North Dakota

Travel Alliance Partnership

Testimony of Scooter Pursley Executive Director, ND Travel Alliance Partnership In Opposition to SB 2035 March 5, 2025

Chairman Heinert and members of the House Education Committee:

I am Scooter Pursley and I am the executive director of the North Dakota Travel Alliance Partnership (TAP). TAP is a coalition of travel industry stakeholders, including convention and visitors bureaus, state attractions, businesses and others who help make tourism the thirdlargest industry in North Dakota's. On behalf of the tourism industry and its partners, I am asking you to recommend a DO NOT PASS on SB 2035 in its current form.

SB 2035 came out of the Interim Judiciary Committee's comprehensive study of the issues that have arisen from the proliferation of electronic pull tabs and other gaming in recent years. Many important issues needed addressing and this legislation fails to address many of those, like what should qualify as "charitable;" how much money raised is routed to charitable work; poaching of sites; and so on.

What this bill does in its current form is strike "tourism" entities from those organizations allowed to conduct charitable gaming. Only two tourism entities in the state currently conduct gaming. Convention and visitors bureaus in Bismarck and Williston use gaming to market their cities as attractions for conferences and events that pump millions of dollars into their local economies.

The Bismarck-Mandan CVB has been conducting gaming since 1993, as part of the original intent of "public-spirited" uses as its purposes serves both communities. With just five sites, the Bismarck-Mandan CVB is a minute piece of the state's gaming industry.

Similarly, the Williston CVB has conducted gaming for 28 years and has eight gaming sites, six of which have been associated with the organization for 15 years.

In 2024, the Bismarck-Mandan Convention and Visitors Bureau used gaming funds to help attract 308 multiple-day meetings and events that attracted 275,000 attendees who spent \$229.6 million in the community. Charitable gaming accounts for about \$900,000, or half, of the Bismarck-Mandan CVB budget.

Through its gaming, Williston directly supported 19 organizations with \$402,910 in 2024. In the past five years, it has granted \$1.3 million to about 50 organizations.

As you can see, tourism-related gaming is not used to benefit one group, but rather communities at large. Without it, the municipalities in North Dakota currently conducting

charitable gaming would see less funding for marketing, fewer conferences, conventions and events, and less local and state tax revenue.

While 2035 still leaves the option open for CVBs to continue gaming as they "confer a direct benefit on the community at large," it also leaves open the possibility of unintended consequences down the road should that status change based on action by the local political subdivision.

Simple removing CVBs and tourism did not address the real issues that the interim committee was tasked to address. It simply was low-hanging fruit that could be easily picked off to show that some action had been taken during the interim.

TAP asks that you consider give SB 2035 a DO NOT PASS in its current form and do give the real gaming issues serious study going forward, or at the very least, to restore CVBs as eligible uses for gaming under statute in the bill under consideration. Thank you for your consideration.

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