

SENATE JUDICIARY COMMITTEE
Senate Bill 2304
January 31st, 2023
Testimony Submitted by Charitable Gaming Association of ND
Bill Kalanek

The Charitable Gaming Association of North Dakota urges a
Do Not Pass recommendation on SB 2304.

Madam Chair and members of the Senate Judiciary Committee. While charitable gaming in ND has become increasingly popular with the public, many efforts have been made over the past few years to roll-back and stifle charitable gaming operations. Senate Bill 2304 is an example of this.

This bill attempts to limit charitable gaming to “alcoholic beverage establishments”, facilities that are only 21 years of age or older. This bill will eliminate café bars in small towns, fraternal and veterans’ clubs sponsoring community events, senior citizen centers, and convention and hotel centers just to name a few. The code has never defined bars in this way, our cities and counties have had the authority to decide which locations and situations were appropriate for gaming.

CGAND as an organization does not support gaming in gas stations, grocery or convenience stores, but this bill affects much more than that. This legislation is an attempt to drastically reduce the number of **existing** locations and etab machines allowed for charitable gaming across the entire state. Additionally, the language goes well beyond the restrictions discussed during the interim that were approved in administrative rule.

It is concerning to our members to see such opposition to charities creating strong businesses and leadership within the charitable community. It would seem to me this bill is an attempt by outside interests trying to impose their will upon an industry in order to benefit themselves. The benefits to communities created by charitable gaming are helping so many people and especially kids. I serve on the board for the Dakota Junior Golf Association. In the 18 months since our organization has been involved in gaming we’ve expanded from 13 junior events to over 40 statewide, contributed to Bismarck and Mandan parks to build new practice areas for juniors, established a golf learning program for our school systems through physical education teachers, expanded our college scholarship program and contributed to a fantastic Minot program called Prairie Grit that provides assistive technology to kids with disabilities. Strong charities have emerged over many years due to their commitment to hard work and excellence, now we are going to take away their gains. Why is it bad for a charity to operate like a business and be successful using all the tools available.

\$73 million was raised for charitable purposes in the last fiscal year. Charitable gaming reduces the state taxpayer burden for services charities provide in local communities, while having a positive impact on local entities. If these services were not funded through charitable gaming, local entities would be here knocking on your door asking for general fund dollars or increasing county and city property tax levies to fund their needs. Charitable gaming promotes local control by providing funding to local community non-profits.

The charitable gaming industry employs over 2,000 people in ND and contributed an estimated \$43 million in tax revenue. This is a substantial industry in the state, significantly contributing economically. These contributions to our local economies can’t be overlooked.

Thank you for your consideration of a **Do Not Pass** recommendation on SB 2304.