good Morning Mr. Chairman and members of the Senate Natural Resources Committee.

For the record, I am Don Dietrich, serving District 42 in the House of Representatives. District 42 encompasses the University of North Dakota and the surrounding residential and business community.

I appear before you today to present HB 1289. This bill will allow the Governor by proclamation to make available to the Minnesota-Wisconsin chapter of the foundation for North American wild sheep, a license to hunt bighorn sheep by raffle or auction.

In 2006, the auction price for the big horn sheep license was near the \$50,000 mark. This is a very hefty price for a license and is out of the reach for the majority of hunters.

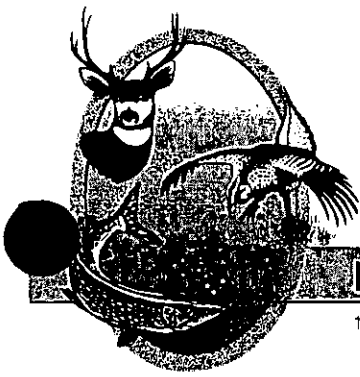
By allowing the big horn sheep license to be raffled, the average hunter would have a chance to obtain a big horn sheep license. In fact, at all of the past auctions, no North Dakota resident has been successful in obtaining a big horn sheet license.

The North Dakota Game & Fish Department strongly favors HB1289, and I believe that they have personnel here to reply to any technical questions.

Mr. Chairman, and members of the committee, the sportsmen and sportswomen of North Dakota would appreciate your DO PASS RECOMMENDATION of HB1289.

I stand ready to answer any questions that you may have.

Thank You



"VARIETY IN HUNTING AND FISHING"

NORTH DAKOTA GAME AND FISH DEPARTMENT

100 NORTH BISMARCK EXPRESSWAY BISMARCK, NORTH DAKOTA 58501-5095 PHONE 701-328-6300 FAX 701-328-6352

HOUSE BILL 1289

Testimony from the North Dakota Game and Fish Department

Relating to a bighorn sheep license raffle or auction

Senate Natural Resources Committee

February 23, 2007

The North Dakota Game and Fish Department supports House Bill 1289 and would encourage you to pass this legislation. Current law states the governor may annually provide one bighorn sheep license to the Minnesota-Wisconsin Chapter of the Foundation for North American Wild Sheep to auction with the proceeds going toward the management of bighorn sheep in North Dakota. The bill before you changes the existing law to allow for a raffle or an auction.

The auction has been very successful since its inception 21 years ago with more than \$656,000 being generated. However, we believe the time has come to allow the possibility of a raffle to raise funds for bighorn management. A raffle will allow a wider range of people to participate beyond those who have the means to competitively bid for this special hunting opportunity. The Foundation and the Department agree that using a raffle to generate bighorn management funds is a good idea and believe that with proper marketing the raffle will generate a similar amount of funds as the auction did.

