



## **Benefiting North Dakota Communities through Charitable Gaming**

**January 31, 2023**

### **Testimony in SUPPORT of Senate Bill 2336**

Madame Chair Larson and Members of the 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 Senate Bill 2336.

Under the Century Code, only certain uses are authorized for net proceeds of charities that operate charitable gaming. We believe it is appropriate in many cases to allow office or storage space to be included for gaming related administration.

This bill supports the efforts of the more than 300 charities around North Dakota who work to improve and make significant investments into their local communities. This bill does not increase the percentage of net proceeds allowed, but rather gives the charities the flexibility to make those decisions as it fits their mission.

We respectfully request the Committee to give SB 2336 a DO PASS recommendation.

Thank you.

# WHERE DOES THE MONEY GO?



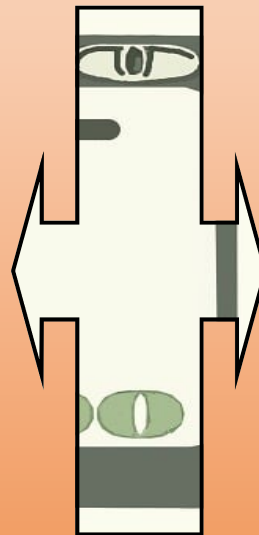
When a player inserts \$100 into a machine, on average, that \$100 is churned over 3.3 times for a total wagers of \$330 on the original \$100.

**Using \$330 as a baseline...**

**PROFIT (10%) after prize pay-outs)** \$33.00 (10% of \$330)

**STATE TAX (12%)** \$3.96 Goes directly to the State Treasury

**ADJUSTED GROSS** - \$29.04



**Allowable expenses (60%) \$17.42** of the Adjusted Gross for the charity to conduct gaming at that site including:

- ◆ Salaries, Tickets, Equipment, Rent

**Net proceeds (40%) \$11.62** of the Adjusted Gross goes to the Charity for eligible uses as defined by Century Code

***Last biennium Charitable gaming generated:  
\$43 million in tax revenue and \$73 million to local charitable causes***