

Members of the North Dakota Legislature:

Please allow this letter to serve as an explanation of the Williston State College Foundation's position regarding HB 1296. The Williston State College Foundation has been a licensed North Dakota charitable organization since November, 1990. For the record, I am the Executive Director of the Williston State College Foundation and this letter represents the sentiments of our Board of Directors.

We respectfully oppose this bill for a few reasons. While we believe the intent of the bill could be beneficial to gaming operations in general, we do believe there are some unintended consequences that could be very detrimental to the gaming entities, the bar owners, and most importantly, the charities and people of North Dakota which benefit from gaming operations.

Communities benefit from having various entities with different backgrounds conducting. Often, each entity has a different sector of the population that they serve. For example, the primary purpose and mission statement of our organization is to support the Williston State College and our community. Our gaming dollars support events primarily occurring at the college and throughout the community but also the entire region. The other entities in town support very different causes, but in total they are all beneficial to the community in their own way. It is so important to spread the gaming dollars around each region so that many different events receive support.

E-pulltab machines have changed the game, so to speak, for charitable gaming. For example, prior to our sites having e-pulltabs, about \$4,000,000.00 were wagered per year amongst all of our sites. In the last fiscal year, our customers wagered close to \$17,000,000.00. This is a substantial increase in gaming play and revenue.

Due to this increase in gaming revenue across our state, the battle for sites and placements has become much more cut-throat. Rumors have swirled around the state of promises being made by gaming charities to host sites, in order to entice the host site to request a new gaming charity to be placed in their establishment. As you may know, the North Dakota Century Code prohibits promises by charitable entities to support specific causes in order to receive the site. However, we believe the majority of communities are seeing this occurring on some level.

We also believe most people are honest and are conducting gaming the right way. It goes without being said that often times, a small percentage of the participants are the ones who ruin it for the others.

In Williston, in order to combat these issues, the City of Williston has implemented a rotational placement for gaming entities. If a new placement becomes available, the next gaming entity on the list receives the placement. This keeps the number of placements even and supports the community by spreading the gaming dollars amongst the approved charities. We believe this is an equitable way of determining placement and it has assisted our Foundation in gaining new placements after losing two sites in the past few years.

We understand the argument from the owner's position that they should be able to choose who goes in their space and we know that in the majority of locations, this will work out the way it is supposed to. However, the unintended consequences of this bill will be wide-spread. It could additionally invite gaming entities from outside of the community or even the state to come in, which would take the charitable dollars out of the community they come from, and possibly out of the state. This would be very detrimental to North Dakota as a whole.

We respectfully request that this bill not pass and that we take some time to propose a bill that would benefit everyone involved. Thank you for your time.

Hunter Berg, Executive Director of the WSC Foundation