MICROFILM DIVIDER

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SFN 2053 (2/85) 5M

ROLL NUMBER

DESCRIPTION

2148

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Yuhzenda L. Rice 10-16-03
Operator's Signature Date

2003 SENATE JUDICIARY

SB 2148

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Operator's Signature 10-16-03 Date

2003 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. 2148

Senate Judiciary Committee

☐ Conference Committee

Hearing Date 01/20/03

Tape Number	Side A	Side B	Meter #
3	X		16.4- 36.0
Committee Clerk Signature MZ Haller			

Minutes: **Senator John T. Traynor, Chairman,** called the meeting to order. Roll call was taken and all committee members present. Sen. Traynor requested meeting starts with testimony on the bill.

Testimony in support of SB 2148

Chuck Keller- (meter 16.4) Gaming Division, Office of Attorney General (Attachment 1) Read written Testimony. Bill Sponsor.

Senator John T. Traynor, Chairman referenced the wrong titling on the bill stating that the bill did not come from the Judiciary Committee.

Sen. Dever (meter 24.4) Can you give me clarity on your amendment. Are we referring to the Amvets? Should this not be the Attorney General or the Tax Committee? The Attorney General collects the gaming taxes. Discussion on Amvets (24.9 meter)

Senator Carolyn Nelson Discussion on the affects of changing minimum table bets.

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Operator's Signature 10-16-03 Date

Sen. Traynor asked what the actual impact has been from $5 - $25. Chuck sited two surveys

(28.9).

Todd Kranda - Kelsh Law firm (meter 33.0) We are in support and have helped develop this

legislation.

Patty Lewis, Hospitality Assoc. (meter 34) Would like to provide a proposed amendment.

Testimony in opposition of SB 2148:

There was no testimony in opposition of bill.

Neutral Testimony to SB 2148

Senator John T. Traynor, Chairman Closed Hearing

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Operator's Signature

10-16-03
Date

2003 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. 2148

Senate Judiciary Committee

☐ Conference Committee

Hearing Date 01/27/03

Tape Number	Side A	Side B	Meter #
4	X		21.7-25.0
Committee Clerk Signature			

Minutes: **Senator John T. Traynor, Chairman,** called the meeting to order. Roll call was taken and all committee members present. Sen. Traynor requested meeting starts with committee work on the bill.

Senator Dennis Bercier and Mr. Keller discussed not doing an additional amendment.

Motion made to amend SB 2148 by Senator Stanley W. Lyson, Vice Chairman and seconded by Senator Thomas L. Trenbeath

Roll Call Vote: 6 Yes. 0 No. Absent

Motion Carried

Motion made to do pass as amended SB 2028 by Senator Thomas L. Trenbeath and seconded by Sen. Dever

Roll Call Vote: 6 Yes. 0 No. 0 Absent

Motion Carried

Floor Assignment: Senator Thomas L. Trenbeath

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Theresa S. Dyce 10-16-03

Operator's Signature Date

FISCAL NOTE

Requested by Legislative Council
03/20/2003

Amendment to: SB 2148

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.*

	2001-2003 Biennium		2003-2005 Biennium		2005-2007 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	$0	$0	($33,000)	$0	($35,000)	$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.*

2001-2003 Biennium			2003-2005 Biennium			2005-2007 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.*

This bill would clarify the gaming law, allow a qualifying organization with more than one gaming site to annually apply for a consolidated gaming license, increase the primary and total prize limits for an organization that applies for a local permit, allow an organization to use a metal coin in place of a fifty-cent chip in the game of twenty-one, allow an organization to set a minimum wager on no more than one-half of the active twenty-one tables at a site, and enable the attorney general to authorize an installment plan with an organization on the payment of delinquent tax, interest, or penalty.

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 decrease in General Fund revenue would be a decrease in gaming tax caused by a shift of organizations from state licensure to local permits due to the increase in the primary and total prize limits for organizations that apply for a local permit. Organizations that conduct gaming under a local permit do not pay 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	**Agency:**	Office of Attorney General
Phone Number:	328-4482	**Date Prepared:**	03/21/2003

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Operator's Signature 10-16-03 Date

FISCAL NOTE

Requested by Legislative Council
01/30/2003

Amendment to: SB 2148

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.*

	2001-2003 Biennium		2003-2005 Biennium		2005-2007 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	$0	$0	$0	$0	$0	$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.*

2001-2003 Biennium			2003-2005 Biennium			2005-2007 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 amendments adopted for this bill are without fiscal impact.

This bill would clarify the gaming law, allow certain organizations to annually apply for a consolidated license, allow organizations to use a metal coin in place of a fifty-cent chip in the game of twenty-one, and allow organizations to set a minimum wager on no more than one-half of the active twenty-one tables at a site.

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.*

Not applicable

   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:	Chuck Keller/Kathy Roll	**Agency:**	Office of Attorney General
Phone Number:	701-328-4482/328-3622	**Date Prepared:**	01/31/2003

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Operator's Signature 10-16-03 Date

FISCAL NOTE

Requested by Legislative Council
01/03/2003

Bill/Resolution No.: SB 2148

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.*

	2001-2003 Biennium		2003-2005 Biennium		2005-2007 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	$0	$0	$0	$0	$0	$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.*

2001-2003 Biennium			2003-2005 Biennium			2005-2007 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.*

This bill would clarify the gaming law, allow certain organizations to annually apply for a consolidated license, allow organizations to use a metal coin in place of a fifty-cent chip in the game of twenty-one, and allow organizations to set a minimum wager on no more than one-half of the active twenty-one tables at a site.

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.*

Not applicable

   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

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Operator's Signature

10-16-03
Date

Phone Number: 328-4482/328-3622 **Date Prepared:** 01/07/2003

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Theresa A. Dso 10-16-03

Operator's Signature Date

38083.0103
Title.0200

Adopted by the Judiciary Committee
January 27, 2003

1-28-03

PROPOSED AMENDMENTS TO SENATE BILL NO. 2148

Page 1, line 1, after "Act" insert "to create and enact a new subsection to section 53-06.1-12.3 of the North Dakota Century Code, relating to installment payments on delinquent taxes or penalties; and"

Page 15, after line 13, insert:

"**SECTION 9.** A new subsection to section 53-06.1-12.3 of the North Dakota Century Code is created and enacted as follows:

The attorney general may authorize an organization to pay any delinquent tax, interest, or penalty on an installment plan and may set any qualifying conditions."

Renumber accordingly

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Operator's Signature 10-16-03 Date

Date: January 27, 2003
Roll Call Vote #: 1

2003 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. SB 2148

Senate **JUDICIARY** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken Amendment #1

Motion Made By Senator Stanley W. Lyson, Vice Chairman Seconded By Senator Thomas L. Trenbeath

Senators	Yes	No	Senators	Yes	No
Sen. John T. Traynor - Chairman	X		Sen. Dennis Bercier	X	
Sen. Stanley. Lyson - Vice Chair	X		Sen. Carolyn Nelson	X	
Sen. Dick Dever	X				
Sen. Thomas L. Trenbeath	X				

Total (Yes) SIX (6) No ZERO (0)

Absent Zero (0)

Floor Assignment

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

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Theresa A. Lee 10-16-03
Operator's Signature Date

Date: January 27, 2003
Roll Call Vote #: 2

2003 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. SB 2148

Senate **JUDICIARY** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken DO PASS as Amended

Motion Made By Senator Stanley W. Lyson, Vice Chairman Seconded By Senator Dick Dever

Senators	Yes	No	Senators	Yes	No
Sen. John T. Traynor - Chairman	X		Sen. Dennis Bercier	X	
Sen. Stanley. Lyson - Vice Chair	X		Sen. Carolyn Nelson	X	
Sen. Dick Dever	X				
Sen. Thomas L. Trenbeath	X				

Total (Yes) SIX (6) No ZERO (0)

Absent Zero (0)

Floor Assignment Senator Thomas L. Trenbeath

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

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Theresa L. Lee 10-16-03
Operator's Signature Date

REPORT OF STANDING COMMITTEE (410)
January 29, 2003 2:08 p.m.

Module No: SR-17-1298
Carrier: Trenbeath
Insert LC: 38083.0103 Title: .0200

REPORT OF STANDING COMMITTEE

SB 2148: Judiciary Committee (Sen. Traynor, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2148 was placed on the Sixth order on the calendar.

Page 1, line 1, after "Act" insert "to create and enact a new subsection to section 53-06.1-12.3 of the North Dakota Century Code, relating to installment payments on delinquent taxes or penalties; and"

Page 15, after line 13, insert:

"**SECTION 9.** A new subsection to section 53-06.1-12.3 of the North Dakota Century Code is created and enacted as follows:

The attorney general may authorize an organization to pay any delinquent tax, interest, or penalty on an installment plan and may set any qualifying conditions."

Renumber accordingly

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Theresa M. Lee 10-16-03
Operator's Signature Date

2003 HOUSE JUDICIARY

SB 2148

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Theresa M. Lee 10-16-03

Operator's Signature Date

2003 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2148

House Judiciary Committee

☐ Conference Committee

Hearing Date 3-12-03

Tape Number	Side A	Side B	Meter #
1	xx		0-16
Committee Clerk Signature			

Minutes: 13 members present.

Chairman DeKrey: We will open the hearing on SB 2148.

Chuck Keller, Chief Auditor, Gaming Division, Office of Attorney General: Support (see attached testimony).

Rep. Wrangham: On page 7, beginning on line 6-10, can you explain what that actually does, is that going to be a substantial increase to some organizations.

Mr. Keller: No, it will be a substantial decrease. For example, there is a wildlife group that conducts gaming in 63 different counties & cities, and presently sends in 63 license applications. This provision would enable the organization to send in one license application covering all 63 counties and cities and still remit all of the appropriate license fees.

Rep. Grande: On page 15, line 16, the Attorney General may authorize an organization to pay. Don't you have to pay your taxes.

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10-16-03
Date

Mr. Keller: This particular provision would be invoked if, through an audit for example, our office assessed the organization $170,000 in delinquent taxes, penalties, and interest, and the organization did not have sufficient cash flow to remit that entire amount to us. In fact, this was intended to accommodate installment payments with Bismarck Amvets Club. However, the Amvets were able to secure a bank loan and remitted the entire amount to us, but had they not been able to do that, our office, through this provision, would have been able to work with the Amvets and have the organization provide us with monthly installment payments. But other than a substantial amount of delinquent tax, penalty and interest, the law does require that the organization's remit all of their taxes with the Quarterly Gaming Tax Return each quarter.

Rep. Grande: So they took out a bank loan and paid off the taxes, are they continuing to operate as a charitable organization.

Mr. Keller: The gaming license for the Amvets has been revoked for one year.

Rep. Grande: If they haven't paid up their taxes by then, are you going to revoke it for longer, or not reinstate them.

Mr. Keller: The Amvets, because they were able to secure a bank loan, paid the entire amount of tax, penalty and interest, two weeks ago or so. So this provision isn't necessary for the Amvets, but it may be necessary for other organizations.

Rep. Grande: So if you are delinquent in your taxes, then you revoke the license?

Mr. Keller: No. If an organization files a tax return, and doesn't get the tax in by the due date or is delinquent in filing the return, there are other provisions in the law that enable our office to assess a 5% penalty on the organization and interest at 1% per month. It would only be in an

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Theresa L. Lee 10-16-03
Operator's Signature Date

unusual situation involving a substantial sum of delinquent tax that our office would work with the organization and have the organization make installment payments to our office.

Rep. Wrangham: On page 4, line 15, dealing with Gaming Commission. A person who has a financial interest in gaming, or is a member, employee, or volunteer of a licensed organization cannot be a member of the Gaming Commission. The way I read this, am I to understand that if you're a member of an Elks Lodge or an American Legion Club who had gaming, you would not be eligible to serve on the Commission?

Mr. Keller: That is correct. We have had problems in the past where we have had a couple of gaming commissioners that, from our perspective, from the Senate Confirmation committee, felt that there were conflicts of interest. This provision is to avoid any conflict of interest in gaming commissioners and the charitable gaming organization.

Rep. Wrangham: I guess I have a problem in that we are eliminating a lot of people. There are a lot of Elk's members and members of fraternal organizations that probably don't even know that their organization is involved in gaming. I am wondering if there is something we could do there to allow, I can understand if they are on the Gaming Committee of the organization or something like that, but just because I'm a member of the Elks, I'm not sure that that should prohibit me from being on the Commission. Do you have any comments on that?

Mr. Keller: We believe that this particular provision has considerable merit. I'm not sure if I'm able to debate to you or not what has transpired in the past between two commissioners that are no longer on the Gaming Commission, that we felt abused their position on the Commission within their own organization.

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Theresa A. Lee 10-16-03
Operator's Signature Date

Rep. Wrangham: I can certainly respect that, and I hope that you punished them adequately; but I think that here we are punishing a lot of innocent people.

Chairman DeKrey: Thank you. Further testimony in support, opposition? Rep. Bernstein has an amendment that he would like to present.

Rep. Bernstein: (see attached explanation and amendment) There is a wildlife group wants to have these changes made. On page 5, line 18, overstrike one and insert "two" so that anybody who's familiar with guns, etc. It's very difficult to buy a quality gun for under $1,000 dollars. Then for the whole project on page 5, line 19, overstrike six and insert "twelve" and the reason for that is at these functions, they have things like Terry Redlin and Jimmy Meager prints, and a lot of other things that add up quite quickly. Being this hasn't been changed in quite a while, so I think in the interests of inflation, etc. we should do this. That is the reason for the amendments.

Rep. Wrangham: Would you consider this an expansion of gaming? I withdraw it.

Rep. Kretschmar: I like the 12, but do you think the 2 is high enough.

Rep. Bernstein: This is what they suggested and I am going with their suggestion. You could be free to raise it to $2,500 or whatever because a lot of good quality guns go for that $2000 figure.

Rep. Kretschmar: I know, for example, that Ducks Unltd. has dinners and has auctions and sometimes would go high.

Rep. Klemin: Didn't we earlier this session, do something similar with a steer or livestock.

Rep. Bernstein: I think it was with a steer, but that was you had a limit of $1,000.

Rep. Onstad: That wasn't the deal, if they didn't want the animal, then the cash prize could not go over $1,000. I guess you could apply it to this, if you didn't take the rifle as the prize and you wanted a cash prize, should it be at $1,000.

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Operator's Signature

10-16-03
Date

Rep. Klemin: Might be a little easier to put the gun in the closet though, than a steer.

Chairman DeKrey: Thank you.

Mr. Keller: May I respond to his amendment.

Chairman DeKrey: Yes.

Mr. Keller: When this bill was on the Senate side, these wildlife people approached the Office of the Attorney General and asked us how we felt about this amendment, and we contacted the Chairman of the Gaming Commission, and the Chairman was adamantly opposed to the amendment. He's not opposed to the concept, because it was the Gaming Commission that proposed this identical proposal about 4-6 years ago, and it was rejected on the Senate side. In fact, the Senate killed the Gaming Commission's bill because of it, because the Senate considered it an expansion of gaming. The Chairman of the Gaming Commission asked that no amendment be attached to this bill. This bill passed the Senate 47-0, it's a clean bill. There is no expansion of gaming and he is very concerned about the Gaming Commission's bill being killed because of an amendment such as this here. We would ask that the promoters of this particular amendment to try to attach it to a different gaming bill and we were somewhat surprised that they did not. We're surprised this morning to hear that it is coming back in this bill.

Chairman DeKrey: Thank you. We will close the hearing.

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Theresa A. Lee 10-16-03
Operator's Signature Date

2003 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2148

House Judiciary Committee

☐ Conference Committee

Hearing Date 3-18-03

Tape Number	Side A	Side B	Meter #
2	xx		21.2-32.8
Committee Clerk Signature *A Penrose*			

Minutes: 13 members present.

Chairman DeKrey: What are the committee's wishes in regard to SB 2148.

Rep. Wrangham: I have an amendment prepared. All this does, and I did speak with the Attorney General's office, and they did not have a problem with this amendment. It was dealing with the change they had made in the law. What it does is let a person who is merely a member of a club that has gaming, still be eligible to be on the Gaming Commission as long as he was not on the gaming committee of the organization. I move the Wrangham amendment.

Rep. Boehning: Second.

Voice vote: Carried.

Rep. Bernstein: Page 5, line 19, overstrike one and insert $2,500 and on page 5, line 19 overstrike six and insert 12. All we're doing is changing the limits on what they can have for door prizes. It allows the entity to give a door prize such as a gun; a quality gun is used to attract people. A $1,000 is not that much anymore and quality guns run from $1500 to $2500.

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Theresa A. Lee
Operator's Signature

10-16-03
Date

Rep. Grande: This is the only prize. There is no in lieu of prize for cash though. You take the gun or you take nothing.

Rep. Delmore: So we're increasing the $1,000 to $2,500 and then from $6,000 to $12,000.

Rep. Bernstein: Because they generally have a number of door prizes that can easily reach over $6,000 in total prizes.

Rep. Wrangham: What we're looking at here, according to my understanding, of what can be done with a permit, which is not a state gaming license. So what we're doing is increasing the amount that can be raffled off with a local permit, without a state gaming license. Now, if the organization decides that they want to buy a state gaming license they could already exceed these limitations. They can do a car. The only difference is that they have to fill out the tax return to the state. The Attorney General's says that for the $60 or $80 that they get for this one transaction when they go over this, it just isn't worth it. We're not making it, we're just changing under what license this can be done. It can be done now, we're not really raising it, a local permit do be able to do more. This is an aggregate amount for the year. So in the case of a gun, if they have 4 guns that were each $500, it would exceed their $1,000, because this is a total per year, not a total one prize.

Rep. Klemin: This doesn't just apply to just guns, though.

Rep. Bernstein: It would apply to all things associated with hunting.

Rep. Klemin: It doesn't have to do with just hunting at all.

Rep. Bernstein: Right, it could be just anything that they want to use as a prize.

Rep. Grande: It could an organization other than Ducks Unlimited.

Rep. Klemin: All we're really doing is saving them a few dollars on the license.

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Operator's Signature Date

Rep. Wrangham: And save the Attorney General's office from dealing with it, they would rather not have to deal with collecting the fees.

Rep. Delmore: I don't have any problem with the amendments at all, I voted for the expansion of gaming before. However, I don't want this bill to be killed on the floor, because we have put an amendment for an expansion of gaming on the bill. I just hope that that doesn't happen, and if it does, we can bring it back to the committee and get rid of that amendment because these are corrections that are needed for our gaming. I just hope that on the floor that is made very clear or we pull off the amendment, because I do not want this bill killed.

Chairman DeKrey: I have talked with Rep. Bernstein about the fact that if this kills the bill, we are going to have to bring it back to committee to strip it off.

Rep. Delmore: That's fine.

Rep. Klemin: I guess it doesn't seem to me with the explanation that I've received, that this is an expansion of gaming, which I'm not all that in favor of, but it seems more of a substitution for tax purposes which permit you use.

Chairman DeKrey: That's what it is.

Rep. Bernstein: In regard to what Rep. Wrangham said, this is done underneath the permit and these local clubs don't have gaming per se. They just do this as a once a year fundraiser.

Rep. Bernstein: I move the Bernstein amendment.

Rep. Kretschmar: Second.

Voice vote: Carried.

Rep. Maragos: I move a Do Pass as Amended.

Rep. Wrangham: Second.

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12 YES 1 NO 0 ABSENT DO PASS AS AMENDED CARRIER: Rep. Wrangham

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Operator's Signature Date

38083.0201
Title.

Prepared by the Legislative Council staff for
Representative Bernstein
February 6, 2003

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2148

Page 5, line 18, overstrike "one" and insert immediately thereafter "two"

Page 5, line 19, overstrike "six" and insert immediately thereafter "twelve"

Renumber accordingly

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Operator's Signature Date

38083.0202
Title.

Prepared by the Legislative Council staff for
Representative Wrangham
March 18, 2003

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2148

Page 4, line 15, replace "a member," with "an", remove the second underscored comma, and replace "volunteer" with "a member of the gaming committee"

Renumber accordingly

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Theresa L. Lee 10-16-03
Operator's Signature Date

38083.0203
Title.

Prepared by the Legislative Council staff for
Representative Bernstein
March 18, 2003

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2148

Page 5, line 18, overstrike "one" and insert immediately thereafter "two" and after "thousand" insert "five hundred"

Page 5, line 19, overstrike "six" and insert immediately thereafter "twelve"

Renumber accordingly

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Theresa A. Lee 10-16-03
Operator's Signature Date

YR
3/19/03

38083.0204
Title.0300

Adopted by the Judiciary Committee
March 19, 2003

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2148

Page 4, line 15, replace "a member," with "an", remove the second underscored comma, and replace "volunteer" with "a member of the gaming committee"

Page 5, line 18, overstrike "one" and insert immediately thereafter "two" and after "thousand" insert "five hundred"

Page 5, line 19, overstrike "six" and insert immediately thereafter "twelve"

Renumber accordingly

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Operator's Signature Date

Date: 3/18/03
Roll Call Vote #: 1

2003 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2148

House Judiciary Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number 38083.0204 .0300

Action Taken Do Pass as Amended

Motion Made By Rep. Maragos Seconded By Rep. Wrangham

Representatives	Yes	No	Representatives	Yes	No
Chairman DeKrey	✓		Rep. Delmore	✓	
Vice Chairman Maragos	✓		Rep. Eckre	✓	
Rep. Bernstein	✓		Rep. Onstad		✓
Rep. Boehning	✓				
Rep. Galvin	✓				
Rep. Grande	✓				
Rep. Kingsbury	✓				
Rep. Klemin	✓				
Rep. Kretschmar	✓				
Rep. Wrangham	✓				

Total (Yes) 12 No 1

Absent 0

Floor Assignment Rep. Wrangham

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

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Theresa S. Lee 10-16-03
Operator's Signature Date

REPORT OF STANDING COMMITTEE (410)
March 19, 2003 11:48 a.m.

Module No: HR-49-5174
Carrier: Wrangham
Insert LC: 38083.0204 Title: .0300

REPORT OF STANDING COMMITTEE

SB 2148, as engrossed: Judiciary Committee (Rep. DeKrey, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (12 YEAS, 1 NAY, 0 ABSENT AND NOT VOTING). Engrossed SB 2148 was placed on the Sixth order on the calendar.

Page 4, line 15, replace "a member," with "an", remove the second underscored comma, and replace "volunteer" with "a member of the gaming committee"

Page 5, line 18, overstrike "one" and insert immediately thereafter "two" and after "thousand" insert "five hundred"

Page 5, line 19, overstrike "six" and insert immediately thereafter "twelve"

Renumber accordingly

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2003 SENATE JUDICIARY

CONFERENCE COMMITTEE

SB 2148

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Operator's Signature Date

2003 SENATE CONFERENCE COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 2148

Senate Judiciary Committee

☑ Conference Committee

Hearing Date 04/02/03

Tape Number	Side A	Side B	Meter #
1	X		0.0 - End
Committee Clerk Signature Maria L Lolberg			

Minutes: **Senator Thomas L. Trenbeath, Chairman**, called the meeting to order. Roll call was taken and all committee members present. **Members of the committee are:**

Sen. Trenbeath - Chair **Rep Bernstein - Co-Chair**

Sen. Lyson **Rep. Wrangham**

Sen Polovitz **Rep. Onstad**

Discussion of Sen Polovitz replacement of Sen. Bercier.

Sen. Trenbeath reviewed page four amendment and the change.

Rep Wrangham had originally presented amendment to the house. He stated that if you were to take away all people who were employees or members of a non-profit organization-i.e. Elks Club member or any fraternal organization that is envolved with gaming, you could not serve on the gaming commission. This would take a huge part of our population out of the chance to serve on this commission. Even if you were not affiliated with anything involved with gaming, only an

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Theresa A. Lee 10-16-03

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employee of the facility, you could not participate. Unless you are directly involved with the gaming in the establishment, you should be eligible.

Rep Onstad questioned the lack of the Attorney General's offices support in this language.

Rep. Wranham discussed a situation that happened where there was a problem. He has had conversations with the Attorney General's office and they do not have any problems with this language.

Sen. Trenbeath discussed the second amendment.

Rep Bernstein presented a handout - Attachment #1

Sen. Trenbeath asked how the dollar amounts where chosen?

Rep Bernstein These functions are all special permit functions. He stated the $1,000 to $2,500 was from the original bill. In a sportsman's group, with inflation, to get a quality gun to raffle-you need the higher amount to attract more people. The second dollar amount increases the amount of gifts increasing the total dollar amounts.

Sen. Trenbeath stated the original bill is 22 years old-originating in 1981. There have been changes almost every other session.

Sen Polovitz commented why they have any limits. Discussion of the factors involved why they do this. Discussion of taking a dollar amount in place of prize.

Sen. Trenbeath questioned the price of a specific gun-discussion.

Rep Wranham discussed the limit of permits by the local authority-this does not apply to someone who has a State Gaming License. The state gaming licenses do not have any limits.

Rep Bernstein - made the motion that the Senate concur with the House amendments.

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Motion Made to Senate Concur with the House Amendments by Rep. Bernstein and seconded by Rep Wrangham.

Roll Call Vote: 6 Yes. 0 No. 0 Absent

Motion Passed

Senator Thomas L. Trenbeath, Chairman closed the hearing.

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Theresa L. Fox 10-16-03
Operator's Signature Date

Date: April 2, 2003
Roll Call Vote #: 1

2003 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. HB 2148

Senate **JUDICIARY** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number **38083.0204**

Action Taken Motion to Concur with the House

Motion Made By Rep. Bernstein-Chair Seconded By Rep. Wrangham

Senators	Yes	No	Representative	Yes	No
Sen. Trenbeath - Chair	X		Rep. Bernstein - Chair	X	
Sen. Lyson	X		Rep. Wrangham	X	
Sen Polovitz	X		Rep. Onstad	X	

Total (Yes) SIX (6) No ZERO (0)

Absent ZERO (0)

Floor Assignment

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

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REPORT OF CONFERENCE COMMITTEE (420)
April 2, 2003 10:45 a.m.

Module No: HR-59-6490

Insert LC: .

REPORT OF CONFERENCE COMMITTEE

SB 2148, as engrossed: Your conference committee (Sens. Trenbeath, Lyson, Polovitz and Reps. Bernstein, Wrangham, Onstad) recommends that the **SENATE ACCEDE** to the House amendments on SJ pages 863-864 and place SB 2148 on the Seventh order.

Engrossed SB 2148 was placed on the Seventh order of business on the calendar.

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2003 TESTIMONY

SB 2148

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Attachment #1

TESTIMONY ON SENATE BILL NO. 2148

By Chuck Keller, Gaming Division, Office of Attorney General

Senate Judiciary Committee
January 20, 2003

My name is Chuck Keller. I am the chief auditor of the Gaming Division of the Attorney General's Office. I am testifying on behalf of the State Gaming Commission that sponsored the bill, and will describe the major provisions of this bill.

1. The bill would do housekeeping - deletes unnecessary language, makes technical corrections, and clarifies provisions of law to make them clear and concise. The bill does not contain any amendment that would expand gaming.

2. Page 7, lines 7-10. The bill would enable an organization that only conducts raffles or calcuttas in two or more cities or counties to annually apply for a consolidated license, rather than separate licenses, and remit all appropriate license fees. This would significantly increase the Attorney Generals Office's efficiency of issuing licenses to those organizations that qualify. For example, in regard to Ducks Unlimited, a licensed sportsmen's wildlife group, rather than our office processing and issuing this organization 63 separate licenses each year for its special events held in 63 different cities and counties, only 1 license application would be processed and 1 license issued.

3. Page 9, lines 3 & 4. The bill would clarify that the value of a merchandise prize is its retail price, excluding sales tax. In certain games, such as a prize board, a rule restricts a merchandise prize to a certain value. Our office believes that sales tax paid on the purchase price of a merchandise prize should not be considered in determining the value of a prize. Otherwise, it would be unfair because two organizations may award the same merchandise prize, such as a sports jacket, in which one organization buys a jacket and pays sales tax while the second organization receives a jacket through a donation or buys it in Minnesota where there is no sales tax on clothing.

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10-16-03
Date

4. Page 11, lines 2 & 3. For the game of twenty-one, the bill would enable organizations, at their option, to use a metal coin, instead of a clay or plastic chip, as the "fifty-cent" chip. The purpose is to enable organizations to save unnecessary expense. A clay or plastic chip costs organizations about 65 cents. A metal coin, including a fifty-cent piece, costs less. Since players pay only the face value of fifty cents for fifty-cent chips when they buy-in at the table and sometimes retain the chips as souvenirs, organizations presently lose money on each fifty-cent clay or plastic chip that is kept by players.

5. Page 11, lines 5 & 6. For the game of twenty-one, if there is more than one table that is active (presently being used) at a site, the bill would enable organizations, at their option, to set a minimum bet limit on no more than one-half of the active tables. The present law requires an organization to accept a minimum bet of $1 on every table. Currently, the game is conducted at 355 sites of which 127 sites, or 36%, have two or more tables. The amendment is to accommodate the two types of players - small and large bettors - who are now playing the game since the 2001 legislature increased the maximum betting limit from $5, to $25. Generally, players who place bets of $1 to $5, and players who place bets of over $5 and up to $25, prefer to play at tables among other players who only place similar size bets. It is a common practice at tribal and for-profit casinos to set aside separate tables for different size bettors. Also, according to representatives of several organizations, large bettors sometimes get annoyed when they play at a table with small or novice bettors when those players do not use basic strategy on playing their hands which may indirectly cause large bettors to lose. Market conditions would determine the extent to which organizations set minimum wagers.

6. Page 17, line 3. The bill would enable the Attorney General's Office to prohibit an organization from paying a bingo prize to a player on a dispute or based on a factual determination or a hearing by the attorney general. The amendment is prompted because of a district court decision in which an organization was

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ordered to pay a player a $10,000 bingo prize although the bingo caller admitted cheating for the player who denied being in collusion with the bingo caller. The amendment would provide regulatory protection to an organization to ensure that a bingo game is fair and honest for all players.

Also, I would like to propose an amendment to enable the Attorney General's Office to allow an organization to pay delinquent tax, interest, or penalty on an installment plan. A copy of the proposed amendment is being provided to you. This office desires the authority, similar to the authority of the Internal Revenue Service, to enable us to make installment agreements with organizations that owe our state a substantial amount of tax, interest, or penalty.

I would be happy to answer any questions.

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Chuck Keller
1/20

PROPOSED AMENDMENTS TO SENATE BILL NO. 2148

Page 1, line 1, after "Act" insert "to create and enact a new subsection to section 53-06.1-12.3 of the North Dakota Century Code, relating to installment payments; and"

Page 1, after line 7, insert:

"**SECTION 1.** A new subsection to section 53-06.1-12.3 of the North Dakota Century Code is created and enacted as follows:

The attorney general may authorize an organization to pay delinquent tax, interest, or penalty on an installment plan and may set any qualifying conditions."

Renumber accordingly

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10-16-03
Date

MEMO

To: The Honorable LeRoy Bernstein, ND House of Representatives

Date: February 24, 2003

Re: Engrossed Senate Bill 2148

The reason for asking that the dollar amount at Page 5, line 18 be changed from "one thousand" to "two thousand" is that small organizations that conduct raffles to raise funds usually use a rifle or shotgun as the first prize. To promote ticket sales, the first prize needs to be a well-known brand and model. The difficulty is that many of the well-known brands and models exceed the "one thousand" dollar retail value limitation in current law.

For example:

1. Browning, 525 Sporting, over/under, 12 gauge, 2 ¾" chamber: retail value = $2200
2. Browning, Citori, over/under, 12 gauge, 3" chamber, 28" barrel: retail value = $1600
3. Beretta, white wing, over/under, 12 gauge, 3" chamber, 28" barrel: retail value = $1100
4. Ruger, Red Label, over/under, 12 gauge, 3" chamber, 26" barrel: retail value = $1000

The above prices are retail value and do not include sales tax.

The costs of manufacturing, wholesaling, and retailing keep going up. In 1990, item 4 Above (Ruger), retailed for about $500 versus the current $1000 value.

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Att #1

SB 2148

Representative LeRoy Bernstein:

The justification for changing the one thousand to two thousand and the six thousand to twelve thousand dollars on Page 5, Line 18 & 19 is as follows:

There are various clubs and organizations that hold a raffle fundraiser each year. Inflation of the prices for the prizes offered is and has increased very rapidly. For example, it is difficult to offer a quality shotgun or rifle for less than one thousand dollars. Other quality items such as Terry Redlin prints are very pricey. The value of a merchandise prize awarded in a raffle is its retail value.

If the club offers a few guns, some prints and other related items, the $6000 limit is easily reached.

This limit does not allow for any consideration for more than one fundraiser per year. The limits are in effect on an annual basis. The current limit has been in effect for a number of years.

We respectfully request your consideration to raise this limit on raffles. Thank you.

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MEMO

TO: Attorney General Wayne Stenehjem

FROM: Chuck Keller, Chief Auditor, Gaming Division CK

RE: Eligibility for Gaming License - North Dakota Hospitality Association
North Dakota Hospitality Foundation

DATE: May 6, 2002

Conclusion

This is to advise you that the North Dakota Hospitality Association (Association) and North Dakota Hospitality Foundation (Foundation) are not eligible organizations that may be licensed to conduct games. The Association's primary purpose disqualifies it as an eligible organization. The Foundation's close relationship with the Association disqualifies it as an eligible organization. This determination is based on present facts and does not address "what if" scenarios.

Background

The executive director of the Association (and registered agent for the Foundation) asked our office whether the Association or Foundation was eligible to be licensed to conduct games. In my communications with the executive director, she: 1) determinedly believed that the Association is an eligible organization; 2) asserted that because the Association promotes tourism in our state it is very similar to a convention & visitors bureau; 3) claimed that the Association is not a business association like a chamber of commerce; 4) preferred that the Association, rather than the Foundation, qualify for licensure; and 5) emphasized the safety programs of the Foundation. The executive director was cooperative in providing information.

The Association and Foundation are non-profit corporations and, according to the Secretary of State, are active and in good standing. The Association is tax exempt under section 501(c)(6) (Business leagues, chambers of commerce, real estate boards, and boards of trade) of the Internal Revenue Code. The Foundation has not reported its tax-exempt status to the Secretary of State.

The Association's primary purpose as stated in its Articles of Incorporation is:

> To establish a non-profit association for the benefit of members from the foodservice and lodging industries in North Dakota; to disseminate to its members information pertinent to the foodservice and lodging industries; to promote tourism in North Dakota; to study legislation and recommend measures to state and federal legislators for the benefit of the foodservice and lodging industries and of North Dakota tourism;

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Theresa L. Lee 10-16-03
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and to hold appropriate business meetings, conventions, seminars, schools, training courses and institutes for use by its members.

The Foundation's primary purpose as stated in its Articles of Incorporation is:

> The purpose of the Foundation shall be to act as a charitable, public-spirited organization and to promote tourism and travel in North Dakota. The Foundation shall be governed by the board of directors of the North Dakota Hospitality Association according to its by-laws.

Analysis

The following information was reviewed:

1. Articles of Incorporation, articles of amendment, bylaws, annual reports, registered agent consent to serve, and nonprofit corporation annual reports on record with the Secretary of State;

2. Internal Revenue Service publications on tax-exempt organizations;

3. Written transcripts and audiotapes of legislative testimony on gaming-related bills considered in the 1985 - 2001 sessions;

4. Attorney General Office correspondence, legal opinion, internal legal interpretations, and gaming law and rules;

5. Association newsletters, list of board of directors, short and long-term business plan, minutes of board of directors meetings, and financial statements; and

6. Association information on ServSafe (food-safety), TIPS (Training for Intervention Procedures), BARS (Being an Alcohol Responsible Server), and Do Buckle/Don't Booze programs (partnership with the Department of Transportation).

The Association's "Short and Long Term Business Plan" references several admirable present and proposed public service programs. These include educational programs on safe food handling, responsible alcohol server training, underage alcohol consumption, and drunken driving. The plan references a resolution passed by the Association's Board of Directors that states:

> "The NDHA will pursue charitable gaming for the purpose of enhancing the public spirited scope of the association - statewide - to promote tourism, through meetings, shows, and seminars; to improve the services members provide to the public; and to provide educational opportunities that improve the health and welfare of North Dakotans."

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10-16-03
Date

The Association or Foundation may not be licensed to conduct games unless it is an eligible "public-spirited" organization under North Dakota Century Code (N.D.C.C.) § 53-06.1-01(7)&(17). These laws state, in part:

> 7. "Eligible organization" means a . . . public-spirited organization domiciled in North Dakota, incorporated as a nonprofit organization, and which has been actively fulfilling its primary purpose within this state during the two immediately preceding years. . . . The organization's primary purpose may not involve the conduct of games. . . .
>
> 17. "Public-spirited organization" means an organization whose primary purpose is for . . . safety . . . educational activities . . . tourism . . . or similar organization . . . .

There are considerable legislative history and office memoranda on the issue of what is a public-spirited organization, especially related to a chamber of commerce. Legislative intent is well documented on several gaming-related bills, especially Senate Bill 2245 of the 1985 Legislative Assembly, and is embodied in North Dakota Administrative Code § 99-01.3-01-01, which states, in part:

> . . . . A nonprofit social, hobby, trade, business, professional, similar club or association, or organization whose primary purpose mainly provides a direct benefit to its officers is not a public-spirited organization.

Based on the Association's primary purpose of benefiting its members in the foodservice and lodging industries, it is a "business association," not a "public-spirited organization." Although it has several present and proposed public service programs, its emphasis is on the vested interests of its limited member base. The membership has and promotes common business, rather than community, interests. These business interests include encouragement of the public to use goods and services provided by the foodservice and lodging industries and promotion of higher business standards and better business methods. Community interests are secondary.

The Association's promotion of tourism (or other public service), by : minimal or substantial degree, does not cause the classification of the organization to suddenly change to a public-spirited organization. Otherwise, it would break open the doors of eligibility and ignore constitutional and legislative intent. Other business associations like the North Dakota Beer Wholesalers, North Dakota Grocer's Association, North Dakota Petroleum Council, and North Dakota Motor Carriers Association would be public-spirited too. Although tourism is an objective and has been a discussion point in the Association's board of directors meetings and business plan, it is not the heart of the Association. The Association is similar to a chamber of commerce and is not similar to a convention & visitors bureau. The gaming law is not ambiguous. Our legislature envisioned a different class of licensees and the gaming law and rules express that intent.

In regard to whether the Foundation is a "public-spirited organization," the executive director of the Association emphasized the Association's (or Foundation's) safety

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programs, not the Foundation's primary purpose as a charitable, public-spirited organization that promotes tourism and travel in North Dakota. In reviewing the information provided by the Association, other than articles of incorporation, articles of amendment, annual reports, registered agent consent to serve, and nonprofit corporation annual reports on record with the Secretary of State, there was no other information on the Foundation.

Absent evidence to the contrary, the Foundation appears to be, in substance, merely a legal nonprofit corporate shell. There is no separate formal written record of the Foundation's actual activities, financial statements, or fulfillment of its primary purpose within this state. If the Foundation is active or fulfilling its primary purpose, there is sharing of centralized services and centralized management between the Foundation and Association. The Foundation is governed by the board of directors of the Association according to the Association's by-laws. Six of the seven officers listed on the Foundation's nonprofit corporation annual reports are the same. This is evidence that the Foundation and Association are closely related organizations.

Since the Foundation and Association are closely related organizations and not autonomous, the Foundation is disqualified as an eligible organization.

Remedy and Eligibility for a Permit

If the Association or Foundation desires to be an eligible organization that may be licensed to conduct games, it should seek an amendment to the gaming law through the legislative process. It is a legislative issue.

The Association or Foundation may be eligible for a permit at the discretion of a local governing body. For a local permit, games of bingo, raffles, and sports pools may be conducted. For a charity local permit, additional games of paddlewheels, twenty-one, and poker may be conducted. Total prizes cannot exceed six thousand dollars in one year. Other restrictions also apply.

If you have a question or desire to discuss this memo, please email or call me at 8-4482.

cc: Sandi Tabor
Keith Lauer
Robert Bennett

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TESTIMONY ON ENGROSSED SENATE BILL NO. 2148

By Chuck Keller, Gaming Division, Office of Attorney General

House Judiciary Committee
March 12, 2003

My name is Chuck Keller. I am the chief auditor of the Gaming Division of the Attorney General's Office. I am testifying on behalf of the State Gaming Commission that sponsored the bill, and will describe the most relevant provisions of this bill.

1. The bill does housekeeping - deletes unnecessary language, makes technical corrections, and clarifies provisions. The bill does not contain any amendment that would expand gaming.

2. Page 7, lines 7-10. The bill enables an organization that only conducts raffles or calcuttas in two or more cities or counties to annually apply for a consolidated license, rather than separate licenses, and remit all appropriate license fees. This would significantly increase the Attorney Generals Office's efficiency of issuing licenses to those organizations that qualify. For example, in regard to Ducks Unlimited, a licensed sportsmen's wildlife group, rather than our office processing and issuing this organization 63 separate licenses each year for its special events held in 63 different cities and counties, only 1 license application would be processed and 1 license issued.

3. Page 9, lines 3 & 4. The bill clarifies that the value of a merchandise prize is its retail price, excluding sales tax. In certain games, such as a prize board, a rule restricts a merchandise prize to a certain value. Our office believes that sales tax paid on the purchase price of a merchandise prize should not be considered in determining the value of a prize. Otherwise, it is unfair because two organizations may award the same merchandise prize, such as a sports jacket, in which one organization buys a jacket and pays sales tax while the second organization receives a jacket through a donation or buys it in Minnesota where there is no sales tax on clothing.

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4. Page 11, lines 2 & 3. For the game of twenty-one, the bill enables organizations, at their option, to use a metal coin, instead of a clay or plastic casino chip, as the "fifty-cent" chip. The purpose is to enable organizations to save unnecessary expense. A clay or plastic chip costs organizations about 65 cents. A metal coin, including a fifty-cent piece, costs less. Since players pay only the face value of fifty cents for fifty-cent chips when they buy-in at the table and sometimes retain the chips as souvenirs, organizations presently lose money on each fifty-cent casino chip that is kept by a player.

5. Page 11, lines 5 & 6. For the game of twenty-one, if there is more than one table that is active (presently being used) at a site, the bill enables organizations, at their option, to set a minimum bet limit on no more than one-half of the active tables. The present law requires an organization to accept a minimum bet of $1 on every table. Currently, the game is conducted at 355 sites of which 127 sites, or 36%, have two or more tables. The amendment is to accommodate the two types of players - small and large bettors - who are now playing the game since the 2001 legislature increased the maximum betting limit from $5, to $25. Generally, players who place bets of $1 to $5, and players who place bets of over $5 and up to $25, prefer to play at tables among other players who only place similar size bets. It is a common practice at tribal and for-profit casinos to set aside separate tables for different size bettors. Also, according to representatives of several organizations, large bettors sometimes get annoyed when they play at a table with small or novice bettors when those players do not use basic strategy on playing their hands which may indirectly cause large bettors to lose. Market conditions would determine the extent to which organizations set minimum wagers.

6. Page 15, lines 16 & 17. The bill enables the Attorney General's Office to allow an organization to pay delinquent tax, interest, or penalty on an installment plan. This office desires the authority, similar to the authority of the Internal Revenue Service, to enable us to make installment agreements with

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organizations that owe our state a substantial delinquent amount of tax, interest, or penalty.

7. Page 17, line 7. The bill enables the Attorney General's Office to prohibit an organization from paying a bingo prize to a player on a dispute or based on a factual determination or a hearing by the attorney general. The amendment is prompted because of a district court decision in which an organization was ordered to pay a player a $10,000 bingo prize although the bingo caller admitted cheating for the player who denied being in collusion with the bingo caller. The amendment provides regulatory protection to an organization to ensure that a bingo game is fair and honest for all players.

I would be happy to answer any questions.

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