



Benefiting North Dakota Communities through Charitable Gaming

Senate Judiciary Committee March 1, 2023

Testimony in SUPPORT of House Bill 1342

Madam Chair Larson and Members of the Senate Judiciary Committee:

I'm Scott Meske, representing the North Dakota Gaming Alliance and on behalf of the 152 Members of the NDGA, we offer our support for House Bill 1342 which as Representative Vetter outlined, is an accounting measure for charitable gaming organizations relating to closing a game for reporting purposes.

Within each E-Tab machine, there are up to 12 different games a player may choose to play. Each of those games operates independently. At the end of each quarter, they are required to completely close out each game and send a report to the Attorney General's office for tax purposes. The next cycle of the game then begins for the next quarter.

However, as the games are played, they may pay out at the beginning of the quarter, or at the end of the quarter, causing some smaller charities to be running in the red at reporting time. This bill allows the quarterly reporting to be done without closing out the game, giving the charities a chance to even out the total payouts as the games are played over time.

The technology would allow for the same quarterly report to be sent to the AG's office, without having to stop the individual game. Again, this allows the charity to be able to even out the overall payouts, regardless of when the players might hit a winning ticket.

The original quarter close requirements were designed before electronic pull tabs came onto the scene. To the charities, this is an accounting issue that current technology allows, if we pass this bill. This does not affect the tax revenue to the State or the



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revenues to the charities. We are aware that the Gaming Division is concerned with the software needed to monitor this change. The ND Gaming Alliance supports Senate Bill 2281, which creates a technology fund generated from gaming revenues, for the purpose of updated hardware and software for the purposes of regulating the industry.

The North Dakota Gaming Alliance respectfully asks that HB 1342 be given a DO PASS recommendation from this Committee to support to the hundreds of charitable organizations in our State.

Thank you.