

Testimony of Amy Krueger Williston Convention & Visitor Bureau, Inc.

In Opposition to SB 2296 & SB 2310

February 9, 2021

Chair Bell and members of the Senate Finance and Taxation Committee:

My name is Amy Krueger, Executive Director of the Williston Convention and Visitors Bureau, Inc. a charitable gaming organization.

We are all aware of the economic hardships that COVID has caused to North Dakota Businesses. The travel industry has been deeply damaged, effecting local attractions, venues, hotels, restaurants/bars, and visitor bureaus resulting in layoffs, business closures, and overall loss of revenue. Many of these effected restaurants/bars are the locations for the sites our charitable gaming organizations operate, while others depend on charitable gaming revenue to function.

SB 2296 and SB 2310 would cause further harm to these industry businesses which are still experiencing the impacts of the COVID-19 pandemic.

It would place a statewide limit on the number of electronic pull tab devices (etabs) allowed to operate in North Dakota, forcing organizations to retire their current fleet of devices. This would result in lost revenue for the organizations with a reduction in play. It would also result in lost revenue to the bar establishments rent of which the charitable gaming organizations pay to these businesses. Further, by limiting the number of available etab devices in North Dakota, potential growth of these charitable organizations would essentially be capped and probably decreased as someone would have to reduce the number of devices that are currently deployed throughout the state.

These bills also stipulate that only hand-held etab devices would be allowed to operate in North Dakota. This change would retire hundreds of cabinet-style machines that are currently in place at site locations across North Dakota and force them to be replaced with the hand-held devices, yet another cost to the charitable organizations and the distributors.

SB 2296 and SB 2310 would also eliminate bar-assist redemption for etab credit vouchers. Currently, organizations rely on bar staff to redeem vouches, which allows organizations to have machines open at times when a full gaming site is not in operation. They're our several organizations, including mine, that have sites that do not have full gaming sites requiring staff, so the only way these machines are operable are with the bar-assist redemption option. By eliminating the bar-assist redemption of vouchers this forces organizations to either reduce hours, close sites completely or hire additional staff to operate the machines. With the shut downs, early closures, reduced compacity and the down economy already experience in 2020 and into 2021, many of these organizations cannot absorb additional cost within their operations.

Lastly the change that this bill would make to the ND Charitable Gaming Commission would not lead to a balanced fair commission.

Charitable Gaming Organizations support services that play an integral part in our communities. Whether they are other Convention and visitor bureaus (CVB's) marketing our communities and their businesses, serving as cheerleaders for tourist attractions, restaurants, hotels and businesses, generating revenue in the communities in which they serve. Or they are organizations providing support and funding to programs supporting veterans, youth, seniors, or so many others doing great work throughout North Dakota. SB 2296 and SB 2310 would jeopardize these organizations and the funding they provide to so many services in North Dakota.

The Williston Convention and Visitor Bureau Inc. strongly opposes SB 2296 and SB 2310 and urges the Senate Finance and Taxation Committee recommend a do not pass recommendation for both bills.