

HB 1615
House Judiciary Committee
Submitted by Bill Kalanek, CGAND
January 29, 2025

Chairman Klemin and members of the House Judiciary Committee, my name is Bill Kalanek, here today on behalf the CGAND, the Charitable Gaming Association of ND.

CGAND supports the proposed language in the bill to clarify the role of the local governing entities with respect to gaming site authorizations. For many years the practice for organizations has been to obtain a rental agreement with a bar owner first, and then submit all the proper documentation to the local governing body. This process can become problematic with some interpretations of the law, essentially removing the private sector from the process.

Site owners select gaming organizations based on reputation and reliability of the organization, their interest and support of the organization's mission, the quality and selection of game types offered, and hours of operation the charity can provide. The relationship is maintained between the owner and organization by the ability of the organization to adapt to customer and business needs of the site.

The gaming organization invests many thousands of dollars in gaming equipment, surveillance systems, security devices, and employee development. Gaming organizations consider these long-term investments and are allowed to sign up to 5-year rental agreements with their bar owners. Charities are required to get annual site authorizations, but those re-authorizations were intended to verify a charity is still in good standing, not give the governing body a chance to replace them with another organization.

CGAND does not support removing a city's ability to control gaming in their jurisdiction or determine what charities are eligible. Many cities have existing ordinances or regulations outlining eligibility for gaming organizations. This bill clarifies the eligible charity may have a lease (rental agreement) with the site owner first. The original intent was to give the city **approval** authority, not **selection** authority. If a charity is eligible to operate in a jurisdiction, the city should not be able to select what organization shall operate in a private sector establishment, without the consent of the private owner.

For over 40 years North Dakota has developed a responsible and highly regulated system for charitable gaming to benefit charitable missions that serve your local communities. This bill is designed to clarify the wording and reflect what has historically been accepted in practice. That is why CGAND is asking you to consider a **Do Pass** recommendation on **HB 1615**.

Respectfully,

Bill Kalanek, CGAND