

SB 2304
House Industry Business and Labor Committee
Submitted by Don Santer for NDAD
04/03/2023

Chairman Louser and Committee members, thank you for the opportunity to provide information regarding the charitable gaming industry of North Dakota. I am submitting testimony in opposition of Senate Bill 2304.

My name is Don Santer, I represent the North Dakota Association for the Disabled (NDAD). NDAD is a statewide charity that for over 47 years has been dedicated to improving the quality of life for persons with disabilities. NDAD pays for most of its services with charitable gaming funds.

Senate Bill 2304 on the surface seems to be intended to prohibit gaming in gas stations, grocery stores, and convenience stores. However, the current wording of the bill may have some unintended consequences.

This bill creates a new definition:

2 "Alcoholic beverage establishment" means an establishment where alcoholic beverages are sold, dispensed, and consumed. This does not include an off - sale liquor store, gas station, grocery store, or convenience store. An alcoholic beverage establishment must be licensed under chapter 5 - 02 and be devoted to the service of alcoholic beverages for consumption by guests on the premises. The term includes a bar located within a hotel, bowling center, golf course, or restaurant.

The phrase, devoted to the service of alcoholic beverages, is too ambiguous. Although NDAD does not support having gaming in those types of locations, the interpretation of "devoted to" could lead to the closing of dozens and dozens of gaming sites charities have operated for decades prior to the legalization of etabs.

North Dakota charitable gaming raised **\$73 million** this past fiscal year to be distributed in communities across the state. Charitable gaming will contribute over **\$40 million** in taxes this biennium. A reduction of the existing number of gaming sites will have a colossal negative impact on charities' ability to provide important services in your own districts.

ND charitable gaming has methodically and responsibly grown over the past 40 years into a reputable industry benefitting nearly every city and county across this great state. North Dakota has developed a responsible and highly regulated system for charitable gaming to benefit charitable missions that serve your local communities. At best this bill will serve to severely hinder charitable gaming fundraising efforts and require organizations to come to the state for funding they are currently providing for themselves.

NDAD would support a bill that excludes gas stations, grocery, or convenience stores as permitted gaming locations but this bill goes too far. Therefore I am asking you to consider a **Do Not Pass** recommendation on **SB 2304**.

Thank you, Mr. Chairman and members of the committee, for your time and thoughtful consideration. Please feel free to contact me with any additional questions you may have.

Respectfully,
Don Santer,
NDAD