

SB 2336
Senate Judiciary Committee
Submitted on behalf of NDAD
01-31-2023

Chairperson Larson and Committee members, thank you for the opportunity to provide information regarding the charitable gaming industry of North Dakota. I am submitting testimony in support of Senate Bill 2336.

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. (see attachment)

Senate Bill 2336 is intended to cleanup language in century code concerning eligible uses of net proceeds.

3. The eligible uses in subsection 2 do not include the erection, acquisition, property taxes, special assessments, improvement, maintenance, or repair of real property owned or leased by an organization unless the real property is **used exclusively for an eligible use** or, by a veterans organization, or for office or storage space under subsection 4.

A recent reinterpretation to sub section 3 concerning the phrase, 'used exclusively for an eligible use...' has caused concerning issues for my organization. The word exclusively has been interpreted to mean no activity related to gaming at all. This includes storage of gaming supplies, gaming accounting activity, office space for gaming employees, payroll, and management activities for gaming employees. This is a drastic change in interpretation of the same wording gaming charities and the gaming division from the office of attorney general have used for more than thirty years. It is such an extreme change in interpretation, the gaming division sent a letter informing organizations they would not enforce the new interpretation until August of 2023. This delay in enforcement was intended to give us a chance to clean up the wording during the 2023 legislative session.

For the past 30 years the interpretation and practice has been "conducting gaming" or having actual gaming activity at a physical location (site). That is the reason veteran's groups are excluded and fraternal organizations are working for the same exception. They "conduct" gaming in the same buildings where their eligible use dollars are intended to be spent.

Most charitable gaming organizations, including NDAD, conduct gaming in separate leased bar space. The real property we spend eligible use funds on are office type buildings in which we operate our charitable purpose activities. To run our organizations efficiently, we have offices for gaming managers, storage space for gaming supplies, and utilize the same accountants, payroll professionals, and upper management staff for both our charitable activity and gaming administration.

The recent reinterpretation will require charities to rent alternate office and storage locations as well as separate and find alternate accounting and payroll staff. This would be an incredible waste of resources and difficult to accomplish considering the lack of labor force.

North Dakota 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. We have a successful highly regulated system for charitable gaming to benefit charitable missions that serve your local communities.

This is why I am asking you to consider a **Do Pass** recommendation on **SB 2336**.

Thank you, Madam Chairperson and members of the committee, for your time and thoughtful consideration. Please do not hesitate to contact me with any questions you may have.

Respectfully,

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NDAD

helping others to help themselves

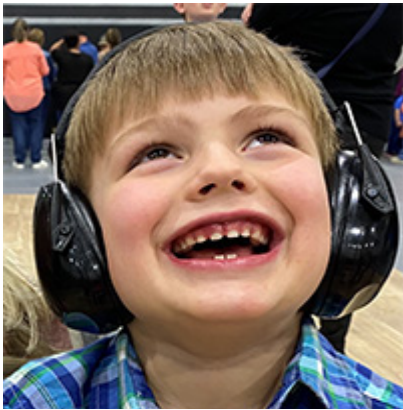
2022 Annual Report

Our Purpose

NDAD (the North Dakota Association for the Disabled) is a nonprofit, charitable organization that assists people with disabilities in North Dakota. Our mission is to enhance the quality of lives of individuals facing health challenges.

Who We Help

Here are a few of the many people who shared their NDAD story with us:



Josiah - Steele

His condition: Autism

How NDAD helped: Medical travel expenses to OT/PT and speech therapy.



Audrianna, Kayden & Charleigh - W. Fargo

Their condition: Behavioral Health issues

How NDAD helped: Respite care due to behavioral health needs.



Gary - Grand Forks

His condition: Diabetes, charcot foot and toe amputation

How NDAD helped: Purchased scooter lift for independence.



Andrea - Minot

Her condition: Diabetes, Cardiomyopathy

How NDAD helped: Medical travel expenses and medical supplies.



Kenneth - Ellendale

His condition: End Stage Renal Disease

How NDAD helped: Fuel assistance for monthly dialysis travel and prescription assistance.



Teresa - Williston

Her condition: Knee Replacement

How NDAD helped: Borrowed equipment through our Healthcare Equipment Loan Program (HELP)



Programs Provided

- Direct Financial Assistance
 - Healthcare Equipment Loan Program
 - Adaptive recreational events and activities
 - Community fundraising projects
 - Organ Transplant Fund
 - Information, referral and advocacy
 - Crisis residential services
 - Transitional living services
 - Housing for people with serious mental illness who are in need of supportive services
- To read more about these programs, visit ndad.org.

2022 At a Glance

- 4,436 pieces of medical equipment loaned, saving North Dakotans over \$569,882
- 3,906 prescriptions filled
- 2,885 medical trips funded
- 235 pieces of medical equipment and 436 medical supplies purchases
- 196 wheelchair-accessible van loans made to 89 individuals
- 18 grants, totaling \$141,068 awarded to organizations to assist individuals with disabilities
- 5,136 accessible rides funded
- 27 people assisted with short term crisis stabilization
- 7 people with serious mental illnesses provided with supportive services to remain independent
- 39 people with a behavioral health diagnoses assisted with medication monitoring
- 34,743 interactions made, such as phone calls, emails, and other communication

How We Spend Our Money



- 84.6%: Program Services
\$2,083,843
- 13.7%: Management and General
\$337,383
- 1.7%: Fundraising
\$44,734

**Information based on 2021 fiscal year*