



**SENATE BILL 2296
SENATE FINANCE AND TAXATION COMMITTEE
FEBRUARY 10, 2021**

TESTIMONY OF CYNTHIA C. MONTEAU, EXECUTIVE DIRECTOR

Madam Chair and members of the Committee, my name is Cynthia Monteau, I am the Executive Director of the United Tribes Gaming Association (UTGA). I come before you today as a proponent of Senate Bill 2296, a bill that amends existing law and establishes new law regarding electronic pull tabs.

The following changes are proposed in SB2296:

Section 1, line 12 we are amending the definition of “Adjusted Gross Proceeds” to also be defined as “Net Proceeds.” The term “Net proceeds” is used interchangeably with “Adjusted Gross Proceeds” in the law and in administrative rule but is not defined. We also inserted the definition of “Bar” on Page 1, line 15 as this is also a term used in the law and administrative rule but it is not defined. The definition also clarifies the establishments where the electronic pull tab devices may be located, at sites limited to individuals over the age of 21. The electronic pull tab device understood to be utilized when the law allowed for these devices were “hand held” devices that simply brought the paper pull tabs up to current technology not machines that closely resemble slot machines, thus the amendments on Page 2, lines 14-16.

Section 2, lines 21-23 include 5 tribal representatives on the state gaming commission. This allows an opportunity for the tribal casinos, which are heavily impacted by the state’s gaming decisions, to have a “voice at the table” so to speak and be involved in decisions that impact gaming statewide.



On Page 5, Section 3, line 6, disallows a bar employee to redeem a electronic pull tab credit voucher. Testimony today addresses the training and duties between an employee trained and required to follow specific protocol versus an untrained bar employee or volunteer without any regulatory protocol who is currently allowed to manage, control or conduct any game.

On Page 5, Section 4, lines 18-19, address the games in an electronic pull tab device that allow winnings on tiers that are not only a top tier but 4 tiers. This amendment defines that the maximum amount is five hundred dollars regardless if the win is on the top tier.

On Page 5, Section 5, line 25 require a player of electronic pull tabs to cash out their winnings and not sit at a machine and keep playing their credits. This is not how a paper pull tab works and nor should this be allowed in an electronic game either. At least cashing out after each game allows a player to pause and determine whether they will continue to put money back in the machine. Line 28 on Page 5, addresses a minimum payout commensurate with the tribal casinos to level the playing field. Lines 29-30 on Page 5 pertain to the reporting requirements for internal controls of the machines.

On Page 6, Section 6 is a new section requiring organizations authorized to operate electronic pull tabs to adhere to all applicable federal reporting requirements. Section 7 requires 60% of net revenue from a gaming activity of electronic pull tab devices to be used for eligible uses of the organization. Section 8, imposes a regulatory inspection fee on the distributor of electronic pull tab devices to ensure that they are operating properly and in accordance with prescribed operating requirements. Section 9 limits the amount of operable electronic pull tab devices to 2,000 annually.



On Page 7, lines 18-19 allows a waiver of fees associated with state services. The tribal casinos are billed automatically monthly whether a monthly review occurs or not. Instances when monthly reviews do not occur, the casinos should not be automatically billed.

Madam Chair, these are proposed changes, we urge a do pass of Senate Bill 2296.

Thank you.