

Testimony of Ken Karls (#268)  
Cystic Fibrosis Association of North Dakota  
SB 2296

Madam Chair Bell and members of the Senate Finance and Taxation Committee, my name is Ken Karls and I represent the Cystic Fibrosis Association of North Dakota (CFA).

CFA is a North Dakota charity that has been assisting North Dakota individuals and families dealing with cystic fibrosis (CF) for forty years. CF is a terminal disease. CFA assists the families with the cost of medications and nutritional support, with the extraordinary costs associated with medical appointments, with college scholarships, lung transplants and other hardship costs caused by fighting this relentless disease.

The money used for this assistance comes from traditional fundraising (Giving Hearts Day, the Turkey Trot, golf tournaments, etc.) and from charitable gaming.

CFA opposes SB 2296 because the bill would virtually rewrite charitable gaming in North Dakota, all to the detriment of charities such as CFA. The bill would change the ND Charitable Gaming Commission from 5 to 10 members giving the tribes virtual control of any rules or regulations coming out of the Commission. When combined with SB 2314, this bill would exempt the tribes from following the very rules and regulations they would create as a controlling voice over charities while on the Gaming Commission.

The bill would restrict by law the number of E-tab machines allowed in the state, change them from cabinet-style devices to hand-held devices, change the look of the game face, and mandate an 88% payout (presently 90% on many machines). It would also eliminate bar-assist redemption for E-tab credit vouchers which would mean the devices would have to be shut down at any time the charity did not have an employee present.

It would restrict the allowable expenses of E-tabs from 60% to 40% while imposing inspection fees on distributors in addition to licensing fees. These fees would ultimately be passed on to charities.

Ironically, none of these changes would apply to the tribes as they seek designation as “public spirited organizations” under SB 2314 while allowing them to conduct gaming without the rules and regulations they promulgated on the Gaming Commission; and do so on non-reservation and non-trust lands in North Dakota as in SB 2315.

It is hard to see this bill as anything other than an attempt to severely limit charities involved in charitable gaming and thereby injuring the people they assist. We urge a Do Not Pass on SB 2296.