

SENATE JUDICIARY COMMITTEE

Chairperson Larson

Testimony on Senate Bill 2336

January 31st, 2023

Submitted by Janelle Mitzel, Development Homes, Inc.

Madam Chairperson & Committee Members,

Thank you for your consideration of a **Do Pass** recommendation on SB 2336. Do to new interpretations of century code, this bill is intended to clarify eligible uses of net proceeds from charitable gaming fundraising.

Development Homes, Inc. is a non-profit organization located in Grand Forks, committed to the provision of quality community-based support services to persons with disabilities. DHI has residential services including seven group homes, two duplex facilities, a multi-unit autism living center, a transitional living center and independent living settings.

Charitable gaming has been part of fundraising since the early 1980's and is particularly important to our organization. For nearly 40 years the revenue generated from charitable gaming (eligible use funds) has been used for our properties and buildings that are part of our charitable mission. This includes our primary office buildings that houses our client managers, business office staff, human resources and operations departments, in addition to storage and office space for gaming. At DHI a very small portion of the administrative buildings actually have gaming storage and gaming office-related functions.

The Office of Attorney General has a new interpretation of current law that apparently does not allow **ANY** revenue from gaming to be used on any portion of a building that house any gaming business, including storage spaces, gaming administrative support staff, accounting and payroll, and any business operations related to gaming. I don't believe the intent of the current law is to hire separate business staff and lease additional space for gaming-only personnel.

We agree that charitable gaming revenue should not be used for areas that "conduct" where actual live betting is taking place. However, support services, payroll and business offices and storage space should be allowed within buildings that we administratively function in. This bill would clarify and correct this new interpretation.

Thank you for your consideration of a **Do Pass** recommendation on SB 2336.