



Testimony in Support of HB 1212

Rudie Martinson, Executive Director, ND Hospitality Association
Before the House Finance and Taxation Committee
January 26, 2021

Chairman Headland and members of the House Finance and Taxation Committee:

My name is Rudie Martinson, and I appear before you today as Executive Director of the ND Hospitality Association. We are North Dakota's trade association for the restaurant, lodging, and retail beverage industries. We appreciate the opportunity to stand before you today and express our support for House Bill 1212.

We are happy to join our friends in the charitable gaming industry to express support for this policy change. As you know, the majority of charitable gaming takes place in our facilities, in space leased from hospitality venues by charities participating in gaming operations. This creates a symbiotic relationship between our industries and the success of charitable gaming as a whole benefits both.

As you know, the hospitality industry suffered disproportionately during 2020 due to the COVID-19 pandemic – cancelled travel, cancelled events, and government policy limiting our ability to operate normally were all factors harmful to our bottom line. This is equally true for charities and their gaming operations. When our venues were closed or operating at a limited capacity, this also directly impacted charitable gaming operations. In fact, in many cases charities were subject to guidelines or orders further limiting their activities beyond what the hospitality establishments they operated in were enduring (for example, longer-term limitations on dealing blackjack).

HB 1212 represents an opportunity for the legislature to correct an oversight in tax policy that was enacted when electronic pulltabs were legalized. It puts more money back into the pockets of charities so they can even better fulfill their charitable purposes. And it does all of this while providing the Attorney General's Office with needed funds to achieve their mission of regulating this growing industry in North Dakota.

For these reasons, the ND Hospitality Association supports HB 1212, and asks the committee for favorable consideration of a "do-pass" recommendation.