

**2023 SENATE JUDICIARY**

**SB 2336**

# 2023 SENATE STANDING COMMITTEE MINUTES

**Judiciary Committee**  
Peace Garden Room, State Capitol

SB 2336  
1/31/2023

A bill relating to eligible uses of net proceeds.

11:03 AM Chairman Larson opened the meeting.

Present are Chairman Larson and Senators Myrdal, Estenson, Sickler, Paulson, Luick and Braunberger.

**Discussion Topics:**

- Gaming storage space
- Expenditures
- Charities

11:04 AM Senator Lee introduced the bill.

11:07 AM Rick Stenseth, Gaming Manager, Northern Prairie Performing Arts testified in favor of the bill and provided written testimony #17890.

11:12 AM Tracy Eberline Dunn County Fair Association testified in favor of the bill and provided written testimony #18001.

11:16 AM Brain Barret, Charitable Gaming Association of North Dakota, spoke in favor of the bill.

11:19 AM, Deb McDaniel, Gaming Division, Office of the Attorney General, spoke neutral on the bill.

11:23 AM Chairman Larson closed the public hearing.

11:23 AM Senator Estenson moved to adopt amendment LC 23.0972.01001.  
Motion seconded by Senator Sickler.

11:24 AM Roll call vote is taken.

<b>Senators</b>	<b>Vote</b>
Senator Diane Larson	Y
Senator Bob Paulson	Y
Senator Jonathan Sickler	Y
Senator Ryan Braunberger	Y
Senator Judy Estenson	Y
Senator Larry Luick	Y
Senator Janne Myrdal	Y

Motion passes 7-0-0.

11:24 AM Senator Estenson moved to Do Pass the bill as Amended.  
Senator Braunberger seconds the motion.

11:25 AM Roll call vote is taken.

<b>Senators</b>	<b>Vote</b>
Senator Diane Larson	Y
Senator Bob Paulson	Y
Senator Jonathan Sickler	Y
Senator Ryan Braunberger	Y
Senator Judy Estenson	Y
Senator Larry Luick	Y
Senator Janne Myrdal	Y

Motion passes 7-0-0.

Senator Estenson will carry the bill.

This bill does not affect work force development.

**Additional written testimony:**

Don Santer provided written testimony #17658.

Janelle Mitzel provided written testimony #17807.

Scott Meske provided written testimony #18022.

William Kalanek provided written testimony #18032.

11:26 AM Chairman Larson closed the meeting.

*Rick Schuchard, Committee Clerk*

January 31, 2023

*DR*  
*1-31-2021*  
*1/31*

PROPOSED AMENDMENTS TO SENATE BILL NO. 2336

Page 4, line 27, remove the overstrike over "~~not use net proceeds for~~"

Page 4, line 28, remove the overstrike over "~~administrative or operating expenses involving the conduct of games~~" and insert immediately thereafter ". but may"

Renumber accordingly

**REPORT OF STANDING COMMITTEE**

**SB 2336: Judiciary Committee (Sen. Larson, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2336 was placed on the Sixth order on the calendar. This bill does not affect workforce development.

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**2023 HOUSE JUDICIARY**

**SB 2336**

# 2023 HOUSE STANDING COMMITTEE MINUTES

**Judiciary Committee**  
Room JW327B, State Capitol

SB 2336  
3/7/2023

Relating to eligible uses of net proceeds.
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10:30 AM Chairman Klemin opened the hearing. Members present: Chairman Klemin, Vice Chairman Karls, Rep. Bahl, Rep. Christensen, Rep. Henderson, Rep. S. Olson, Rep. Rios, Rep. S. Roers Jones, Rep. Schneider, Rep. VanWinkle. Absent: Rep. Cory, Rep. Satrom and Rep. Vetter.

## **Discussion Topics:**

- Office for storage space.
- Charities may separate expenses for operations.
- Correct a current inconsistency in the law.

Senator Lee: Introduced the bill. No written testimony.

Bill Kalanek, Charitable Gaming Association of ND: Testimony #22367

Todd Kranda, Attorney with Kelsch Ruff Kranda Nagel & Ludwig: Testimony #22531

Deb McDaniel, Director of Gaming Division, Office of Attorney General: No written testimony.

## **Additional written testimony:**

Janelle Mitzel, Development Homes, Inc. Testimony #22021

Rick Stenseth: Testimony #22510

Dan Santer, Chief Executive Officer, NDAD: Testimony #22287

The hearing closed at 10:39 AM.

Rep. Shannon Roers Jones moved a Do Pass;  
Seconded by Rep. Schneider

<b>Representatives</b>	<b>Vote</b>
Representative Lawrence R. Klemin	Y
Representative Karen Karls	Y
Representative Landon Bahl	Y
Representative Cole Christensen	Y
Representative Claire Cory	A
Representative Donna Henderson	Y
Representative SuAnn Olson	Y
Representative Nico Rios	Y
Representative Shannon Roers Jones	Y
Representative Bernie Satrom	A
Representative Mary Schneider	Y
Representative Lori VanWinkle	Y
Representative Steve Vetter	A

Roll call vote: 10 Yes 0 No 3 Absent Motion carried.

Carrier: Rep. S. Olson

The meeting closed at 10:42 AM.

Delores Shimek, Committee Clerk



**REPORT OF STANDING COMMITTEE**

**SB 2336, as engrossed: Judiciary Committee (Rep. Klemin, Chairman)** recommends **DO PASS** (10 YEAS, 0 NAYS, 3 ABSENT AND NOT VOTING). Engrossed SB 2336 was placed on the Fourteenth order on the calendar.

**TESTIMONY**

**SB 2336**

**SB 2336**  
**Senate Judiciary Committee**  
**Submitted on behalf of NDAD**  
**01-31-2023**

Chairperson Larson and Committee members, thank you for the opportunity to provide information regarding the charitable gaming industry of North Dakota. I am submitting testimony in support of Senate Bill 2336.

My name is Don Santer, I represent the North Dakota Association for the Disabled (NDAD). NDAD is a statewide charity that for over 47 years has been dedicated to improving the quality of life for persons with disabilities. NDAD pays for most of its services with charitable gaming funds. (see attachment)

Senate Bill 2336 is intended to cleanup language in century code concerning eligible uses of net proceeds.

3. The eligible uses in subsection 2 do not include the erection, acquisition, property taxes, special assessments, improvement, maintenance, or repair of real property owned or leased by an organization unless the real property is **used exclusively for an eligible use** or, by a veterans organization, or for office or storage space under subsection 4.

A recent reinterpretation to sub section 3 concerning the phrase, 'used exclusively for an eligible use...' has caused concerning issues for my organization. The word exclusively has been interpreted to mean no activity related to gaming at all. This includes storage of gaming supplies, gaming accounting activity, office space for gaming employees, payroll, and management activities for gaming employees. This is a drastic change in interpretation of the same wording gaming charities and the gaming division from the office of attorney general have used for more than thirty years. It is such an extreme change in interpretation, the gaming division sent a letter informing organizations they would not enforce the new interpretation until August of 2023. This delay in enforcement was intended to give us a chance to clean up the wording during the 2023 legislative session.

For the past 30 years the interpretation and practice has been "conducting gaming" or having actual gaming activity at a physical location (site). That is the reason veteran's groups are excluded and fraternal organizations are working for the same exception. They "conduct" gaming in the same buildings where their eligible use dollars are intended to be spent.

Most charitable gaming organizations, including NDAD, conduct gaming in separate leased bar space. The real property we spend eligible use funds on are office type buildings in which we operate our charitable purpose activities. To run our organizations efficiently, we have offices for gaming managers, storage space for gaming supplies, and utilize the same accountants, payroll professionals, and upper management staff for both our charitable activity and gaming administration.

The recent reinterpretation will require charities to rent alternate office and storage locations as well as separate and find alternate accounting and payroll staff. This would be an incredible waste of resources and difficult to accomplish considering the lack of labor force.

North Dakota charitable gaming has methodically and responsibly grown over the past 40 years into a reputable industry benefitting nearly every city and county across this great state. We have a successful highly regulated system for charitable gaming to benefit charitable missions that serve your local communities.

This is why I am asking you to consider a **Do Pass** recommendation on **SB 2336**.

Thank you, Madam Chairperson and members of the committee, for your time and thoughtful consideration. Please do not hesitate to contact me with any questions you may have.

Respectfully,

**Don Santer**, MBA  
Chief Executive Officer  
**NDAD**

[dsanter@ndad.org](mailto:dsanter@ndad.org)

Mobile: 701.212.7984

[www.NDAD.org](http://www.NDAD.org)





# NDAD

helping others to help themselves

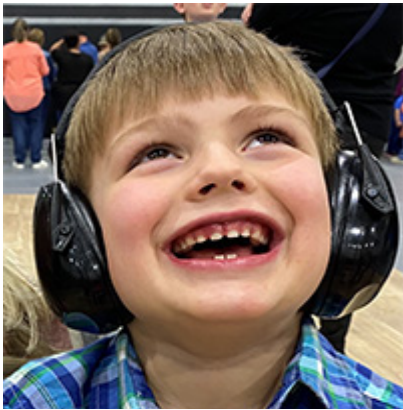
## 2022 Annual Report

### Our Purpose

NDAD (the North Dakota Association for the Disabled) is a nonprofit, charitable organization that assists people with disabilities in North Dakota. Our mission is to enhance the quality of lives of individuals facing health challenges.

### Who We Help

Here are a few of the many people who shared their NDAD story with us:



**Josiah - Steele**

**His condition:** Autism

**How NDAD helped:** Medical travel expenses to OT/PT and speech therapy.



**Audrianna, Kayden & Charleigh - W. Fargo**

**Their condition:** Behavioral Health issues

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**How NDAD helped:** Fuel assistance for monthly dialysis travel and prescription assistance.



**Teresa - Williston**

**Her condition:** Knee Replacement

**How NDAD helped:** Borrowed equipment through our Healthcare Equipment Loan Program (HELP)



## Programs Provided

- Direct Financial Assistance
  - Healthcare Equipment Loan Program
  - Adaptive recreational events and activities
  - Community fundraising projects
  - Organ Transplant Fund
  - Information, referral and advocacy
  - Crisis residential services
  - Transitional living services
  - Housing for people with serious mental illness who are in need of supportive services
- To read more about these programs, visit [ndad.org](http://ndad.org).

## 2022 At a Glance

- 4,436 pieces of medical equipment loaned, saving North Dakotans over \$569,882
- 3,906 prescriptions filled
- 2,885 medical trips funded
- 235 pieces of medical equipment and 436 medical supplies purchases
- 196 wheelchair-accessible van loans made to 89 individuals
- 18 grants, totaling \$141,068 awarded to organizations to assist individuals with disabilities
- 5,136 accessible rides funded
- 27 people assisted with short term crisis stabilization
- 7 people with serious mental illnesses provided with supportive services to remain independent
- 39 people with a behavioral health diagnoses assisted with medication monitoring
- 34,743 interactions made, such as phone calls, emails, and other communication

## How We Spend Our Money



- 84.6%: Program Services  
\$2,083,843
- 13.7%: Management and General  
\$337,383
- 1.7%: Fundraising  
\$44,734

*\*Information based on 2021 fiscal year*

**SENATE JUDICIARY COMMITTEE****Chairperson Larson****Testimony on Senate Bill 2336**January 31<sup>st</sup>, 2023

Submitted by Janelle Mitzel, Development Homes, Inc.

Madam Chairperson & Committee Members,

Thank you for your consideration of a **Do Pass** recommendation on SB 2336. Do to new interpretations of century code, this bill is intended to clarify eligible uses of net proceeds from charitable gaming fundraising.

Development Homes, Inc. is a non-profit organization located in Grand Forks, committed to the provision of quality community-based support services to persons with disabilities. DHI has residential services including seven group homes, two duplex facilities, a multi-unit autism living center, a transitional living center and independent living settings.

Charitable gaming has been part of fundraising since the early 1980's and is particularly important to our organization. For nearly 40 years the revenue generated from charitable gaming (eligible use funds) has been used for our properties and buildings that are part of our charitable mission. This includes our primary office buildings that houses our client managers, business office staff, human resources and operations departments, in addition to storage and office space for gaming. At DHI a very small portion of the administrative buildings actually have gaming storage and gaming office-related functions.

The Office of Attorney General has a new interpretation of current law that apparently does not allow **ANY** revenue from gaming to be used on any portion of a building that house any gaming business, including storage spaces, gaming administrative support staff, accounting and payroll, and any business operations related to gaming. I don't believe the intent of the current law is to hire separate business staff and lease additional space for gaming-only personnel.

We agree that charitable gaming revenue should not be used for areas that "conduct" where actual live betting is taking place. However, support services, payroll and business offices and storage space should be allowed within buildings that we administratively function in. This bill would clarify and correct this new interpretation.

Thank you for your consideration of a **Do Pass** recommendation on SB 2336.

**Testimony in Support of  
SENATE BILL NO. 2336  
Senate Judiciary Committee  
January 31, 2023**

Madam Chair Diane Larson, Senate Judiciary Committee members, for the record my name is Rick Stenseth. I have been in charitable gaming since 1983. I am a Gaming Manager for two local organizations in Fargo that both conduct charitable gaming (Northern Prairie Performing Arts (NPPA) aka Fargo-Moorhead Community Theatre & Team Makers Club). I am submitting this testimony through our NPPA lobbyist, Todd D. Kranda (#58), who is an attorney with the Kelsch Ruff Kranda Nagle & Ludwig Law Firm in Mandan.

NPPA is favor of SB 2336. This bill will correct an inconsistency that currently exists in statute. Today, it is not allowable for an organization that conducts gaming to locate in their main building, used in the pursuit of their mission, anything within that building for certain aspects involved in the conduct of gaming, excepting veteran's groups.

When this limitation is enforced, an organization must procure a location separate from their main building to house gaming administration and storage of records and equipment. This is a large expense that will not be necessary with the passage of SB 2336.

We are presenting an amendment, copy attached, which will make these opportunities clearly available. The amendment just clarifies the intent of the original bill and is offered after review by the Attorney General's Gaming Division.

SB 2336 then will allow for an organization to include space withing real property used for their primary purpose to address these aspects of their gaming operations. This space is not to be used for the conduct of any game type (Veteran's organizations are still exempt). Organizations will be allowed to have gaming staff involved in the administration, auditing, and recordkeeping to use space with their main building and not have to rent or buy additional space for those parts of the gaming operations.

SB 2336 is a positive and necessary action. We support and urge the adoption of the amendment and then a favorable **DO PASS as amended** recommendation on the bill.

Attachment – Proposed Amendment



## **PROPOSED AMENDMENTS TO SENATE BILL NO. 2336**

Page 4, line 27, remove the overstrike over "~~not use net proceeds for~~"

Page 4, line 28, remove the overstrike over "~~administrative or operating expenses involving the conduct of games~~" and insert immediately thereafter "but may"

Renumber accordingly

January 31, 2023

Tracy Eberline  
Dunn County Fair Association  
High Plains Community Fair Association  
100 5<sup>th</sup> Avenue SW  
Killdeer, ND 58640

Madam Chairman, and members of the committee, my name is Tracy Eberline. I currently live and work in the rural western North Dakota community of Killdeer. I am here today in support of Senate Bill 2336. I work for Dunn County Fair Association as the Director for the High Plains Community Center and I also work as the Charity's Gaming Manager. Dunn County Fair Association has multiple sites that utilize Charitable Gaming Funds to support and maintain the High Plains Community Center as well as assists Community residents with eligible use of charitable gaming funds that include, but are not limited to, eligible activities and organizations in Dunn, Stark, Billings, and McKenzie counties.

Dunn County Fair is a licensed charitable organization that has designated space within High Plains Community Center used for our primary purpose as office and storage space for gaming-related administration, however Dunn County Fair Association and High Plains Community Center otherwise operates within North Dakota Century Code relating to eligible uses of net proceeds. If Bill 2336 were to pass it would allow us to continue to operate undisturbed under the North Dakota Century Code as it relates to eligible uses of net proceeds.

If Senate Bill 2336 does not pass it would cause tremendous hardship in finding, funding, and maintaining a separate space designated to operate gaming from. Finding separate Office space in a small community of Killdeer has been a challenging task. We have tried to inquire about purchasing or renting property to operate gaming out of that would be separate from our current location. Currently, there is no suitable retail office space available for rent or lease. Acquiring this property would cost approximately \$100,000. Despite our efforts, we have been unsuccessful at attempting to find an alternate space to purchase. We have discussed possibly building to suit, but this would most likely cost significantly more.

One hundred percent of the efforts of the Dunn County Fair Association and the High Plains Community Center go to the betterment of the Community. Having to divert funds from the purpose we strive for, just to have a separate space for gaming operations not only creates financial hardship but takes funds away from our community driven purpose.

Madam chair, committee members, I urge you to support a Do Pass recommendation on Senate Bill 2336. Thank you for your time and consideration.

Respectfully,  
Tracy Eberline  
Director/Gaming Manager



## **Benefiting North Dakota Communities through Charitable Gaming**

**January 31, 2023**

### **Testimony in SUPPORT of Senate Bill 2336**

Madame Chair Larson and Members of the Committee:

I'm Scott Meske, representing the North Dakota Gaming Alliance and on behalf of the 152 Members of the NDGA, we offer our support for Senate Bill 2336.

Under the Century Code, only certain uses are authorized for net proceeds of charities that operate charitable gaming. We believe it is appropriate in many cases to allow office or storage space to be included for gaming related administration.

This bill supports the efforts of the more than 300 charities around North Dakota who work to improve and make significant investments into their local communities. This bill does not increase the percentage of net proceeds allowed, but rather gives the charities the flexibility to make those decisions as it fits their mission.

We respectfully request the Committee to give SB 2336 a DO PASS recommendation.

Thank you.

# WHERE DOES THE MONEY GO?



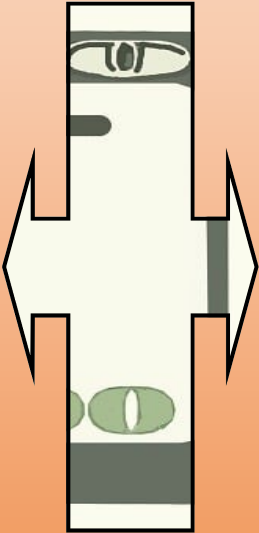
When a player inserts \$100 into a machine, on average, that \$100 is churned over 3.3 times for a total wagers of \$330 on the original \$100.

**Using \$330 as a baseline...**

**PROFIT (10%) after prize payouts** \$33.00 (10% of \$330)

**STATE TAX (12%)** \$3.96 Goes directly to the State Treasury

**ADJUSTED GROSS** - \$29.04



**Allowable expenses (60%) \$17.42** of the Adjusted Gross for the charity to conduct gaming at that site including:

- ♦ Salaries, Tickets, Equipment, Rent

**Net proceeds (40%) \$11.62** of the Adjusted Gross goes to the Charity for eligible uses as defined by Century Code

***Last biennium Charitable gaming generated:  
\$43 million in tax revenue and \$73 million to local charitable causes***

**SENATE JUDICIARY COMMITTEE**  
**Senate Bill 2336**  
**January 31<sup>st</sup>, 2023**  
**Testimony Submitted by Charitable Gaming Association of ND**  
**Bill Kalanek**

The Charitable Gaming Association of North Dakota urges a  
**Do Pass** recommendation on SB 2336.

SB 2336 comes before the committee today as the result of a change in interpretation of the laws surrounding eligible uses of net proceeds for charitable gaming.

This change is also the result of conversations had with the Gaming Division director of the Attorney General's office who indicated an amendment to the code was necessary due to an internal re-interpretation that results in drastic change to how some charities operate.

- This bill has nothing to do with games or the conduct of gaming.
- This bill provides that a charity may separate expenses when gaming and non-gaming employees or offices are operating within the same real property.
- Will allow for more appropriate allocation of operations and charitable funds.

Although I believe my prior statement to be true in intent, it has come to my attention that if the bill were to move forward in it's current form it would create some major heartburn for you and the Gaming division. The overstruck portion in sub 4 indicates to me you might now be able to "use net proceeds for administrative or operating expenses involving the conduct of games" because we are striking the prohibition on this practice. This was not the intent but a consequence of repeated examination of the language.

I've attached an amendment that I believe addresses the problem and would be happy to answer questions as best I can.

Thank you for your consideration of a **Do Pass** recommendation on SB 2336.

Amendment to SB 2336  
 Offered by the Charitable Gaming Association of ND

3. The eligible uses in subsection 2 do not include the erection, acquisition, property taxes, special assessments, improvement, maintenance, or repair of real property owned or leased by an organization for areas on a property where gaming is or will be conducted, unless the real property is used ~~exclusively for an eligible use~~ or by a fraternal or veterans organization.

4. A licensed organization or recipient of net proceeds may not use net proceeds for administrative or operating expenses involving the conduct of games but may designate space within real property used for an organization's primary purpose as office or storage space for gaming-related administration.

**HOUSE JUDICIARY COMMITTEE****Chairman Klemin****Testimony on Senate Bill 2336**March 7<sup>th</sup>, 2023

Submitted by Janelle Mitzel, Development Homes, Inc.

Chairman Klemin & Committee Members,

Thank you for your consideration of a **Do Pass** recommendation on SB 2336. Due to a new interpretation of the ND Century Code, this bill is intended to clarify eligible uses of net proceeds from charitable gaming fundraising.

Development Homes, Inc. (DHI) is a non-profit organization located in Grand Forks, committed to the provision of quality community-based support services to persons with disabilities. DHI has residential services including seven group homes, two duplex facilities, a multi-unit autism living center, a transitional living center and independent living settings.

Charitable gaming has been part of charitable fundraising since the early 1980s and is particularly important to our organization. For nearly 40 years the revenue generated from charitable gaming (eligible use funds) has been used for the properties and buildings that are part of our charitable mission. This includes our primary office buildings that house our client managers, business office staff, human resources, and building operations departments, in addition to storage and office space for gaming. At DHI a very small portion of the administrative buildings incorporate gaming storage or gaming office-related functions.

The Office of Attorney General recently interpreted the NDCC differently regarding this issue. The newly interpreted opinion does not allow **ANY** revenue from gaming to be used on any portion of a building that houses any gaming business, including storage spaces, gaming administrative support staff, accounting and payroll, or any business operations related to gaming. I do not believe the legislative intent of this issue is to require charities to hire separate business staff for gaming, lease additional space for gaming storage or to separately house administrative gaming-only personnel.

We agree that charitable gaming revenue should not be used for areas that “conduct” gaming, where actual live betting is taking place. However, support services, payroll and business offices, and storage space should be allowed within buildings that we administratively function in. This bill would clarify and correct this new interpretation.

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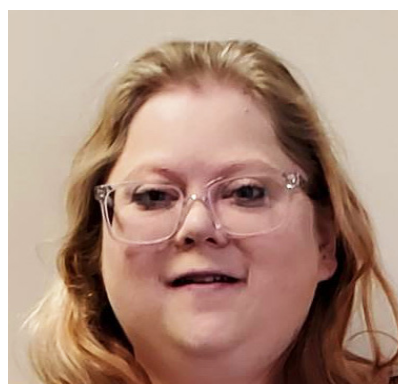
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**SB 2336**  
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**03-07-2023**

Chairman Klemin and Committee members, thank you for the opportunity to provide information regarding the charitable gaming industry of North Dakota. I am submitting testimony in support of Senate Bill 2336.

My name is Don Santer, I represent the North Dakota Association for the Disabled (NDAD). NDAD is a statewide charity that for over 47 years has been dedicated to improving the quality of life for persons with disabilities. NDAD pays for most of its services with charitable gaming funds.

Senate Bill 2336 is intended to cleanup language in century code concerning eligible uses of net proceeds.

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For more than 30 years the interpretation and practice has been you cannot “conduct gaming” or have actual gaming activity at a physical location (site). That is the reason veteran’s groups are excluded and fraternal organizations are working for the same exception. They “conduct” gaming in the same buildings where their eligible use dollars are intended to be spent.

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This is why I am asking you to consider a **Do Pass** recommendation on **SB 2336**.

Thank you, Mr. Chairman and members of the committee, for your time and thoughtful consideration. Please do not hesitate to contact me with any questions you may have.

Respectfully,

**Don Santer**, MBA  
Chief Executive Officer  
**NDAD**

[dsanter@ndad.org](mailto:dsanter@ndad.org)

Mobile: 701.212.7984

[www.NDAD.org](http://www.NDAD.org)



**SENATE JUDICIARY COMMITTEE**  
**Senate Bill 2336**  
**March 7, 2023**  
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**Bill Kalanek**

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- This bill has nothing to do with games or the conduct of gaming.
- This bill provides that a charity may separate expenses when gaming and non-gaming employees or offices are operating within the same real property.
- Will allow for more appropriate allocation of operations and charitable funds.

Simply put this bill would put into code what had become practice in the industry until the statute was reinterpreted by the Gaming Division of the Attorney General's office.

Thank you for your consideration of a **Do Pass** recommendation on SB 2336.

**Testimony in Support of  
ENGROSSED SENATE BILL NO. 2336  
House Judiciary Committee  
March 7, 2023**

Chairman Lawrence Klemin, House Judiciary Committee members, for the record my name is Rick Stenseth. I have been in charitable gaming since 1983. I am a Gaming Manager for two local organizations in Fargo that both conduct charitable gaming (Northern Prairie Performing Arts (NPPA) aka Fargo-Moorhead Community Theatre & Team Makers Club). I am submitting this testimony through our NPPA lobbyist, Todd D. Kranda (#58), who is an attorney with the Kelsch Ruff Kranda Nagle & Ludwig Law Firm in Mandan.

NPPA is favor of SB 2336. This bill will correct an inconsistency that currently exists in statute. Today, it is not allowable for an organization that conducts gaming to locate in their main building, used in the pursuit of their mission, anything within that building for certain aspects involved in the conduct of gaming, excepting veteran's groups.

When this limitation is enforced, an organization must procure a location separate from their main building to house gaming administration and storage of records and equipment. This is a large expense that will not be necessary with the passage of SB 2336.

As was amended in the Senate, SB 2336 will allow for an organization to include space withing real property used for their primary purpose to address these aspects of their gaming operations. This space is not to be used for the conduct of any game type (Veteran's organizations are still exempt). Organizations will be allowed to have gaming staff involved in the administration, auditing, and recordkeeping to use space with their main building and not have to rent or buy additional space for those parts of the gaming operations.

In conclusion, **ENGROSSED SB 2336** is a positive and necessary action. We support and urge a favorable **DO PASS** recommendation on the bill. Thank you and I would be willing to answer any questions.

**TESTIMONY IN SUPPORT OF**  
**ENGROSSED SB 2336**  
**HOUSE JUDICIARY COMMITTEE**  
**MARCH 7, 2023**

Chairman Klemin, House Judiciary Committee members, for the record my name is Todd D. Kranda. I am an attorney with the Mandan law firm of Kelsch Ruff Kranda Nagle & Ludwig. I appear before you today as a lobbyist on behalf of Northern Prairie Performing Arts (NPPA) in support of Engrossed SB 2336.

The Engrossed version of SB 2336 is a result of a friendly amendment that was requested and added in the Senate after review and input from Director Deb McDaniel of the ND Attorney General Gaming Division.

The amendment clarified the purpose and intent for which SB 2336 was introduced and avoids any unintended consequences with the interpretation and application of the provisions by the Gaming Division. Please give SB 2336 a **DO PASS** recommendation.

At this point I would like to introduce and have Rick Stenseth of NPPA testify to explain the specific change that is being made and the reason for that change as provided for within Engrossed SB 2336.