

2023 SENATE JUDICIARY

SB 2281

2023 SENATE STANDING COMMITTEE MINUTES

Judiciary Committee
Peace Garden Room, State Capitol

SB 2281
1/23/2023

A BILL for an Act, relating to the creation of a charitable gaming technology fund; relating to gaming license fees and deposits in a charitable gaming technology fund; to provide a continuing appropriation; and to provide for a transfer.

10:57 AM Madam Chair Larson called the hearing to order.

Madam Chair Larson, Senators, Myrdal, Luick, Estenson, Braunberger, Sickler were present.

Absent Senator Paulson.

11:03 AM Senator Paulson present.

Discussion Topics:

- Software updates
- Gaming fund
- Technology fund
- Proposed amendment
- Pull tabs
- Bingo cards
- Technology changes
- Training technology
- Maintenance
- Compatibility
- Electronic raffles
- Online raffles
- License fees

10:58 AM Senator Luick introduced SB 2281 proposed amendment. #16805

10:59 AM Deb McDaniel, Director of Gaming for the Office of the Attorney General, testified in support of SB 2281.

11:09 AM Todd Kranda, Lobbyist, introduced **Rick Stenseth.**

11:10 AM Rick Stenseth, Gaming Manager-Northern Prairie Performing Arts, testified in support. #14932

11:15 AM Madam Chair adjourned the hearing.

Patricia Wilkens, Committee Clerk

2023 SENATE STANDING COMMITTEE MINUTES

Judiciary Committee Peace Garden Room, State Capitol

SB 2281
1/25/2023

A bill relating to the creation of a charitable gaming technology fund, relating to gaming license fees and deposits in a charitable gaming technology fund.

11:33AM Chairman Larson opened the meeting.

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

Discussion Topics:

- Charitable Gaming.

11:34AM Senator Luick moved to do pass on 23.0926.01001. Seconded by Senator Myrdal.

11:34AM Roll call vote was taken.

Senators	Vote
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.

11:35AM Senator Luick moves to do pass the bill as amended. Senator Myrdal seconds the motion.

11:35am Roll call vote is taken.

Senators	Vote
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.

Senate Judiciary Committee

SB 2281

01/25/23

Page 2

10:36AM Senator Luick will carry the bill.

10:36AM This bill does not affect workforce development.

Additional written testimony:

11:36AM Chairman Larson closed the meeting.

Rick Schuchard, Committee Clerk

January 25, 2023

*AGC
1-25-23
(1-1)*

PROPOSED AMENDMENTS TO SENATE BILL NO. 2281

Page 2, line 17, after "to" insert "this"

Page 2, line 18, remove "53-06.1"

Page 2, line 25, remove "electronic raffle systems."

Page 2, line 27, replace "twenty-five" with "one thousand five hundred"

Page 2, line 30, after the period insert "The attorney general shall deposit five hundred dollars of this fee into the charitable gaming technology fund under section 53-06.1-12.4."

Page 2, line 30, remove the overstrike over "A"

Page 2, line 31, remove the overstrike over "manufacturer of"

Page 2, line 31, after "fifty-fifty" insert "electronic"

Page 2, line 31, remove the overstrike over "raffle systems shall apply annually for a license and pay a"

Page 3, line 1, remove the overstrike over "license fee of"

Page 3, line 1, after "hundred" insert "one thousand"

Page 3, line 1, replace "twenty-five" with "five hundred"

Page 3, line 4, replace "twenty-five" with "five hundred"

Renumber accordingly

REPORT OF STANDING COMMITTEE

SB 2281: 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 2281 was placed on the Sixth order on the calendar. This bill does not affect workforce development.

Page 2, line 17, after "to" insert "this"

Page 2, line 18, remove "53-06.1"

Page 2, line 25, remove "electronic raffle systems."

Page 2, line 27, replace "twenty-five" with "one thousand five hundred"

Page 2, line 30, after the period insert "The attorney general shall deposit five hundred dollars of this fee into the charitable gaming technology fund under section 53-06.1-12.4."

Page 2, line 30, remove the overstrike over "A"

Page 2, line 31, remove the overstrike over "manufacturer of"

Page 2, line 31, after "fifty-fifty" insert "electronic"

Page 2, line 31, remove the overstrike over "raffle systems shall apply annually for a license and pay a"

Page 3, line 1, remove the overstrike over "license fee of"

Page 3, line 1, after "hundred" insert "one thousand"

Page 3, line 1, replace "twenty-five" with "five hundred"

Page 3, line 4, replace "twenty-five" with "five hundred"

Renumber accordingly

2023 SENATE APPROPRIATIONS

SB 2281

2023 SENATE STANDING COMMITTEE MINUTES

Appropriations - Government Operations Division Red River Room, State Capitol

SB 2281
2/6/2023

Relating to the creation of a charitable gaming technology fund; relating to gaming license fees and deposits in a charitable gaming technology fund.

9:01 AM Chairman Wanzek called the meeting to order.
Senators Wanzek, Erbele, Roers, Dwyer, and Vedaa are present.

Discussion Topics:

- Fee increases
- Gaming technology fund
- Pull tabs
- Electronic raffle systems
- Distributors
- Negative general fund impact
- Equipment and software
- Software capabilities
- New fund
- One-time cost

9:02 AM Senator Luick verbally testified. Neutral

9:03 AM Becky Keller, Finance Director ND Attorney General's Office, testified. Neutral.
(No written testimony)

9:08 AM Deb McDaniel, Director of Gaming Division ND Attorney General's Office, testified.
Neutral (No written testimony)

9:17 AM Senator Dwyer moved DO PASS on SB 2281.
Senator Roers seconded the motion.

Roll call vote.

Senators	Vote
Senator Terry M. Wanzek	Y
Senator Michael Dwyer	Y
Senator Robert Erbele	Y
Senator Jim P. Roers	Y
Senator Shawn Vedaa	Y

The motion passed. 5-0-0

Senator Dwyer will carry the bill.

9:19 AM Chairman Wanzek closed the meeting.

Carol Thompson, Committee Clerk

2023 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee Roughrider Room, State Capitol

SB 2281
2/13/2023

Relating to the creation of a charitable gaming technology fund, relating to gaming license fees and deposits in a charitable gaming technology fund.

8:39 AM Chairman Bekkedahl opened the meeting.

Members present: **Senators Bekkedahl, Krebsbach, Burckhard, Davison, Dever, Dwyer, Erbele, Kreun, Meyer, Roers, Schaible, Sorvaag, Vedaa, Wanzek, Rust, and Mathern.**

Discussion Topics:

- Committee Action

8:39 AM Senator Dwyer introduced the bill, verbally.

8:41 AM Senator Dwyer moved DO PASS.

8:43 AM Senator Roers seconded.

8:43 AM Roll call vote.

Senators	Vote
Senator Brad Bekkedahl	Y
Senator Karen K. Krebsbach	Y
Senator Randy A. Burckhard	Y
Senator Kyle Davison	Y
Senator Dick Dever	Y
Senator Michael Dwyer	Y
Senator Robert Erbele	Y
Senator Curt Kreun	Y
Senator Tim Mathern	Y
Senator Scott Meyer	Y
Senator Jim P. Roers	Y
Senator Donald Schaible	Y
Senator Ronald Sorvaag	Y
Senator Shawn Vedaa	Y
Senator Terry M. Wanzek	Y
Senator Rust	Y

Passed 16-0-0

Senator Luick will carry the bill.

8:44 AM Senator Bekkedahl closed the meeting.

Peter Gualandri on behalf of Kathleen Hall, Committee Clerk

REPORT OF STANDING COMMITTEE

SB 2281, as engrossed: Appropriations Committee (Sen. Bekkedahl, Chairman) recommends **DO PASS** (16 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed SB 2281 was placed on the Eleventh order on the calendar. This bill does not affect workforce development.

2023 HOUSE JUDICIARY

SB 2281

2023 HOUSE STANDING COMMITTEE MINUTES

Judiciary Committee
Room JW327B, State Capitol

SB 2281
3/1/2023

Relating to gaming license fees and deposits in a charitable gaming technology fund; to provide a continuing appropriation; and to provide for a transfer.
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3:00 PM Chairman Klemin opened the hearing. Members present: Chairman Klemin, Vice Chairman Karls, Rep. Bahl, Rep. Christensen, Rep. Cory, Rep. S. Olson, Rep. Rios, Rep. Schneider, Rep. VanWinkle, Absent: Rep. Henderson, Rep. S. Roers Jones, Rep. Satrom and Rep. Vetter.

Discussion Topics:

- Software equipment and training.
- Transfer of funds each year.
- Raise licensing fees.

Deb McDaniel: Director of Gaming; Office of Attorney General: Introduced the bill. Testimony # 21610

Hearing closed at 3:11 PM.

Rep. Christensen moved a Do Pass and rerefer to Appropriations.
Seconded by Vice Chairman Karls

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

Roll call vote: 8 Yes 1 No 4 Absent Motion carried.

Carrier: Rep. Cory

House Judiciary Committee
SB 2281
March 1, 2023
Page 2

The meeting closed at 3:13 PM.

Delores Shimek, Committee Clerk

REPORT OF STANDING COMMITTEE

SB 2281, as engrossed: Judiciary Committee (Rep. Klemin, Chairman) recommends DO PASS and BE REREFERRED to the Appropriations Committee (8 YEAS, 1 NAY, 4 ABSENT AND NOT VOTING). Engrossed SB 2281 was rereferred to the Appropriations Committee.

2023 HOUSE APPROPRIATIONS

SB 2281

2023 HOUSE STANDING COMMITTEE MINUTES

Appropriations - Education and Environment Division
Prairie Room, State Capitol

SB 2281
3/17/2023

A BILL for an Act to create and enact section 53-06.1-12.4 of the North Dakota Century Code, relating to the creation of a charitable gaming technology fund; to amend and reenact subsection 2 of section 53-06.1-03 and subsection 1 of section 53-06.1-14 of the North Dakota Century Code, relating to gaming license fees and deposits in a charitable gaming technology fund; to provide a continuing appropriation; and to provide for a transfer

9:00 AM Chairman Nathe started the meeting.

Members present: Chairman Nathe, Vice Chairman Swiontek,
Representatives: Martinson, Richter, Sanford, Schatz, Hanson.

Discussion Topics:

- Contracting gaming software
- Licensing fees for distributors
- Technology fund

Senator Luick introduced SB 2281.

Deb McDaniel, Director of Charitable Gaming, testified in support of SB 2281, #25693.

9:11 AM Chairman Nathe closed the meeting.

Donna Lynn Knutson, Committee Clerk

2023 HOUSE STANDING COMMITTEE MINUTES

Appropriations - Education and Environment Division
Prairie Room, State Capitol

SB 2281
3/24/2023

A BILL for an Act to create and enact section 53-06.1-12.4 of the North Dakota Century Code, relating to the creation of a charitable gaming technology fund; to amend and reenact subsection 2 of section 53-06.1-03 and subsection 1 of section 53-06.1-14 of the North Dakota Century Code, relating to gaming license fees and deposits in a charitable gaming technology fund; to provide a continuing appropriation; and to provide for a transfer

10:06 AM Chairman Nathe started the meeting.

Members present: Chairman Nathe, Vice Chairman Swiontek,
Representatives: Martinson, Richter, Schatz, Hanson.

Members Absent: Representative Sanford

Discussion Topics:

- Technology Fund for Gaming
- Online Gaming Tax Return System
- Software Updates

Deb McDaniel, Charitable Gaming Director, answered questions regarding SB 2281, #26559.

Representative Martinson moved a do pass on SB 2281.

Representative Hanson Seconded.

Representatives	Vote
Representative Mike Nathe	Y
Representative Steve Swiontek	Y
Representative Karla Rose Hanson	Y
Representative Bob Martinson	Y
Representative David Richter	Y
Representative Mark Sanford	AB
Representative Mike Schatz	N

Motion carried 5 -1-1.

Chairman Nathe will carry the bill.

10:27 AM Chairman Nathe closed the meeting.

Donna Lynn Knutson, Committee Clerk

2023 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee
Brynhild Haugland Room, State Capitol

SB 2281
3/28/2023

Relating to gaming license fees and deposits in a charitable gaming technology fund; to provide a continuing appropriation; and to provide for a transfer

10:35 AM Chairman Vigesaa Called the meeting to order and roll call was taken-

Members present; Chairman Vigesaa, Representative B. Anderson, Representative Bellew, Representative Brandenburg, Representative Hanson, Representative Kreidt, Representative Martinson, Representative Mitskog, Representative Meier, Representative Mock, Representative Monson, Representative Nathe, Representative J. Nelson, Representative O'Brien, Representative Pyle, Representative Richter, Representative Sanford, Representative Schatz, Representative Schobinger, Representative Strinden, Representative G. Stemen and Representative Swiontek.

Member not Present- Representative Kempenich

Discussion Topics:

- Charity Technology Fund
- Equipment & Software
- All Special Funds

Representative Nathe- Explains the bills and the division's recommendation.

Deb McDaniel- Director of Gaming for the office of the Attorney General- Answers questions for the committee

10:54 AM Chairman Vigesaa Closed the meeting for SB 2281

Committee discussion

Representative J. Nelson Amend by changing licensing fees for E-Tab from \$5,500 to \$10,000 annually.

Representative Meier Seconds the motion.

Representative J. Nelson Withdraws his motion for further discussion.

Representative Meier- Withdraws the second

11:02 AM Chairman Vigesaa Closes the meeting for SB 2181

Risa Berube, Committee Clerk

2023 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee Brynhild Haugland Room, State Capitol

SB 2281
4/5/2023

Relating to gaming license fees and deposits in a charitable gaming technology fund; to provide a continuing appropriation; and to provide for a transfer

11:30 AM Chairman Vigesaa Called the meeting to order and roll call was taken-

Members present; Chairman Vigesaa, Representative Kempenich, Representative B. Anderson, Representative Bellew, Representative Brandenburg, Representative Hanson, Representative Kreidt, Representative Martinson, Representative Mitskog, Representative Meier, Representative Mock, Representative Nathe, Representative J. Nelson, Representative O'Brien, Representative Pyle, Representative Richter, Representative Sanford, Representative Schatz, Representative Schobinger, Representative Strinden, Representative G. Stemen and Representative Swiontek.

Members not Present- Representative Monson

Discussion Topics:

- Verbal Amendment
- Manufacturer Fee Increase

Chairman Vigesaa- Opens the discussion.

Representative J. Nelson- Gives a verbal amendment line 26, move 4 thousand to 10 thousand a year.

Representative J. Nelson Move the verbal amendment previously stated.

Representative Nathe Seconds the motion

Representatives	Vote
Representative Don Vigesaa	Y
Representative Keith Kempenich	Y
Representative Bert Anderson	Y
Representative Larry Bellew	N
Representative Mike Brandenburg	Y
Representative Karla Rose Hanson	Y
Representative Gary Kreidt	Y
Representative Bob Martinson	Y
Representative Lisa Meier	Y
Representative Alisa Mitskog	Y
Representative Corey Mock	Y
Representative David Monson	A
Representative Mike Nathe	Y

Representative Jon O. Nelson	Y
Representative Emily O'Brien	Y
Representative Brandy Pyle	Y
Representative David Richter	Y
Representative Mark Sanford	Y
Representative Mike Schatz	Y
Representative Randy A. Schobinger	Y
Representative Greg Stemen	Y
Representative Michelle Strinden	Y
Representative Steve Swiontek	Y

Motion Carries 20-1-2

Representative Pyle Move a Do Pass as Amended

Representative O'Brien- Seconds the motion.

Representatives	Vote
Representative Don Vigesaa	Y
Representative Keith Kempenich	Y
Representative Bert Anderson	Y
Representative Larry Bellew	N
Representative Mike Brandenburg	Y
Representative Karla Rose Hanson	Y
Representative Gary Kreidt	Y
Representative Bob Martinson	Y
Representative Lisa Meier	Y
Representative Alisa Mitskog	Y
Representative Corey Mock	Y
Representative David Monson	A
Representative Mike Nathe	Y
Representative Jon O. Nelson	Y
Representative Emily O'Brien	Y
Representative Brandy Pyle	Y
Representative David Richter	Y
Representative Mark Sanford	Y
Representative Mike Schatz	Y
Representative Randy A. Schobinger	Y
Representative Greg Stemen	Y
Representative Michelle Strinden	Y
Representative Steve Swiontek	Y

Motion Carries 21-1-1 Representative Nathe will carry the bill

11:41 AM Chairman Vigesaa Closed the meeting for SB 2281

Risa Berube, Committee Clerk

AG
4-7-23
(1-1)

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2281

Page 2, line 25, overstrike "electronic pull tab"

Page 2, line 25, remove "systems and"

Page 2, line 25, overstrike "devices,"

Page 2, line 27, after the period insert "A manufacturer of electronic pull tab systems and devices shall apply annually for a license and pay a license fee of ten thousand dollars."

Page 2, line 27, remove "this"

Page 2, line 28, replace "fee" with "these fees"

Renumber accordingly

REPORT OF STANDING COMMITTEE

SB 2281, as engrossed: Appropriations Committee (Rep. Vigesaa, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (21 YEAS, 1 NAY, 1 ABSENT AND NOT VOTING). Engrossed SB 2281 was placed on the Sixth order on the calendar.

Page 2, line 25, overstrike "electronic pull tab"

Page 2, line 25, remove "systems and"

Page 2, line 25, overstrike "devices,"

Page 2, line 27, after the period insert "A manufacturer of electronic pull tab systems and devices shall apply annually for a license and pay a license fee of ten thousand dollars."

Page 2, line 27, remove "this"

Page 2, line 28, replace "fee" with "these fees"

Renumber accordingly

TESTIMONY

SB 2281

**Testimony in Favor of
SENATE BILL NO. 2281
Senate Judiciary Committee
January 23, 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, an attorney with the Kelsch Ruff Kranda Nagle & Ludwig Law Firm in Mandan.

NPPA is favor of SB 2281, with the amendment as proposed. The specific changes are regarding electronic 5050 raffle and online raffle manufacturers annual license fees. Both game type manufacturers are being combined under "electronic raffle systems" in this bill and placed in the same category as other game type manufacturers such as pull-tabs, and e-tabs. Neither of these raffle game types are as prevalent or involve the kind of play that is conducted with those games.

I have operated electronic 5050 raffles for several years, conducting approximately 8-12 annually. At this time only one other organization conducts these same raffles in Grand Forks (UND Sports). Since the adoption of electronic 5050 raffles, the manufacturer's annual license fee has been \$500. The change proposed in the original bill increases this fee to \$5,500. Changes to e-tabs are increased by just \$1,500 (from \$4,000 to \$5,500). As online raffles are a new game, the fees will come in at \$5,500 as well.

Categorizing "electronic raffle systems" identical to the other games is inequitable. Paper pull-tab dispensing machine manufacturers license fee will go up by \$500 annually in this bill and "electronic raffle systems" are more in line with this game type. There is still a large discrepancy between the activity and monitoring of those machines and either of the raffle games. But nowhere near the differences as with the others.

The proposed amendment (copy attached) resets the position of "electronic raffle systems" in the licensing structure to be more appropriate. There are not widespread 5050s and there is not a great likelihood that online raffles will amount to a significant number.

Setting the license fees at the amended amount of \$1,000 still allows for contributions to the Technology Fund and the monitoring and policing of these game types. As important is the fact that these additional costs for licensing will be passed down to the organizations, meaning less for the charitable purpose. It also discourages competing manufacturers from trying to enter the North Dakota market and invest in meeting all the testing and reporting requirements the AG's Gaming Division and Administrative Rules require.

SB 2281 is a solid and positive bill, with the exception of the items in Section 3. We support the bill with the proposed amendments and urge a YES vote on the amendment and then a favorable DO PASS as amended on the bill.

PROPOSED AMENDMENTS TO SENATE BILL NO. 2281

Page 2, line 25, remove "electronic raffle systems,"

Page 2, line 30, after the period insert "The attorney general shall deposit twenty-five dollars of this fee into the charitable gaming technology fund under section 53 - 06.1 - 12.4." and remove the overstrike over "A"

Page 2, line 31, remove the overstrike over "~~manufacturer of~~" and insert immediately thereafter "electronic raffle" and remove the overstrike over "~~systems shall apply annually for a license and pay a~~"

Page 3, line 1, remove the overstrike over "~~license fee of~~" and insert immediately thereafter "one thousand" and remove the overstrike over "~~dollars.~~"

Renumber accordingly

NOTE: After this amendment is made to SB 2281, subsection 1 of section 53-06.1-14 NDCC would provide as follows:

- “1. A manufacturer of pull tabs, bingo cards, electronic quick shot bingo systems and devices, electronic pull tab systems and devices, or bingo card marking devices shall apply annually for a license and pay a license fee of five thousand five hundred dollars. The attorney general shall deposit twenty-five dollars of this fee into the charitable gaming technology fund under section 53 - 06.1 - 12.4. A manufacturer of paper pull tab dispensing devices shall apply annually for a license and pay a license fee of one thousand five hundred dollars. The attorney general shall deposit twenty-five dollars of this fee into the charitable gaming technology fund under section 53 - 06.1 - 12.4. A manufacturer of electronic raffle systems shall apply annually for a license and pay a license fee of one thousand dollars. The attorney general shall deposit twenty-five dollars of this fee into the charitable gaming technology fund under section 53 - 06.1 - 12.4. A distributor shall apply annually for a license and pay a license fee of two thousand dollars. The attorney general shall deposit twenty-five dollars of this fee into the charitable gaming technology fund under section 53 - 06.1 - 12.4. Application must be made before the first day of April in each year on a form prescribed by the attorney general.”

23.0926.01001
Title.

Prepared by the Legislative Council staff for
Senator Luick
January 25, 2023

PROPOSED AMENDMENTS TO SENATE BILL NO. 2281

Page 2, line 17, after "to" insert "this"

Page 2, line 18, remove "53-06.1"

Page 2, line 25, remove "electronic raffle systems."

Page 2, line 27, replace "twenty-five" with "one thousand five hundred"

Page 2, line 30, after the period insert "The attorney general shall deposit five hundred dollars of this fee into the charitable gaming technology fund under section 53-06.1-12.4."

Page 2, line 30, remove the overstrike over "A"

Page 2, line 31, remove the overstrike over "~~manufacturer of~~"

Page 2, line 31, after "~~fifty-fifty~~" insert "electronic"

Page 2, line 31, remove the overstrike over "~~raffle systems shall apply annually for a license and pay a~~"

Page 3, line 1, remove the overstrike over "~~license fee of~~"

Page 3, line 1, after "~~hundred~~" insert "one thousand"

Page 3, line 1, replace "twenty-five" with "five hundred"

Page 3, line 4, replace "twenty-five" with "five hundred"

Renumber accordingly



Drew H. Wrigley
ATTORNEY GENERAL

STATE OF NORTH DAKOTA
OFFICE OF ATTORNEY GENERAL
www.attorneygeneral.nd.gov
(701) 328-2210

House Judiciary Committee
Senate Bill No. 2281
Relating to Gaming license fees and Gaming Technology Fund
March 1, 2023, Room 327B

Chairman Klemin, and House Judiciary members, my name is Deb McDaniel, and I am the Director of Gaming for the Office of Attorney General.

I wish to submit this bill to enable a gaming technology fund be established to help the Gaming Division with contracting for and purchasing equipment and software for the charitable gaming system and for training and maintaining the system.

To establish this fund we would request that \$400,000 be initially transferred one time from the charitable gaming operating fund which is funded by the gaming taxes and then the technology fund would be maintained with an increase in the annual license fees for gaming organizations, distributors, and manufacturers. This is not an increase in the gaming taxes for licensed gaming organizations but an increase in the annual license fee that all manufacturers, distributors, and organizations pay.

Gaming organization's fees will be increased from \$150 to \$175 and \$25 of that increase will be placed into the technology fund.

Increase the manufacturers of pull tabs, bingo cards, electronic quick shot bingo systems, electronic pull tab systems, or bingo card marking devices from \$4,000 to \$5,500 and \$1,500 to be put into the technology fund.

Manufactures of only paper pull tab dispensing devices will be increased from \$1,000 to \$1,500 and \$500 placed into the technology fund.

Manufactures of electronic raffle systems will be increased from \$500 to \$1,000 and \$500 placed into the technology fund.

A distributor's license would increase from \$1,500 to \$2,000 and \$500 be placed into the technology fund.

The licensing fee increases would allow the fund to be maintained to support the gaming system annually with approximately \$38,500.

Thank you for your time and consideration.

Deb McDaniel
Director of Gaming
Office of Attorney General



STATE OF NORTH DAKOTA
OFFICE OF ATTORNEY GENERAL
 www.attorneygeneral.nd.gov
 (701) 328-2210

Drew H. Wrigley
 ATTORNEY GENERAL

House Appropriations – Education & Environment Committee
Senate Bill No. 2281
Relating to Gaming license fees and Gaming Technology Fund
March 17, 2023, Prairie Room

Chairman Nathe, and House Appropriations E&E members, my name is Deb McDaniel, and I am the Director of Gaming for the Office of Attorney General.

I wish to submit this bill to enable a gaming technology fund to be established to help the Gaming Division with contracting for and purchasing equipment and software for the charitable gaming system and for training and maintaining the system.

To establish this fund we would request that \$400,000 be initially transferred one time from the charitable gaming operating fund (Section 2, Page 2, lines 15 – 21) which is funded by the gaming taxes and then the technology fund would be maintained with an increase in the annual license fees for gaming organizations, distributors, and manufacturers. This is not an increase in the gaming taxes for licensed gaming organizations but an increase in the annual license fee that all manufacturers, distributors, and organizations pay.

Gaming organization's fees will be increased from \$150 to \$175 and \$25 of that increase will be placed into the technology fund. (Section 1, Page 1, line 24 and Page 2, lines 1-3 & lines 6 – 8)

Increase the manufacturers of pull tabs, bingo cards, electronic quick shot bingo systems, electronic pull tab systems, or bingo card marking devices from \$4,000 to \$5,500 and \$1,500 to be put into the technology fund. (Section 2, Page 2, lines 26 – 28)

Manufactures of only paper pull tab dispensing devices will be increased from \$1,000 to \$1,500 and \$500 placed into the technology fund. (Section 3, Page 2, lines 30-31 and Page 3, line1)

Manufactures of electronic raffle systems will be increased from \$500 to \$1,000 and \$500 placed into the technology fund. (Section 3, Page 3, lines 1-4)

A distributor's license would increase from \$1,500 to \$2,000 and \$500 placed into the technology fund. (Section 3, Page 3, lines 5-7)

The licensing fee increases would allow the fund to be maintained to support the gaming system annually with approximately \$38,500.

Thank you for your time and consideration.

Deb McDaniel
 Director of Gaming
 Office of Attorney General

Knutson, Donna

From: Nathe, Mike R.
Sent: Friday, March 24, 2023 10:11 AM
To: Knutson, Donna
Subject: Fwd: SB 2281 - Gaming Technology Fund

From: McDaniel, Deborah A. <dmcdanie@nd.gov>
Sent: Friday, March 24, 2023 9:15 AM
To: Nathe, Mike R. <mrnathe@ndlegis.gov>
Subject: SB 2281 - Gaming Technology Fund

Representative Nathe,
I believe you asked for a listing of what uses the Gaming Technology Fund would provide. I look forward to our meeting this morning at 10:00 am.
These are possibilities:

Potential ongoing maintenance items:

- Enhancements to current technology
- Changes to policy/law/practices that require fixes or changes to the current systems
- Production issues/fixes
- Process enhancements and efficiencies that maybe identified that will require technology additions or improvements

Current systems and functionality:

ND Gaming Charitable Organization Solution

- Stamp/Bingo Paper Inventory
- Tax Return
- Draft Tax Return
- Historical Tax Returns
- Online Payment

ND Gaming Core

- Stamp Secondary Validation rules
- Tax Return Secondary Validation rules
- Reporting
- Distributor Functions
- Gaming Organizations Functions
- Manage Stamp Inventory
- Master Stamp View
- Master Bingo Paper View
- Tax Return Review
- Master Tax Return View

Future system ND Gaming Distributor

- Stamp Inventory
- Stamp Activity Reporting