

Madam Chair, members of the committee, my name is Greg Stemen, State Representative from District 27, South Fargo, Horace, Oxbow, Hickson and southern Cass County. I am here to introduce House Concurrent Resolution 3002 and speak in support of passing the resolution. It is important to note, passage of this resolution does not legalize sports betting, it simply allows the voters of North Dakota to determine whether they want to legalize sports betting when they vote in the November 2024 general election. A constitutional change is required in order to legalize sports betting, thus the rationale for a Concurrent Resolution to allow the people to have their say.

The United State Supreme Court, in 2018, declared the Professional and Amateur Sports Protection Act (PAPSA) to be unconstitutional. This decision put the power in the hands of the states to legalize and regulate sports betting in their jurisdiction. Since the power was passed to the states in 2018, the estimated tax revenue to the 27 states where it is legalized and regulated has grown to just under \$2.3 Billion. (SportsHandle)

It is estimated that there are currently almost 140,000 people betting in the state through utilization of the internet. It is estimated that approximately \$355 Million is wagered annually and approximately \$36 Million in revenue is garnered for the sports books. If the voters are allowed to approve sports betting, the opportunity for the state to generate over \$3.6 Million in tax revenue annually will become a reality. In addition, and maybe more importantly, the state will be able to provide regulation of the industry and consumer protections that are not provided now. (American Gaming Association, Oxford Economics)

The internet has allowed illegal entities to set up in foreign countries with few if any laws that regulate sports betting. They have no consumer protection for bettors in the United States and, in reality, they answer to no one when it comes to ethical operation of sites. The last thing these illegal betting sites do is contribute to federal or state coffers and when it comes to identifying problem gambling patterns or illegal activity, they will do nothing to stop it.

When it comes to legalizing sports betting, the state of North Dakota and reputable gaming companies would be able to provide regulation and oversight of all participants in sports betting. Consumer protection would become a priority. As a country, we have seen few, if any, betting scandals surrounding college sports teams in states with legalized sports betting. Because of legal and legitimate sports gaming companies, there are more built-in protections to prevent those things from happening than ever before.

Mr. Chairman and members of the committee, I want to reiterate, **this Concurrent Resolution will not make sports betting legal in the state of North Dakota.** What it will do is allow the voters of North Dakota to make their wishes known at the ballot box by being provided with clear and concise language as to, "yes we approve of sports betting or no we disapprove." If the voters choose to make sports betting legal in the state of North Dakota, interested and informed parties will come to the table to produce legislation that most aligns with the wishes of the voters of our great state. I urge this committee to allow the voters of North Dakota to have their say in the next general election.

Madam Chair and committee members, I will stand for questions. Thank you.