

FISCAL NOTE
Requested by Legislative Council
02/12/2015

Amendment to: HB 1231

- 1 A. **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.*

	2013-2015 Biennium		2015-2017 Biennium		2017-2019 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures	\$0	\$0	\$0	\$0	\$0	\$0
Appropriations	\$0	\$0	\$0	\$0	\$0	\$0

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

	2013-2015 Biennium	2015-2017 Biennium	2017-2019 Biennium
Counties	\$0	\$0	\$0
Cities	\$0	\$0	\$0
School Districts	\$0	\$0	\$0
Townships	\$0	\$0	\$0

- 2 A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

This bill provides for fifty-fifty raffle system manufacturers to be licensed.

- B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

The manufacturer's license fee is \$500 and there is one manufacturer so general fund revenue will be increased by \$500. Since this is under the fiscal note limit no fiscal impact is reported.

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.*

See fiscal impact section above.

- 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.*

N/A

- C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.*

N/A

Name: Kathy Roll

Agency: Office of Attorney General

Telephone: 701-328-3622

Date Prepared: 02/13/2015

FISCAL NOTE
Requested by Legislative Council
02/12/2015

Amendment to: HB 1231

- 1 A. **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.*

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N/A

Name: Kathy Roll

Agency: Office of Attorney General

Telephone: 701-328-3622

Date Prepared: 02/13/2015

FISCAL NOTE
Requested by Legislative Council
01/13/2015

Bill/Resolution No.: HB 1231

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This bill provides for fifty-fifty raffle system manufacturers to be licensed.

- B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

The manufacturer's license fee is \$4,000 and there is one manufacturer so general fund revenue will be increased by \$4,000. Since this is under the fiscal note limit no fiscal impact is reported.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

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See fiscal impact section above.

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N/A

Name: Kathy Roll

Agency: Office of Attorney General

Telephone: 701-328-3622

Date Prepared: 01/13/2015

2015 HOUSE JUDICIARY

HB 1231

2015 HOUSE STANDING COMMITTEE MINUTES

House Judiciary Committee Prairie Room, State Capitol

HB 1231
Job # 22650
1/27/2015
☐ Subcommittee

☐ Conference Committee

Committee Clerk Signature

Reed Christensen

Explanation or reason for introduction of bill/resolution:

Relating to distributors and manufacturers of games of chance.

Minutes:

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Chairman K.Koppelman: Opened the hearing with testimony in support.

Rep. K. Karls: Introduced the bill.

Deb McDaniel, Office of Attorney General: We are sponsoring this bill today. We would require 50/50 manufacturers to be registered through the state so we can test their systems independently by a third party. The second part is to stamp raffle event boards & poker event boards to ensure the funds get to their charitable uses.

Rep. Mary Johnson: The handhelds that they already use at football games only make tickets.

Deb McDaniel: We have already had that manufacturer go through

Rep. Lois Delmore: There would then be an added cost to a manufacturer, is there a carryover from the bingo cards and 50/50?

Deb McDaniel: Yes they could also manufacture those games normally we charge a \$4,000 fee for manufacturers and we would be willing to go as low as \$500 licensing fee for 50/50 systems.

Rep. Lois Delmore: The bill looks like \$4000

Deb McDaniel: That is correct, and it was requested that we lower that amount & would require an amendment to this bill.

Rep. L. Klemin: Subsection 3 on page 2 this gaming stamp is to be fixed with paddle wheel ticket cards. How does that work with an electronic paddle wheel?

Deb McDaniel: It doesn't. We would need to find out the technology with these electronic wheels.

Rep. Mary Johnson: How are the mechanical wheels stamped?

Deb McDaniel: The wheels aren't stamped. There is a strip that has a stamp on it and that end of the strip is kept by the gaming organization and is tracked.

Rep. Lois Delmore: How much revenue is raised with the \$0.10 out of \$36,000? Do you know what those numbers are?

Deb McDaniel: I can get them real quick.

Opposition: None

Neutral: None

Hearing Closed

2015 HOUSE STANDING COMMITTEE MINUTES

Judiciary Committee
Prairie Room, State Capitol

HB 1231
2/10/2015
23607

☐ Subcommittee
☐ Conference Committee

Committee Clerk Signature

Carmen Hart

Explanation or reason for introduction of bill/resolution:

Relating to distributors and manufacturers of games of chance.

Minutes:

Proposed amendment 1

Chairman K. Koppelman: Rep. Karls handed out proposed amendment 1 and was asked to explain.

Rep. Karls: As you recall, there was quite a high license fee in the first part of this bill and a smaller one later on. Deb McDaniel brought this amendment forward from the gaming division and set the license fee at \$500 for a manufacture of raffle systems. I move to adopt this amendment.

Rep. Hawken: Seconded the motion.

Voice vote. Motion carries.

Chairman K. Koppelman: Essentially what the bill does is adds the 50/50 raffle systems to the current law.

Rep. Karls: When Deb McDaniel took over as head of the gaming division, she noticed that this wasn't covered in any of their code so they asked that it be put in and some license fees added.

Rep. K. Koppelman: This is not an expansion. This is something that is currently there. It is just a matter of it was overlooked in the code.

Rep. Hawken: Made a motion for a DO PASS AS AMENDED.

Rep. Maragos: Seconded the motion.

Rep. Wallman I can't remember if this includes raffles that would be fundraisers for athletic teams, etc.

Rep. Hawken: I think honestly there are about three places in the state where this would have an effect like the halftime at football games.

Rep. P. Anderson: I remember too. It is something like the team makers. I received a couple of emails that said they were fine with the \$500 50/50 raffles.

Rep. Maragos: Microphone not on.

Rep. L. Klemin: Discussed the roulette wheel and I think this is an expansion of gaming in ND. (Could not hear this speaker)

Rep. Karls: I believe it is for the manufacturer. The amendment covers the manufacturers' license.

Rep. L. Klemin: Then the party conducting the 50/50 raffle does not have to pay any licenses, at least not \$500?

Chairman K. Koppelman: I think that is correct. I am not sure though whether they need to apply for a permit license in order to conduct the raffle. I think there are some organizations that don't really conduct charitable gaming regularly, but they might want to do a raffle once a year.

Rep. M. Johnson: Did we remove that for 50/50 systems from line 7 and 8?

Chairman K. Koppelman: We didn't remove that because I think the intent is to add that. Maybe it does need to be.

Rep. M. Johnson: The manufacturer has to pay an annual license fee of \$4,000?

Chairman K. Koppelman: I think Rep. Johnson is right. If we leave the or 50/50 raffle system on line 7-8, the implication then is they have to pay the \$4,000.

The motion was withdrawn by Rep. Hawken and Rep. Maragos.

Rep. L. Klemin(?): I think the correct thing to do is to remove or 50/50 raffle systems from lines 7-8.

Chairman K. Koppelman: I do too. That is what Rep. Johnson had just recommended. I think, Rep. Maragos, what you are looking at is that on line 7 it talks about pull tabs, but on line 9 it talks about pull tab dispensing devices which I think are two different things. The intent of the amendment is to remove it from that bundle and to make it a \$500 license fee instead of the higher one.

Rep. L. Klemin: Also to further amend these to delete the overstrike over the word or on line 7.

Rep. P. Anderson: I thought the bill was to add a license fee for 50/50 for \$500.

Chairman K. Koppelman: It is. The issue is the amendment that we adopted overlooked the fact that the 50/50 raffle systems as mentioned on lines 7-8 and needs to be removed there in order to accomplish the intent of the amendment.

Rep. D. Larson: It looks like with some of these things, they have to pay annually. There are different annual fees depending on what it is, and just for the 50/50 they only want \$500?

Chairman K. Koppelman: Correct.

Rep. L. Klemin: Moved the amendment to remove or 50/50 raffle systems from lines 7-8 and to remove the overstrike on the word or in line 7.

Rep. M. Johnson: Seconded the motion.

Rep. Hawken: Microphone not on.

Chairman K. Koppelman: I think they will like \$500 better than \$1,000.

Rep. Kretschmar: It would seem to me if there is a manufacturer of pull tabs, bingo cards, bingo card marking devices, he pays \$4,000. If he also makes 55 raffle systems, he pays another \$500. We want this guy to pay \$4,500?

Chairman K. Koppelman: What we will do is suspend the discussion on 1231. The shape we are leaving it in is that the committee has amended the bill. We have the motion to further amend before us dealing with lines 7-8. We will seek some clarity.

Rep. Paur: Part of that amendment, page 2, line 6 after poker insert event. Poker event board is the way I read it. That is actually something?

Chairman K. Koppelman: Apparently so.

Rep. Karls: As I recall, doesn't this have something to do with UND and NDSU? These are large money generating events.

Rep. L. Klemin: There is another issue here. With HB 1230 we gave it a 7-6 do pass earlier today. On this bill the existing law requires on page 2, line 6, that this gaming stamp be applied to paddlewheel ticket cards. HB 1230 isn't necessarily going to have paddlewheel ticket cards if it uses this electronic paddlewheel. Deb McDaniel said this gaming stamp that is required by current law is an issue with the electronic paddlewheel. I hope the one doesn't pass anyway which will take care of this problem. If it does pass, there is an issue here with how you fix the gaming stamp to electronic tickets.

Rep. M. Johnson: I believe we discussed how that stamp applies in an electronic game. They are required in the electronic game to get the stamp, electronically produced.

Rep. L. Klemin: As I understood it from the testimony, they actually stamp all these paper tickets.

Rep. M. Johnson: You can electronically produce a stamp as well.

Chairman K. Koppelman: I have announced we are going to suspend the hearing.

Committee member (unidentified) I would like to give Rep. Karls what the university sent, what Ralph Englestad sent out. It is very similar to your language, but I think that is probably what the intent is.

Chairman K. Koppelman: That is fine, and we should make sure that Rep. Karls checks that with Deb McDaniel and perhaps legislative council just to insure that we are on the right page. Do check on the motion that is before us, whether they want it removed.

2015 HOUSE STANDING COMMITTEE MINUTES

Judiciary Committee
Prairie Room, State Capitol

HB1231
2/11/2015
23684

☐ Subcommittee
☐ Conference Committee

Committee Clerk Signature



Minutes:

Chairman K. Koppelman opened the meeting on the bill.

Rep. Karls: I spoke to a person at the gaming division in the Attorney General's office and the wording in line 7 at the end or 50/50 raffle systems carrying it onto line 8 should be struck. It isn't necessary because it is addressed by the amendment that we put on yesterday.

Rep. Klemin withdrawn their motion made 2-10-15 to amended motion; Seconded by Rep. Mary Johnson:

Rep. Karls: Rep. Klemin had asked about the stamps and I believe in testimony that they addressed that in the original hearing. I think they realize that is going to be a practical application.

Rep. L. Klemin: That only becomes an issue with the electronic paddlewheel so maybe we don't need to do anything about this.

Rep. Lois Delmore: The 50/50 raffle is not to be included on the on the gaming correct?

Rep. Karls further moved that we strike the language after device on line 7, and apply the language or 50/50 raffle systems.

Moved to adopt this amendment made by Rep. Karls: Seconded by Rep. Lois Delmore:

Discussion: None

Voice Vote Carried.

Rep. L. Klemin: (mike not on)

Chairman K. Koppelman: We had already attached the written amendments you have yesterday so this was twice amended.

Do Pass As Amended Motion Made by Rep. K. Hawken: Seconded by Rep. Lois Delmore:

Discussion: None

Roll Call Vote: 12 Yes 1 No 0 Absent Carrier: Rep. Mary Johnson:

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1231

Page 1, line 10, after the period insert "A manufacturer of fifty-fifty raffle systems shall apply annually for a license and pay a license fee of five hundred dollars."

Page 2, line 6, after "poker" insert "event"

Renumber accordingly

February 11, 2015

sl
2/11/15

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1231

Page 1, line 7, remove the overstrike over the first "or"

Page 1, line 7, remove ", or fifty-fifty"

Page 1, line 8, remove "raffle systems"

Page 1, line 10, after the period insert "A manufacturer of fifty-fifty raffle systems shall apply annually for a license and pay a license fee of five hundred dollars."

Page 2, line 6, after "poker" insert "event"

Renumber accordingly

Date: 2-10-15
Roll Call Vote #: 1

2015 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1231

House JUDICIARY Committee

☐ Subcommittee ☐ Conference Committee

Amendment LC# or Description: 15.8177.01001.02000

Recommendation: ☒ Adopt Amendment
☐ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation
☐ As Amended ☐ Rerefer to Appropriations
Other Actions: ☐ Reconsider ☐ _____

Motion Made By KARLS Seconded By K. Hawken

Representative	Yes	No	Representative	Yes	No
Chairman K. Koppelman			Rep. Pamela Anderson		
Vice Chairman Karls			Rep. Delmore		
Rep. Brabandt			Rep. K. Wallman		
Rep. Hawken					
Rep. Mary Johnson					
Rep. Klemin					
Rep. Kretschmar					
Rep. D. Larson					
Rep. Maragos					
Rep. Paur					

VOICE
motion carries

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

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

Date: 2-11-15
Roll Call Vote #: 1

2015 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1231

House JUDICIARY Committee

☐ Subcommittee ☐ Conference Committee

Amendment LC# or Description: Strike language after device - line 7
apply language or 50/50 raffle systems

Recommendation: ☒ Adopt Amendment
☐ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation
☐ As Amended ☐ Rerefer to Appropriations
Other Actions: ☐ Reconsider ☐ _____

Motion Made By Rep. Karls Seconded By Rep. Delmore

Representative	Yes	No	Representative	Yes	No
Chairman K. Koppelman			Rep. Pamela Anderson		
Vice Chairman Karls			Rep. Delmore		
Rep. Brabandt			Rep. K. Wallman		
Rep. Hawken					
Rep. Mary Johnson					
Rep. Klemin					
Rep. Kretschmar					
Rep. D. Larson					
Rep. Maragos					
Rep. Paur					

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

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

Date: 2-10-15
Roll Call Vote #: 23

2015 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1231

House JUDICIARY Committee

☐ Subcommittee ☐ Conference Committee

Amendment LC# or Description: 15.8177.01001.02000

Recommendation: ☒ Adopt Amendment
☒ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation
☒ As Amended ☐ Rerefer to Appropriations
Other Actions: ☐ Reconsider ☐ _____

Motion Made By Rep Hawken Seconded By Rep Delmore

Representative	Yes	No	Representative	Yes	No
Chairman K. Koppelman	✓		Rep. Pamela Anderson	✓	
Vice Chairman Karls	✓		Rep. Delmore	✓	
Rep. Brabandt	✓		Rep. K. Wallman	✓	
Rep. Hawken	✓				
Rep. Mary Johnson	✓				
Rep. Klemin	✓				
Rep. Kretschmar	✓				
Rep. D. Larson		✓			
Rep. Maragos	✓				
Rep. Paur	✓				

Total (Yes) 12 No 1

Absent 0

Floor Assignment Rep. M. Johnson

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

REPORT OF STANDING COMMITTEE

HB 1231: Judiciary Committee (Rep. K. Koppelman, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (12 YEAS, 1 NAYS, 0 ABSENT AND NOT VOTING). HB 1231 was placed on the Sixth order on the calendar.

Page 1, line 7, remove the overstrike over the first "er"

Page 1, line 7, remove ". or fifty-fifty"

Page 1, line 8, remove "raffle systems"

Page 1, line 10, after the period insert "A manufacturer of fifty-fifty raffle systems shall apply annually for a license and pay a license fee of five hundred dollars."

Page 2, line 6, after "poker" insert "event"

Renumber accordingly

2015 SENATE JUDICIARY

HB 1231

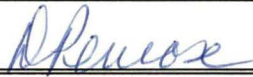
2015 SENATE STANDING COMMITTEE MINUTES

Judiciary Committee
Fort Lincoln Room, State Capitol

HB 1231
3/9/2015
24459 & 24482

☐ Subcommittee
☐ Conference Committee

Committee Clerk Signature



Minutes:

1,2

Job 24459 starts.

Ch. Hogue: We will open the hearing on HB 1231.

Rep. Karen Karls: Sponsor, support. This was brought to me on the request of the Attorney General's Gaming Division and deals with 50-50 raffle systems. There is also an amendment to add to it.

Ch. Hogue: Thank you. Further testimony in support.

Deb McDaniel, Director of Gaming Division, Office of Attorney General:
Support (see attached 1 and 2).

Ch. Hogue: What is a 50-50 raffle?

Deb McDaniel: Currently, NDSU and UND are using these systems as a substitute to the 50-50 tickets, the individual tickets that are handed out. It's a system that prints off the tickets automatically while they are purchasing the tickets from the organization. All of the tickets are printed; however, they are put in a barrel immediately and drawn out instead of having people run around with the little hand printed tickets, they have a device where they just punch in that the person is buying the tickets and it gives them a receipt and then the ticket is printed and put in a barrel for drawing. That's what this system does; it prints the tickets automatically instead of having the hard tickets on hand available right there.

Ch. Hogue: What does a 50-50 refer to?

Deb McDaniel: Depending on the players, they buy a ticket, 50% of the gross is given away in prizes and 50% is kept by the organization. That's where the name came from. They can give away less or more, but that is what the 50-50 comes from.

Ch. Hogue: So they can give away more than 50% or less than 50%; but it's always called the 50-50.

Deb McDaniel: It is usually 50-50 cut.

Sen. Nelson: Didn't we have a bill during the first half dealing with the universities that allowed these systems and that was all who could use the system.

Deb McDaniel: There is a 50-50 system, which is being tested right now; there are no administrative rules for them yet. It's being tested because it just prints the tickets to be drawn out of a barrel. There is a bill that's being introduced where they used a random numbered generator to decide the winner, instead of printing all the tickets and manually picking a ticket out. That bill is where the computer system would determine the winner of the game. This is just for the system itself that prints the tickets. We want to get them licensed before we start making administrative rules for just that system.

Ch. Hogue: We have one manufacturer of this system.

Deb McDaniel: Yes, currently.

Sen. Casper: In section 1 there, we're just saying a manufacturer of the raffle systems shall apply annually for license and pay a license fee of \$500.00. So the folks that are making these systems that the universities are using, they are going to have to pay that fee every year.

Deb McDaniel: Yes, correct.

Sen. Casper: But the company is paying that, not the school. I'm wondering, if we only have a couple of institutions using this, how often are they really selling them the system, and if they aren't making any money, because they sold one to the school, and then they have to pay a fee to the state of ND annually. There is a very limited market here.

Deb McDaniel: Correct. If you look in the statute, we require most manufacturers to pay a \$4,000 fee a year, so we reduced it to the \$500 and then the system also has computer hardware in it to get the payment from the player into the system. The system is rented from the manufacturers. The manufacturers are still going to be involved.

Ch. Hogue: Can you provide any revenue data like we got on the last bill, how big an enterprise this is, in terms of dollars.

Deb McDaniel: I don't have that with me. I can provide it to you.

Sen. Luick: Can Ms. McDaniel explain the amendments.

Deb McDaniel: The amendments deal with the rental of equipment. On page 2, line 2 is taking out "or 50-50 raffle systems that the distributor may purchase or acquire used pull tab dispensing device or 50-50 raffle system from a licensed organization". They don't purchase these systems; it's a rental from the manufacturer. That was a mistake on our part. It should not have been put on line 2. Page 2, line 6, this is where the raffle event board and poker event boards. There isn't a raffle event board or a poker event board. Our office thought that we would be able to better regulate the industry by putting on these gaming stamps for these boards. However, further discussion with the city auditors and gaming organizations, it would cause more of a hardship for the organizations to get a gaming stamp for every single raffle that they conducted. There are raffle boards and they can purchase it from a distributor and get a gaming stamp on it so that we're not concerned about raffle boards, just the raffle event board and the poker event board. Down on line 19, we want to insert gaming equipment because right now it says a licensed manufacturer may not refuse to sell pull tabs or paper BINGO cards. Licensed manufacturers sell all kinds of gaming equipment and parts and things to the organizations and if we don't insert "gaming equipment", licensed manufacturers may refuse to sell parts for other gaming equipment to licensed distributors and if a licensed distributor is no longer in business or has a hardship in obtaining these parts, other gaming licensed organizations cannot obtain the parts because the manufacturer aren't providing them.

Ch. Hogue: Thank you. Further testimony in support. Testimony in opposition. Neutral testimony. We will close the hearing.

Job 24459 ended.

Job 24482 begins.

Ch. Hogue: What are the committee's wishes in regard to HB 1231? There are amendments from the AG's office.

Sen. Nelson: I move the amendments by the AG.

Sen. Armstrong: Second the motion.

Ch. Hogue: We will take a voice vote. Motion carried. We have the bill before us as amended.

Sen. Casper: I move a Do Pass as amended.

Sen. Armstrong: Second the motion.

6 YES 0 NO 0 ABSENT DO PASS AS AMENDED

CARRIER: Sen. Casper

March 9, 2015

TD
3/9/15

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1231

Page 2, line 2, remove "or fifty-fifty raffle system"

Page 2, line 6, remove "raffle event board."

Page 2, line 7, remove "poker event board."

Page 2, line 19, overstrike "or" and insert immediately thereafter a comma

Page 2, line 19, after "cards" insert ", or gaming equipment"

Page 2, line 22, overstrike the first "or" and insert immediately thereafter a comma

Page 2, line 22, after "cards" insert ", or gaming equipment"

Renumber accordingly

Date: 3/9/15
Voice Vote # 1

2015 SENATE STANDING COMMITTEE
VOICE VOTE
BILL/RESOLUTION NO. 1231

Senate Judiciary Committee

☐ Subcommittee

Amendment LC# or Description: Attorney General Amendments

Recommendation: ☒ Adopt Amendment

☐ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation

☐ As Amended ☐ Rerefer to Appropriations

☐ Place on Consent Calendar

Other Actions: ☐ Reconsider ☐ _____

Seconded By

Motion Made By Sen. Nelson

Sen. Armstrong

Senators	Yes	No	Senators	Yes	No
Ch. Hogue			Sen. Grabinger		
Sen. Armstrong			Sen. C. Nelson		
Sen. Casper					
Sen. Luick					

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

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

Voice Vote - Motion Carried

Date: 3/9/15

Roll Call Vote #: 2

2015 SENATE STANDING COMMITTEE
ROLL CALL VOTE

BILL/RESOLUTION NO. 1231

Senate

JUDICIARY

Committee

☐ Subcommittee

Amendment LC# or Description: 15.8177, 02001 13000

Recommendation: ☐ Adopt Amendment

☒ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation

☒ As Amended ☐ Rerefer to Appropriations

☐ Place on Consent Calendar

Other Actions: ☐ Reconsider ☐ _____

Motion Made By Sen. Casper Seconded By Sen. Armstrong

Senators	Yes	No	Senators	Yes	No
Chairman Hogue	✓		Sen. Grabinger	✓	
Sen. Armstrong	✓		Sen. C. Nelson	✓	
Sen. Casper	✓				
Sen. Luick	✓				

Total (Yes) 6 No 0

Absent 0

Floor Assignment Sen. Casper

REPORT OF STANDING COMMITTEE

HB 1231, as engrossed: Judiciary Committee (Sen. Hogue, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1231 was placed on the Sixth order on the calendar.

Page 2, line 2, remove "or fifty-fifty raffle system"

Page 2, line 6, remove "raffle event board."

Page 2, line 7, remove "poker event board."

Page 2, line 19, overstrike "or" and insert immediately thereafter a comma

Page 2, line 19, after "cards" insert ", or gaming equipment"

Page 2, line 22, overstrike the first "or" and insert immediately thereafter a comma

Page 2, line 22, after "cards" insert ", or gaming equipment"

Renumber accordingly

2015 TESTIMONY

HB 1231

#11 2-10-15
1231

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1231

Page 1, line 10, after the period insert "A manufacturer of fifty-fifty raffle systems shall apply annually for a license and pay a license fee of five hundred dollars."

Page 2, line 6, after "poker" insert "event"

Renumber accordingly

1-1

**Senate Judiciary Committee
House Bill No. 1231
Manufacturers of Games of Chance
March 9, 2015**

Mr. Chairman and members of the Committee, my name is Deb McDaniel. I am the Director of the Gaming Division with the Office of Attorney General.

This bill, if passed, would require manufacturers of 50/50 raffle systems to be licensed through the state. With this requirement the state would be able to write administrative rules to ensure that the systems meet specifications to our standards and require testing of the systems by an independent testing laboratory.

This bill would also require licensed distributors to affix a North Dakota gaming stamp to raffle boards, raffle event and poke event boards provided to licensed organizations by distributors.

Recent input from licensed organizations revealed that there would be a hardship to these organizations and enforcement issues with the requirement to affix a North Dakota gaming stamp to raffle and poker event boards. Also review of the current statute showed a gap in the requirement that a licensed manufacturer may not refuse to sell certain gaming items to licensed distributors. The current language is too narrow and adding gaming equipment to the statute would cover this gap.

With the permission of the Chairman, we would like to submit amendments to House Bill 1231 to address these concerns.

Thank you, Mr. Chairman, and I will try to respond to any questions you may have.

2-1
3/9/16

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1231

Page 2, line 2, remove "or fifty-fifty raffle system"

Page 2, line 6, remove "raffle event board,"

Page 2, line 7, remove "poker event board,"

Page 2, line 19, overstrike "or" and insert immediately thereafter a comma

Page 2, line 19, after "cards" insert ", or gaming equipment"

Page 2, line 22, overstrike "or" and insert immediately thereafter a comma

Page 2, line 22, after "cards" insert ", or gaming equipment"

RENUMBER ACCORDINGLY