

Senate Judiciary Committee
Testimony in Opposition to SB 2384
Bill Kalanek, Charitable Gaming Association of ND
February 5th,2025

Chair Larson and members of the Senate Judiciary Committee, my name is Bill Kalanek and I'm before you today on behalf of CGAND, the Charitable Gaming Association of ND.

CGAND stands opposed to SB 2384, which would allow international manufacturers to sell electronic gaming products directly to North Dakota charities. North Dakota charitable gaming distributors have played an important role in the ND gaming market. Many years ago North Dakota legislators wisely created a three-tiered system, setting statutory parameters for North Dakota companies to be the go-between entities of charities and international manufacturers. Locally licensed ND distributors are responsible for selling and distributing gaming equipment used to conduct charitable gaming.

Currently North Dakota has 16 licensed gaming distributors scattered across the state selling gaming products and providing technical services to ND charities. Charities have been satisfied with the current structure, allowing for competitive prices and a wide range of products available. Distributors are locally owned, employ local people, and are considered experts in North Dakota market.

North Dakota currently does not have a licensed manufacturer in the state. If manufacturers are allowed to sell directly to charities competition will decrease and services will suffer.

The three-tiered system has been beneficial, and this bill is an overreach by manufacturers to dictate and control the industry. A few manufacturers will dominate the market, raising prices and eliminating North Dakota jobs.

CGAND encourages the committee to give a DO NOT PASS recommendation to **SB 2384**.