



**North Dakota House of Representatives Judiciary Committee – Testimony in Support of  
HCR 3002**

*January 9, 2023*

Chairman Klemin, members of the House Judiciary Committee:

Thank you for the opportunity to provide testimony in support of HCR 3002. And thank you to Representative Stemen and the many co-sponsors and other supporters championing this legislation.

My name is Pat Gibbs. I am an attorney with the law firm Orrick, Herrington & Sutcliffe. It is my pleasure to serve as national Public Policy Counsel for the Sports Betting Alliance (or, “SBA”). The SBA is a trade organization comprised of many of the top operators in the mobile sports betting industry—DraftKings, FanDuel, BetMGM, and Fanatics. Together, our members advocate for competitive mobile sports betting in the United States.

And while I look forward to detailed conversations with each of you about the best practices and policies that make a competitive mobile sports betting market successful for the state, operators, and players—we *aren't there yet*. HCR 3002 does not discuss licenses or tax rates or *any* of the specific details this body will eventually consider with regard to sports betting. Instead, HCR 3002 simply starts the conversation by asking the people of North Dakota, “*should the state legislature authorize, license, and regulate sports betting?*”

As written, the Constitution of North Dakota prohibits the legislative assembly from authorizing games of chance unless the specific game type is included among a list of exceptions. If this legislature passes HCR 3002, North Dakota voters will get to vote in November 2024 on whether sports betting should be added to that list of exceptions. And if the voters then approve adding sports betting to that list, this legislature will reconvene in 2025 with the ability to authorize and design a sports betting market that works for North Dakota.

Currently, 35 states plus the District of Columbia and Puerto Rico authorize some form of sports betting. A majority of these allow for statewide mobile sports betting. And those numbers increase with every year that follows the Supreme Court's 2018 repeal of "PASPA"—a federal law which had prohibited states from authorizing sports betting but was deemed unconstitutional.

In fact, North Dakota already allows in-person sports betting at tribal casinos, pursuant to gaming compacts which are negotiated between the governor and tribe. But these are limited by federal law to bets that are placed by individuals on tribal lands. To maximize state revenue, enhance user convenience, and best attack illegal offshore sports betting websites that currently operate in North Dakota, the legislature should authorize and regulate competitive statewide mobile sports betting.

But as referenced before, we are not there yet. The SBA looks forward to working with legislators and in-state stakeholders over the next few years to help design a sports betting market tailored to North Dakota. For now, I urge the members of this committee to vote "yes" on HCR 3002 and allow the people of North Dakota to have their voices heard.

Thank you for allowing me the opportunity to provide testimony. I would be happy to answer any questions you may have.