

North Dakota House of Representatives

STATE CAPITOL 600 EAST BOULEVARD BISMARCK, ND 58505-0360



Representative Collette Brown

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COMMITTEES:

Industry, Business and Labor Government and Veterans Affairs

February 5, 2025

Good morning, Chair Larson and members of the Senate Judiciary Committee. For the record my name is Collette Brown, Representative from District 9 which encompasses two Tribes of North Dakota, the Turtle Mountain Band of Chippewa and the Spirit Lake Tribe.

Today, I stand before you to shed light on the importance of transparency in our legislative processes. We must ensure that the true intentions of bills and laws are not obscured by convoluted language. One such example is the HB2347 regarding Historic Horse Racing (HHR) machines.

At first glance, the technical words in this bill may seem harmless, but they disguise their true intention. The bill states that terminals offering the same type of wager refer to multiple machines or devices that allow patrons to place bets on historic horse races in a similar manner. This means that if a facility has HHR machines, it needs to have at least two of these terminals, each offering the same types of wagering options. This ensures that patrons have consistent betting experiences across multiple machines.

But what does this really mean for our community? It means that we are essentially allowing the proliferation of slot machine-like devices under the guise of horse racing. These HHR machines typically resemble slot machines, with spinning reels and symbols, video displays, and user interfaces that mimic those of traditional slot machines. They even include skill graphs with handicapping information, such as jockeys' and trainers' winning percentages, to help players make informed selections.

Moreover, the language on bond requirements to the Attorney General is equally concerning. The bill stipulates that a licensed service provider needs to post only one bond of \$500,000, regardless of the number of facilities they operate. This implies that if the service provider meets all other requirements, they can offer wagering on historic horse races at multiple facilities under a single bond. This loophole allows large operators to expand their reach with minimal financial accountability.

As legislators, we must ask ourselves: Are we comfortable with another proliferation of gaming in our State? Are we willing to accept the potential social and economic consequences that come with them? It is our duty to demand transparency and accountability from our lawmakers. We must ensure that bills are clearly worded and that their true intentions are not hidden behind technical language.

In conclusion, let us not be fooled by the technical words in this bill. The proliferation of HHR machines and the bond requirements pose significant risks to our communities. We must stand together and have true transparency in language for the laws of North Dakota. Only then can we protect the interests and well-being of our citizens. Lastly, I want to implore that you please look at the letter from the Spirit Lake Tribe Chairwoman Lonna Street which has uploaded.

We will not stand by while the state once again disregards tribal sovereignty and our right to economic self-determination.

The Spirit Lake Tribe hereby requests:

Immediate consultation between tribal governments and the state regarding SB 2347 and any future gaming legislation.
Inclusion of tribal casinos in any new gaming opportunities—if the state is going to expand gaming, tribes must be included.
A halt to all legislative efforts to expand non-tribal gaming until full tribal consultation has taken place.

If the state moves forward with SB 2347 without addressing our concerns, the Spirit Lake Tribe and any Tribal government has a right to take legal action under IGRA to challenge this violation of our rights. We will also petition the National Indian Gaming Commission (NIGC) and the Bureau of Indian Affairs (BIA) to review whether North Dakota is acting in bad faith by attempting to bypass tribal gaming compacts.

The Spirit Lake Tribe has fought for generations to protect our sovereignty and our right to economic self-sufficiency. We will not allow North Dakota to continue expanding gaming while ignoring the very tribal nations who have historically led this industry. In recent years, the state and many tribes have been working hard to create meaningful interaction with building state and tribal relations. And we both have benefitted from positive and meaningful dialogue; we highly recommend continuing this by respecting our request for meaningful consultation.

I thank you for your time and energy today,

Lonna J. Street Chairwoman Spirit Lake Tribe

cc: Spirit Lake Council



SPIRIT LAKE TRIBE

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February 4, 2025

Chairperson and Members of the Committee,

My name is Lonna J. Street, and I am the chairwoman of the Spirit Lake Tribe.

The Spirit Lake Tribe strongly opposes Senate Bill 2347, which seeks to authorize historic horse race wagering in North Dakota. This legislation represents yet another attempt by the state to expand gaming without consulting tribal nations, despite the legal protections afforded to us under federal law. This is a direct infringement on our sovereignty, an economic attack on our ability to provide for our people, and a continuation of the state's long-standing pattern of disregarding tribal rights in gaming policy.

The Indian Gaming Regulatory Act (IGRA) (25 U.S.C. § 2701 et seq.) was passed by Congress to ensure that tribes have exclusive rights to regulate gaming on their lands, recognizing gaming as a critical tool for economic self-sufficiency. By allowing non-tribal businesses to engage in pari-mutuel wagering on historic horse races, SB 2347 violates the intent of IGRA and undermines the Spirit Lake Tribe's ability to maintain control over gaming within our jurisdiction.

This state-sanctioned expansion of gambling was proposed without consultation with the Spirit Lake Tribe or any other tribal nations. That alone is unacceptable. Under Executive Order 13175 (Consultation and Coordination with Indian Tribal Governments), states government to engage in meaningful consultation with tribes before enacting policies that impact us. We have compacts and agreements with the state. Yet, once again, we were excluded from discussions while state leaders worked behind closed doors to pass legislation that will economically harm our people.

The Spirit Lake Casino and Resort is one of the primary economic engines for our community. Gaming revenue funds healthcare, education, elder services, and infrastructure for our people. When the state previously introduced electronic pull tab machines without consultation, it caused severe financial damage to tribal casinos, taking millions in revenue away from Native communities and redirecting it into the state's hands. SB 2347 follows the same pattern—authorizing a new form of gambling that will divert revenue away from tribal casinos and into non-tribal businesses.

This is not just about money; it is about our ability to be self-sufficient and to provide for our people. The state's continuous expansion of gaming without tribal input is a direct assault on our economic stability.

The State of North Dakota has a well-documented history of failing to engage in fair gaming negotiations with tribal nations. The introduction of pull-tab machines without tribal consultation shattered trust between the state and our nations, and now, with SB 2347, the state must not continue this pattern of disrespect and disregard for our rights.

Our gaming compact with North Dakota was negotiated under IGRA's requirement that the state act in good faith (25 U.S.C. § 2710(d)(3)(A)). If the state expands gaming opportunities for non-tribal entities while refusing to allow tribes the same opportunities, this is a clear violation of good faith negotiations.

Additionally, the bill allocates revenue from historic horse race wagering to state and local funds but excludes tribal governments entirely. This is yet another example of the state profiting from gaming while shutting tribes out of the conversation. If the state wants to expand gaming, then tribes must be included as equal partners.