



4180 HIGHWAY 281 BELCOURT, ND 58316 TMBCI.ORG

JAMIE.AZURE@TMBCI.ORG 701.477.2673

JAMIE AZURE

TRIBAL CHAIRMAN

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Senate Judiciary Committee

North Dakota Assembly

Re:

SB 2071

Dear Senate Judiciary Committee:

Please accept this written testimony in opposition to SB 2071.

SB 2071 redefines the scope of pari-mutuel betting in the State of North Dakota. The proposed bill adds the defined term: "Event" means a race, contest, game, or competition in which a wager can legally be made in the jurisdiction the wager is made. The proposed bill then deletes "horse racing" from the definition of "Racing," and replaces it with: "Racing" means a live or simulcast event under the certificate system. Since the definition of "event" is broad enough to include betting on single-event sporting events across much of the country, effectively it seems that this bill legalizes sports betting for pari-mutuel licensees. If this is not the intent of this bill, then it needs to be drafted much more narrowly.

Currently in North Dakota sports betting, other than horse racing and dog racing, is exclusively legal for the Tribes pursuant to our Compacts with the State. Turtle Mountain opposes any effort to deny the Tribes exclusivity for sports betting.

Retaining exclusive rights is critical to Tribal economic sustainability and progress. North Dakota Tribes have already been hard hit by the loss of exclusivity. Nationwide, tribal gaming revenues from 2017 to 2018 went up by 4%, but in North Dakota over that same time period tribal gaming revenues plummeted by 18%. We all know why, Tribal exclusivity in gaming in North Dakota has given way to the rapid expansion of ETAB machines, and it accelerated even more in 2019.

Tribes desperately need the revenues. Tribes are governments, working without a tax base, to serve the most vulnerable population in the State. Turtle Mountain has a much higher unemployment rate than the State. Turtle Mountain has a much higher percentage of people living below the poverty line than the State. Turtle Mountain has a much lower median household income than the State. Turtle Mountain has a housing crisis, homelessness and overcrowding. Turtle Mountain has a much higher percentage of kids in the foster care system than the State. By one recent North Dakota study, Native American children constitute 8% of the child population of the State, and 40% of its foster care population. There is a myriad of ways that poverty on reservations impacts the State and its budget.

It is in the best interests of the State to support Tribal governments, to make sure we have the revenues we need to build stronger social safety nets on our reservations, and to improve economic opportunities for our members. It is in the best interests of the State to make sure sports betting remains exclusive to Tribes.

Turtle Mountain is proposing legislation this session to expand Tribal gaming exclusivity, to give the Tribes more tools. We look forward to working with this Committee on those proposals.

Sincerely yours,

Jamie Azure Chairman