1999 HOUSE JUDICIARY
HB 1431

1999 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. 1431

House Judiciary Committee

☐ Conference Committee

Hearing Date: February 8, 1999

Tape Number	Side A	Side B	Meter #					
1	X		32.4					
	,							
		^						
Committee Clerk Signature Clar Giallera								

Minutes:

SEN. TOMAC, in his remarks on HB 1429, stated that he favored HB 1431 also.

<u>LARRY POLENSKY</u> (Bull Riders Assn) It is a hardship for a small rodeo to have to pay \$150 for a license to hold a calcutta. We have to have a pool of at least \$1500 just to break even. We are asking to have the license fee lowered so we can have more calcuttas.

WEINBERGER: We have small town events and we often lose money if we have a calcutta.

<u>CHUCK KELLER</u> (Gaming Comm) Submitted written testimony, a copy of which is attached.

COMMITTEE ACTION: February 9, 1999

REP. HAWKEN moved that the committee recommend that the bill DO PASS. Rep.

Koppelman seconded and the motion passed on a roll call vote with 8 ayes , 7 nays and 0 absent.

Rep. Hawken was assigned to carry the bill.

				1	FISCAL NOTE	Ξ						
(Ret	urn o	riginal	and 10			_	ence Comm. A	Amendments				
Bill	/Reso	lution N	o.: _				ent to: <u>HB</u>					
Requ	ested	by Legi	slativ	e Counc	il Da	te of Requ	est: <u>4/2/9</u>	99				
1.	meas	se estim ure for ol distr	state	ne fisca general	l impact (: . or specia	in dollar a	amounts) of counties, c	the above ities, and				
	Narr	ative:										
	This bill would authorize the Office of Attorney General to issue a special license to an organization for conducting one or more "calcuttas" during a single sporting event. The license fee would be \$60. Under present law, an organization with a license for a city or county may conduct any legal game of chance in that city or county, including a calcutta. The present license fee is \$150.											
A "calcutta" is a game in which competitors in a sporting event are auctioned off to players who bet on the performance of the competitors. The total amount bid (bet) by all the players is pooled. The players who bet on the winning competitors may win up to 90% of the auction pool.												
2.	Stat	<u>e</u> fiscal	effec	t in dol	llar amount	.s:						
		1	997-1999	a T	1999-	-2001	2001-	-2003				
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		ł .	Siennium S		Bien General Fund			nium Special				
Revenue	es:	General Fund	Siennium S	pecial	Bien General	nium Special	Bien General	nium				
Revenue		General Fund	Biennium S	pecial Funds	Bien General <u>Fund</u>	nium Special <u>Funds</u>	Bien General <u>Fund</u>	Special Funds				
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Phone Number 328-4482

FISCAL NOTE

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Bill/Resoluti	ion No.:			Amendment	to: <u>H</u>	B 1431	
Requested by	Legislative	Council	Date	of Request	: <u>3-1</u>	1-99	

1. Please estimate the fiscal impact (in dollar amounts) of the above measure for state general or special funds, counties, cities, and school districts.

Narrative:

This bill would authorize the Office of Attorney General to issue a special license to an organization that only conducts "calcuttas" and that conducts them in more than one city or county. The annual license fee would be \$500. The present license fee is \$150 for each city and county in which an organization conducts games.

A "calcutta" is a game in which competitors in a sporting event are auctioned off to players who bet on the performance of the competitors. The total amount bid (bet) by all the players is pooled. The players who bet on the winning competitors may win up to 90% of the auction pool.

State fiscal effect in dollar amounts:

	1997- Bien			-2001 nium	2001-2003 Biennium		
	General <u>Fund</u>	Special <u>Funds</u>			Special <u>Funds</u>		
Revenues:	-0-	-0-	(\$250)	-0-	Unknown	-0-	
Expenditures:	-0-	-0-	-0-	-0-	-0-	-0-	

- 3. What, if any, is the effect of this measure on the appropriation for your agency or department:
 - a. For rest of 1997-1999 biennium: None
 - b. For the 1999-2001 biennium: None
 - c. For the 2001-2003 biennium: None
- 4. <u>County, City, and School District</u> fiscal effect in dollar amounts:

1997-1999 Biennium			1999-2001 Biennium			2001-2003 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-

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Date Pr	epared:	3/11/99	 Departm	ent _	Office	of A	ttorney	Genei	cal
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Revised

FISCAL NOTE

(Retu	ırn	original	and 10	copies)						
Bill/	'Res	olution	No.: <u>H</u>	B 1431		Ameno	dment to	:		
Reque	ste	d by Leg	gislative	Counci	l Da	te of Re	quest: _	1-20-99)	
1.	mea		r state		impact (or specia					
	Nar	rative:								
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	A "calcutta" is a game in which competitors in a sporting event are auctioned off to players who bet on the performance of the competitors. The total amount bid (bet) by all the players is pooled. The players who bet on the winning competitors may win up to 90% of the auction pool. State fiscal effect in dollar amounts:									
2.	2. <u>State</u> fiscal effect in dollar amounts:									
			1997-1999 Biennium			-2001 nnium		2001-20 Bienni		
		Gener Fun	ral Sp	pecial Funds	General Fund	Specia Funds	i	neral und	Special <u>Funds</u>	
Revenues	s:		-0-	-0-	(\$425)		-0-	(\$850)	-0-	
Expendit	tures:		-0-	-0-	-0-		-0-	-0-	-0-	
3.	for	your a	gency or	departm				ne appro	priation	
	a.	For 1	rest of .	1997-199	9 bienniu	m: <u>NON</u>	3	***************************************		
	b.	For t	the 1999-	-2001 bi	ennium: _	None				
	c.	For t	the 2001-	-2003 bi	ennium:	None				
4.	-	unty, Ci ounts:	ty, and	School I	District 1	fiscal e	ffect in	dollar		
		1997-1999 Biennium			1999-2001 Biennium			2001-2003 Biennium		
Counti	es T	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts	
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If a	ddit	ional s	pace is	needed,	Signed_	Charl	1/0	len		
atta	ch a	supple	mental s	heet.	Typed N	ame <u>Ch</u>	arles Ke	eller		
Date	Pre	pared:	2/9/99		Departm	ent Off	ice of A	Attorney	General	
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FISCAL NOTE

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Bill/Resolution No.:	HB 1431	Amendment to:	
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Requested by Legislative Council Date of Request: <u>1-20-99</u>

Please estimate the fiscal impact (in dollar amounts) of the above 1. measure for state general or special funds, counties, cities, and school districts.

Narrative:

This bill would authorize the Office of Attorney General to issue a special license to an organization for conducting one or more "calcuttas" during a single sporting event. The license fee would Under present law, an organization with a license may conduct any legal game of chance, including a calcutta. present license fee is \$150.

A "calcutta" is a game in which competitors in a sporting event are auctioned off to players who bet on the performance of the competitors. The total amount bid (bet) by all the players is pooled. The players who bet on the winning competitors may win up to 90% of the auction pool.

2. State fiscal effect in dollar amounts:

	1997- Bien			-2001 nium	2001-2003 Biennium		
	General <u>Fund</u>	al Special General Special Gene		General <u>Fund</u>	Special <u>Funds</u>		
Revenues:	-0-	-0-	(\$25)	-0-	(\$50)	-0-	
Expenditures:	-0-	-0-	-0-	-0-	-0-	-0-	

- 3. What, if any, is the effect of this measure on the appropriation for your agency or department:
 - For rest of 1997-1999 biennium: None
 - For the 1999-2001 biennium: None
 - For the 2001-2003 biennium: None
- County, City, and School District fiscal effect in dollar 4. amounts:

	1997-1999 Biennium			1999-2001 Biennium			2001-2003 Biennium		
Counties	Counties Cities Districts			Counties Cities Districts			Cities	School Districts	
-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	

Counties	Cities	Districts	Counties	Cities	Districts	Counties	Cities	Districts
-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
If addi	tional s a supple	pace is mental sl	needed, heet.	Signed_	Char	las Kell	len	
				Typed N	Name Ch	arles Ke	ller	

Date Prepared: 1/26/99 Department Office of Attorney General

Phone Number 328-4482

	2/2)	
Date: _	19	199	
Roll Call	Vote #:	/ . ,	

1999 HOUSE STANDING COMMITTEE ROLL CALL VOTES BILL/RESOLUTION NO. 143/

House JUDICIARY	-			Com	mittee
Subcommittee on		e 2			
or Conference Committee					
Legislative Council Amendment	Number _				
Action Taken	o Pa	255		*	
Motion Made By	cor	Se By	econded Leppe	lma	
Representatives	Yes	No	Representatives	Yes	No
REP. DEKREY			REP. KELSH		V
REP. CLEARY	· /		REP. KLEMIN	© /	
REP. DELMORE		/	REP. KOPPELMAN		
REP. DISRUD			REP. MAHONEY	V	
		V	REP. MARAGOS	V	
REP. DISRUD REP. FAIRFIELD REP. GORDER					
REP. DISRUD REP. FAIRFIELD		V	REP. MARAGOS	V	
REP. DISRUD REP. FAIRFIELD REP. GORDER		V	REP. MARAGOS REP. MEYER	V	
REP. DISRUD REP. FAIRFIELD REP. GORDER REP. GUNTER		V V	REP. MARAGOS REP. MEYER	V	
REP. DISRUD REP. FAIRFIELD REP. GORDER REP. GUNTER REP. HAWKEN		V V	REP. MARAGOS REP. MEYER REP. SVEEN	V	
REP. DISRUD REP. FAIRFIELD REP. GORDER REP. GUNTER REP. HAWKEN Total Yes	+awl	No	REP. MARAGOS REP. MEYER REP. SVEEN	V	

REPORT OF STANDING COMMITTEE (410) February 9, 1999 1:34 p.m.

Module No: HR-26-2345 Carrier: Hawken Insert LC: Title:

REPORT OF STANDING COMMITTEE

HB 1431: Judiciary Committee (Rep. DeKrey, Chairman) recommends DO PASS (8 YEAS, 7 NAYS, 0 ABSENT AND NOT VOTING). HB 1431 was placed on the Eleventh order on the calendar.

1999 SENATE JUDICIARY

HB 1431

1999 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB1431

Senate Judiciary Committee

☐ Conference Committee

Hearing Date March 9, 1999

Tape Number	Side A	Side B	Meter #
2	X		0 - 3500
Committee Clerk Signa	ature Jacke	e 701/ma	LN

Minutes:

HB1431 relates to calcuttas.

SENATOR STENEHJEM opened the hearing on HB1431 at 11:00 A.M.

All were present.

SENATOR TOMAC testified in support of HB1431. This bill allows the Attorney General's Office the ability to issue a site license for \$25.00. We want to lower the price for the people have single events a year.

REPRESENTATIVE RENNER, District 31, testified in support of HB1431.

REPRESENTATIVE MEYER, District 36, testified in support of HB1431. We would like the price lowered for the one time event.

LARRY POLINSKY testified in support of HB1431. This would help the charitable organizations to make more money if they had a smaller fee for the one time event.

Page 2 Senate Judiciary Committee Bill/Resolution Number HB1431 Hearing Date March 9, 1999

CHUCK KELLER, Attorney General's Office, testified in opposition of HB1431. Testimony attached. Also proposed amendments. Amendments attached.

SENATOR STENEHJEM asked if the votes by the Gaming Commission were unanimous.

CHUCK KELLER stated that the last vote was 1997 but I just talked to them and some of them expressed apprehension on this.

SENATOR STENEHJEM CLOSED the hearing on HB1431.

SENATOR LYSON made a motion on the Amendments, SENATOR NELSON seconded.

Discussion. Motion carried. 6 - 0 - 0

SENATOR BERCIER made a motion for DO PASS AS AMENDED, SENATOR WATNE seconded. Discussion. Motion carried. 6 - 0 - 0

SENATOR LYSON will carry this bill.

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1431

Page 2, line 3, after "For" insert "an organization that conducts only"

Page 2, line 4, replace "<u>twenty-five</u>" with "<u>five hundred</u>" and replace the second "<u>a</u>" with "<u>one</u>" and replace "<u>an</u>" with "<u>the</u>"

Page 2, line 5, replace "a single occasion calcutta event" with "more than one city or county" and remove "The single occasion calcutta"

Page 2, remove line 6

Renumber accordingly

Date	3-9-99	
Roll Call Vote	# ;	

1999 SENATE STANDING COMMITTEE ROLL CALL VOTES BILL/RESOLUTION NO. 1461431

enate Judiciary						Committe	ee
Subcommittee o	on						
or Conference Con	mmittee						
egislative Council	Amendment Numb	1) 01					
ction Taken	Amer	ndn	repo		0 1		
fotion Made By	Serato		Sec By	onded	Senat helson	-01 ⁻	
Sans	itors	Yes	No		Senators	Yes	No
Senator Wayne S		X				++	
Senator Darlene	Watne	X				+++	
Senator Stanley I	yson	X.				+	
Senator John Tra	ynor	X					
Senator Dennis E	Bercier	X	-				
Senator Caroloyi	n Nelson	Λ					
						\rightarrow	
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		-	-	+-			
	6						
Absent							
Floor Assignme	nt						

Date.	3-9-99
Roll Call Vote ≠:	- 2 -

1999 SENATE STANDING COMMITTEE ROLL CALL VOTES BILL/RESOLUTION NO. 1481431

enate Judiciary						Commi	ttee
Subcommittee	on.						
or							
Conference Co	ommittee						
egislative Counci	l Amendment Numb	et _			. 8		
ction Taken	no PASS	A	5	Am	rended		
Motion Made By	Senator Bercier		Sec By	conded	Senat	01	
Ç.,		Yes	No		Senators	Yes	No
Senator Wayne S	ators Stenehiem	X					
Senator Darlene	Watne	X				-	H
Senator Stanley	Lyson	X				_	
Senator John Tra	aynor	\rightarrow	 	-			
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Total (Yes)	6		1	No <u>()</u>			
Absent ()							
Floor Assignme	ent Sepa	tor		y Si			

Module No: SR-43-4469 Carrier: Lyson

Insert LC: 90773.0101 Title: .0200

REPORT OF STANDING COMMITTEE

HB 1431: Judiciary Committee (Sen. W. Stenehjem, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1431 was placed on the Sixth order on the calendar.

Page 2, line 3, after "For" insert "an organization that conducts only"

Page 2, line 4, replace "twenty-five" with "five hundred", replace the second "a" with "one", and replace "an" with "the"

Page 2, line 5, replace "a single occasion calcutta event" with "more than one city or county" and remove "The single occasion calcutta"

Page 2, remove line 6

Renumber accordingly

1999 HOUSE JUDICIARY

HB 1431

CONFERENCE COMMITTEE

1999 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO.: 1431

House Judiciary Committee

☑ Conference Committee

Hearing Date: March 23, 1999

Tape Number	Side A	Side B	Meter #		
2	X		0		
Committee Clerk Signature Bla Que g					

Minutes:

CHUCK KELLER (Gaming Comm.) This bill will only affect one organization in North Dakota. All the other organizations that hold calcuttas have other gaming and need a general gaming license. This bill as passed by the house will reverse the trend that the Gaming Commission has been trying to follow the past several years.

<u>SEN. LYSON</u> moved that the committee recommends that the Senate recede from its amendments and that the bill be further amended to make the fee \$60. Sen. Traynor seconded ant the motion carried on a roll call vote with 6 ayes and 0 nays.

REPORT OF	CONFERENCE	COMMITTEE
(ACCEDE/RE	ECEDE) - 420	

(Bill Number) <u>HB 1431</u>	(, as (re)engrossed):
Your Conference Committee	an
For the Senate:	For the House:
SEN TRAYNOR	REP SVEEN
SENDLYSON	REP GUNTER
SEN C. NELSON	REP MEYER
7	ENATE/HOUSE) (ACCEDE to) (RECEDE from) 23/724 725/726 8724/H726 8723/H725 ndments on (SJ/HJ) page(s)
and place	on the Seventh order.
, adopt (furth	ner) amendments as follows, and place
on	the Seventh order:
having been unable to a and a new committee be	agree, recommends that the committee be discharged appointed. 690/515
((Re)Engrossed) <u>1431</u> was p calendar.	laced on the Seventh order of business on the
	DATE:/
	CARRIER: <u>Sue</u>
	LC NO of amendment
	LC NO of engrossment
	Emergency clause added or deleted
	Statement of purpose of amendment

(1) LC (2) LC (3) DESK (4) COMM.

REPORT OF CONFERENCE COMMITTEE (420)

March 24, 1999 2:47 p.m.

Module No: HR-53-5536

Insert LC: 90773.0102

REPORT OF CONFERENCE COMMITTEE

HB 1431: Your conference committee (Sens. Traynor, Lyson, C. Nelson and Reps. Sveen, Gunter, Meyer) recommends that the **SENATE RECEDE** from the Senate amendments on HJ pages 825-826, adopt further amendments as follows, and place HB 1431 on the Seventh order:

That the Senate recede from its amendments as printed on pages 825 and 826 of the House Journal and page 673 of the Senate Journal and that House Bill No. 1431 be amended as follows:

Page 2, line 4, replace "twenty-five" with "sixty"

Renumber accordingly

HB 1431 was placed on the Seventh order of business on the calendar.

REPORT OF CONFERENCE COMMITTE	E
(ACCEDE/RECEDE) - 420	
	=:

(Bill Number) <u>HB 1431</u> (, as (re)engrossed):	
Your Conference Committee	
For the Senate:	For the House:
SEN TRAYNOR	REP SVEEN
SENULYSON	REP GUNTER
SEN C. NELSON	REP MEYER
recommends that the (SENATE/#OUSE) (**ACCEDE to**) (RECEDE from) 723/724 725/726 \$724/#726 \$723/#725 the (Senate/House) amendments on (SJ/HJ) page(s) and place/431 on the Seventh order. , adopt (further) amendments as follows, and place on the Seventh order: having been unable to agree, recommends that the committee be discharged and a new committee be appointed. ((Re)Engrossed) was placed on the Seventh order of business on the calendar.	
DATE	://
CARR	IER: Lees on
LC NO) of amendment
LC NO) of engrossment
Emer	gency clause added or deleted
State	ement of purpose of amendment

(1) LC (2) LC (3) DESK (4) COMM.

REPORT OF CONFERENCE COMMITTEE (420) April 5, 1999 8:40 a.m.

Module No: HR-61-6421

Insert LC: 90773.0102

REPORT OF CONFERENCE COMMITTEE

HB 1431: Your conference committee (Sens. Traynor, Lyson, C. Nelson and Reps. Sveen, Gunter, Meyer) recommends that the SENATE RECEDE from the Senate amendments on HJ pages 825-826, adopt amendments as follows, and place HB 1431 on the Seventh order:

That the Senate recede from its amendments as printed on pages 825 and 826 of the House Journal and page 673 of the Senate Journal and that House Bill No. 1431 be amended as follows:

Page 2, line 4, replace "twenty-five" with "sixty"

Renumber accordingly

HB 1431 was placed on the Seventh order of business on the calendar.

1999 TESTIMONY HB 1431

TESTIMONY ON HOUSE BILL NO. 1431

By Charles Keller, Chief Auditor, Gaming Division Office of Attorney General

> House Judiciary Committee February 8, 1999

My name is Chuck Keller. I am the chief auditor of the Gaming Division of the Office of Attorney General. I am testifying on behalf of the State Gaming Commission that has a serious concern about the bill for these reasons:

- Based on information for four recent quarters of gaming activity, the bill would affect only one, of twenty, gaming organizations that conduct calcuttas. The organization is West River Racing Association of Flasher;
- 2. Based on the fiscal note, the bill would result in a negligible \$25 benefit to the organization in the next biennium. Yet, the bill would require the Office of Attorney General to administer bureaucratic paperwork and issue licenses at a cost to state government of an amount greater than \$25. Considering the time, effort, and expense of applying for and issuing special licenses, there is no benefit to the organization or our state. The bill would undermine recent accomplishments of the State Gaming Commission and Office of Attorney General in which the gaming law was streamlined by the elimination of special interest provisions. Examples of the provisions eliminated include different classes of licenses, different license fees, different allowable expense limits, and different types of distributors. The bill would unnecessarily complicate a simple law; and
- 3. The bill would have a ripple affect. Many other organizations that only conduct one type of game, a few games, or conduct games on only an infrequent basis would be inclined to petition the next legislature for the same special treatment.

I would be happy to answer any questions.

TESTIMONY ON HOUSE BILL NO. 1431

By Charles Keller, Chief Auditor, Gaming Division Office of Attorney General

> Senate Judiciary Committee March 9, 1999

My name is Chuck Keller. I am the chief auditor of the Gaming Division of the Office of Attorney General. I am testifying on behalf of the State Gaming Commission. The Commission has a serious concern about the bill for these reasons:

- The bill would affect only one, of twenty, organizations that conduct calcuttas. This would require the Office of Attorney General to expend unnecessary time, effort, and expense in handling special paperwork and licenses. The bill would needlessly complicate a simple law and undermine the accomplishments of the Gaming Commission in which special interest provisions were <u>removed</u> from the law. Examples of these special interest provisions included different classes of licenses, different license fees, different allowable expense limits, and different types of distributors; and
- The bill would have a ripple affect. Many other organizations that only conduct one type of game, a few games, or conduct games on only an infrequent basis would be inclined to request similar special treatment from the next legislature.

If the Judiciary Committee is inclined to recommend a "Do Pass" on this bill, the Gaming Commission asks that the Committee consider, instead, an amendment that would allow an organization that has a local permit to conduct a calcutta. Then, the Office of Attorney General would not need to be burdened with bureaucratic paperwork.

I would be happy to answer any questions.

For an organization that conducts only calcuttas, the attorney general may issue, for a five hundred dollar fee, one license to the organization which is valid for more than one city or county.