

State of South Dakota

SEVENTY-THIRD SESSION
LEGISLATIVE ASSEMBLY, 1998

347B0543

SENATE ENGROSSED NO. **SB147** - 2/13/98

This bill has been extensively amended (hoghoused) and may no longer be consistent with the original intention of the sponsors.

Introduced by: Senators Paisley, Brosz, Hunhoff, Lawler, and Morford and Representatives Roe and Haley

1 FOR AN ACT ENTITLED, An Act to study the effects of gaming in South Dakota.

2 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

3 Section 1. The South Dakota Lottery shall conduct a thorough and comprehensive review
4 of video lottery, and its relationship to all other forms of legal and illegal gaming and gambling
5 in South Dakota. The Governor and the Executive Board of the Legislative Research Council
6 together shall retain an outside neutral independent firm to conduct the review. The Governor
7 and the Executive Board of the Legislative Research Council shall together oversee this review.
8 The results and findings of this review shall be reported by the South Dakota Lottery
9 Commission to the Governor and Legislature on or before December 15, 1998.

10 Section 2. The review shall include the compilation of empirical data and information on
11 video lottery and its impact on the economy, budget and citizens of the State of South Dakota.
12 All aspects of video lottery shall be examined and reported on, as part of the review. Video
13 lottery's relationship to other forms of gaming and gambling, both legal and illegal, which are
14 known to occur in South Dakota, shall also be examined. The review shall focus on video lottery,
15 powerball and other on-line lottery games, and the scratch and match instant winner lottery

1 conducted by the South Dakota Lottery. Deadwood gaming; Indian casino gaming pursuant to
2 the Indian Gaming Regulatory Act; pari-mutuel horse and greyhound racing, including
3 simulcasting; bingo; raffles; punch cards; sweepstakes; and, other charitable gaming authorized
4 pursuant to chapter 22-25, and to the extent possible, illegal gambling, including sports
5 bookmaking, may also be included in the firm's review as it relates to video lottery.

6 Section 3. The firm retained to conduct the review shall consider and examine the following
7 areas:

- 8 (1) The real impact of video lottery, and gaming and gambling in South Dakota;
- 9 (2) The total gross amount of dollars wagered, gambled or expended in South Dakota on
10 video lottery and other forms of gaming, broken down by type of gaming;
- 11 (3) The amount of revenue generated from gaming and gambling on video lottery and
12 other forms of gaming, broken down by type of gaming;
- 13 (4) How, and to whom, that revenue is distributed;
- 14 (5) The impact video lottery and other gaming and gambling have on the state
15 government budget;
- 16 (6) The number of people employed in the video lottery and the gaming and gambling
17 industries;
- 18 (7) The amount and kinds of wages and fringe benefits paid to employees of the video
19 lottery and gaming and gambling industries;
- 20 (8) How much, or what percent of the money gambled on video lottery comes from out-
21 of-state sources, including border communities;
- 22 (9) How much, or what percent of the money gambled on other forms of gaming comes
23 from out-of-state sources;
- 24 (10) How much, or what percent of the money gambled on video lottery comes from in-
25 state sources;

- 1 (11) How much, or what percent of the money gambled on other forms of gaming comes
2 from out-of-state sources;
- 3 (12) The demographics of South Dakota's gamblers, including:
 - 4 (a) Type of gaming played;
 - 5 (b) Age;
 - 6 (c) Income;
 - 7 (d) Educational level;
 - 8 (e) Home residence; and
 - 9 (f) Other demographic factors;
- 10 (13) The impact of all forms of gaming and gambling vis-à-vis video lottery;
- 11 (14) The extent to which all forms of gaming and gambling and video lottery are tied
12 together;
- 13 (15) If video lottery were repealed, what would the impact likely be on:
 - 14 (a) Deadwood gaming;
 - 15 (b) Indian casinos;
 - 16 (c) Pari-mutuel wagering;
 - 17 (d) Charitable gaming;
 - 18 (e) Illegal gambling and gaming;
- 19 (16) The impact of Deadwood gaming on other forms of gaming in the state;
- 20 (17) The impact of Indian gaming on other forms of gaming in the state;
- 21 (18) The social and economic problems associated with video lottery, and other forms of
22 gambling and gaming, including its impact on gamblers and their families;
- 23 (19) What types of gaming are players addicted to;
- 24 (20) If video lottery is repealed would addicted gamblers channel their addiction to
25 Deadwood gaming, Indian casinos or other forms of legal or illegal gaming or

1 gambling;

2 (21) The potential economic and social impact on cities, the industry, population growth
3 and tourism, if video lottery or other forms of gaming and gambling were repealed;

4 (22) The impact of legalized gaming on crime and incarceration costs to local communities
5 and the State of South Dakota;

6 (23) Other areas which may be requested by the Governor or the Executive Board of the
7 Legislature Research Council.

8 Section 4. All costs of retaining an outside neutral independent firm shall be paid by the
9 South Dakota Lottery from revenues generated from the state's share of video lottery revenues.

1 **BILL HISTORY**

2 1/21/98 First read in Senate and referred to State Affairs. S.J. 142

3 1/28/98 Scheduled for Committee hearing on this date.

4 1/28/98 State Affairs Deferred to another day.

5 2/6/98 Scheduled for Committee hearing on this date.

6 2/9/98 Scheduled for Committee hearing on this date.

7 2/11/98 Scheduled for Committee hearing on this date.

8 2/11/98 State Affairs Do Pass, Passed, AYES 8, NAYS 0. S.J. 442

9 2/12/98 Motion to Amend, Passed. S.J. 487

10 2/12/98 Motion to Amend, Passed. S.J. 489

11 2/12/98 Senate Do Pass Amended, Passed, AYES 31, NAYS 4. S.J. 490

12 2/12/98 Senate Title Amended Passed. S.J. 490