

**Testimony in Opposition to
SENATE BILL NO. 2309
Senate Finance and Taxation Committee
February 1, 2021**

Madam Chair Jessica Bell, Senate Finance and Taxation Committee members, for the record my name is Rick Stenseth. I am a Gaming Manager for two local organizations in Fargo that both conduct charitable gaming (Northern Prairie Performing Arts aka Fargo-Moorhead Community Theatre & Team Makers Club). I am submitting this testimony through our Northern Prairie Performing Arts (NPPA) lobbyist, Todd D. Kranda, an attorney with the Kelsch Ruff Kranda Nagle & Ludwig Law Firm in Mandan.

For some added background, NPPA is a North Dakota non-profit entity that has a stated mission to provide live theatrical and education opportunities which enrich and engage the greater community. Programs supported by NPPA include theatre performances and children's instruction courses in live theatre, mainstage productions, children's productions, senior adult theatre, and workshops. NPPA has been involved in charitable gaming activities since its inception. Also, NPPA relies heavily on charitable gaming as a funding source for the various services provided

My involvement in our industry goes back to 1983 and I have been involved in working with the North Dakota Legislature over many sessions and on many gaming related topics.

SB 2309 is an attempt to deal with a couple of issues that are being discussed this session. SB 2309 is not a bill that my local charitable gaming organizations nor the charitable gaming industry can support. We are asking that you give SB 2309 a **Do Not Pass** recommendation by your committee.

Briefly, the tax schedule is very complex, and it may or may not meet budget concerns of the Attorney General's office that has a gaming division that oversees and regulates charitable gaming activity throughout the state.

SB 2309 limits the number of e-tab devices per site which is already in the North Dakota Administrative Code rules. Additionally, the amount of the prizes that are paid back to players is lowered under SB 2309 from what is established in those same North Dakota Administrative Code rules from a 90% maximum to 88% maximum. It is incomprehensible as to why this committee and the North Dakota

Legislature for that matter would want to lessen and reduce the amount of payback to players.

Contributions to local entities and addiction treatment services are also addressed in SB 2309, but the same type of funding of such services are also being worked out directly with the League of Cities and based on recommendations made by a representative for addiction treatment services which is being considered as part of a separate charitable gaming tax relief bill, namely HB 1212.

It is not worth the effort to move this separate bill, SB 2309, forward for any of the items that are included and being addressed elsewhere with similar and more complete legislation for the charitable gaming industry in North Dakota. SB 2309 is basically a copy of HB 1212 with certain negative and impactful changes and other additions that would cause detriment to the various charities that are supported by charitable gaming operations in North Dakota. I have attached and included with my testimony for your reference a printout from the North Dakota Attorney General's office showing the 2020 Summary of Eligible Use Contributions.

The proposals made within SB 2309 are not good for your local charities nor the charitable gaming entities that service those worthwhile purposes and SB 2309 is simply a bad bill for charitable gaming in North Dakota.

Thank you for taking the time to review all the material coming your way and again I would respectfully request a **Do Not Pass** recommendation on **SB 2309**.