



Co-Chair Klevorn
2nd Floor Centennial Office Building
St. Paul, MN 55155

Co-Chair Nash
5th Floor Centennial Office Building
St. Paul, MN 55155

Dear Co-Chair Klevorn, Co-Chair Nash, and members of the State Government Finance and Policy Committee:

On behalf of Canterbury Park, thank you for including the Governor's Budget Recommendation related to the Horseracing Integrity and Safety Authority (HISA) in your omnibus bill.

The Horseracing Integrity and Safety Act of 2020, approved by Congress, established HISA. HISA implements a national, uniform set of integrity and safety rules that apply to every Thoroughbred racing participant and racetrack facility in the United States. HISA has developed rules, with the oversight of the Federal Trade Commission, related to horseracing, including anti-doping, medication control and racetrack safety.

It is incumbent on each state to cover the costs assessed by HISA for the federally mandated regulatory oversight. If a state does not fund the HISA regulatory costs, they are billed to the racetrack and horsemen group to pay. Any racetrack/state that opts out of HISA funding is prohibited from exporting its racing signal through interstate wagering at other racetracks and Advanced Deposit Wagering (ADW) providers.

ADW allows Minnesotans to wager on horse races conducted outside of the state from HISA regulated tracks. ADW providers currently pay a fee of 1% of wagering to the Minnesota Racing Commission to offset a portion of the costs related to regulation of horse racing in Minnesota. Article 2, Section 6 of this bill would increase the regulatory fee paid by the ADW platforms to 2% and use the additional revenue to cover most of the HISA regulatory cost to relieve the burden on Canterbury Park and our horsemen. ADW providers take most horse racing wagers in Minnesota and should pay a larger share of the regulatory costs. For 2025, Canterbury Park is being billed over \$500K for HISA costs and the Minnesota Racing Commission is paying approximately \$175k for HISA costs.

ADW wagering continues to be a growing source of revenue for horse racing purses, as well as ADW providers, making the export of a track's racing signal to ADWs crucial to the well-being of the industry. This modest proposal that would increase ADW fees from 1% to 2% would significantly help Canterbury Park and the Racing Commission to pay HISA fees.

Thank you for the opportunity to provide written testimony in support of this bill.

Sincerely,

Randal Sampson
CEO, Canterbury Park

April 2, 2025

Co-Chair Ginny Klevorn
Co-Chair Jim Nash
House State Government Finance and Policy Committee
St. Paul, MN 55155

Dear Co-Chairs Klevorn and Nash and Committee members:

On behalf of the farmers, workers, small businesses and other concerned citizens our organizations represent, we write to share our support for the FY26-27 budget proposed by the Attorney General's Office. The funding in that proposal will help protect fair, open and competitive markets in Minnesota and build a strong economy.

The increased concentration of economic power touches nearly every aspect of our economy. Between 1997 and 2012 approximately 75% of industries became more consolidated, while the US economy grew 50% more concentrated since 2005.ⁱ At the current rate of consolidation, it is estimated that the US will have just one company per industry by 2070.ⁱⁱ The growing power of corporate monopolies harms Minnesotans, as giant firms use their power to raise prices, lower wages, offshore jobs, hurt smaller businesses, and influence public policy and politics.

In 2023 the legislature provided an important investment in the AGO's budget that provided for additional resources to enforce antitrust, consumer protection and wage theft laws. That additional investment has allowed for creation of an Antitrust Division at the AGO and resulted in important litigation against companies engaged in wage theft, worker misclassification, price-fixing, monopolization, and deceptive lending and marketing practices.

The AGO's proposal would build on this work in two critical ways. First, the budget proposal would allow the AGO to hire an additional attorney in the Antitrust Division. The Antitrust Division has brought important enforcement actions against pesticide manufacturers, pharmaceutical giants, tech companies, opioid manufacturers, health insurance companies, property management companies and farm equipment manufacturers.ⁱⁱⁱ This would grow the Antitrust Division to seven attorneys, in line with states of similar size such as Connecticut (7 FTE), Colorado (6 FTE), and Washington (10 FTE).^{iv}

The AGO's proposed budget would also enable the Consumer Litigation Account – established by the legislature in 2023 – to become a revolving fund using a small percentage of recoveries from those cases. That account supports multistate litigation across the AGO's Consumer Protection Section which includes the Consumer Protection, Antitrust, Civil Rights and Wage Theft Divisions. Turning this fund into a revolving fund will enhance the AGO's ability to join other states in addressing anticompetitive conduct.

We appreciate that the DE Amendment to HF2783 protects funding for the AGO amidst a challenging budget environment. We hope as the work of this committee continues that expanding antitrust enforcement and making the Consumer Litigation Account a revolving fund can be a part of the discussion. Thank you for your consideration.

Sincerely,

Minnesota Farmers Union
American Economic Liberties Project
Institute for Local Self-Reliance
North Star Prosperity
SEIU Healthcare MN & IA
Small Business Majority
Land Stewardship Project
CURE
Open Markets Institute
Minnesota Nurses Association
MNIndys
AFSCME 65

ⁱ bit.ly/bostonfedconcentration

ⁱⁱ <https://economicsecurityproject.org/work/antimonopoly/>

ⁱⁱⁱ <https://www.lrl.mn.gov/docs/2024/mandated/241354.pdf>

^{iv} <https://som.yale.edu/centers/thurman-arnold-project-at-yale/modern-antitrust-enforcement>

April 7, 2025

Common Cause MN is a nonpartisan grassroots organization working to create an open, transparent, and accountable government. Although we have a C4 arm, it is limited to lobbying activities, we do not endorse a political party or candidate. We have over 1.5M members nationwide and offices in 28 states, I lead the MN office. Over 26,000 Minnesotans belonging to various party affiliations, or not being affiliated, have come together to support our work ensuring our Republic's democracy is safeguarded, and everyone's vote counts.

We are grateful to Rep. Klevorn for moving Article 2, in HF2783 creating a statutory **code of ethics for the legislative branch**.

We support HF2783 and ask Committee members to support it for the following reasons:

1. **Enhancing Transparency and Accountability:** The bill aims to improve transparency and accountability within the legislative branch by establishing clear ethical standards and mechanisms to address fraud. This aligns with our values of good governance and fiscal responsibility.
2. **Public Trust:** Supporting measures that enhance ethical standards can help restore and maintain public trust in government institutions. Given recent concerns about ethics in various branches of government, at both a federal and state level, Article 2, shows a clear commitment to integrity.

Article 2 of HF2783 is a crucial step toward enhancing the integrity and effectiveness of our institutions and our elected officials safeguarding our state's democratic process. HF2783, Article 2:

- **Defining Ethical Conduct:** Article 2 provides clear definitions and standards for ethical behavior within the legislative branch. This helps legislators understand what is expected of them and reduces ambiguity in ethical decision-making.
- **Preventing Conflicts of Interest:** By outlining specific rules regarding conflicts of interest, Article 2 helps prevent situations where legislators might use their position for personal gain. This is crucial for maintaining integrity and fairness in the legislative process.
- **Misuse of Official Authority:** The article includes provisions to address the misuse of official authority. This ensures that legislators use their power responsibly and are held accountable if they abuse their position.
- **Public Trust:** Establishing a statutory code of ethics helps restore and maintain public trust in the legislative process. When the public sees that legislators are held to high ethical standards, it increases confidence in government institutions.
- **Consistency Across Government:** Having a specific code of ethics for the legislative branch ensures consistency in ethical standards across different branches of government. This uniformity is important for maintaining a cohesive and trustworthy government.

Members, please support the inclusion of Art. 2 of HF2783.

Anastacia Belladonna-Carrera
Anastacia Belladonna-Carrera,
Executive Director