

# MICROFILM DIVIDER

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



ROLL NUMBER

DESCRIPTION

1416

2001 HOUSE JUDICIARY  
HB 1416

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1416

House Judiciary Committee

Conference Committee

Hearing Date 02-05-01

Tape Number	Side A	Side B	Meter #
TAPE III	X		1105 to 6252
TAPE III		X	01 to 391
Committee Clerk Signature <i>John Diers</i>			

Minutes: Chairman DeKrey opened the hearing on HB 1416. Relating to games of chance definitions.

Rep Mahoney: District 33, Center. This small bill has an impact of seven to eight million. It is a simple solution for expenses for charitable organizations. (he gave out a report form for charitable gaming). The organizations aren't getting 50 per cent, it is fifty pr cent after taxes, this reduces the adjusted gross. What we can do to change the adjusted gross is to take out the taxes before. This would help smaller organizations. We want you to consider to leave the bingo tax in, and that would bring that figure down quite a bit. This bill would have zero effect on the taxes to the state.

Chairman DeKrey: The seven to eight million shift, whose pocket does this come out of?

Rep Mahoney: It would come out of the charitable purposes, where the net proceeds would go.

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House Judiciary Committee

Bill/Resolution Number HB 1416

Hearing Date 02-05-01

Chuck Keller: Attorney Generals Office, Chief Auditor of the Gaming Division. The impact on the gaming industry would be to provide addition allowable expenses, (he gives out three handouts). He then goes on to explain the three handouts. (see attached)

Rep Delmore: What happens when an organization has an under expense?

Chuck Keller: They can use it anyway not prohibited by law. Handout three explains that.

Rep Delmore: Is there a pattern that certain organizations either under or over expenses.

Chuck Keller: The trend is for under expenses. On page three of the bill I would have some amendments and I will prepare them for your consideration.

Rep Mahoney: Asks for an explanation of the proposed amendments.

Chuck Keller: explains the amendments that he had a question on.

Rep Klemin: asks for a clarification of another part of the amendments.

Chuck Keller: again explains for clarification.

Rep Klemin: asks for the name of the organization in question.

Chuck Keller: Responds with North Dakota Association for the Disabled.

Rep Klemin: That excess expense is what you are talking about or is this an additional one.

Chuck Keller: It was a one time expense.

Rep Klemin: Had a question on the tax return on line 15a.

Chuck Keller: That is an error on the return.

Chairman DeKrey: If there are no further questions, thank you for appearing.

Rick Stenseth: Charitable Gaming Association, we would stand behind this bill.

Rep Klemin: There is a nine point three million shift from the charitable purposes towards the expenses, so there is an effect.

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House Judiciary Committee

Bill/Resolution Number HB 1416

Hearing Date 02-05-01

Riek Stenseth: That is correct, but even with the shift the end result would be the same.

Rep Klemm: Aren't we going on a line, that the industry is its own reason for being.

Riek Stenseth: It is a grave concern.

Rep Delmore: The percentage of money going to the state is going up.

Riek Stenseth: Yes.

Chairman DeKrey: Are there any more questions, if not thank you for appearing.

Vickie Wagner: I started working in the gaming industry in 1979 and have seen all the changes, and she spoke in support of the bill and gave her reasons for her position. She gave a handout with items circled that would make a difference.

Rep Klemm: Your club is in good shape.

Vickie Wagner: Yes.

Joan Harmer: Gaming manager of the Bismarek Moose also a board member of the State Council , spoke in support of HB 1416.

Chairman DeKrey: Are there any questions, if not thank you for appearing.

Joseph Dirk: spoke in support of HB 1416.

Chairman DeKrey: Are there any questions, if not thank you for appearing.

James Schiele: from the Lake Region Heritage Center, spoke in support.

TAPE III SIDE B

James Schiele continues his testimony.

Chairman DeKrey: Are there any questions, if not thank you for appearing.

Bob Hanson: President of the council of Clubs and the Veterans council. spoke in support of this bill

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House Judiciary Committee

Bill/Resolution Number HB 1416

Hearing Date 02-05-01

Chairman DeKrey: Are there any questions, if not thank you for appearing. Is there anyone

wishing to testify either in support or opposition of HB 1416, if not we will close the hearing on

HB 1416.

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1416a

House Judiciary Committee

Conference Committee

Hearing Date 02-14-01

Tape Number	Side A	Side B	Meter #
TAPE 1	X		1840 to 4898
Committee Clerk Signature <i>[Handwritten Signature]</i>			

Minutes: Chairman DeKrey called the committee to order on HB 1416.

Rep Mahoney: I worked with Chuck Keller, would be doing something for the charities, if we did anything, do something on the per centage of the first \$200,00.00. I had Chuck run these at the different per cents and I will let him explain those.

Chuck Keller: Chief Auditor of the Gamin Division of the Attorney Generals Office. (see attached testimony).

Mr Keller was asked various questions to clarify the amendment and the amounts that he came up with. He went over the charts again so that the committee could understand where the figures were and how he came up with the percentages.

DISCUSSION

Rep Mahoney: this bill needs to be amend, so I will move the amendment to change the per centage by 1%. Seconded by Rep Wrangham.

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House Judiciary Committee

Bill/Resolution Number HB 1416

Hearing Date 02-14-01

Chairman DeKrey asked for a voice vote on the amendments. Motion carries. What are the wishes of the committee? Rep Wrangham move a DO PASS as amend, seconded by Rep Maragos.

#### DISCUSSION

Chairman DeKrey: The clerk will call the roll on a DO PASS as amend. The motion passes with 10 YES, 5 NO and 0 ABSENT. Carrier Rep Mahoney.

# FISCAL NOTE

Requested by Legislative Council  
04/12/2001

Bill/Resolution No.:

Amendment to:           Engrossed  
                                  HB 1416

**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.*

	1999-2001 Biennium		2001-2003 Biennium		2003-2005 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
<b>Revenues</b>	\$0	\$0	\$0	\$0	\$0	\$0
<b>Expenditures</b>	\$0	\$0	\$0	\$0	\$0	\$0
<b>Appropriations</b>	\$0	\$0	\$0	\$0	\$0	\$0

**1B. County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

1999-2001 Biennium			2001-2003 Biennium			2003-2005 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 engrossed bill with conference committee amendments would increase the allowable expense limit for licensed gaming organizations. The limit would increase from the present fifty percent, to fifty-one percent, of adjusted gross proceeds (gross proceeds less prizes), and, up to an additional two percent of adjusted gross proceeds for those organizations that actually need the extra allowance. Since the gaming tax is computed on adjusted gross proceeds before the deduction of allowable expenses, there would be no fiscal effect.

**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.

<b>Name:</b>	Charles Keller/Kathy Roll	<b>Agency:</b>	Office of Attorney General
<b>Phone Number:</b>	328-4482	<b>Date Prepared:</b>	04/12/2001

**FISCAL NOTE**  
 Requested by Legislative Council  
 03/23/2001

Bill/Resolution No :

Amendment to:           Engrossed  
                                   HB 1416

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.*

	1999-2001 Biennium		2001-2003 Biennium		2003-2005 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
<b>Revenues</b>	\$0	\$0	\$0	\$0	\$0	\$0
<b>Expenditures</b>	\$0	\$0	\$0	\$0	\$0	\$0
<b>Appropriations</b>	\$0	\$0	\$0	\$0	\$0	\$0

1B. **County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

1999-2001 Biennium			2001-2003 Biennium			2003-2005 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 bill would increase the amount of allowable expenses that licensed gaming organizations deduct on their quarterly gaming tax returns. The allowable expense limit would increase from the present fifty percent, to "fifty-three" percent, of the first two hundred thousand dollars of adjusted gross proceeds (gross proceeds less prizes). Since the gaming tax is computed on the amount of "adjusted gross proceeds" that is not affected by the bill, there would be no fiscal effect.

For the gaming industry, there would be an increase of about \$2.2 million in allowable expenses for the organizations and a decrease of about \$2.2 million in net proceeds that organizations would disburse for charitable uses for the 2001-03 biennium.

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

<b>Name:</b>	Charles Keller/Kathy Roll	<b>Agency:</b>	Office of Attorney General
<b>Phone Number:</b>	328-4482	<b>Date Prepared:</b>	03/26/2001

**FISCAL NOTE**  
 Requested by Legislative Council  
 02/20/2001

Bill/Resolution No.:

Amendment to:            HB 1416

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.*

	1999-2001 Biennium		2001-2003 Biennium		2003-2005 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
<b>Revenues</b>	\$0	\$0	\$0	\$0	\$0	\$0
<b>Expenditures</b>	\$0	\$0	\$0	\$0	\$0	\$0
<b>Appropriations</b>	\$0	\$0	\$0	\$0	\$0	\$0

1B. **County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

1999-2001 Biennium			2001-2003 Biennium			2003-2005 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 bill would increase the amount of allowable expenses that licensed gaming organizations deduct on their quarterly gaming tax returns. The allowable expense limit would increase from the present fifty percent, to "fifty-one" percent, of adjusted gross proceeds (gross proceeds less prizes). Since the gaming tax is computed on the amount of "adjusted gross proceeds" that is not affected by the bill, there would be no fiscal effect.

For the gaming industry, there would be an increase in the amount of allowable expenses for the organizations and a corresponding decrease in the amount of net proceeds that organizations would disburse for charitable uses.

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

<b>Name:</b>	Charles Keller/Kathy Roll	<b>Agency:</b>	Office of Attorney General
<b>Phone Number:</b>	328-4482	<b>Date Prepared:</b>	02/21/2001

## FISCAL NOTE

Requested by Legislative Council

01/23/2001

Bill/Resolution No.: HB 1416

Amendment to:

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.*

	1999-2001 Biennium		2001-2003 Biennium		2003-2005 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
<b>Revenues</b>	\$0	\$0	\$0	\$0	\$0	\$0
<b>Expenditures</b>	\$0	\$0	\$0	\$0	\$0	\$0
<b>Appropriations</b>	\$0	\$0	\$0	\$0	\$0	\$0

1B. **County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

1999-2001 Biennium			2001-2003 Biennium			2003-2005 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 bill would change the formula for calculating the amount of allowable expenses that a licensed organization may deduct on the gaming tax return. Since the base amount on which the gaming tax is computed would stay the same, there would be no fiscal effect on the gaming tax.

There would be a material increase in the amount of allowable expenses and a material decrease in the amount of net proceeds that would be disbursed for eligible uses (charitable uses).

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

<b>Name:</b>	Charles Keller/Kathy Roll	<b>Agency:</b>	Office of Attorney General
<b>Phone Number:</b>	328-4482	<b>Date Prepared:</b>	01/26/2001

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1416

Page 1, line 1, replace "section 53-06.1-01" with "subsection 2 of section 53-06.1-11"

Page 1, line 2, replace "definitions" with "allowable expenses"

Page 1, line 4, replace "Section 53-06.1-01" with "subsection 2 of section 53-06.1-11"

Page 1, after line 5, replace the remainder of the bill with:

2. Allowable expenses may be deducted from adjusted gross proceeds. The allowable expense limit is fifty fifty-one percent of the first two hundred thousand dollars of adjusted gross proceeds per quarter and forty-five percent of the adjusted gross proceeds in excess of two hundred thousand dollars per quarter. In addition, an organization may deduct as an allowable expense:
  - a. Two and one-half percent of the gross proceeds of pull tabs.
  - b. Capital expenditures for security or video surveillance equipment used for controlling games if the equipment is required by section 53-06.1-10 or authorized by rule, and it is approved by the attorney general.

Renumber accordingly

VR  
2/14/01

**HOUSE AMENDMENTS TO HB 1416 HOUSE JUDICIARY 02-15-01**  
Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to amend and reenact subsection 2 of section 53-06.1-11 of the North Dakota Century Code, relating to allowable expenses for games of chance.

**BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

**SECTION 1. AMENDMENT.** Subsection 2 of section 53-06.1-11 of the North Dakota Century Code is amended and reenacted as follows:

2. Allowable expenses may be deducted from adjusted gross proceeds. The allowable expense limit is ~~fty~~ fifty-one percent of the first two hundred thousand dollars of adjusted gross proceeds per quarter and forty-five percent of the adjusted gross proceeds in excess of two hundred thousand dollars per quarter. In addition, an organization may deduct as an allowable expense:
  - a. Two and one-half percent of the gross proceeds of pull tabs.
  - b. Capital expenditures for security or video surveillance equipment used for controlling games if the equipment is required by section 53-06.1-10 or authorized by rule, and it is approved by the attorney general."

Renumber accordingly

Date: 02-14-01  
Roll Call Vote #: 1

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. HB-1416

House JUDICIARY Committee

Subcommittee on \_\_\_\_\_  
or  
 Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken Do Pass as amend

Motion Made By Rep Wrangham Seconded By Rep Maragos

Representatives	Yes	No	Representatives	Yes	No
CHR - Duane DeKrey		✓			
VICE CHR -- Wm E Kretschmar	✓				
Rep Curtis E Brekke		✓			
Rep Lois Delmore	✓				
Rep Rachael Disrud	✓				
Rep Bruce Eckre	✓				
Rep April Fairfield	✓				
Rep Bette Grande		✓			
Rep G. Jane Gunter	✓				
Rep Joyce Kingsbury		✓			
Rep Lawrence R. Klemin		✓			
Rep John Mahoney	✓				
Rep Andrew G Maragos	✓				
Rep Kenton Onstad	✓				
Rep Dwight Wrangham	✓				

Total (Yes) 10 No 5

Absent 0

Floor Assignment Rep Mahoney

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

**REPORT OF STANDING COMMITTEE**

**HB 1416: Judiciary Committee (Rep. DeKrey, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (10 YEAS, 5 NAYS, 0 ABSENT AND NOT VOTING). HB 1416 was placed on the Sixth order on the calendar.

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to amend and reenact subsection 2 of section 53-06.1-11 of the North Dakota Century Code, relating to allowable expenses for games of chance.

**BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

**SECTION 1. AMENDMENT.** Subsection 2 of section 53-06.1-11 of the North Dakota Century Code is amended and reenacted as follows:

2. Allowable expenses may be deducted from adjusted gross proceeds. The allowable expense limit is ~~fifty~~fifty-one percent of the first two hundred thousand dollars of adjusted gross proceeds per quarter and forty-five percent of the adjusted gross proceeds in excess of two hundred thousand dollars per quarter. In addition, an organization may deduct as an allowable expense:
  - a. Two and one-half percent of the gross proceeds of pull tabs.
  - b. Capital expenditures for security or video surveillance equipment used for controlling games if the equipment is required by section 53-06.1-10 or authorized by rule, and it is approved by the attorney general."

Renumber accordingly

2001 SENATE JUDICIARY

HB 1416

2001 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. 1416

Senate Judiciary Committee

Conference Committee

Hearing Date March 19th, 2001

Tape Number	Side A	Side B	Meter #
2	x		5.1-end
		x	0-7
March 21, 2001 1	x		0-24.9
Committee Clerk Signature			

Minutes: **Senator Traynor**, opened the hearing on HB 1416.

**Rep. Mahoney**, district 33, did work on interim. Compact with Indian Reservation has hurt gaming in ND. Tried to get a more expense to charitable game organizers. \$800,000 for biennium. Has no bearing on tax structure. There seems to be \$18 million dollars in the biennium. Bill to try to help these organizations.

**Senator Trenbeath**, how would the passage of 1305, 1306 help?

**Rep. Mahoney**, its hoped that it will bring in more revenue. Its a benefit to them. We don't know if it will help the industry.

**Todd Kranda**, appeared on behalf of charitable gaming, original format was different in the approach. Tried to give relief to industry. They need that relief and it would not be a successful venture. Number of gaming with over and under expenses. If you don't have an operation going on you don't have charitable uses going on.

**Senator Dever**, are organizations subject to an audit?

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Senate Judiciary Committee

Bill/Resolution Number 1416

Hearing Date March 19th, 2001

**Todd Kranda**, yes.

**Vicky Wagner**, representing self, (tesimony attached) of fascimile of gaming report.

**Senator Nelson**, page 3 is the way of 51. And someone is bringing on amendment for 55.

**Vicky Wager**, yes.

**Senator Traynor**, you have discussed the change with other organizations?

**Vicky Wagner**, yes.

**Senator Traynor**, what was their reaction?

**Vicky Wagner**, they were in favor.

**Rick Stensworth**, most of us are.

**Senator Trenbeath**, most businesses are not charities.

**Jim Scheely**, manager of Devils Lake, gave a lot of money through charity. ND gaming tax is 5% of gross. There is flawed accounting. We're not getting the true 50%. Bill as it is was originally would probably make everyone present happy.

**John Jacobson**, veteran of Foreign Wars, honor guard was fully supported by charitable gaming.

**Senator Trenbeath**, with activites of honor guard, wouldn't that be covered by other fees?

**John Jacobson**, the honor guard performs there without charge.

**Bob Hensen**, ND counciler of clubs, honor guards are outfitted by gaming money. We take it to the veteren and at funerals which is the least we can do. 1416 helps posts recope money for several events such as funerals.

**Chuck Keller**, chief auditor for office of Attorney General, to provide you with background information. (handouts attached) Based on upper portion of document. 247 organizations were under. 114 were over. 2/3 are under, 1/3 are over. In the middle of page is the allowable limit

Page 3  
Senate Judiciary Committee  
Bill/Resolution Number 1416  
Hearing Date March 19th, 2001

since 1995. (handout on Affect of HB 1416) (Handout on expenses of organizations)

Legislature in 1997 tried to develop a reasonable match on the allowable expenses

Largest ND organization is for the disabled.

**Senator Traynor**, your response to the color chart is the 11 200,000 dollars...

**Senator Trenbeath**, what this means is an additional 200,000 dollars.

**Chuck Keller**, for the ND disabled, yes. We would like to propose an amendment to the bill to make it effective July 1, instead of Aug 1.

**Senator Lyson**, what is the Attorney General's feeling about moving from 51% to 55%?

**Chuck Keller**, we are neutral.

**Senator Traynor**, closed the hearing on HB 1416.

**Senator Traynor**, reopened the hearing on 1416.

**Chuck Keller**, chief auditor for the gaming commission, there is an emergency measure to make this bill effective July 1st, 2001.

**Senator Traynor**, why should we make it an emergency?

**Chuck Keller**, rather than have the 1st quarter begin on Aug, 1st, we move it to July 1st. The committee asked for the actual breakdown for the fiscal year. That is on this first page (attachment) the allowable expense- 3 components 1) 50% of 200,000 2)2.35% of ND excis tax, 3) and video surveillance equipment. Total of all is 26,385,000 million dollars.

**Senator Traynor**, closed the hearing on 1416.

**SENATOR WATNE MOTIONED TO MOVE CHUCK KELLERS  
AMENDMENTS, SECONDED BY SENATOR BERCIER. VOTE INDICATED 7 YEAS,  
0 NAYS, AND 0 ABSENT AND NOT VOTING. SENATOR WATNE MOTIONED TO  
FURTHER AMEND FROM 50 % TO 53% ON LINE 7 PAGE 1, SECONDED BY**

Page 4  
Senate Judiciary Committee  
Bill/Resolution Number 1416  
Hearing Date March 19th, 2001

SENATOR LYSON. VOTE INDICATED 4 YEAS, 3 NAYS, AND 0 ABSENT AND NOT VOTING. SENATOR WATNE MOTIONED TO DO PASS AS AMENDED, SECONDED BY SENATOR BERCIER. VOTE INDICATED 7 YEAS, 0 NAYS AND 0 ABSENT AND NOT VOTING. SENATOR WATNE VOLUNTEERED TO CARRY THE BILL.

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1416

Page 1, line 2, after "chance" insert "; and to provide an effective date"

Page 1, after line 14, insert:

**"SECTION 2. EFFECTIVE DATE.** This act becomes effective on July 1, 2001."

Renumber accordingly

*JCB*  
3-22-01

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1416

Page 1, line 2, after "chance" insert "; to provide an effective date; and to declare an emergency"

Page 1, line 7, replace "fifty-one" with "fifty-three"

Page 1, after line 14, insert:

**"SECTION 2. EFFECTIVE DATE.** This Act becomes effective on July 1, 2001.

**SECTION 3. EMERGENCY.** This Act is declared to be an emergency measure."

Renumber accordingly







**REPORT OF STANDING COMMITTEE**

HB 1416, as engrossed: Judiciary Committee (Sen. Traynor, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1416 was placed on the Sixth order on the calendar.

Page 1, line 2, after "chance" insert "; to provide an effective date; and to declare an emergency"

Page 1, line 7, replace "fifty-one" with "fifty-three"

Page 1, after line 14, insert:

**"SECTION 2. EFFECTIVE DATE.** This Act becomes effective on July 1, 2001.

**SECTION 3. EMERGENCY.** This Act is declared to be an emergency measure."

Renumber accordingly

2001 HOUSE JUDICIARY  
CONFERENCE COMMITTEE  
HB 1416

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1416-Conference

House Judiciary Committee

Conference Committee

Hearing Date 04-02-01

Tape Number	Side A	Side B	Meter #
TAPE II	8		01 to 3456
Committee Clerk Signature	<i>Joan D. ...</i>		

Minutes: Chairman Kretschmar called the conference committee on HB 1416 to order, let the record show that all members are present. We shall begin the discussion.

Senator Traynor: I think that Senator Watne can address our amendments better.

Senator Watne: We looked at how many were in trouble and there were 114. We knew by going to 53%, we could give immediate help to ten , and the others then would be within a goal that we may be able to save them. We have lost a lot of charities over the years, and they really need help. For the second part, the Senate vote on the bill was 49/0. The other part of our amendment is added to the effective date and add an emergency clause. That is because of the accounting procedures in the Attorney General's office and the way the computer system is set up. This would keep them on the regular reporting schedule.

Senator Traynor: I think we had a figure on the amount of money that would change.

Senator Watne: It is in your file. Chuck had figured that for, we first talked about 55 % and he had done a chart on 51,52,53, he hadn't done it at 55.

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House Judiciary Committee

Bill/Resolution Number HB 1416

Hearing Date 04-02-01

Chairman Kretschmar: My recollection of the testimony, is that what we add on the expense limit, that if taken off what the charity gets.

Senator Watne: Correct.

Senator Traynor: That is the whole thing, if that is going to close up, they are going to get nothing.

Senator Traynor: Charity supported these amendments.

Rep Grande: I beg to differ with you, it isn't the charities, its the charitable organizations. We have to make sure that there is a distinction made here. The benefit comes out of the actual charity and goes to the organization that is trying to run the gambling. If we do it this way, we have to keep in mind that the 51%, those that were on the bubble and in need were going to get the benefit that was going to help them. If we go to 53%, we are going to include some people that don't need that help. We are keeping money away from the charity that is why we have this.

Senator Watne: When we looked at that, (gives an example) they are not going to go out and spend it on something else. The only ones that were treated different were the veterans and fraternal organizations, money could be put into keeping there club open.

Senator Lyson: One of the things that I thought about is, there are some organizations that have not had a raise for a long time and they are still not making minimum wage.

Rep Mahoney: I agree with the senators. When I first approached this bill, I did look at 55%. My concern was that at 51% I could get this through the House. I do feel that 53% would help the organizations. I think that Mr Keller has something to add to this that may be a solution.

Chuck Keller: from the office of the Attorney General, we have two different proposed amendment to this bill. One amendment all at 52%, the other amendment does a little more. It

would change the allowable expense back to 51%, however it would allow organizations that have actual expenses that exceed 51% to deduct up to 53%.

Rep Mahoney: Under current law, these organizations don't have to document their expenses, would they have to at the 53%, how would they qualify.

Chuck Keller: There is no documentation up to 51%, if they claim actual expenses up to 53%, if our office would request documentation they would need to provide it.

Senator Lyson: I don't like that, that is just another step, more paper work, I like the 53%.

Rep Grande: Along our need to help, those who are not able to meet their expense, what are we doing to hold them into compliance.

Chuck Keller: You are looking at the North Dakota Association for the Disabled, these organizations have considerable sources of revenue from non gaming sources. Dollar for dollar the same amount goes to charity because they use other funds.

Rep Grande: Asks a question, using an example.

Chuck Keller: if they transfer money into the gaming account, they would be required to go to charitable purposes,

Rep Grande: This group exceeded their expense, they took this money from where.

Chuck Keller: From other sources.

Rep Grande: So someone raised more money to continue having the gambling side.

Chuck Keller: He explains with an example.

Senator Watne: The million in excess was because they just built a new building.

Chuck Keller: Correct, it was a one time expense.

Chairman Kretschmar: Would that be within the 50%.

Chuck Keller: They would still have been in the excess expenses. He then give out a handout to the committee and explains the hand out.

Rep Mahoney: Where it is taken out of expenses or net proceeds, it still goes to the charities, the impact will be less.

Chuck Keller: For certain types of organizations that is correct.

Rep Grande: Asks for a clarification.

Chuck Keller: Hands out another handout which is an overview and the explains.

Rep Grande: Give me an example of a public spirited organization.

Chuck Keller: Booster clubs.

Senator Wayne: Would you look at this expense amount, explains her point.

Chuck Keller: Explains how the 53% would effect the figure.

Senator Traynor: If we left it at 53% with no amendments, how many organizations would be assisted. Would it be all 114.

Chuck Keller: 53% would reduce to 112, so it would only help 2, but it would help all 114 by \$200,000.00.

Senator Traynor: If we adopted you amendment, how many would it assist.

Chuck Keller: it would assist the 114, and would provide free money of 1% to 247.

Senator Lyson: That is more then they need, but we are not considering that most of these people are working a minimum wages, they need a raise.

Chuck Keller: That is correct. The office of the Attorney General is neutral. When I say it is not what they need, I mean for gaming purposes.

Rep Grande: Running of the operation, isn't salary included in that figure.

Chuck Keller: In some operations, salary is pro rated between club operation and gaming operation.

Rep Grande: Under the expense category, can the pay above the minimum wage.

Chuck Keller: The Attorney General's office does not know what the organization is paying there employees. In answer to your question, yes.

Rep Grande: Could that also be the reason for exceeding expenses.

Chuck Keller: Yes.

Senator Traynor: I have been looking at the list and museums are not there, how can we help them. Would 53% help them.

Chuck Keller: With the 53%, under the amendments, would be able to take advantage, it would add and other 5 to 6 thousand.

Rep Grande: At 53%, 2/3's of them would have more free money that they don't need. what about at 51%.

Chuck Keller: 51% the 2/3 would still receive free money.

Rep Grande: Maybe I would need a dollar figure.

Chuck Keller: I think it would be close to the 2/3's, but I don't know what the adjusted gross is. It would benefit organizations with under expenses.

Rep Grande: At 51%, would we benefit the organizations that need to get out of the hole.

Chuck Keller: Yes, you have provided them with an additional 1%.

Senator Traynor: The thrust of the amendments is to put more money into the charity.

Chuck Keller: The purpose of this amendment is to compromise. to temper the amount of allowable expense and to provide an additional 2%.

Page 6  
House Judiciary Committee  
Bill/Resolution Number HB 1416  
Hearing Date 04-02-01

Senator Traynor: What happens if we adopt the amendment. Those organizations that have under expenses will have an additional 2% to give to the charities.

Chuck Keller: That is correct to a point.

Chairman Kretschmar: Any other discussion, I am open to a motion.

Senator Watne: Are you not in agreement to what we did to the bill.

Rep Mahoney: As prime sponsor of the bill, I like what the Senate did.

Senator Watne: I move that the House accede to the Senate amendments.

Senator Traynor: Second.

Chairman Kretschmar: Motion before the committee is the House accede to the Senate amendments. (10623.0301).

#### DISCUSSION

Chairman Kretschmar: We need to vote on the motion. The motion has been called for the vote is  
5 YES and 1 NO 0 ABSENT.

Move to adjourn.

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1416-conference-b

House Judiciary Committee

Conference Committee

Hearing Date 04-09-01

Tape Number	Side A	Side B	Meter #
TAPE I	X		01 to 1882
Committee Clerk Signature <i>Joan Deard</i>			

Minutes: Chairman Kretschmar called the conference committee to order with all members present. The House rejected the first report of the conference committee report. The House would be more likely to accept this report if we added this amendment.

Senator Watne: What amendment are you referring to.

Chairman Kretschmar: I think they came from the Attorney General's office.

Rep Grande: Speaking to the amendment, those offered goes to the amount of 51% and the 53%.

She then goes over the Attorney Generals proposed amendments.

Senator Lyson: I am not sure that it is, there are too many rules. If we could get the gaming commission to do some changes, then maybe it would work. The rules that are set up now just don't work.

Chairman Kretschmar: What do you mean, it doesn't work.

Senator Lyson: They have so many rules set up right now, they can't come up with the figures to show that they are under or over expenses.

Rep Mahoney: I tend to agree with you about coming up with the documentation of the expenses.

I just want to point out that, just so you are clear of how it came up to the House floor. It came to the House floor with a recommendation not to accept the committee report by our chairman.

Chairman Kretschmar: Chairman DeKrey got up and spoke against it.

Rep Mahoney: Asked if it could be rejected and brought back to the conference committee and if a compromise could be worked out.

Senator Lyson: Take a look at the whole picture of the thing. The organizations that are charitable organizations that have gambling are not hurting. It is the other places that are hurting. If we don't do something to help them, we are going to close down those places.

Rep Grande: When you are talking about fraternal organizations is your concern. The whole point of this is keeping the percentage of the dollar so that they can run the charitable organization not run the their organization. So it is the running of the charity that has dropped, causing their fraternal organization to be in problem. I think we are trying to solve two different problems. This is to make sure that their gambling side of their business is above water.

Senator Lyson: You are right, but when we allow only this much, with other expenses that are coming up, such as salaries etc, you just cannot make it on this type of a percentage.

Rep Grande: You think that fifty three will solve their problems. Why don't we just leave it wide open and go at eighty per cent.

Senator Lyson: Maybe we should make an amendment in here and take out charitable gambling, then I'd vote for it.

Senator Traynor: I think I mentioned the last time that we have two museums in Devils Lake that are dependent on this gaming activity. In the last reporting period, they lost about \$35,000.00.

Because they were over the expense limit. So I asked the Attorney General's Gaming Department to find out what would happen if we raised it to 53%. It would mean over \$5,000.00 a year. I would support this amendment.

Senator Watne: I think that the last time we gave a raise was in 1995. Since that time the expenses have gone up, the gaming stamp has gone up 28% etc, we have continued to put more and more on them. Over one hundred organizations have closed down.

Rep Mahoney: Some of the larger organizations have other means of raising money so it really isn't a loose to them .It is the smaller organizations that are a part of the picture of those that have the over expenses.

Senator Lyson: There are only to be eleven Legion Posts giving to baseball this year.

Chairman Kretschmar: The Ashley Lions Club supports baseball and the March quarter was considerably less. We also pay over \$30,000.00 in taxes to North Dakota. Is there any other discussion.

Rep Grande: Moved the Attorney General amendments.

Senator Traynor: Second.

#### DISCUSSION

Chairman Kretschmar: We will a roll call vote on the amendments. The motion passes with a vote of 4 Yes 2 NO and 0 ABSENT. The motion carried and are adopted. Is there a further motion to adopt the bill as amended.

Rep Grande: So move.

Senator Watne: Second.

Page 4  
House Judiciary Committee  
Bill/Resolution Number HB 1416  
Hearing Date 04-09-01

Chairman Kretschmar: Is there any discussion before we vote. Hearing none we will have the clerk call the roll on a DO PASS.

DISCUSSION

Chairman Kretschmar: The clerk will call the roll on the motion the Senate recedes from its amendments and further amend.

Intern explains that the motion must be the Senate recede from the Senate amendments and adopt new amendments.

Chairman Kretschmar: The clerk will call the roll. The motion passes with a vote of 6 YES, 0 NO and 0 ABSENT. The committee is adjourned.

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1416-conference-c

House Judiciary Committee

Conference Committee

Hearing Date 04-10-01

Tape Number	Side A	Side B	Meter #
TAPE I	x		01 to 1191
Committee Clerk Signature <i>Joan Diers</i>			

Minutes: Chairman Kretschmar called the conference committee back to order on HB 1416. let the record show all members are present. We would like to call Chuck Keller up to explain the amendments.

Chuck Keller: chief auditor of the gaming division of the Attorney General's office. The previous language was incorrect. Before you is a copy of the correct amendment (see hand out) entitled Explanation for Reconsidering Property Amendment to Engrossed HB 1416. (gives the committee a moment to read the handout. The reason for the change the incorrect proposed amendment only referred to two of the four items that comprise the total allowable expenses. All the information and all the numbers provided were based on organizations having expenses that exceeded four items. However in the first proposed amendment that you adopted yesterday, that amendment only referenced the organizations that have expenses in excess of 51 % of the first two hundred thousand dollars of adjusted gross proceeds per quarter. It failed to consider items

number three and four. And so that was corrected in the new proposed amendments on page one, line nine. The proposed new language considers all four items.

Chairman Kretschmar: Does any one have a question for Mr Keller.

Rep Mahoney: To clarify, the way we did the amendment, the excess expenses would kick in after you would consider only two items.

Chuck Keller: Correct.

Rep Mahoney: That would be a big chunk to add on to the 51%.

Senator Traynor: We still need the 51 and 53 per cent language.

Chuck Keller: To clarify the intent of the amendment all we used was the language of an additional two per cent instead of 51 and 53 per cent.

Senator Traynor: So your amendment completely supplants what we did yesterday.

Chuck Keller: That is correct.

Senator Traynor: The 51% was in the original House bill.

Chuck Keller: That is correct.

Senator Lyson: You are going to have to explain that one more time.

Chuck Keller: Goes over the explanation one more time.

Rep Mahoney: Do you have a copy of the engrossed House bill, I am looking at the engrossed bill and maybe the amendment should be a (c).

Chuck Keller: That question was posed to the Legislative Council and they inserted it on line nine. Do whatever you wish, we can do either with this amendment.

Rep Mahoney: Making it a (c) would make it clearer.

Chuck Keller: Yes.

Page 3  
House Judiciary Committee  
Bill/Resolution Number HB 1416  
Hearing Date 04-10-01

Rep Mahoney: Explains how he would insert it into the bill.

Chuck Keller: It would flow better.

Rep Mahoney: Moved to reconsider the actions of the committee.

Rep Grande: Second.

Chairman Kretschmar: We will take a voice vote on the motion. The motion carries.

DISCUSSION

Rep Mahoney: I move that the Senate recede from its amendments and further amend the bill.

Senator Traynor: Second.

DISCUSSION.

Chairman Kretschmar: The clerk will call the roll. The vote was 6 YES, 0 NO and 0 ABSENT.

The motion carries. The committee is adjourned.

10623.0301  
Title.0400

Adopted by the Judiciary Committee  
March 21, 2001

*JCB*  
3-22-01

**CONFERENCE COMMITTEE** AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1416 JUD 04-03-01

Page 1, line 2, after "chance" insert "; to provide an effective date; and to declare an emergency"

Page 1, line 7, replace "fifty-one" with "fifty-three"

Page 1, after line 14, insert:

**"SECTION 2. EFFECTIVE DATE.** This Act becomes effective on July 1, 2001.

**SECTION 3. EMERGENCY.** This Act is declared to be an emergency measure."

Renumber accordingly



REPORT OF CONFERENCE COMMITTEE (420)  
April 3, 2001 11:36 a.m.

Module No: HR-58-7563

Insert LC: 10623.0301

**REPORT OF CONFERENCE COMMITTEE**

**HB 1416, as engrossed:** Your conference committee (Sens. Watne, Lyson, Traynor and Reps. Kretschmar, Grande, Mahoney) recommends that the **HOUSE ACCEDE** to the Senate amendments on HJ page and place HB 1416 on the Seventh order.

Page 1, line 2, after "chance" insert "; to provide an effective date; and to declare an emergency"

Page 1, line 7, replace "fifty-one" with "fifty-three"

Page 1, after line 14, insert:

**"SECTION 2. EFFECTIVE DATE.** This Act becomes effective on July 1, 2001.

**SECTION 3. EMERGENCY.** This Act is declared to be an emergency measure."

Renumber accordingly

Engrossed HB 1416 was placed on the Seventh order of business on the calendar.

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1416

Page 1, line 2, before the period, insert "; to provide an effective date; and to declare an emergency"

Page 1, line 9, after the period, insert "However, if an organization's total actual expenses exceed the allowable expenses provided by this subsection, the organization may also deduct the expenses up to two additional percent of the first two hundred thousand dollars of adjusted gross proceeds per quarter."

Page 1, after line 14, insert:

**"SECTION 2. EFFECTIVE DATE.** This Act becomes effective on July 1, 2001.

**SECTION 3. EMERGENCY.** This Act is declared to be an emergency measure."

Renumber accordingly

VK  
4/9/01

CONFERENCE COMMITTEE AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1416 JUD 04-09-01

That the Senate recede from its amendments as printed on page 1100 of the House Journal and pages 910 and 911 of the Senate Journal and that Engrossed House Bill No. 1416 be amended as follows:

Page 1, line 2, after "chance" Insert "; to provide an effective date; and to declare an emergency"

Page 1, line 9, after the period insert "However, if an organization's actual expenses exceed fifty-one percent of the first two hundred thousand dollars of adjusted gross proceeds per quarter, the organization may also deduct these actual expenses up to fifty-three percent of the first two hundred thousand dollars of adjusted gross proceeds per quarter."

Page 1, after line 14, Insert:

**"SECTION 2. EFFECTIVE DATE.** This Act becomes effective on July 1, 2001.

**SECTION 3. EMERGENCY.** This Act is declared to be an emergency measure."

Renumber accordingly



**REPORT OF CONFERENCE COMMITTEE**

**HB 1416, as engrossed:** Your conference committee (Sens. Watne, Lyson, Traynor and Reps. Kretschmar, Grande, Mahoney) recommends that the **SENATE RECEDE** from the Senate amendments on HJ page 1100, adopt further amendments as follows, and place HB 1416 on the Seventh order:

That the Senate recede from its amendments as printed on page 1100 of the House Journal and pages 910 and 911 of the Senate Journal and that Engrossed House Bill No. 1416 be amended as follows:

Page 1, line 2, after "chance" insert "; to provide an effective date; and to declare an emergency"

Page 1, line 9, after the period insert "However, if an organization's actual expenses exceed fifty-one percent of the first two hundred thousand dollars of adjusted gross proceeds per quarter, the organization may also deduct these actual expenses up to fifty-three percent of the first two hundred thousand dollars of adjusted gross proceeds per quarter."

Page 1, after line 14, insert:

**"SECTION 2. EFFECTIVE DATE.** This Act becomes effective on July 1, 2001.

**SECTION 3. EMERGENCY.** This Act is declared to be an emergency measure."

Renumber accordingly

Engrossed HB 1416 was placed on the Seventh order of business on the calendar.

REPORT OF CONFERENCE COMMITTEE  
(ACCEDE/RECEDE) - 420

07398

(Bill Number) H.B.-1416 (, as (re)engrossed):

Your Conference Committee

For the Senate:

Sen Watne  
Sen Lyson  
Sen Traynor

For the House:

Chk Kretschmar  
Rep Grande  
Rep Mahoney

recommends that the (SENATE/HOUSE) (ACCEDE to) (RECEDE from)  
723/724      725/726      8724/H726      8723/H725  
the (Senate/House) amendments on (S/HJ) page(s) 100 - \_\_\_\_\_

and place 1416 on the Seventh order.  
727

, adopt (further) amendments as follows, and place  
1416 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) 1416 was placed on the Seventh order of business on the  
calendar.

DATE: 4 10 9 1 0 1

CARRIER: \_\_\_\_\_

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.

OFFICE OF ATTORNEY GENERAL  
Gaming Division

Explanation for Reconsidering Proposed Amendments to Engrossed House Bill No. 1416  
April 10, 2001

The Office of Attorney General's previous proposed amendment to Engrossed House Bill No. 1416 that provided an allowable expense limit of 51% and an increase up to 53% for excess expenses is incorrect. That amendment considered only two (item numbers 1 & 2 below) of the four items that make up the total allowable expense limit.

The total allowable expense limit includes these four items:

1. 50% of the first \$200,000 of Adjusted Gross Proceeds
2. 45% of Adjusted Gross Proceeds exceeding \$200,000
3. 2½% of pull tab gross proceeds
4. Cost of video surveillance equipment

Items 3 and 4 are critical and must be included since the allowable expense amount related to these items for the 2001-03 biennium is about \$7.9 million. The April 9, 2001 proposed amendments correctly reference all four factors in the phrase "if an organization's total actual expenses exceed the allowable expenses provided by this subsection."

The Conference Committee should adopt the April 9, 2001 proposed amendment that achieves the committee's objective.

VK  
4/10/01

**CONFERENCE COMMITTEE AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1416** JUD 04-10-01

That the Senate recede from its amendments as printed on page 1100 of the House Journal and pages 910 and 911 of the Senate Journal and that Engrossed House Bill No. 1416 be amended as follows:

Page 1, line 2, after "chance" insert "; to provide an effective date; and to declare an emergency"

Page 1, after line 14, insert:

"c. If an organization's total actual expenses exceed the allowable expenses provided by this subsection, the organization may also deduct the expenses up to two additional percent of the first two hundred thousand dollars of adjusted gross proceeds per quarter.

**SECTION 2. EFFECTIVE DATE.** This Act becomes effective on July 1, 2001.

**SECTION 3. EMERGENCY.** This Act is declared to be an emergency measure."

Renumber accordingly



**REPORT OF CONFERENCE COMMITTEE**

**HB 1416, as engrossed:** Your conference committee (Sens. Watne, Lyson, Traynor and Reps. Kretschmar, Grande, Mahoney) recommends that the **SENATE RECEDE** from the Senate amendments on HJ pages 910-911, adopt further amendments as follows, and place HB 1416 on the Seventh order:

That the Senate recede from its amendments as printed on page 1100 of the House Journal and pages 910 and 911 of the Senate Journal and that Engrossed House Bill No. 1416 be amended as follows:

Page 1, line 2, after "chance" insert "; to provide an effective date; and to declare an emergency"

Page 1, after line 14, insert:

"c. If an organization's total actual expenses exceed the allowable expenses provided by this subsection, the organization may also deduct the expenses up to two additional percent of the first two hundred thousand dollars of adjusted gross proceeds per quarter.

**SECTION 2. EFFECTIVE DATE.** This Act becomes effective on July 1, 2001.

**SECTION 3. EMERGENCY.** This Act is declared to be an emergency measure."

Renumber accordingly

Engrossed HB 1416 was placed on the Seventh order of business on the calendar.

REPORT OF CONFERENCE COMMITTEE  
(ACCEDE/RECEDE) - 420

07398

(Bill Number) HB-1416 (, as (re)engrossed):

Your Conference Committee

For the Senate:

Sen Watne  
Sen Lynn  
Sen Traynor

For the House:

Ch Kretschmar  
Rep Grande  
Rep Mahoney

recommends that the (SENATE/HOUSE) (ACCEDE to) (RECEDE from)  
723/724      725/726      8724/8726      8723/8725  
the (Senate/House) amendments on (SJ/HJ) page(s) 910 - 911

and place 1416 on the Seventh order.  
127

, adopt (further) amendments as follows, and place  
1416 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) 1416 was placed on the Seventh order of business on the  
calendar.

DATE: 4/10/01

CARRIER: \_\_\_\_\_

LC NO. 10623 . 0303 of amendment

LC NO. \_\_\_\_\_ . \_\_\_\_\_ of engrossment

Emergency clause added or deleted \_\_\_\_\_

Statement of purpose of amendment \_\_\_\_\_

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

2001 TESTIMONY

HB 1416



**NORTH DAKOTA GAMING TAX RETURN**  
**OFFICE OF ATTORNEY GENERAL**  
 SFN 9809 (8-00)

Quarter Ended September 30, 2000

PART I - TOTAL GAMING ACTIVITY		A Gross Proceeds	B Prizes	C Adj. Gross Proceeds	D Cash Profit
1a. Bingo	1a				
1b. Bingo - Dispensing Device	1b				
2. Raffles	2				
3a. Pull Tabs - Jar Bar	3a				
3b. Pull Tabs - Dispensing Device	3b				
3c. Club Specials, Tip Boards, Seal Boards, Coin Boards	3c				
4. Punchboards	4				
5. Sports Pools	5				
6. Twenty-One	6				
7. Calcuttas	7				
8a. Paddlewheels	8a				
8b. Paddlewheels - used with a table	8b				
9. Other (Including Interest, Net Total Cash Long, Poker)	9				
10. Subtotal	10				
11. ND Excise Tax (.0431 x Sum of lines 3a, 3b & 3c of column A)	11	( )		( )	
12. Federal Excise Tax from Federal Form 730	12	( )		( )	
13. Bingo Sales Tax from N.D. Sales Tax Return	13	( )		( )	
14. TOTAL (Line 10 less lines 11, 12, and 13)	14				

PART II - ALLOWABLE EXPENSES, GAMING TAX, NET PROCEEDS			
15a. Allowable Expenses - 50% of first \$200,000 of line 15, column C plus 45% of the amount over \$200,000	a		
15b. Allowable Expenses - .0236 x Sum of lines 3a, 3b & 3c column A	b		
15c. Allowable Expenses - Video surveillance equipment purchased - attach documentation	c		Total (a + b + c) 15
16. Gaming Tax - 5% of the first \$200,000 of line 14, column C. If over \$200,000, read instructions			16
17. Net proceeds - Line 14, column C, less lines 15 and 16			17
18. Net proceeds carry-over - Amount from line 21 of prior quarter's return			18
19. Adjustment - Attach explanation			19
20. Amount transferred to trust account this quarter			20
21. Net proceeds carry-over - Line 17 plus line 18, plus or less line 19, less line 20			21

PART III - TRUST ACCOUNT	
22. Trust carry-over - Amount from line 26 of prior quarter's return	
23. Amount transferred to trust account this quarter - Amount from line 20	
24. Adjustment - Include interest and service fees - Attach explanation	
25. Eligible use contributions this quarter - Total from Schedule C	
26. Trust carry-over - Line 22 plus line 23, + or - line 24, less line 25	
27. End of quarter trust account check register and marketable securities balance	

28. End of quarter gaming account check register(s) balance	
29. Total gaming expenses for all sites	
30. Total Tax Due - Line 11 plus Line 16. Remit - payable to "Attorney General"	

SIGNATURE AND VERIFICATION	
Signature of top official or governing board member	Date
Signature of preparer	Day Phone (701)

(two signatures required)

**SCHEDULE A - COMPLETE  
IF MORE THAN ONE SITE**

Organization License No. G - \_\_\_\_\_ Quarter Ended \_\_\_\_\_, 20\_\_\_\_ Page \_\_\_\_ of \_\_\_\_

Site Name	Gaming Expenses	A	B	C	
Site No. ( _____ ) _____	\$	Gross Proceeds	Prizes	Adjusted Gross Proceeds	Cash
1a. Bingo	1a				
1b. Bingo - Dispensing Device	1b				
2. Raffles	2				
3a. Pull Tabs - Jar Bar	3a				
3b. Pull Tabs - Dispensing Device	3b				
3c. Club Specials, Tip Boards, Seal Boards, Coin Boards	3c				
4. Punchboards	4				
5. Sports Pools	5				
6. Twenty-One	6				
7. Calcuttas	7				
8a. Paddlewheels	8a				
8b. Paddlewheels - used with a table	8b				
9. Other (Including Interest, Net Total Cash Long, Poker)	9		←→		
10. Subtotal (Sum of lines 1a through 9)	10				

Site Name	Gaming Expenses	A	B	C	D
Site No. ( _____ ) _____	\$	Gross Proceeds	Prizes	Adjusted Gross Proceeds	Cash Profit
1a. Bingo	1a				
1b. Bingo - Dispensing Device	1b				
2. Raffles	2				
3a. Pull Tabs - Jar Bar	3a				
3b. Pull Tabs - Dispensing Device	3b				
3c. Club Specials, Tip Boards, Seal Boards, Coin Boards	3c				
4. Punchboards	4				
5. Sports Pools	5				
6. Twenty-One	6				
7. Calcuttas	7				
8a. Paddlewheels	8a				
8b. Paddlewheels - used with a table	8b				
9. Other (Including Interest, Net Total Cash Long, Poker)	9		←→		
10. Subtotal (Sum of lines 1a through 9)	10				

DO NOT WRITE IN THIS SPACE

FOR LICENSING USE ONLY

Penalty
Interest
Excise
Gaming
Total

FOR GAMING DIV. USE ONLY

Penalty
Interest
Excise
Gaming
Total

OFFICE OF ATTORNEY GENERAL  
Gaming Division

Affect of House Bill 1416 on the Charitable Gaming Industry  
January 26, 2001

Forecasted Gaming Activity for the 2001-03 Biennium  
(Excludes Pari-mutuel Wagering)

	<u>Gross Proceeds</u>	<u>Prizes</u>	<u>Adj. Gr. Proc</u>	<u>House Bill 1416</u>	<u>Difference</u>
Bingo - Regular	\$89,286,000	\$68,762,000	\$20,524,000	\$20,524,000	
Bingo - Disp. Dev.	21,000	17,000	4,000	4,000	
Raffles	4,630,000	2,130,000	2,500,000	2,500,000	
Pull Tabs - Jars	232,614,000	184,724,000	47,890,000	47,890,000	
Pull Tabs - Disp. Dev.	101,689,000	79,732,000	21,957,000	21,957,000	
Board Games	1,428,000	1,028,000	400,000	400,000	
Punchboards	13,000	9,000	4,000	4,000	
Sports Pools	229,000	175,000	54,000	54,000	
Twenty-one	57,845,000	46,571,000	11,274,000	11,274,000	
Calcuttas	233,000	198,000	35,000	35,000	
Paddlewheels	10,714,000	7,714,000	3,000,000	3,000,000	
Poker	4,000	0	4,000	4,000	
<b>Totals</b>	<b>\$ 498,706,000</b>	<b>\$391,060,000</b>	<b>\$107,646,000</b>	<b>\$107,646,000</b>	
<b>Add:</b>					
Interest Earned			\$130,000	\$130,000	
ND Excise Tax			14,470,000	14,470,000	
Federal Excise Tax			269,000	269,000	
Bingo Sales Tax			5,000,000	5,000,000	
<b>Total Adjusted Gross Proceeds</b>			<b>\$88,037,000</b>	<b>\$88,037,000</b>	
<b>Less:</b>					
Gaming Tax			\$6,250,000	\$6,250,000	
Allowable Expenses			51,524,000	60,862,000	\$9,338,000
<b>Total Expenses</b>			<b>\$57,774,000</b>	<b>\$67,112,000</b>	<b>\$9,338,000</b>
<b>Net Proceeds</b>			<b>\$30,263,000</b>	<b>\$20,925,000</b>	<b>-\$9,338,000</b>
<b>Taxes Summary</b>					
ND 4.0% Excise Tax			\$14,470,000	\$14,470,000	
Gaming Tax			6,250,000	6,250,000	
<b>Total</b>			<b>\$20,720,000</b>	<b>\$20,720,000</b>	
<b>Other Revenue</b>					
Monetary Fines			\$27,000	\$27,000	
Interest and Penalty			15,000	15,000	
Gaming Stamps, License and Record Check Fees			448,000	448,000	
<b>Total</b>			<b>\$490,000</b>	<b>\$490,000</b>	
<b>Total Taxes and Other Revenue (Excludes Bingo Sales Tax of \$6 million)</b>			<b>\$21,210,000</b>	<b>\$21,210,000</b>	

OFFICE OF ATTORNEY GENERAL  
Gaming Division

**AFFECT OF HOUSE BILL NO. 1416**

Overview of Gaming Organizations' Under and Excess Expenses  
For Fiscal Years Ended June 30, 1996, 1997, 1998, 1999, and 2000

February 5, 2001

Year	Under Expenses		Excess Expenses	
	No. of Org.	Amount	No. of Org.	Amount
1996	264	\$3,279,000	112	\$3,550,000
1997	249	\$2,801,000	113	\$3,482,000
1998	248	\$3,045,000	112	\$2,311,000
1999	247	\$2,296,000	121	\$3,130,000
2000	246	\$2,565,000	115	\$4,161,000 *

Affect of HB 1416 on under and excess expenses for the fiscal year ended June 30, 2000:

2000	289	\$5,190,000	72	\$2,109,000 *
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\* Includes \$1,264,000 related to an organization that incurred a one-time major expense for remodeling four bingo halls and a temporary major reduction in bingo activity. This organization's excess expenses for fiscal year 1999 were \$261,000.

Notes:

1. "Under expenses" is the amount that organizations' actual expenses are below the allowable expense limit. Organizations may use this amount for any purpose.
2. "Excess expenses" is the amount that organizations' actual expenses exceed the allowable expense limit.
3. History of the allowable expense limit:

<u>Period</u>	<u>% of Adjusted Gross Proceeds (AGP) by Fiscal Year</u>
1977-79	33%
1979-83	35%
1983-85	35% if the org. had 1 site 38% if the org. had more than 1 site
1985-87	40% if the org. used net proceeds for its own use 45% if the org. used net proceeds for other than its own use
1987-89	45%
1989-93	50% of first \$200,000 45% of AGP exceeding \$200,000
1993-95	50% of first \$200,000 45% of AGP exceeding \$200,000 35-50% for sites that only have a pull tab dispensing device Cost of video surveillance equipment
1995-Present	50% of first \$200,000 45% of AGP exceeding \$200,000 2½% of pull tab gross proceeds Cost of video surveillance equipment

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Analysis of Gaming Expenses - Fa

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year ending June 30, 2000

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Lic. #	Organization Name	City	Actual Expenses	Allowable Expenses	Act. Exp. to Allow. Exp.	Under (Excess) Expenses
G-0028	WILLIAM G CARROLL POST 26	MINOT	0	0	0.00	0
G-0171	LAWRENCE HIGBEE 239	GLEN ULLIN	0	0	0.00	0
G-0182	VETERANS OF FOREIGN WARS 6264	STRASBURG	0	0	0.00	0
G-0193	JOHN RAYMOND OHARA POST 25	CARRINGTON	0	0	0.00	0
G-0211	KNIGHTS OF COLUMBUS HOLY	WILLISTON	0	0	0.00	0
G-0247	SERTOMA CLUB OF FARGO/MOORHEAD	FARGO	0	0	0.00	0
G-0271	GLENBURN LIONS	GLENBURN	0	0	0.00	0
G-0326	MANTADOR MEMORIAL VETERANS OF	MANTADOR	0	0	0.00	0
G-0482	NORTHWOOD MUTUAL ASSN	NORTHWOOD	0	0	0.00	0
G-0535	SNOWMOBILE NORTH DAKOTA	BISMARCK	0	0	0.00	0
G-0641	THE ARC OF NORTH DAKOTA INC	BISMARCK	0	0	0.00	0
G-0654	WOMENS ALLIANCE INC	DICKINSON	0	0	0.00	0
G-0885	ST MICHAEL'S ROMAN CATH CHURCH	GRAND FORKS	0	0	0.00	0
G-0892	SAWYER SUMMER RECREATION INC	NORWICH	0	0	0.00	0
G-0899	MINOT CONVENTION AND VISITORS	MINOT	0	0	0.00	0
G-0955	BOTTINEAU COUNTY RACING	BOTTINEAU	0	0	0.00	0
G-0227	SCHAFFER BOYE LANG POST 69	FLASHER	0	69	0.00	69
G-0024	MINOT ELKS LODGE NO 1089	MINOT	0	225	0.00	225
G-0975	UNITY MEDICAL CENTER FND	GRAFTON	0	1,291	0.00	1,291
G-0954	MEDINA LIONS	MEDINA	0	1,550	0.00	1,550
G-0972	NORTH DAKOTA BOWHUNTERS	BISMARCK	0	1,596	0.00	1,596
G-0542	RED RIVER SNOWMOBILE CLUB INC	EST GRAND FORKS	0	2,150	0.00	2,150
G-0949	LEHR ECONOMIC DEVELOPMENT CORP	LEHR	0	2,276	0.00	2,276
G-0255	HILLSBORO KNIGHTS OF	HILLSBORO	0	2,700	0.00	2,700
G-0965	ST LEOS CHURCH	CASSELTON	0	7,621	0.00	7,621
G-0524	DAKOTA PHEASANTS FOREVER	BISMARCK	0	12,149	0.00	12,149
G-0902	RMEF MINN-DAK CHAPTER INC	NEW LEIPZIG	0	54,615	0.00	54,615
G-0945	PARK RIVER BAND BOOSTERS	PARK RIVER	30	816	3.69	786
G-0854	SHANLEY HIGH SCHOOL	FARGO	388	10,491	3.70	10,103
G-0781	NORTH DAKOTA WILDLIFE	BISMARCK	260	6,125	4.07	6,125
G-0540	CHURCH OF ST MARY BISMARCK	BISMARCK	175	3,207	5.17	3,207
G-0241	HORACE LIONS CLUB	HORACE	467	8,328	5.61	7,861
G-0943	LAKE REGION SKATING CLUB	DEVILS LAKE	303	5,371	5.64	5,068
G-0717	KATHERYN FIRE PROTECTION	KATHERYN	74	1,275	5.80	1,201
G-0952	ROTARY CLUB OF DEVILS LAKE	DEVILS LAKE	406	5,958	6.80	5,562
G-0820	MYSTIC ATHLETIC CLUB	BISMARCK	272	3,760	7.23	3,488
G-0941	DELTA WATERFOWL FOUNDATION	BISMARCK	1,876	25,555	7.34	23,679
G-0895	ROTARY CLUB OF GRAND FORKS INC	GRAND FORKS	432	4,202	10.04	3,780
G-0960	DEVILS LAKE PUBLIC SCHOOL	DEVILS LAKE	2,043	19,039	10.73	16,996
G-0969	IMMANUEL CHRISTIAN	MANDAN	927	8,043	11.53	7,116
G-0749	ST MARYS CENTRAL HIGH SCHOOL	BISMARCK	5,047	40,456	12.48	35,409
G-0201	SERTOMA CLUB OF MINOT	MINOT	804	6,286	12.79	5,482
G-0213	DOHREN-SCHROEDER 223	AVR	262	2,076	13.58	1,794

Lic. #	Organization Name	City	Actual Expenses	Allowable Expenses	Act. Exp. to Allow. Exp.	Under (Excess) Expenses
G-0753	MINOT STATE UNIVERSITY	BOTTINEAU	710	5,039	14.09	4,329
G-0026	NORTH FARGO VOLLEYBALL CLUB	FARGO	505	3,091	16.34	2,586
G-0339	CHURCH OF ST MARY NEW ENGLAND	NEW ENGLAND	783	4,428	17.68	3,645
G-0062	MINOT CENTRAL LABOR	MINOT	2,020	11,176	18.07	9,156
G-0937	BEULAH GYMNASTICS CLUB INC	BEULAH	678	3,720	18.23	3,042
G-0964	THE GREATER GRAND FORKS SENIOR	GRAND FORKS	535	2,830	18.90	2,295
G-0228	KNIGHTS OF COLUMBUS #6438	VALLEY CITY	621	3,055	20.33	2,434
G-0379	CAPITOL CITY GUN CLUB	BISMARCK	317	1,473	21.52	1,156
G-0092	COLUMBIAN CLUB ASSOCIATION	FLASHER	387	1,796	21.55	1,409
G-0246	ALBERT BLOCK POST DEPT OF ND	GOODRICH	1,170	4,912	23.92	3,742
G-0712	GLENSBURN AREA AMBULANCE	GLENSBURN	688	2,530	27.19	1,842
G-0286	WILDROSE LIONS CLUB	WILDROSE	1,875	6,795	27.59	4,920
G-0957	FOUR CORNERS WILDLIFE CLUB	EMSDEN	220	1,257	27.66	937
G-0836	ROTARY CLUB OF MINOT INC	MINOT	845	3,024	27.98	2,179
G-0140	BARRY HOOF POST 72	NAPOLEON	10,355	36,720	28.17	26,365
G-0913	DICKINSON AREA AMVETS MEMORIAL	DICKINSON	460	1,622	28.36	1,162
G-0679	RYDER FIRE DEPARTMENT	RYDER	3,116	10,191	28.58	7,075
G-0924	AMERICAN LEGION	LANKIN	11,047	35,957	28.74	24,910
G-0215	ANTON ULIOHNS POST NO 66 THE	NEW ENGLAND	8,159	25,443	29.07	17,284
G-0845	AGGIE BOOSTERS INC	PARK RIVER	1,144	3,521	30.49	2,377
G-0576	BUFFALO COMMUNITY CLUB	BUFFALO	4,615	14,204	30.49	9,589
G-0323	HENRY PARTHE POST 146 OF THE	EDGELEY	11,544	32,352	33.99	20,808
G-0195	DETHMAN ARMSTRONG AMERICAN	ROLETTE	18,866	49,733	32.33	30,867
G-0261	KULM AREA RECREATIONAL	KULM	10,436	27,477	37.99	17,041
G-0469	MANTADOR VOLUNTEER FIRE	MANTADOR	1,971	5,007	39.95	3,036
G-0861	JAMESTOWN COLLEGE	JAMESTOWN	1,907	3,817	39.41	1,910
G-0125	BARTLETTE RESLER POST 62	WALHALLA	16,091	45,612	39.59	29,521
G-0970	NORTH DAKOTA MEDICAL	BISMARCK	372	928	40.22	556
G-0522	VALLEY SNOWDRIFTERS	GRAFTON	5,631	22,983	42.91	17,352
G-0079	THE COLUMBUS CLUB	RUGBY	567	1,348	42.08	781
G-0102	BROTHERHOOD OF ST ANTHONY	DICKINSON	29,357	69,678	42.13	40,321
G-0977	DEVILS LAKE VOLUNTEER	DEVILS LAKE	16,035	37,231	43.11	21,196
G-0454	HANNAFORD CONSERVATION AND	HANNAFORD	7,671	17,657	43.44	9,986
G-0177	UPHAM AMERICAN LEGION EARL	UPHAM	1,515	3,395	44.51	1,880
G-0080	CROSBY LODGE NO 1209	CROSBY	9,857	22,037	44.74	12,180
G-0123	MILLER POST 27 AMERICAN LEGION	STEELE	205	453	45.25	248
G-0910	MAYPORT SNO TRAVELERS INC	PORTLAND	350	756	46.17	406
G-0466	DAKOTA TERRITORY AIR	MINOT	9,019	19,194	46.78	10,175
G-0103	TIOGA AMER LEGION POST NO 139	TIOGA	7,999	18,354	47.19	10,355
G-0073	AMERICAN LEGION PAUL FARUP	PARK RIVER	24,759	51,069	48.48	26,310
G-0147	THE HARWOOD POST #297 THE AMER	HARWOOD	25,964	52,797	49.19	26,833
G-0500	SYKESTON COMMUNITY CLUB	SYKESTON	14,238	29,482	49.99	15,244
G-0710	TRI COUNTY EXHIBITORS ASSN	WISHEK	48,306	95,109	50.24	46,803

Lic. #	Organization Name	City	Actual Expenses	Allowable Expenses	Act. Exp. Co Allow. Exp.	Under Excess Expenses
G-0093	FARGO WEST ROTARY	FARGO	2,672	5,250	50.90	2,578
G-C310	HAZELTON LIONS CLUB INC	HAZELTON	24,031	46,359	51.84	22,328
G-0918	BENSON COUNTY VFW POST 4251	ESMOND	16,929	32,226	52.53	15,297
G-0126	WILLIAM C BLAIR POST 144	BELFIELD	14,384	27,267	52.75	12,883
G-0507	FAIRMOUNT VOLUNTEER	FAIRMOUNT	10,584	20,038	52.82	9,454
G-0132	RUGBY AERIE 3834	RUGBY	50,718	95,037	53.37	44,319
G-C402	EMERADO RURAL VOLUNTEER	EMERADO	2,124	3,973	53.46	1,849
G-C662	CENTER COMMUNITY CLUB INC	CENTER	10,779	20,117	53.58	9,338
G-0901	HANKINSON SNOWMOBILE CLUB	WAKPETON	6,141	11,358	54.07	5,217
G-0334	DRAKE JAYCEES	DRAKE	6,133	11,275	54.39	5,142
G-0207	ELGIN LIONS CLUB	ELGIN	16,662	30,517	54.60	13,855
G-0097	WILLISTON LODGE NO 239	WILLISTON	77,833	142,463	54.63	64,630
G-0531	ANAMOOSSE CIVIC CLUB	ANAMCOSE	8,751	15,812	55.34	7,061
G-0935	BISON BOOSTER CLUB OF	MILNOR	33,392	60,086	55.57	26,694
G-0252	AMERICAN LEGION LAWRENCE	COGSWELL	21,701	38,165	56.86	16,464
G-0384	RUGBY AMATEUR HOCKEY ASSN	RUGBY	9,677	16,581	58.36	6,904
G-0932	TOWER CITY COMMUNITY CLUB	TOWER CITY	3,506	5,991	58.52	2,485
G-0008	ARTHUR W JONES POST 7564 VFW	WEST FARGO	166,325	283,140	58.74	116,815
G-0070	LANGDON F O E AERIE 3454 INC	LANGDON	54,119	91,862	58.91	37,743
G-0223	BULLIS POST NO 84 OF THE AMER	LIDGERWOOD	37,174	61,486	60.46	24,312
G-0968	CAVALIER SPORTS BOOSTERS	CAVALIER	1,487	2,450	60.69	963
G-0462	UNDERWOOD VOLUNTEER FIRE	UNDERWOOD	6,870	11,310	60.74	4,440
G-0078	GERMAN HUNGARIAN SOCIETY	DICKINSON	27,562	45,299	60.84	17,737
G-0973	DOUGLAS SPORTSMENS CLUB INC	DOUGLAS	2,119	3,480	60.89	1,361
G-0485	MAYVILLE IMPROVEMENT CORP	MAYVILLE	10,541	17,266	61.05	6,725
G-0011	EDGAR A FISHER POST NO 60	VALLEY CITY	80,080	131,022	61.12	50,942
G-0104	NEKOMA FIREMANS ASSOCIATION	NEKOMA	330	537	61.46	207
G-0465	NORTHWOOD FIRE DEPARTMENT	NORTHWOOD	16,793	27,286	61.54	10,493
G-0931	AMERICAN LEGION ROTNEM ABEL	FORDVILLE	9,079	14,725	61.65	5,646
G-0904	NEW LEIPZIG ECONOMIC	NEW LEIPZIG	5,463	8,887	61.71	3,424
G-0518	MCCLUSKY MERCHANTS INC	MCCLUSKY	15,046	24,199	60.16	9,153
G-0351	CELEBRATIONS INC	NEW ROCKFORD	11,696	20,220	60.79	8,524
G-0029	BISMARCK LODGE 302	BISMARCK	52,194	81,959	63.68	29,765
G-0219	TOLNA AMERICAN LEG POST 162	TOLNA	3,833	5,959	64.32	2,126
G-0929	LAKE REGION OPTIMIST CLUB INC	DEVILS LAKE	7,428	11,418	65.11	3,990
G-0063	SCHWANDT GOODMAN POST 9050 VFW	ENDERLIN	41,482	63,738	65.08	22,256
G-0520	LANGDON AREA SENIOR	LANGDON	1,472	2,250	65.42	778
G-0038	ROY CHANDLER POST 762 VFW	FARGO	118,868	181,227	65.59	62,359
G-0005	DICKINSON AERIE NO 2328	DICKINSON	64,229	97,874	65.62	33,645
G-0897	FRIENDS OF THE LEONARD	LEONARD	9,464	14,379	65.92	4,915
G-0917	TRI COUNTY TRAILRIDERS	EDINBURG	12,262	38,710	66.04	26,448
G-0464	LANGDON AREA HOCKEY BOOSTERS	LANGDON	27,068	40,928	66.37	13,860
G-0022	WALSH AERIE 2803 FOE	GRAFTON	16,572	28,199	66.22	11,627

Lic. #	Organization Name	City	Actual Expenses	Allowable Expenses	Actual Exp. to Allow. Exp.	Under Expense
G-0254	TIM RUNNING POST 24 DEPT OF	WEBSTER	7,719	11,644	66.179	3,925
G-0016	DICKINSON ELKS LODGE NO 1137	DICKINSON	59,656	59,467	66.666	1,189
G-0075	WAMPETON AERIE 2749 FOE	WAMPETON	57,723	55,990	67.133	1,733
G-0012	FRANK S HENRY POST 2764 VFW	VALLEY CITY	111,573	166,695	67.004	55,122
G-0939	TAYLOR COMMUNITY	TAYLOR	14,455	21,432	67.465	6,977
G-0001	VFW CLUB POST 753	MINOT	6,049	11,660	69.031	5,611
G-0309	WALTER J THOME POST NO 45	CARSON	6,231	9,041	69.031	2,810
G-0058	FRATERNAL ORDER OF EAGLES	BISMARCK	68,373	99,390	69.111	31,017
G-0297	HANKINSON POST NO 88 DEPT OF	HANKINSON	32,257	46,306	69.673	14,049
G-0491	PARK RIVER HOCKEY BOOSTERS INC	PARK RIVER	16,037	22,971	69.811	6,934
G-0187	LANGDON AMERICAN LEGION	LANGDON	23,167	32,617	71.039	9,450
G-0014	MANDAN LODGE NO 425 LOYAL	MANDAN	45,475	62,169	73.167	16,694
G-0683	COMET ATHLETIC CLUB	MANVILLE	30,626	42,170	72.634	11,544
G-0129	PETERSON - OLSON POST 13	FINLEY	76	106	71.700	30
G-0087	HARLEY SALZMAN BADLANDS POST	BEACH	29,091	40,505	71.821	11,414
G-0064	OSWALD WOHL POST 6831 VETERANS	ANAMOOSE	9,493	13,216	71.833	3,723
G-0550	CAVALIER HOOK & LADDER SOCIETY	CAVALIER	15,698	21,792	71.990	6,094
G-0036	MINOT AERIE 2376 FRATERNAL	MINOT	54,356	75,428	72.056	21,072
G-0833	RAY FIRE DEPARTMENT INC	RAY	15,269	21,139	72.256	5,870
G-0054	GILBERT N NELSON POST 1326	BISMARCK	112,576	155,474	72.431	42,898
G-0487	THE STARKWEATHER BOOSTER	STARKWEATHER	6,255	9,693	64.540	3,438
G-0446	TOLNA RURAL FIRE DEPT INC	TOLNA	4,634	6,385	72.586	1,751
G-0205	AMERICAN LEGION POST #54	LINTON	52,291	70,440	74.246	18,149
G-0539	BAGG BONANZA FARM HISTORIC	MOORETON	6,629	12,033	55.083	5,404
G-0114	MANVEL AMERICAN LEGION POST	MANVEL	9,686	13,103	73.936	3,417
G-0437	MOTT VOLUNTEER AMBULANCE	MOTT	13,077	17,522	74.638	4,445
G-0091	WATFORD CITY AERIE 3543	WATFORD CITY	13,656	17,124	79.516	3,468
G-0044	THE DEVILS LAKE LODGE 1216	DEVILS LAKE	80,472	106,542	75.582	26,070
G-0436	ENDERLIN RURAL FIRE	ENDERLIN	52,607	69,490	75.698	16,883
G-0750	KNIGHTS OF COLUMBUS FATHER	REYNOLDS	11,721	15,440	75.914	3,719
G-0687	OSNABROCK VOLUNTEER	OSNABROCK	4,083	5,357	76.235	1,274
G-0693	SARLES COMMUNITY CLUB INC	SARLES	19,170	23,779	80.671	4,609
G-0111	TEAMSTERS UNION LOCAL NO 116	FARGO	267,047	349,976	76.321	82,929
G-0212	DAVID D NEHRENBURG #32	BALFOUR	4,279	5,574	76.783	1,295
G-0843	HOOPLA COMMUNITY	HOOPLA	13,071	17,005	76.861	3,934
G-0824	THE ELLENDALE CIVIC ASSN	ELLENDALE	12,793	16,521	77.433	3,728
G-0412	NEW SALEM CIVIC CLUB INC	NEW SALEM	28,032	36,096	77.633	8,064
G-0055	GILBERT S FURNESS POST NUMBER	MANDAN	91,062	117,243	77.671	26,181
G-0172	LIDGERWOOD COLUMBUS HALL	LIDGERWOOD	43,623	56,623	77.043	13,000
G-0915	CHRISTINE VOLUNTEER	CHRISTINE	23,121	29,417	78.603	6,296
G-0167	RONDELL HOLICKY 21	LAHOTA	6,749	8,572	78.733	1,823
G-0225	BOTHUN PETERSON POSTNO 213	SHERWOOD	26,642	33,791	78.851	7,149
G-0525	LEEDS ECONOMIC DEVELOPMENT	LEEDS	37,394	47,237	79.181	9,843

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North Dakota Office      Attorney General  
 Analysis of Gaming Expenses - Fall      year ending June 30, 2000

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Lic. #	Organization Name	City	Actual Expenses	Allowable Expenses	Act Exp to Alloc. Exp.	Under Excess Expenses
G-0117	OLE SEMLING POST 135	MCVILLE	28,523	36,012	79.20	7,489
G-0518	FOUNDATION FOR ORTHODOXY	MINOT	20,085	25,267	79.49	5,182
G-0338	FARGO YOUTH HOCKEY ASSOCIATION	FARGO	34,449	43,256	79.64	8,807
G-0967	LINCOLN WOMAN OF TCDAY	LINCOLN	8,060	10,107	79.73	2,047
G-0236	HURDSFIELD LIONS CLUB	HURDSFIELD	6,403	8,017	79.87	1,614
G-0209	EDGELEY JAYCEES	EDGELEY	21,264	26,619	79.88	5,355
G-0355	CROSBY BLUE LINE CLUB	CROSBY	22,303	27,850	80.08	5,547
G-0891	GREAT BEND VOLUNTEER	GREAT BEND	4,631	5,777	80.18	1,146
G-0051	VETERANS INCORPORATED	CASSELTON	111,646	138,038	80.88	26,392
G-0163	VETS CLUB OF LARIMORE	LARIMORE	11,126	13,601	81.81	2,475
G-0149	LEFOR COLUMBUS CLUB ASSN	LEFOR	1,911	2,330	82.02	419
G-0444	HILLSBORO ECONOMIC DEVELOPMENT	HILLSBORO	89,483	108,146	82.74	18,663
G-0009	AMERICAN LEGION POST #29	WATFORD CITY	28,100	33,944	82.79	5,844
G-0035	GILBERT C GRAFTON POST 2	FARGO	147,390	177,879	82.83	30,489
G-0920	PARK RIVER FIGURE SKATERS	PARK RIVER	5,949	7,170	82.97	1,221
G-0110	EDGAR M BOYD POST NO 37 DEPT	WILLISTON	45,196	54,457	82.99	9,261
G-0350	HERMAN SCHLENKER POST 137 THE	ELLENDALE	35,326	42,307	83.51	6,981
G-0007	AMERICAN LEGION VETERANS	MOHALL	24,254	29,010	83.61	4,756
G-0308	REEDER LIONS CLUB	REEDER	5,239	6,219	84.24	980
G-0496	HATTON IMPROVEMENT CORPORATION	HATTON	26,349	31,177	84.51	4,828
G-0196	EMERADO ARVILLA LIONS CLUB	EMERADO	64,877	76,646	84.64	11,769
G-0898	NORTH DAKOTA STATE FAIR FND	MINOT	99,080	115,116	85.21	16,036
G-0042	MCCREARY-BONDERUD POST 3524	CARRINGTON	50,282	58,778	85.38	8,496
G-0325	DISABLED AMERICAN VETS	WILLISTON	5,851	7,993	85.71	2,142
G-0621	FESSENDEN ORIOLE BOOSTER CLUB	FESSENDEN	56,247	64,784	86.81	8,537
G-0184	ASHLEY LIONS CLUB	ASHLEY	162,715	185,941	87.51	23,226
G-0791	DICKINSON CHARITIES	DICKINSON	300,413	342,508	87.71	42,095
G-0470	MARMARTH HISTORICAL	MARMARTH	9,585	10,918	87.79	1,333
G-0088	SHEYENNE VALLEY AERIE 2968	LISEON	28,619	32,795	87.27	4,176
G-0320	LIONS CLUB OF GLEN ULLIN	GLEN ULLIN	43,521	49,358	88.24	5,837
G-0344	VELVA VOLUNTEER FIRE DEPT	VELVA	32,799	37,176	88.23	4,377
G-0162	AMVETS JON A GREENLEY	FARGO	31,351	37,610	83.36	6,259
G-0214	HETTINGER JUNIOR CHAMBER OF	HETTINGER	24,362	27,409	88.86	3,047
G-0006	COLUMBUS CLUB & BUILDING ASSN	DICKINSON	129,806	144,784	89.66	14,978
G-0927	CAREY DOLAN LEGION POST 125	ROLLA	5,541	6,507	85.14	966
G-0527	ST THOMAS BOOSTER CLUB INC	DRAYTON	40,244	44,756	89.91	4,512
G-0499	MOTT OPPORTUNITY TODAY AND	MOTT	19,775	20,878	89.91	1,103
G-0047	WELLS AERIE NO 3080 FRATERNAL	HARVEY	85,091	94,442	90.11	9,351
G-0562	STRAWBERRY LAKE IMPRVEMNT ASSN	MINOT	8,777	9,693	91.58	916
G-0368	WESTHOPE SENIOR CITIZENS	WESTHOPE	12,432	13,710	91.31	1,278
G-0890	THE STANTON CIVIC CLUB INC	STANTON	12,758	14,086	91.24	1,328
G-0185	LANSFORD JAYCEES INC	LANSFORD	7,145	7,878	91.11	733
G-0143	THE AMERICAN LEGION LAWRENCE	TURTLE LAKE	25,316	27,831	91.35	2,515

Lic. #	Organization Name	City	Actual Expenses	Allowable Expenses	Acc Exp	Under Excess Expenses
G-0795	TOMNER COMMERCIAL CLUB	TOMNER	28,120	31,019	30,99	1,029
G-0270	VETERANS CLUB	KENYARE	215,059	235,643	21,05	20,590
G-0018	JAMES RIVER AERIE 2337 FOE	JAMESTOWN	395,305	324,049	31,31	64,256
G-0959	DARCIA LIONS	ZEELAND	8,075	8,843	3,034	5,809
G-0459	CAVALIER COUNTY SEARCH AND	LANGDON	52,139	57,992	51,83	6,162
G-0441	EGELAND SENIOR CITIZENS	EGELAND	15,591	18,211	11,68	6,533
G-0192	VELVA LEGION JOSEPH I WELER	VELVA	54,986	59,982	51,97	8,006
G-0914	ENDERLIN ALUMNI ASSOC INC	ENDERLIN	39,708	43,273	31,75	11,523
G-0439	BOWMAN COUNTY HISTORICAL &	BOWMAN	62,495	68,079	61,91	6,168
G-0004	JAMESTOWN ND LODGE NO 995	JAMESTOWN	192,012	209,117	21,83	17,105
G-0478	HAYTON CENTENNIAL COMMUNITY	HAYTON	5,219	5,682	5,163	519
G-0037	THE FARGO COUNCIL CORPORATION	FARGO	36,530	39,585	31,04	8,541
G-0811	ANTLER FIREMENS FOUNDATION	ANTLER	13,119	14,247	11,02	3,227
G-0017	VALLEY CITY AERIE 2192	VALLEY CITY	163,897	176,860	161,11	15,750
G-0494	ROBINSON VOLUNTEER FIRE	ROBINSON	14,422	15,350	13,89	1,460
G-0095	MIDWAY AERIE 2923	NEW ROCKFORD	45,637	48,518	43,00	5,518
G-0537	GREAT PLAINS ASSISTANCE	JUD	2,016	2,138	2,016	122
G-0314	GREATER GRAND FORKS	GRAND FORKS	14,599	15,439	14,54	895
G-0680	MERCER COUNTY WOMENS ACTION	BEULAH	50,619	51,111	50,61	500
G-0059	JAMESTOWN COUNCIL KNIGHTS OF	JAMESTOWN	290,609	306,750	291,03	15,720
G-0039	MINOT LODGE 822	MINOT	9,300	9,788	9,300	488
G-0958	RAYPORT HOCKEY CLUB INC	PORTLAND	21,328	21,171	21,17	157
G-0810	GRAND FORKS BLUE LINE CLUB INC	GRAND FORKS	502,186	513,520	501,61	1,910
G-0156	AWSETS POST NO 9	BISMARCK	110,699	115,936	108,00	7,936
G-0486	NEWSBURG COMMUNITY CLUB	NEWSBURG	5,531	6,904	5,531	1,373
G-0579	PRAIRIE PUBLIC	FARGO	1,027,304	1,068,029	1,027,30	40,729
G-0414	WILLISTON STATE COLLEGE FND	WILLISTON	307,622	311,673	307,62	4,051
G-0197	FRED KELLE 87	WISHEK	21,197	21,948	21,197	751
G-0428	HOPE FIRE DEPARTMENT INC	HOPE	11,701	12,799	11,701	1,098
G-0516	PEITIBONE COMMUNITY CLUB	PEITIBONE	14,947	15,757	14,947	810
G-0926	MICHIGAN SERVICE CLUB	MICHIGAN	10,201	10,539	10,201	338
G-0115	HILLSBORO VETERANS CLUB	HILLSBORO	43,476	44,659	43,476	1,183
G-0336	POLLY DARLING POST 171	BERTHOLD	26,849	27,311	26,849	462
G-0136	BEULAH EAGLES AERIE NO 3728	BEULAH	14,094	14,464	14,094	370
G-0869	NORTH SARGENT BOBCAT	GAINNER	14,099	14,437	14,099	338
G-0736	FRAYTON CURLING CLUB INC	FRAYTON	79,051	80,835	79,051	1,784
G-0501	AMERICAN FOUNDATION FOR	BISMARCK	398,592	402,903	398,592	4,311
G-0081	THE COLUMBUS CLUB AND BUILDING	DEVILS LAKE	20,672	21,028	20,672	356
G-0391	STEELE VOLUNTEER FIRE DRPT	STEELE	33,549	34,791	33,549	1,242
G-0300	FRANK SUMMERFELD POST NO 3363	LISSON	15,919	16,715	15,919	796
G-0045	WEATHERY-SIMENSEN POST 756 VFW	DEVILS LAKE	34,390	34,996	34,390	606
G-0472	ST JAMES CHURCH OF JAMESTOWN	JAMESTOWN	5,548	5,615	5,548	67
G-0545	WILLISTON CONVENTION &	WILLISTON	85,751	85,934	85,751	183

Lic. #	Organization Name	City	Actual Expenses	Allowable Expenses	Act. Exp. to Allow. Exp.	Under/Excess Expenses
G-0032	RAYMOND B THORN POST 30	NEW ROCKFORD	4,756	4,756	100.00	0
G-0057	BISMARCK ELKS HOME ASSOCIATION	BISMARCK	46,791	46,791	100.00	0
G-0900	GRAND FORKS JAYCEES	GRAND FORKS	1,615	1,615	100.00	0
G-0930	RICHLAND SCHOOL DISTRICT #44	COLFAX	2,408	2,408	100.00	0
G-0772	BUXTON CHILDRENS CENTER INC	BUXTON	39,063	38,706	100.82	357-
G-0229	REGENT LIONS CLUB	REGENT	18,661	18,486	100.98	175-
G-0031	FRATERNAL ORDER OF EAGLES	MANDAN	69,570	68,856	101.04	714-
G-0672	DEVILS LAKE RURAL FIRE	DEVILS LAKE	77,109	75,693	101.87	1,416-
G-0248	NOONAN AMERICAN LEGION	NOONAN	9,993	9,791	102.05	202-
G-0530	MANDAN HOCKEY CLUB INC	MANDAN	133,941	131,201	102.09	2,740-
G-0448	DICKINSON HOCKEY CLUB INC	DICKINSON	156,307	153,048	102.13	3,259-
G-0128	VICTOR B WALLIN POST NO 12	WASHBURN	71,144	69,605	102.21	1,539-
G-0933	LAMOURE BASEBALL BOOSTERS INC	LAMOURE	35,232	34,353	102.54	879-
G-0256	BOWMAN LIONS CLUB INC	BOWMAN	9,360	9,038	103.54	322-
G-0467	NAPOLEON FUTURE LEADERS	NAPOLEON	38,586	37,179	103.79	1,407-
G-0837	CARRINGTON YOUTH CENTER INC	CARRINGTON	127,032	122,347	103.89	4,685-
G-0458	MAKOTI FIRE DEPARTMENT	MAKOTI	9,147	8,804	103.97	343-
G-0766	ABATE OF NORTH DAKOTA	BISMARCK	57,094	54,571	104.62	2,523-
G-0640	WALSH COUNTY HERITAGE VILLAGE	GRAFTON	63,524	60,421	105.14	3,103-
G-0072	RAYMOND W QUESNELL POST 1874	GRAND FORKS	48,516	46,066	105.30	2,450-
G-0520	LAKOTA COMMUNITY CLUB	LAKOTA	39,112	36,737	106.46	2,375-
G-0523	MEDORA FIRE ASSOCIATION	MEDORA	11,414	10,706	106.61	708-
G-0664	MINOT CATHOLIC SCHOOLS CORP	MINOT	125,151	117,146	106.89	8,005-
G-0476	MUNICH AREA DEVELOPMENT CORP	MUNICH	19,605	18,346	106.88	1,259-
G-0495	FINLEY IMPROVEMENT ASSOCIATION	FINLEY	17,153	16,045	106.91	1,108-
G-0538	LANGDON FIREMENS ASSOCIATION	LANGDON	6,441	6,024	106.92	417-
G-0903	WALHALLA PARENT TEACHERS ASSN	WALHALLA	48,490	44,944	107.89	3,546-
G-0407	PROGRESS ENTERPRISES INC	JAMESTOWN	287,426	266,332	107.92	21,094-
G-0034	HUGH P MINEHAN POST 49 THE	GARRISON	5,266	4,877	107.99	389-
G-0979	LARIMORE BOOSTER CLUB INC	LARIMORE	30,787	28,446	108.29	2,341-
G-0590	PLAINS ART MUSEUM	FARGO	1,858,911	1,713,449	108.49	145,462-
G-0655	NORTHERN PRAIRIE PERFORMING	FARGO	507,460	461,997	109.86	45,463-
G-0276	STRASBURG LIONS CLUB	STRASBURG	20,121	18,305	109.91	1,816-
G-0170	RICE-DEEDE POST 205 THE AMER	WOODWORTH	6,911	6,290	110.21	621-
G-0663	NATIONAL MULTIPLE SCLEROSIS	FARGO	163,923	147,298	111.29	16,625-
G-0492	VERONA VOLUNTEER FIRE DEPT	VERONA	5,636	5,219	111.82	417-
G-0216	JOHNSON MELARY AMERICAN LEGION	HETTINGER	31,340	27,982	112.01	3,358-
G-0906	GRAFTON CURLERS INC	DRAYTON	150,930	143,587	112.19	7,343-
G-0548	OAKES ENHANCEMENT INCORPORATED	OAKES	25,859	22,878	113.03	2,981-
G-0332	AMERICAN LEGION S B AASEN	GALESBURG	19,474	17,198	113.25	2,276-
G-0830	WILLISTON BASIN	WILLISTON	40,124	37,124	113.47	3,000-
G-0528	PRAIRIE TUMBLEWEEDS ASSN	CROSBY	12,043	10,601	113.60	1,442-
G-0515	GARRISON AREA IMPROVEMENT INC	GARRISON	115,085	101,068	113.87	14,017-

Lic. #	Organization Name	City	Actual Expenses	Allowable Expenses	Act. Exp to Allow. Exp	Under Excess Expenses
G-0963	DEVILS LAKE YOUTH ACTIVITIES	DEVILS LAKE	70,216	61,393	114.45	8,823-
G-0145	THEODORE A TOGSTAD POST NO 123	MADDOCK	143,957	125,741	114.45	18,216-
G-0942	WILLISTON GYMNASTICS SCHOOL	WILLISTON	20,934	18,122	115.25	2,812-
G-0739	HAZEN WINTER SPORTS ASSN INC	HAZEN	105,466	93,417	113.84	12,049-
G-0483	COOPERSTOWN MUNICIPAL ASSN	COOPERSTOWN	124,220	106,434	116.71	17,786-
G-0822	RICHARDTON SADDLE CLUB	RICHARDTON	11,411	9,744	117.11	1,667-
G-0041	WELLS COUNTY POST 1868	HARVEY	12,581	10,638	118.24	1,943-
G-0490	BISMARCK-MANDAN CONVENTION &	BISMARCK	528,219	445,635	118.48	82,584-
G-0922	FRIENDS OF THE UPHAM FIRE	UPHAM	8,123	6,790	119.63	1,333-
G-0452	NODAK SPORTSMENS CLUB	BISMARCK	281,668	233,890	120.43	47,778-
G-0169	DRAKE COLUMBIAN CLUB	BALFOUR	10,727	8,867	120.86	1,860-
G-0077	WAHPETON VETERANS INC	WAHPETON	58,434	47,986	121.77	10,448-
G-0435	LAKE REGION CORPORATION	DEVILS LAKE	288,161	235,244	122.49	52,917-
G-0896	DUNN COUNTY GOLF ASSOCIATION	KILLDEER	17,941	14,529	123.49	3,412-
G-0615	CYSTIC FIBROSIS ASSOCIATION	BISMARCK	357,759	287,924	124.25	69,835-
G-0632	THE ARC UPPER VALLEY INC	GRAND FORKS	790,198	630,857	125.27	159,341-
G-0473	THE TEAM MAKERS CLUB INC	WEST FARGO	412,599	328,870	125.47	83,729-
G-0853	WELLS SHERIDAN COUNTY AGING	HARVEY	37,739	30,085	125.47	7,654-
G-0673	FARGO YOUTH COMMISSION	FARGO	176,041	135,734	129.64	40,307-
G-0580	DUNSEITH COMMUNITY	DUNSEITH	131,723	104,564	125.94	27,159-
G-0549	ROBINSON COMMUNITY DEVELOPMENT	ROBINSON	12,302	9,733	126.27	2,569-
G-0651	L I S T E N INC	GRAND FORKS	324,256	256,223	126.55	68,033-
G-0746	AMERICAN GOLD GYMNASTICS	FARGO	283,572	223,974	126.61	59,598-
G-0819	FORT ABRAHAM LINCOLN FND	MANDAN	496,886	391,701	126.85	105,185-
G-0962	MAGIC CITY FIGURE SKATING CLUB	MINOT	133,102	104,636	127.12	28,466-
G-0353	MILTON RURAL FIRE	MILTON	24,503	19,077	127.89	5,426-
G-0889	GREATER GRAND FORKS CONVENTION	GRAND FORKS	296,157	231,547	127.90	64,610-
G-0740	WEST FARGO HOCKEY ASSN INC	WEST FARGO	313,605	244,788	128.11	68,817-
G-0224	HENRY BIFFART POST 100	HEBRON	3,535	2,747	128.68	788-
G-0432	WAHPETON HOCKEY ASSN INC	WAHPETON	42,302	32,846	128.75	9,456-
G-0768	UNIVERSITY OF MARY	BISMARCK	34,587	26,543	130.31	8,044-
G-0544	LISBON YOUTH BOOSTERS INC	LISBON	96,211	73,594	130.73	22,617-
G-0976	BOWMAN FIRE DEPARTMENT	BOWMAN	23,537	17,958	131.07	5,579-
G-0183	FLORENCE KIMBALL POST #7	LISBON	3,379	2,559	132.04	820-
G-0474	GRANDIN CIVIC CLUB	GRANDIN	6,555	5,019	132.61	1,536-
G-0558	DEVELOPMENT HOMES INC	GRAND FORKS	538,081	401,468	134.03	136,613-
G-0609	MINOT HOCKEY BOOSTERS INC	MINOT	685,631	507,612	135.07	178,019-
G-0475	COMMUNITY BETTERMENT ASSN	BISMARCK	48,001	35,531	135.11	12,470-
G-0961	EL DAGAL VIKING PATROL INC	GRANDIN	52,416	38,781	135.17	13,635-
G-0049	FARGO LODGE NO 1410 LOYAL	FARGO	58,548	42,618	137.37	15,930-
G-0665	SHARE HOUSE INC	FARGO	372,090	270,103	137.73	101,987-
G-0690	LAKE REGION HERITAGE	DEVILS LAKE	109,926	79,518	138.24	30,408-
G-0273	SCRANTON JAYCEES	BOWMAN	25,857	18,635	138.76	7,222-

Lic. #	Organization Name	City	Actual Expenses	Allowable Expenses	Act. Exp. To Allow. Exp.	Under (Excess) Expenses
G-0578	SOURIS COMMUNITY CLUB	SOURIS	5,809	4,182	138.90	1,627-
G-0403	FORT RANSOM RURAL FIRE	FORT RANSOM	21,975	15,637	140.53	6,338-
G-0101	GRENORA REGIONAL ECONOMIC	ALAMO	766	545	140.55	221-
G-0106	JAMES K MCALEER AMVETS POST 20	STEELE	1,376	977	140.84	399-
G-0405	TETON BOOSTER CLUB INC	WILLISTON	73,432	51,571	142.39	21,861-
G-0015	FRIENDS OF NECHE FIREMEN	NECHE	5,680	3,981	142.66	1,699-
G-0616	SOURIS VALLEY HUMANE	MINOT	779,708	545,816	142.86	233,892-
G-0871	GRAND FORKS ATHLETIC CLUB AND	GRAND FORKS	85,940	58,611	148.33	27,329-
G-0449	HEAD OF THE RED YOUTH	WAHPETON	76,423	51,535	148.29	24,888-
G-0589	NORTH DAKOTA ASSOCIATION FOR	GRAND FORKS	3,717,054	2,453,299	151.51	1,263,755-
G-0557	RED RIVER HUMAN SERVICES FND	FARGO	312,890	200,022	156.43	112,868-
G-0921	NORTH DAKOTA BUFFALO FND INC	JAMESTOWN	10,500	6,672	157.37	3,828-
G-0396	MERCY MEDICAL FOUNDATION	WILLISTON	6,720	4,201	159.96	2,519-
G-0555	SPECIAL OLYMPICS NORTH DAKOTA	GRAND FORKS	612,204	391,874	160.90	220,330-
G-0372	SOUTHEAST MULTIDISTRICT	OAKES	13,190	8,179	161.27	5,011-
G-0938	ALAMO VOLUNTEER FIREFIGHTERS	ALAMO	22,486	13,643	164.83	8,843-
G-0025	COLUMBIAN CLUB ASSOCIATION	MINOT	329	199	165.33	130-
G-0800	ROGERS VOLUNTEER FIRE DEPT	ROGERS	14,601	8,792	168.07	5,809-
G-0306	FOUR SEASONS EDUCATIONAL	SCRANTON	12,855	7,698	168.19	5,157-
G-0532	TUTTLE BETTERMENT CLUB	TUTTLE	2,809	1,644	170.86	1,165-
G-0089	WILLIAM PERRY MAKEE POST 75	CROSBY	63,643	36,837	172.71	26,806-
G-0094	AMERICAN LEGION CLUB INC	OAKES	85,727	48,478	176.86	37,249-
G-0966	WILLISTON STATE COLLEGE	WILLISTON	24,958	13,543	184.26	11,415-
G-0536	DIVIDE COUNTY QUARTERBACK	CROSBY	12,619	6,699	189.97	5,920-
G-0354	MUSICIANS ASSOCIATION	BISMARCK	37,788	19,991	189.03	17,797-
G-0951	WALCOTT FIREFIGHTERS &	WALCOTT	14,848	7,681	193.31	7,167-
G-0383	WEST RIVER RACING ASSN INC	FLASHER	6,334	2,868	220.83	3,466-
G-0479	THE DURUM TRIANGLE INDUSTRIAL	CANDO	41,304	18,308	225.61	22,996-
G-0003	LANGDON CURLING CLUB	WALES	5,148	2,285	225.33	2,863-
G-0294	NEW ROCKFORD LIONS CLUB	NEW ROCKFORD	2,099	793	264.66	1,306-
G-0713	UNITED TRIBES TECH COLLEGE	BISMARCK	198,803	88,642	224.27	110,161-
G-0928	ANAMOOSE WILDLIFE CLUB INC	ANAMOOSE	11,461	2,085	549.89	9,376-
G-0376	THE SENIOR CITIZENS LEAGUE	MINOT	4,782	813	587.71	3,969-
		FINAL TOTALS	27,930,239	15,333,599		12,596,640-

--- End of Report ---



**NORTH DAKOTA GAMING TAX RETI**  
**OFFICE OF ATTORNEY GENERAL**  
 BFN 9809 (8-00)

G-0054  
 GILBERT N NELSON POST 1326  
 VFW DEPT OF NORTH DAKOTA  
 PO BOX 762  
 BISMARCK ND 58502-0762

Quarter Ended September 30, 2000

PART I - TOTAL GAMING ACTIVITY		A Gross Proceeds	B Prizes	C Adj. Gross Proceeds	D Cash Profit
1a. Bingo	1a				
1b. Bingo - Dispensing Device	1b				
2. Raffles	2				
3a. Pull Tabs - Jar Bar	3a				
3b. Pull Tabs - Dispensing Device	3b				
3c. Club Specials, Tip Boards, Seal Boards, Coin Boards	3c				
4. Punchboards	4				
5. Sports Pools	5				
6. Twenty-One	6				
7. Calcuttas	7				
8a. Paddlewheels	8a				
8b. Paddlewheels - used with a table	8b				
9. Other (Including Interest, Net Total Cash Long, Poker)	9				
10. Subtotal	10				
11. ND Excise Tax (.0431 x Sum of lines 3a, 3b & 3c of column A)	11	( )	( )	( )	( )
12. Federal Excise Tax from Federal Form 730	12	( )	( )	( )	( )
13. Bingo Sales Tax from N.D. Sales Tax Return	13	( )	( )	( )	( )
14. TOTAL (Line 10 less lines 11, 12, and 13)	14				

*50% of this #*

PART II - ALLOWABLE EXPENSES, GAMING TAX, NET PROCEEDS			
15a. Allowable Expenses - 50% of first \$200,000 of line 14, column C plus 45% of the amount over \$200,000			
15b. Allowable Expenses - .0235 x Sum of lines 3a, 3b & 3c column A	b		
15c. Allowable Expenses - Video surveillance equipment purchased - attach documentation	c		
			Total (a+b+c) 15
16. Gaming Tax - 5% of the first \$200,000 of line 14, column C. If over \$200,000, read instructions			16
17. Net proceeds - Line 14, column C, less lines 15 and 16			17
18. Net proceeds carry-over - Amount from line 21 of prior quarter's return			18
19. Adjustment - Attach explanation			19
20. Amount transferred to trust account this quarter			20
21. Net proceeds carry-over - Line 17 plus line 18, plus or less line 19, less line 20			21

PART III - TRUST ACCOUNT	
22. Trust carry-over - Amount from line 26 of prior quarter's return	27
23. Amount transferred to trust account this quarter - Amount from line 20	
24. Adjustment - Include interest and service fees - Attach explanation	
25. Eligible use contributions this quarter - Total from Schedule C	
Trust carry-over - Line 22 plus line 23, + or - line 24, less line 25	
27. End of quarter trust account check register and marketable securities balance	

28. End of quarter gaming account check register(s) balance	
29. Total gaming expenses for all sites	
30. Total Tax Due - Line 11 plus Line 16. Remit - payable to "Attorney General"	

SIGNATURE AND VERIFICATION	
Signature of top official or governing board member	Date
Signature of preparer	Day Phone (701)

(two signatures required)

OFFICE OF ATTORNEY GENERAL  
Gaming Division

**AFFECT OF PROPOSED AMENDMENTS TO HOUSE BILL NO. 1416**  
Overview of Gaming Organizations' Actual Under and Excess Expenses  
For Fiscal Years Ended June 30, 1996, 1997, 1998, 1999, and 2000

February 14, 2001

Year	Under Expenses		Excess Expenses	
	No. of Org.	Amount	No. of Org.	Amount
1996	264	\$3,279,000	112	\$3,550,000
1997	249	\$2,801,000	113	\$3,487,000
1998	248	\$3,045,000	112	\$2,311,000
1999	247	\$2,296,000	121	\$3,130,000
2000	246	\$2,565,000	115	\$4,161,000 *
Affect of House Bill No. 1416 for the fiscal year ended June 30, 2000:				
2000	289	\$5,190,000	72	\$2,109,000 *
Proposed Amendment @ 51% of AGP - Affect for the fiscal year ended June 30, 2000:				
2000	251	\$2,808,000	112	\$3,962,000 *
Proposed Amendment @ 52% of AGP - Affect for the fiscal year ended June 30, 2000:				
2000	257	\$3,005,000	106	\$3,790,000 *
Proposed Amendment @ 53% of AGP - Affect for the fiscal year ended June 30, 2000:				
2000	263	\$3,207,000	100	\$3,622,000 *

\* Includes \$1,264,000 related to an organization that incurred a one-time major expense for remodeling four bingo halls and a temporary major reduction in bingo activity. This organization's excess expenses for fiscal year 1999 were \$261,000.

History of the allowable expense limit:

<u>Period</u>	<u>% of Adjusted Gross Proceeds (AGP) by Fiscal Year</u>
1983-85	35% if the org. had 1 site 38% if the org. had more than 1 site
1985-87	40% if the org. used net proceeds for its own use 45% if the org. used net proceeds for other than its own use
1987-89	45%
1989-93	50% of first \$200,000 45% of AGP exceeding \$200,000
1993-95	50% of first \$200,000 45% of AGP exceeding \$200,000 35-50% for sites that only have a pull tab dispensing device Cost of video surveillance equipment
1995-Present	50% of first \$200,000 45% of AGP exceeding \$200,000 2½% of pull tab gross proceeds Cost of video surveillance equipment

OFFICE OF ATTORNEY GENERAL  
Gaming Division

**ENGROSSED HOUSE BILL NO. 1416**

Overview of Gaming Organizations' Under and Excess Expenses  
March 19, 2001

Year	Under Expenses		Excess Expenses	
	No. of Org.	Amount	No. of Org.	Amount
1996	264	\$3,279,000	112	\$3,550,000
1997	249	\$2,801,000	113	\$3,482,000
1998	248	\$3,045,000	112	\$2,311,000
1999	247	\$2,296,000	121	\$3,130,000
<b>2000</b>	<b>247</b>	<b>\$2,569,000</b>	<b>114</b>	<b>\$4,143,000</b>

Imputed Affect of Engrossed House Bill No. 1416 for the year 2000:

2000	251	\$2,808,000	112	\$3,962,000
------	-----	-------------	-----	-------------

\* Includes \$1,264,000 for an organization that incurred a one-time major expense. This organization's excess expenses for year 1999 were \$261,000.

Allowable Exp. Limit since 1995: 50% of first \$200,000 of adj. gross proceeds  
45% of adj. gross proceeds exceeding \$200,000  
2½% of pull tab gross proceeds  
Cost of video surveillance equipment

**For the year 2000 - Under and Excess Expenses by Type of Organization**

Type of Organization	Under Expenses			Excess Expenses		
	No.	%	Amount	No.	%	Amount
Charitable	2	11%	\$ 1,000	16	89%	\$2,517,000
Religious	4	100%	14,000	0	0%	0
Educational	6	60%	72,000	4	40%	151,000
Public Safety	26	68%	126,000	12	32%	40,000
Civic & Service	31	86%	164,000	5	14%	11,000
Fraternal	38	90%	645,000	4	10%	19,000
Veterans	63	81%	898,000	15	19%	107,000
Public-Spirited	<u>77</u>	<u>57%</u>	<u>649,000</u>	<u>58</u>	<u>43%</u>	<u>1,298,000</u>
Totals	247		\$2,569,000	114		\$4,143,000

*Two*

OFFICE OF ATTORNEY GENERAL

Affect of Engrossed House Bill No. 1416  
March 19, 2001

Forecasted Gaming Activity for the 2001-03 Biennium

Engrossed  
HB No. 1416

Affect

	Gross Proceeds	Prizes	Adj Gr. Proc		
Bingo - Regular	\$89,280,000	\$88,762,000	\$20,624,000		
Bingo - Disp. Dev.	21,000	17,000	4,000		
Raffles	4,630,000	2,130,000	2,500,000		
Pull Tabs - Jars	232,614,000	184,724,000	47,890,000		
Pull Tabs - Disp. Dev.	101,689,000	78,732,000	21,957,000		
Board Games	1,428,000	1,028,000	400,000		
Punchboards	13,000	9,000	4,000		
Sports Pools	229,000	175,000	64,000		
Twenty-one	57,845,000	46,571,000	11,274,000		
Calcuttas	233,000	198,000	35,000		
Paddlowholes	10,714,000	7,714,000	3,000,000		
Poker	4,000	0	4,000		
Totals	<u>\$498,706,000</u>	<u>\$391,060,000</u>	<u>\$107,646,000</u>		
Add:	Interest Earned		\$130,000		
Less:	ND Excise Tax		14,470,000		
	Federal Excise Tax		269,000		
	Bingo Sales Tax		5,000,000		
	Total Adjusted Gross Proceeds		<u>\$88,037,000</u>		
Less:	Gaming Tax		\$6,250,000		
	Allowable Expenses		51,524,000 (50%)	\$52,242,000 (51%)	\$718,000
	Total Expenses		<u>\$57,774,000</u>	<u>\$58,492,000</u>	<u>\$718,000</u>
	Net Proceeds		<u>\$30,263,000</u>	<u>\$29,545,000</u>	<u>-\$718,000</u>



**NORTH DAKOTA GAMING TAX RETURN - SHORT FORM**  
**OFFICE OF ATTORNEY GENERAL**  
 67N 0816 (6 00)

*FY 2000*

Quarter Ended December 31, 2000

PART I - TOTAL GAMING ACTIVITY		A Gross Proceeds	B Prizes	C Adj. Gross Proceeds	D Cash Proceeds
1a. Bingo	1a				
1b. Bingo - Dispensing Device	1b				
2. Raffles	2				
3a. Pull Tabs - Jar Bar	3a				
3b. Pull Tabs - Dispensing Device	3b				
3c. Club Specials, Tip Boards, Seat Boards, Coin Boards	3c				
4. Punchboards	4				
6. Sports Pools	6				
6. Twenty One	6				
7. Calcuttas	7				
8a. Paddlewheels	8a				
8b. Paddlewheels - used with a table	8b				
9. Other (Including Interest, Not Total Cash Long, Poker)	9		←→		
10. Subtotal	10				
11. ND Excise Tax (.0431 x Sum of lines 3a, 3b & 3c of column A)	11	( )	←→	( )	
12. Federal Excise Tax from Federal Form 730	12	( )	←→	( )	
13. Bingo Sales Tax from N.D. Sales Tax Return	13	( )	←→	( )	
14. TOTAL (Line 10 less lines 11, 12, and 13)	14			45,525,000	

PART II - ALLOWABLE EXPENSES, GAMING TAX, NET PROCEEDS				
15a. Allowable Expenses - 60% of first \$200,000 of line 14, column C plus 45% of the amount over \$200,000	a	22,324,000		
15b. Allowable Expenses - .0235 x Sum of lines 3a, 3b & 3c column A	b	3,983,000		
15c. Allowable Expenses - Video surveillance equipment purchased - attach documentation	c	78,000	Total (a + b + c)	15
16. Gaming Tax - 5% of the first \$200,000 of line 14, column C. If over \$200,000, see instructions				16
17. Net proceeds - Line 14, column C, less lines 15 and 16				17
18. Net proceeds carry-over - Amount from line 21 of prior quarter's return				18
19. Adjustment - Attach explanation				19
20. Amount transferred to trust account this quarter				20
21. Net proceeds carry-over - Line 17 plus line 18, plus or less line 19, less line 20				21

PART III - TRUST ACCOUNT	
22. Trust carry-over - Amount from line 26 of prior quarter's return	
23. Amount transferred to trust account this quarter - Amount from line 20	
24. Adjustment - Include interest and service fees - Attach explanation	
25. Eligible use contributions this quarter - Total from Schedule C	
26. Trust carry-over - Line 22 plus line 23, + or - line 24, less line 25	
27. End of quarter trust account check register and marketable securities balance	

28. End of quarter gaming account check register(s) balance	
29. Total gaming expenses for all sites	
30. Total Tax Due - Line 11 plus Line 16. Remit - payable to "Attorney General"	
SIGNATURE AND VERIFICATION	
Signature of top official or governing board member	Date
Signature of preparer	Day Phone (701)

(two signatures required)

# LAW

## 53-06.1-01. Definitions. As used in this chapter:

1. "Adjusted gross proceeds" means gross proceeds less cash prizes, cost of merchandise prizes, sales tax on bingo cards, pull tab excise tax, and federal excise tax imposed under section 4401 of the Internal Revenue Code [26 U.S.C. 4401].

## 53-06.1-11. Gross proceeds-Allowable expenses-Rent Limits.

2. Allowable expenses may be deducted from adjusted gross proceeds. The allowable expense limit is fifty percent of the first two hundred thousand dollars of adjusted gross proceeds per quarter and forty-five percent of the adjusted gross proceeds in excess of two hundred thousand dollars per quarter. In addition, an organization may deduct as an allowable expense:
  - a. Two and one-half percent of the gross proceeds of pull tabs.
  - b. Capital expenditures for security or video surveillance equipment used for controlling games if the equipment is required by section 53-06.1-10 or authorized by rule, and it is approved by the attorney general.

# RULES

## 99-01.3-03-04. Restrictions and requirements.

1. An organization is allowed an expense according to subsection 2 of North Dakota Century Code section 53-06.1-11 and an additional expense for qualifying items of security and video surveillance equipment according to subsection 2 of section 99-01.3-08-04 or based on guidelines prescribed by the attorney general. The allowable expense amount may be used for any purpose that does not violate the gaming law or rules.

## 99-01.3-08-04. Video surveillance system.

2. Buy or lease qualifying items. Additional allowable expense funds may be used for only these qualifying items which are bought for the initial installation:
  - a. Super VHS video cassette recorder, time and date generator and locking vented enclosure;
  - b. Super VHS or high resolution color camera with a fixed or zoom lens and dome;
  - c. Super VHS or high resolution color video monitor;
  - d. Super VHS YC or coaxial video cable;
  - e. Super VHS videotapes and tape storage cabinet;
  - f. Table number and site identification;
  - g. Installation of equipment, including lighting fixture;
  - h. In-line video cable amplifier, surge protector, video printer, tape rewinder, battery backup, and tape eraser; and
  - i. Lease payment and interest expense on a financing loan.



OFFICE OF ATTORNEY GENERAL  
STATE OF NORTH DAKOTA

Holdi Helkamp  
ATTORNEY GENERAL

MEMORANDUM

CAPITOL TOWER  
State Capitol  
600 E. Boulevard Ave.  
Bismarck, ND 58505-0040  
701-328-2210  
FAX 701-328-2226

Consumer Protection  
and Antitrust Division  
701-328-3404  
800-472-2600  
Toll Free in North Dakota  
701-328-3409 (TDD)  
FAX 701-328-3535

Gaming Division  
701-328-4848  
FAX 701-328-3535

Licensing Section  
701-328-2329  
FAX 701-328-3535

CAPITOL COMPLEX  
Office Building  
600 E. Boulevard Ave.  
Bismarck, ND 58505-0041  
FAX 701-328-4300

Civil Litigation  
701-328-3640

Natural Resources  
701-328-3640

Racing Commission  
701-328-4290

Bureau of Criminal  
Investigation  
P.O. Box 1054  
Bismarck, ND 58502-1054  
701-328-5500  
800-472-2185  
Toll Free in North Dakota  
FAX 701-328-5510

Fire Marshal  
P.O. Box 1054  
Bismarck, ND 58502-1054  
701-328-5555  
FAX 701-328-5510

Paro Office  
P.O. Box 1773  
Bismarck, ND 58107-1773  
701-328-7126  
FAX 701-230-7129

TO: Organizations  
FROM: Chuck Keller, Chief Auditor, Gaming Division <sup>CK</sup>  
RE: Hand-Held, Portable Bingo Playing Devices  
Video Surveillance Equipment- *Page 2*  
DATE: April 28, 1997

At the request of the Gaming Commission, this is to ask for your organization's input on the use of hand-held, portable devices for playing bingo, and to notify organizations that this office may waive a rule on video surveillance equipment.

If your organization is interested in allowing players to use modern hand-held, portable devices for playing bingo, the Gaming Commission wants to know. North Dakota Administrative Code (N.D. Admin. Code) § 99-01.2-04-02(4) already allows, at an organization's option, a player to use a marking device to electronically mark facsimiles of purchased cards. However, devices now on the market have very advanced features. Some of these features, though, may not be legal. If your organization is interested in having the Commission evaluate these devices in the forthcoming rule-making process, would you please express your interest in a letter to this office.

In your letter, you may want to address:

1. Potential interest of players in using devices;
2. Potential use of devices for bar bingo;
3. Potential financial benefit or increased competitiveness;
4. Potential number of sites where devices would be used; and
5. Negative effects.

Please send your letter by May 31. A copy of your letter will be provided to the Gaming Commission. This is your opportunity to be heard.

This office will waive N.D. Admin. Code § 99-01.2-08-04(2) (Video surveillance system) on a case-by-case basis to enable organizations to increase their allowable expense limit for replacing, upgrading, or maintaining video surveillance equipment. The Gaming Commission is concerned that some organizations are financially unable to maintain their equipment for achieving an acceptable clarity of the twenty-one table activity.

This office will waive the rule based on this criteria:

1. The expense of replacing, upgrading, or maintaining video surveillance equipment must have been or will be incurred on or after February 26, 1997. An organization may request a waiver before or after incurring the expense;
2. Only expenses that relate to video surveillance equipment for the game twenty-one will qualify. Qualifying expenses include replacing, upgrading, repairing and relocating equipment, maintenance and warranty agreements, playing surfaces, video tapes, and spare equipment; and
3. An organization must have incurred excess gaming expenses, as a whole, for the four quarters preceding the quarter in which the expense will be incurred. Each of the four quarters do not need to have excess expenses for the organization to qualify.

If your organization desires a waiver of N.D. Admin. Code § 99-01.2-08-04(2), please send a request to this office containing:

1. Reason for the request;
2. The name and location of the site(s) affected;
3. A list of specific items and the total actual or estimated amount requested; and
4. The quarter in which the expense has been or will be incurred.

This office will respond to your request and indicate whether the request is approved or not approved.

If you have a question, please call me at 701-328-4848 or toll free at 1-800-326-9240. Thank you.

cc: Distributors

NORTH DAKOTA GAMES OF CHANCE

ANALYSIS OF GAMING ACTIVITY  
For the Fiscal Year Ended June 30, 1999

	Gross Proceeds	Prizes	Adjusted Gross Proceeds
Bingo	\$48,308,313	\$28,057,930	\$19,250,383
Bingo (Dispensing Devices)	59,600	47,714	11,886
Raffles	2,350,408	1,084,349	1,266,059
Pull Tabs (Jar Bar)	118,900,754	90,541,532	28,359,222
Pull Tabs (Dispensing Devices)	51,112,163	39,343,490	11,768,673
Club Specials, Tip Boards, Coin Boards, & Seal Boards	1,016,456	730,135	286,321
Punchboards	17,312	11,846	5,466
Sports Pools	121,264	92,222	29,042
Twenty-one	33,364,314	27,482,555	5,881,759
Calcuttas	121,595	102,157	19,438
Paddlewheels	1,186,932	823,918	363,014
<b>Totals</b>	<b>\$255,707,594</b>	<b>\$200,323,858</b>	<b>\$54,884,036</b>

Plus: Interest Earned, Cash Long (Short), & Poker	\$68,563
Less: ND Excise Tax	\$7,285,404
Federal Excise Tax	130,738
Bingo Sales Tax	2,769,427
Uncollected Checks	24,119
	<u>\$10,210,598</u>

According to the LAW

TWO TIMES This Line

SHOULD EQUAL This Amount

Non-Profits conducting Charitable Gaming have been short changed ON ALLOWABLE EXPENSES by OVER A MILLION DOLLARS ANNUALLY since 1993

<b>Total Adjusted Gross Proceeds</b>	<b>\$44,732,901</b>
Less: ND Gaming Tax	\$2,038,925
Allowable Expenses	20,202,927
<u>Total Deductible Expenses</u>	<u>\$22,241,852</u>
Net Proceeds Earned	\$15,491,049
Eligible Use Contributions	\$17,460,230

SUMMARY OF GAMING ACTIVITY  
For the Period April 1, 1977 through June 30, 1999

Gross Proceeds	\$4,010,772,451	
Prizes	3,236,793,567	
Adjusted Gross Proceeds		\$773,978,884
Plus: Interest Earned, Cash Long(Short), & Poker		(\$1,086,369)
Less: ND Excise Tax	\$58,969,788	
Federal Excise Tax	1,300,872	
Bingo Sales Tax	8,364,857	
Uncollected Checks	132,981	
		<u>\$68,768,498</u>
Total Adjusted Gross Proceeds		<u>\$704,124,017</u>
Less: ND Gaming Tax	\$44,460,620	
Allowable Expenses	340,684,113	
<u>Total Deductible Expenses</u>	<u>\$385,144,733</u>	
Net Proceeds Earned		<u>\$318,979,284</u>

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1416

Page 1, line 8, replace "fifty-three" with "fifty-one"

Page 1, line 10, after the period, insert "However, if an organization's actual expenses exceed fifty-one percent of the first two hundred thousand dollars of adjusted gross proceeds per quarter, the organization may also deduct these actual expenses up to fifty-three percent of the first two hundred thousand dollars of adjusted gross proceeds per quarter."

Renumber accordingly