

TESTIMONY OF
KEN KARLS (#268)
CYSTIC FIBROSIS ASSOCIATION OF NORTH DAKOTA
SB 2314
FEBRUARY 2, 2021

Madam Chair Bell and members of the Senate Finance and Taxation Committee, my name is Ken Karls and I represent the Cystic Fibrosis Association of North Dakota (CFA).

CFA is a North Dakota charity that has been assisting North Dakota individuals and families for forty years dealing with cystic fibrosis, a terminal disease. CFA assists families with the cost of medications and nutritional support, with the extraordinary costs associated with medical appointments, with college scholarships, lung transplants and other hardship costs caused by fighting this relentless disease.

CFA opposes SB 2314 because this bill jeopardizes the welfare of the Association by creating a special class of eligible organizations not subject to the same laws, rules, regulations, rights, and responsibilities as CFA and all other eligible organizations. As "public spirited organizations," under this bill, each of the tribes in North Dakota would become eligible to conduct gaming anywhere throughout the state. This appears to be in violation of NDCC 54-58-03.5 and would allow tribes to operate under a separate Tribal/State Gaming Compact for each tribe which may not include language contained within NDCC 53-06.1 (regulating charitable gaming) or gaming rules applicable to other eligible organizations. In addition, each tribe would continue to negotiate its own Gaming Compact which may not contain rights and/or responsibilities not applicable to other eligible organizations or other tribes.

Under the current NDCC 54-58-02, dealing with Tribal/State Gaming Compacts, "all tribal gaming records...are confidential and are not subject to public disclosure." Given the reporting requirements present in and as part of the gaming tax return, there arises a substantial conflict with the rules and regulations governing other eligible organizations whose tax returns are a matter of public record.

Another bill to be heard in this committee this afternoon would affect this bill. It would change Tribal/State Gaming Compacts allowing off-reservation tribal gaming, while ignoring other conflicts between NDCC 53-06.1 which governs charitable gaming and NDCC 54-58 governing Tribal/State Gaming Compacts.

More than granting tribes the status of eligible organizations subject to all laws, rules, regulations, and responsibilities granted to other eligible organizations, SB 2314 would make of them a special class with their own set of rights, rules, privileges, and laws.

This bill attempts to meld two sections of the NDCC which have specifically and resolutely been created as separate and distinct because the subjects they address are separate and distinct. In so doing, the bill failed to recognize or address the many conflicts contained in these sections. We urge a Do Not Pass on SB 2314.

Thank you for your time and consideration.

Ken Karls

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