

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 <i>Alan Fiedberg</i>			

Minutes:

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

LARRY POLENSKY (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.

CHUCK KELLER (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.

FISCAL NOTE

(Return original and 10 copies)

Bill/Resolution No.: _____

Conference Comm. Amendments
Amendment to: HB 1431

Requested by Legislative Council Date of Request: 4/2/99

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 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. State fiscal effect in dollar amounts:

	1997-1999 Biennium		1999-2001 Biennium		2001-2003 Biennium	
	General Fund	Special Funds	General Fund	Special Funds	General Fund	Special Funds
Revenues:	-0-	-0-	(\$450)	-0-	(\$900)	-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. County, City, and School District 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-

If additional space is needed, attach a supplemental sheet.

Signed Charles W. Keller

Typed Name Charles Keller

Date Prepared: 4/2/99

Department Office of Attorney General

Phone Number 328-4482

FISCAL NOTE

(Return original and 10 copies)

Bill/Resolution No.: _____ Amendment to: HB 1431

Requested by Legislative Council Date of Request: 3-11-99

- 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:

	1997-1999 Biennium		1999-2001 Biennium		2001-2003 Biennium	
	General Fund	Special Funds	General Fund	Special Funds	General Fund	Special Funds
Revenues:	-0-	-0-	(\$250)	-0-	Unknown	-0-
Expenditures:	-0-	-0-	-0-	-0-	-0-	-0-

- 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 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-

If additional space is needed, attach a supplemental sheet.

Signed Charles W. Keller

Typed Name Charles Keller

Date Prepared: 3/11/99

Department Office of Attorney General

Phone Number 328-4482

FISCAL NOTE

(Return original and 10 copies)

Bill/Resolution No.: HB 1431 Amendment to: _____

Requested by Legislative Council Date of Request: 1-20-99

- 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 for conducting one or more "calcuttas" during a single sporting event. The license fee would be \$25. Under present law, an organization with a license may conduct any legal game of chance, 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.

- State fiscal effect in dollar amounts:

	1997-1999 Biennium		1999-2001 Biennium		2001-2003 Biennium	
	General Fund	Special Funds	General Fund	Special Funds	General Fund	Special Funds
Revenues:	-0-	-0-	(\$425)	-0-	(\$850)	-0-
Expenditures:	-0-	-0-	-0-	-0-	-0-	-0-

- 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 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-

If additional space is needed, attach a supplemental sheet.

Signed Charles Keller

Typed Name Charles Keller

Date Prepared: 2/9/99

Department Office of Attorney General

Phone Number 328-4482

FISCAL NOTE

(Return original and 10 copies)

Bill/Resolution No.: HB 1431 Amendment to: _____

Requested by Legislative Council Date of Request: 1-20-99

- 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 for conducting one or more "calcuttas" during a single sporting event. The license fee would be \$25. Under present law, an organization with a license may conduct any legal game of chance, 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. State fiscal effect in dollar amounts:

	1997-1999 Biennium		1999-2001 Biennium		2001-2003 Biennium	
	General Fund	Special Funds	General Fund	Special Funds	General Fund	Special Funds
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:

a. For rest of 1997-1999 biennium: None

b. For the 1999-2001 biennium: None

c. For the 2001-2003 biennium: None

- 4. County, City, and School District 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-

If additional space is needed, attach a supplemental sheet.

Signed Charles Keller

Typed Name Charles Keller

Date Prepared: 1/26/99

Department Office of Attorney General

Phone Number 328-4482

Date: 2/9/99
Roll Call Vote #: _____

1999 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1431

House JUDICIARY Committee

Subcommittee on _____
or
 Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Pass

Motion Made By Hawken Seconded By Koppelman

Representatives	Yes	No	Representatives	Yes	No
REP. DEKREY	✓		REP. KELSH		✓
REP. CLEARY	✓		REP. KLEMIN	ⓧ	✓
REP. DELMORE		✓	REP. KOPPELMAN	✓	
REP. DISRUD		✓	REP. MAHONEY	✓	
REP. FAIRFIELD		✓	REP. MARAGOS	✓	
REP. GORDER		✓	REP. MEYER	✓	
REP. GUNTER		✓	REP. SVEEN	✓	
REP. HAWKEN	✓				

Total Yes 8 No 7

Absent _____

Floor Assignment Hawken

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

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 Signature <i>Jackie Follman</i>			

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 "twenty-five" with "five hundred" and 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

Date 3-9-99
Roll Call Vote #: 1

1999 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. HB1431

Senate Judiciary Committee

Subcommittee on _____
or
 Conference Committee

Legislative Council Amendment Number _____

Action Taken Motion on Amendment

Motion Made By Senator Lyson Seconded By Senator Nelson

Senators	Yes	No	Senators	Yes	No
Senator Wayne Stenehjem	X				
Senator Darlene Watne	X				
Senator Stanley Lyson	X				
Senator John Traynor	X				
Senator Dennis Bercier	X				
Senator Carolynn Nelson	X				

Total (Yes) 6 No 0

Absent 0

Floor Assignment _____

Date: 3-9-99
Roll Call Vote #: 2

1999 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. HB1431

Senate Judiciary Committee

Subcommittee on _____
or
 Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Pass AS Amended

Motion Made By Senator Bercier Seconded By Senator Watne

Senators	Yes	No	Senators	Yes	No
Senator Wayne Stenehjem	X				
Senator Darlene Watne	X				
Senator Stanley Lyson	X				
Senator John Traynor	X				
Senator Dennis Bercier	X				
SenatorCarolyn Nelson	X				

Total (Yes) 6 No 0

Absent 0

Floor Assignment Senator Lyson

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 			

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.

SEN. LYSON 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.

(Bill Number) HB 1431 (, as (re)engrossed):

am to 60⁰⁰

Your Conference Committee

For the Senate:

For the House:

SEN TRAYNOR

REP SVEEN

SEN LYSON

REP GUNTER

SEN C. NELSON

REP MEYER

recommends that the (SENATE/HOUSE) (ACCEDE to) (RECEDE from)
723/724 725/726 S724/H726 S723/H725
the (Senate/House) amendments on (SJ/HJ) page(s) _____ - _____

and place _____ on the Seventh order.
727

, 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. 690/515

((Re)Engrossed) 1431 was placed on the Seventh order of business on the calendar.

DATE: ___/___/___

CARRIER: Svee

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

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.

(Bill Number) HB 1431 (, as (re)engrossed):

Your Conference Committee

For the Senate:

For the House:

SEN TRAYNOR |
SEN LYSON |
SEN C. NELSON |

REP SVEEN |
REP GUNTER |
REP MEYER |

recommends that the (SENATE/HOUSE) (~~ACCEDE to~~) (RECEDE from)
723/724 725/726 S724/B726 S723/B725
the (Senate/House) amendments on (SJ/HJ) page(s) _____ - _____

and place 1431 on the Seventh order.
727

, 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. 690/515

((Re)Engrossed) 1431 was placed on the Seventh order of business on the
calendar.

DATE: ____/____/____

CARRIER: Lyson

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

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:

1. 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:

1. 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 removed 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
2. 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.