

My name is Marty Davis and I can proudly say I am a member of the Turtle Mountain Band of Chippewa, I began my employment for my tribe as the Gaming Regulator, almost to the day, two years prior to the passage of the Indian Gaming Regulatory Act and 6 years prior to the date the initial Tribal State Gaming Compacts were negotiated and signed into law. Our Tribe regulates one of the two live racing meets in the State.

As a Tribal Gaming Regulator and North Dakota State resident, I strongly oppose HB 1444 which, if passed, would allow for the use and proliferation of Historic Horse Racing Machines all across the State and under the regulatory oversight of the North Dakota Racing Commission, a state agency with minimal staff and resources. Please note that the bill does not increase the budget for regulation. This is the third session this bill has been introduced - in the 65<sup>th</sup> legislative assembly, SB 2221 was narrowly defeated. In the 66<sup>th</sup> legislative session, the same bill, HB 1443, with some minor amendments, was defeated. Today, in the 67<sup>th</sup> legislative assembly this bill, HB 1444, is being presented yet again with only minimal amendments from HB 1443. Three strikes rule!

Section 1 of the bill limits the rental amount per machine with a maximum rental amount to be paid to the site of \$3000 per month. However, there are no limits on the number of machines per site nor limits on the number of sites at which an organization can place machines.

The bill also defines "Eligible organization" as an organization eligible to conduct pari-mutuel wagering under this chapter. One fact mentioned was the ability of the operation to "seed", which is also included in HB 1444. The bill defines "Site Operator" to include an eligible organization licensed by the commission to offer, sell, cash, redeem, or exchange pari-mutuel tickets on races being simulcast from a sending track, to conduct account wagering, or to offer wagers on historic horse races. This means that historic horse racing devices could be installed in virtually every location in the state eligible for charity gaming. We already have hundreds of Electronic Pull-tab machines at these sites. Adding Historic Horse Racing machines will accomplish nothing more than recklessly expanding electronic gaming in this state.

Lets be honest. HHR devices are Electronic Gaming Devices disguised to benefit the horse racing industry.

Turtle Mountain Band of Chippewa owns and operates, by an appointed board, a live horse racing venue called Chippewa Downs and in theory, we could benefit from some of the revenues derived from HHR devices. But in reality, the bill allocates only one half of two tenths of one percent to be distributed equally to the two live racing licensees in the state. How is this helping Live racing? The revenue distribution does not favor the live racing industry. The licensee gets 12% and in many instances, the licensee will have absolutely not relationship to the racing industry. This same language was in the draft bill HB 1443, however that bill was amended to omit Chippewa Downs. Annually the tribe contributes no less than \$60,000 directly to the operation, maintenance and manpower for Chippewa Downs, with additional contributions indirectly.

In 1992 Tribes entered into Gaming Compacts with the State of North Dakota. In 1993, TMBCI entered into a Pari-mutuel Racing addendum to its Gaming Compact. Each of the 5 tribes of North Dakota established or expanded on a Tribal Gaming Regulatory Authority for gaming regulation and oversight to comply not only with the requirements set forth in the gaming compacts, but also to ensure compliance with requirements of the Indian Gaming Regulatory Act, Federal IRS laws and with BSA/Fincen

Regulations for anti-money laundering. In this legislative session there are at least 8 bills directly relating to gaming activity which can be viewed as an expansion of gaming all of which will have detrimental effects on tribal gaming. Unlike for profit gaming, tribal gaming exists to further tribal economic development and tribal self-sufficiency, it is one of the main employers on our reservation. Currently at SkyDancer Casino there are 362 employees, 98% of whom are tribal members. Some having been employed more than 20 years. HB 1444 is a massive expansion of gambling. It is detrimental to the state and will seriously and negatively impact the ability of the Five North Dakota Tribes, including my Tribe, to achieve economic self-sufficiency. I urge you to vote "NO" on HB 1444.