

2025 SENATE JUDICIARY

SB 2189

2025 SENATE STANDING COMMITTEE MINUTES

Judiciary Committee Peace Garden Room, State Capitol

SB 2189
1/22/2025

A BILL for an Act to amend and reenact subsection 1 of section 53-06.1-03 and subsection 1 of section 53-06.1-11.1 of the North Dakota Century Code, relating to reporting the value of prizes distributed by an organization using a permit to conduct raffles, bingo, sports pools, paddlewheels, twenty-one, and poker.

8:59 a.m. Chair Larson called the meeting to order.

Members Present: Chair Larson, Vice-Chair Paulson, Senators Braunberger, Castaneda, Cory, Luick, Myrdal.

Discussion Topics:

- Local Event Permits
- Prize Limits
- Entry Ticket vs. Raffle Ticket
- Applications
- Clarification on Forms

9:00 a.m. Senator Lee testified in favor and referenced testimony #30667.

9:07 a.m. Deb McDaniel, Director of Charitable Gaming for the ND Office of Attorney General, testified as neutral.

9:18 a.m. Chair Larson closed the hearing.

9:18 a.m. Senator Luick moved a Do Not Pass.

9:18 a.m. Senator Braunberger seconded the motion.

Senators	Vote
Senator Diane Larson	Y
Senator Bob Paulson	Y
Senator Ryan Braunberger	Y
Senator Jose L. Castaneda	Y
Senator Claire Cory	Y
Senator Larry Luick	Y
Senator Janne Myrdal	Y

Motion Passed 7-0-0.

Senator Luick will carry the bill.

Additional Written Testimony:

Shane Lebahn, Farmers Union Insurance, West Fargo Exchange Club, submitted testimony in favor #30667.

9:20 a.m. Chair Larson closed the hearing.

Kendra McCann, Committee Clerk

REPORT OF STANDING COMMITTEE
SB 2189 ([25.0057.01000](#))

Judiciary Committee (Sen. Larson, Chairman) recommends **DO NOT PASS** (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2189 was placed on the Eleventh order on the calendar. This bill does not affect workforce development.

RE: SB 2189

Currently, North Dakota allows organizations to raise money through Raffle Ticket Sales for charitable causes in their towns and counties. These are often local Service Clubs, Rural Fire Departments, Youth Sport Booster Clubs, and people who may come together to hold fundraisers to help someone defray medical costs. Generally, these are done by raffling off prizes in one of two ways:

- **Single Ticket Raffle** – Raffle Tickets are sold over several months in advance with the prizes listed on the ticket with the promise that the prizes will be drawn for and distributed at a set time and place. These Raffle Tickets are sold to the public well in advance of the actual drawing.
- **Fundraising Event** – Entry/Meal Tickets are sold for admission to the event, but there is no prize associated with the “entry ticket” itself. We have been told that we are required to put the Local Permit number on the “entry ticket” even though there are no prizes associated with it. The entry ticket only provides admission to the event, a meal and beverages, and the opportunity to purchase chances to win prizes which are on hand at the event.

The Issue is that to get the Local Permit Number that is required to be printed on the Entry Ticket, the organization is now being required to dictate exactly what will be given away at the venue. However, the dynamic nature of collecting prizes and donations for a fundraising event is not compatible with knowing what those donations will be several months prior to the event when the Local Permit is requested. Donations of prizes, as well as monetary donations used to purchase prizes, come in throughout the entire planning phase of the event, right up to the event itself. Last year, many organizations had issues getting their Local Permit for a fundraising event because they didn’t know the exact number of donated prizes or even what the donated prizes would be so far in advance.

The solution would be to allow for a Local Permit to be obtained by an organization to hold a “Fundraising Event” in which they report the prizes they gave away a week or two after the event, as opposed to several months prior to the fundraising event when they don’t know for certain what those donations will be.

Many rural fire departments, sportsman clubs, youth sports organizations, and other charitable causes hold Fundraising Events throughout the state where they hold drawings or silent auctions to win donated prizes. Rather than inadvertently giving away a prize or two that wasn’t accounted for when the permit was obtained, it would make more sense to have the organization tell you what was given away after the event.

I certainly appreciate anything that the legislature can do to make it easier to raise money for charities and local causes within our communities.

Shane Lebahn, West Fargo, ND