

# HOUSE RESEARCH

## Bill Summary

**FILE NUMBER:** H.F. 2760

**DATE:** March 11, 2004

**Version:** As introduced

**Authors:** Knoblach and others

**Subject:** Tribal gaming compacts

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### Overview

This bill directs the Attorney General to bring a legal action in federal court to declare tribal-state compacts for video games of chance to be of no force and effect, based on provision in the bill to repeal a statutory basis for those compacts. It directs the governor to negotiate new video game compacts and imposes requirements that those compacts must meet.

### Article 1

#### Legislative Findings and Intent

**1 Findings.** Makes findings that:

- Indian gaming has result in costs to state and local government,
- the volume of gaming on Indian land exceeds what was expected when current tribal-state gaming compacts were negotiated,
- benefits from Indian gaming vary widely from tribe to tribe, and
- video games of chance are uniquely addictive and should be prohibited in Minnesota

## Section

as against public policy.

Makes a statement of legislative intent that the bill repeals the legal basis in state law for video game compacts, and that therefore all compacts for those games are of no force and effect after January 1, 2006.

- 2 **Attorney general action.** Requires the Attorney General to bring an action in federal court to determine that the bill eliminates the legal basis under state law and the Indian Gaming Regulatory Act for video game compacts, and that therefore those compacts are of no force and effect. Requires the Attorney General to report to the legislature every three months on actions under this section.
- 3 **Effective date.** Makes section 2 effective October 1, 2004.

## Article 2

### Tribal state compacts

- 1 1 **Terms.** Repeals the law that requires tribal-state compacts to remain in effect until renegotiated. Imposes new requirements on compacts:
- minimum age of 21 for gambling,
  - sharing of revenues with state in excess of the amounts currently paid,
  - duration not more than 20 years, and
  - waiver by tribes of right to seek additional compacts based on any form of gambling currently legal in Minnesota, while retaining right to seek compacts for new forms of gambling if they become legal in Minnesota.
- 2 **Effective date.** Makes section 1 effective immediately.

## Article 3

### Repeal of statutory basis for video compacts

- 1 1 **Sale of gambling devices by tribes.** Repeals the statutory authorization for one Indian tribe to sell a gambling device to a distributor of gambling devices.
- 2 2 **Sales of gambling devices by distributors.** Repeals the statutory authorization for distributors of gambling devices to sell or lease them to Indian tribes or to individuals for non-gambling home use.
- 3 3 **Enforcement.** Directs the commissioner of public safety to take all steps to prevent illegal possession of gambling devices.
- 4 4 **Repealer.** Repeals:

## **Section**

- the 1989 law that provided that the increase in penalties for unlawful use of video games of chance was not to be construed to affect tribal-state compacts for video games, and
- the 1990 law that provided that the repeal of the law legalizing possession of video games of chance for non-gambling purposes was not to be construed to effect tribal-state compacts for video games.

5 5 **Effective date.** Makes sections 1 to 3 effective January 1, 2005. Makes section 4, effective January 1, 2006.

## **Article 4**

### **Certification**

1 1 **When not to take effect.** Provides that article 3, section 4, would not take effect if before January 1, 2006, the governor certifies that new tribal-state video game compacts have been negotiated that replace existing compacts and comply with the requirements in article 2.