

2025 SENATE JUDICIARY

SB 2373

2025 SENATE STANDING COMMITTEE MINUTES

Judiciary Committee Peace Garden Room, State Capitol

SB 2373
2/5/2025

Relating to the definition of an alcoholic beverage establishment and the permissible locations for gaming.

9:46 a.m. Chair Larson opened the hearing.

Members present:

Chair Larson, Vice Chairman Paulson, Senators: Castaneda, Cory, Luick, Myrdal, Braunberger.

Discussion Topics:

- Prevent Charitable gaming in establishments
- Define Charitable gaming locations
- Barriers to access the location

9:47 a.m. Senator Paulson, District 3, introduced the bill and submitted testimony #37848.

9:48 a.m. Deb McDaniel, Director Gaming Division under the Office of Attorney General, testified as neutral.

9:58 a.m. Chair Larson closed the hearing.

9:59 a.m. Senator Luick moved a Do Pass.

9:59 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.

9:59 a.m. Senator Paulson will carry the bill.

10:00 a.m. Chair Larson closed the hearing.

Kendra McCann, Committee Clerk

Senate Judiciary Committee

SB 2373

2/5/2025

Page 2

Reconsidered SB 2373 on 2/17/2025.

25.1348.02001
Title.

Prepared by the Legislative Council
staff for Senator Paulson
February 5, 2025

Sixty-ninth
Legislative Assembly
of North Dakota

PROPOSED AMENDMENTS TO

SENATE BILL NO. 2373

Introduced by

Senators Klein, Luick, Myrdal, Paulson

1 A BILL for an Act to amend and reenact subsection 2 of section 53-06.1-01 and subsection 3 of
2 section 53-06.1-03 of the North Dakota Century Code, relating to the definition of an alcoholic
3 beverage establishment and the permissible locations for gaming.

4 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

5 **SECTION 1. AMENDMENT.** Subsection 2 of section 53-06.1-01 of the North Dakota
6 Century Code is amended and reenacted as follows:

7 2. "Alcoholic beverage establishment" means an establishment licensed under chapter
8 5-02 where alcoholic beverages are sold; and dispensed; by employees of the
9 establishment and consumed by guests on the premises. The term does not include a
10 liquor store, gas station, grocery store, or convenience store.

11 **SECTION 2. AMENDMENT.** Subsection 3 of section 53-06.1-03 of the North Dakota
12 Century Code is amended and reenacted as follows:

13 3. A licensed organization or organization that has a permit shall conduct games as
14 follows:

15 a. Only one licensed organization or organization that has a permit may conduct
16 games at an authorized site on a day, except a raffle or a sports pool conducted
17 under a local permit may be conducted for a special occasion by another
18 licensed organization or organization that has a permit when one of these
19 conditions is met:

(1) When the area for the raffle or a sports pool is physically separated from the area where games are conducted by the regular organization.

(2) Upon request of the regular organization and with the approval of the alcoholic beverage establishment, the regular organization's license or permit is suspended for that specific time of day by the attorney general.

b. Except for a temporary site authorized for fourteen or fewer consecutive days for not more than two events per quarter or a licensed organization authorized on or before January 1, 2023, to conduct gaming at more than fifteen sites, a licensed organization, including a closely related organization, may not have more than fifteen sites.

c. Games of electronic quick shot bingo, electronic pull tabs, pull tabs, punchboards, twenty-one, paddlewheels, poker, and sports pools may be conducted only during the hours when alcoholic beverages may be dispensed according to applicable regulations of the state, county, or city.

d. Electronic pull tabs must, pull tabs, punchboards, twenty-one, paddlewheels, poker, and sports pools may be conducted only within a designated area where patrons must be twenty-one years of age or older to enter, which is located in an alcoholic beverage establishment and only within a designated area where patrons must be twenty-one years of age or older to enter or in a bingo hall that is an authorized site on January 1, 2025, and is owned by a licensed organization.

d.e. An organization may not permit a person under twenty-one years of age to directly or indirectly play electronic pull tabs, pull tabs, punchboards, twenty-one, calcuttas, sports pools, paddlewheels, or poker. An organization may not permit an individual under eighteen years of age to directly or indirectly play electronic quick shot bingo. An organization may not permit an individual under eighteen years of age to directly or indirectly play bingo unless the individual is accompanied by an adult, bingo is conducted by an organization that has a permit, or the game's prize structure does not exceed that allowed for a permit.

e.f. An organization may not install more than ten electronic pull tab devices at a site.

- 1 ~~f.g.~~ An organization with more than fifteen licensed sites under subdivision b may not
2 increase its number of sites beyond the number of sites licensed as of January 1,
3 2023.
- 4 ~~g.h.~~ An organization conducting gaming at an authorized site on January 1, 2023,
5 may continue to operate gaming, including as provided under subsection 1 of
6 section 53-06.1-06, at the authorized site regardless of whether the authorized
7 site is an alcoholic beverage establishment as defined under section 53-06.1-01.
- 8 ~~h.i.~~ For a raffle board, an organization permitted to conduct raffles shall sell the
9 numbered squares on the board for the same price and may sell squares at a site
10 thirty days before the drawing.

2025 SENATE STANDING COMMITTEE MINUTES

Judiciary Committee
Peace Garden Room, State Capitol

SB 2373
2/17/2025

Relating to the definition of an alcoholic beverage establishment and the permissible locations for gaming.

10:14 a.m. Chair Larson opened the hearing.

Members present:

Chair Larson, Vice Chairman Paulson, Senators: Castaneda, Cory, Luick, Myrdal, Braunberger.

Discussion Topics:

- Effect on Bingo halls
- Language changes

10:15 a.m. Senator Paulson moved to reconsider.

10:15 a.m. Senator Myrdal seconded.

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.

10:16 a.m. Senator Paulson moved to adopt amendment LC# 25.1348.02001.

10:16 a.m. Senator Myrdal seconded.

10:18 a.m. Voice Vote - Motion Passed.

10:18 a.m. Senator Paulson moved as Do Pass as Amended.

10:18 a.m. Senator Myrdal seconded the motion.

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

Motion Passed 7-0-0.

10:19 a.m. Senator Paulson will carry the bill.

10:19 a.m. Committee discussion on upcoming schedule.

10:29 a.m. Chair Larson closed the hearing.

Kendra McCann, Committee Clerk

Sixty-ninth
Legislative Assembly
of North Dakota

PROPOSED AMENDMENTS TO

cc 2/17
1 of 3

SENATE BILL NO. 2373

Introduced by

Senators Klein, Luick, Myrdal, Paulson

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18 licensed organization or organization that has a permit when one of these
19 conditions is met:

(1) When the area for the raffle or a sports pool is physically separated from the area where games are conducted by the regular organization.

(2) Upon request of the regular organization and with the approval of the alcoholic beverage establishment, the regular organization's license or permit is suspended for that specific time of day by the attorney general.

b. Except for a temporary site authorized for fourteen or fewer consecutive days for not more than two events per quarter or a licensed organization authorized on or before January 1, 2023, to conduct gaming at more than fifteen sites, a licensed organization, including a closely related organization, may not have more than fifteen sites.

c. Games of electronic quick shot bingo, electronic pull tabs, pull tabs, punchboards, twenty-one, paddlewheels, poker, and sports pools may be conducted only during the hours when alcoholic beverages may be dispensed according to applicable regulations of the state, county, or city.

d. ~~Electronic pull tabs must, pull tabs, punchboards, twenty-one, paddlewheels, poker, and sports pools may be conducted only within a designated area where patrons must be twenty-one years of age or older to enter, which is located in an alcoholic beverage establishment and only within a designated area where patrons must be twenty-one years of age or older to enter or in a bingo hall that is an authorized site on January 1, 2025, and is owned by a licensed organization.~~

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- 4 ~~g.h.~~ An organization conducting gaming at an authorized site on January 1, 2023,
5 may continue to operate gaming, including as provided under subsection 1 of
6 section 53-06.1-06, at the authorized site regardless of whether the authorized
7 site is an alcoholic beverage establishment as defined under section 53-06.1-01.
- 8 ~~h.i.~~ For a raffle board, an organization permitted to conduct raffles shall sell the
9 numbered squares on the board for the same price and may sell squares at a site
10 thirty days before the drawing.

**REPORT OF STANDING COMMITTEE
SB 2373**

Judiciary Committee (Sen. Larson, Chairman) recommends **AMENDMENTS** ([25.1348.02001](#)) and when so amended, recommends **DO PASS** (7 YEAS, 0 NAYS, 0 ABSENT OR EXCUSED AND NOT VOTING). SB 2373 was placed on the Sixth order on the calendar. This bill does not affect workforce development.

2025 HOUSE JUDICIARY

SB 2373

2025 HOUSE STANDING COMMITTEE MINUTES

Judiciary Committee
Room JW327B, State Capitol

SB 2373
3/5/2025

Relating to the definition of an alcoholic beverage establishment and the permissible locations for gaming.

11:28 a.m. Chairman Klemin opened the hearing.

Members Present: Chairman Klemin, Vice-Chairman Karls, Vice-Chairman Vetter, Representatives Christianson, Henderson, Hoverson, Johnston, McLeod, S. Olson, Satrom, Tveit, VanWinkle, Wolff, Schneider

Discussion Topics:

- Charitable gaming permissible locations
- Designated areas for gaming within establishments

11:28 a.m. Senator Janne Myrdal, North Dakota Senator for District 19, introduced the bill.

11:37 a.m. Deb McDaniel, Director of the Gaming Division under the Office of the Attorney General, testified in favor.

11:53 a.m. Matthew Jameson, Commander of Post 1326 for the North Dakota Veterans of Foreign Wars, testified in opposition and provided testimony #38927.

12:01 p.m. Chris Ebertz, North Dakota Veterans of Foreign Wars Post 1326, testified in opposition.

12:09 p.m. Fred Rios, Veterans of Foreign Wars Post 1326, testified in opposition.

12:13 p.m. Chris Ebertz, North Dakota Veterans of Foreign Wars Post 1326, answered committee questions.

Additional written testimony:

Janelle Mitzel, Gaming Director for Development Homes Inc submitted testimony in opposition #38585.

William Kalanek, Lobbyist for the Charitable Gaming Association of North Dakota, submitted testimony in opposition #38718.

Scott Meske, Lobbyist for North Dakota Gaming Alliance, submitted neutral testimony #38757.

12:14 p.m. Chairman Klemin closed the hearing.

Wyatt Armstrong, Committee Clerk

SB 2373 – In Opposition

House Judiciary Committee

Submitted by Janelle Mitzel, Development Homes, Inc.
March 5th, 2025

Chairman Klemin & Committee Members,

Development Homes, Inc. (DHI) is in opposition to SB 2373. This bill restricts gaming operations to **permanent** 21 years of age and older areas, and has unforeseen effects for small-town rural bars, fraternal clubs, veterans clubs, and local community event centers located throughout North Dakota.

Development Homes, Inc. (DHI):

- DHI is a non-profit organization in Grand Forks providing community-based support services to persons with disabilities from all over ND.
- DHI has residential services including seven group homes, two duplex facilities, a multi-unit autism living center, two transitional living centers and multiple independent living settings.
- DHI provides vocational services including job training and placement, and family services including respite care and in-home support.
- DHI serves approximately two hundred individuals from children to adults, serving through all stages of life.
- DHI is currently the 12th largest employer in Grand Forks, employing 450 to 500 people. Our economic footprint is vital to this community.

Negative Effects of SB 2373:

- Bingo is operated regularly in banquet and community areas in small town bar/cafes, fraternal clubs, veterans clubs and community centers. Offering paper pull tabs, electronic pull tabs, and sports pools in conference and community areas would no longer be allowed if this bill passes. Bingo in rural ND cannot survive without pull tabs.
- Poker tournaments would not be allowed in common areas of veterans and fraternal clubs, community centers, banquet areas and rural café/bars. Poker tournaments are played in big common areas to accommodate larger sized crowds. Passage of this bill will eliminate the ability for most organizations to offer poker events in their communities.
- Customers would not be allowed to purchase pull tabs and open at tables in community and common areas, and café seating. Small town café/bars and veterans and fraternal clubs have shared seating areas that are used for multiple purposes.
- Blackjack and paddlewheel tables would not be allowed in the shared common areas and could not be used for dining or general seating for public events.

This bill will significantly hurt rural café/bars, veterans and fraternal clubs and local community centers.

Development Homes, Inc. urges a **Do Not Pass on SB 2373**.

In Opposition to SB 2373

House Judiciary Committee

Chairman Klemin

Submitted by Bill Kalanek, CGAND

March 5th, 2025

Chairman Klemin & Committee Members,

The Charitable Gaming Association of ND (CGAND) is in opposition to SB 2373 as it stands today. While this bill is an attempt to clarify and restrict particular gaming areas to **permanent** 21 and over only zones, this bill has harmful implications for small-town rural café/bars, fraternal and veterans clubs, and local community event centers across the state. Here are some of the effects of this bill:

- Bingo offering paper pull tabs, electronic pull tabs, and sports pools in conference and community areas would no longer be allowed. Bingo is routinely operated in common areas of fraternal clubs and community centers.
- Poker tournaments would not be allowed in common areas of veterans and fraternal clubs, community centers, banquet areas and rural café/bars. This will wipe out poker in rural areas as poker is routinely operated in larger common areas of fraternal clubs and community centers.
- Customers would not be allowed to purchase pull tabs and open at tables in community and common areas, and café seating. Small town café/bars and veterans and fraternal clubs have shared seating areas that are used for multiple purposes. This would no longer be allowed.
- Blackjack tables would not be allowed in the shared common areas, and could not be used for seating for bingo, dining or general seating for public events.
- Sports pools could not be sold at the common café/bar register area and throughout the café.

This bill leads to small business owners having to re-build divided structures to operate charitable gaming. This bill will significantly harm rural café/bars, veterans and fraternal clubs and local community centers.

Charitable gaming has been vital in keeping small town café/bars alive in rural North Dakota. CGAND urges a Do Not Pass on SB 2373.



Benefiting North Dakota Communities through Charitable Gaming

Testimony in NEUTRAL of Senate Bill 2373 (amendments needed)

March 5, 2025

Chairman Klemin and Members of the House Judiciary Committee:

For the record, I'm Scott Meske, representing the North Dakota Gaming Alliance and on behalf of the 178 Members of the NDGA, we offer thoughts on Senate Bill 2373.

We understand the intent of SB 2373 and generally appreciate the clarification language. Allowing licensed bingo halls that choose not to serve alcohol to continue gaming is the right thing to do. It's those pesky unintended consequences with this bill that gives us pause at this time, depending on one's interpretation. For instance, in smaller towns, there might only be a Legion Hall that is the central gathering venue for weddings, reunions, and other community activities where minors are present, just by virtue of the event. Does this language mean they would have to shut down their gaming during that event?

After we hammered out the definition of alcohol beverage establishment (for gaming) last session, I've personally seen establishments investing in constructing side rooms, or new walls to ensure compliance with the 'designated area' language in Code. Veteran and fraternal organizations are likely unable to invest in such new construction, and that puts their gaming license in jeopardy, if left to interpretation.

Again, to reiterate, the intent of the legislation is good, but we are concerned about the interpretation of that language. With simple a clarification amendment, we could absolutely support SB 2373.

Thank you and with that I would stand for any questions.

VETERANS OF FOREIGN WARS

Testimony of Matthew Jameson

Commander, Veterans of Foreign Wars Post 1326
Before the North Dakota House of Representatives
Hearing on SB 2373
5 March, 2025

Chairperson and Members of the Committee,

Thank you for the opportunity to testify today on behalf of the Veterans of Foreign Wars (VFW) Post 1326 and the many other charitable organizations across North Dakota that rely on charitable gaming to support our missions. I stand before you not only as a representative of the VFW but as a voice for the veterans and the communities we serve.

Charitable gaming is the financial backbone of our VFW post and countless other veteran service organizations. For our organization, the funds raised through charitable gaming directly support veterans in need—providing essential assistance such as emergency financial relief, mental health resources, and outreach programs to combat veteran homelessness and suicide. Additionally, these funds allow us to maintain and improve our facilities, support local scholarship programs, and contribute to community initiatives, from youth activities to aid for families facing hardship.

Our gaming operations take place in rural North Dakota, where alcoholic beverage establishments under the current law serve a dual purpose. These establishments often serve as community hubs. Many of these establishments allow minors during specific hours, as permitted by law, fostering a welcoming environment for families. These locations provide a safe and responsible setting for charitable gaming, where funds are raised to not only give back to the very people of the communities these games are played, but more importantly the people who have defended our country.

While I understand the intent behind SB 2373, I urge the committee to consider the unintended consequences it may have on veteran organizations and rural communities. If this bill places additional restrictions on gaming sites located in family-friendly establishments, it could significantly harm our ability to generate revenue for our mission.

For many rural posts like ours, there are limited venues willing or able to host charitable gaming. If we lose access to these locations, the lifeline that supports our veterans will be severely diminished. The funds we use to help a struggling veteran

pay rent, provide transportation to medical appointments, or simply ensure they have a place to turn in their darkest moments could be at risk.

Additionally, reducing our ability to raise funds through gaming would not only impact veterans but also the small communities we serve. Local businesses that benefit from the economic activity generated by charitable gaming would suffer, as would the residents who rely on the contributions we make to local projects and programs.

I respectfully ask this committee to carefully consider the full impact of SB 2373. The VFW, like many charitable organizations, operates under strict regulations and accountability measures to ensure that gaming revenues are used ethically and effectively. Any legislation that limits or removes access to viable gaming locations will not only threaten our ability to fulfill our mission but will directly affect the lives of the men and women who have served our country.

I ask that this bill receive a do not pass without further amendments to page 2 lines 15-20 to preserve the abilities of charitable organizations like the VFW the opportunity to conduct gaming in rural establishments. If this bill is passed in its current form, it would shut down hundreds of communities and organizations, and cost business owners thousands of dollars of renovations to remain complaint.

North Dakota has a proud tradition of supporting its veterans. I urge you to ensure that our charitable gaming operations can continue to thrive so that we may uphold our commitment to serving those who have sacrificed for us. time and consideration on this critical issue.

Thank you

2025 HOUSE STANDING COMMITTEE MINUTES

Judiciary Committee
Room JW327B, State Capitol

SB 2373
3/5/2025

Relating to the definition of an alcoholic beverage establishment and the permissible locations for gaming.

1:09 p.m. Chairman Klemin opened the hearing.

Members Present: Chairman Klemin, Vice-Chairman Karls, Vice-Chairman Vetter, Representatives Christianson, Henderson, Johnston, McLeod, S. Olson, Satrom, Tveit, VanWinkle, Wolff, Schneider

Members Absent: Representative Hoverson

Discussion Topics:

- Establishments with self-serving liquor
- Committee action

1:16 p.m. Representative S. Olson moved a Do Pass.

1:16 p.m. Vice-Chairman Karls seconded the motion.

Representatives	Vote
Representative Lawrence R. Klemin	Y
Representative Karen Karls	Y
Representative Steve Vetter	N
Representative Nels Christianson	N
Representative Donna Henderson	N
Representative Jeff Hoverson	A
Representative Daniel Johnston	N
Representative Carrie McLeod	Y
Representative SuAnn Olson	Y
Representative Bernie Satrom	Y
Representative Mary Schneider	Y
Representative Bill Tveit	Y
Representative Lori VanWinkle	N
Representative Christina Wolff	N

1:19 p.m. Motion passed 7-6-1

1:19 p.m. Vice-Chairman Karls will carry the bill.

1:20 p.m. Chairman Klemin closed the hearing.

Wyatt Armstrong, Committee Clerk

**REPORT OF STANDING COMMITTEE
ENGROSSED SB 2373 ([25.1348.03000](#))**

Judiciary Committee (Rep. Klemin, Chairman) recommends **DO PASS** (7 YEAS, 6 NAYS, 1 ABSENT OR EXCUSED AND NOT VOTING). SB 2373 was placed on the Fourteenth order on the calendar.