

2015 HOUSE JUDICIARY

HB 1161

2015 HOUSE STANDING COMMITTEE MINUTES

Judiciary Committee
Prairie Room, State Capitol

HB 1161
1/20/2015
22215

☐ Subcommittee
☐ Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

Relating to wagers for the game of twenty-one.

Minutes:

Testimony #1, #2, Handout 3,4, & 5

Chairman K.Koppelman: Opened the hearing on HB 1161 with testimony in support.

Rep. Maragos: I introduced HB 1161 on behalf of the Charitable Gaming Association of ND. It adjusts the minimum wager per table from \$1 to \$5. I will let the association explain this more fully.

Todd Kranda, Attorney at Kelsh, Kelsh, Ruff and Kendal law firm in Mandan: I am appearing before you as a lobbyist on behalf of the Charitable Gaming Association of ND. We appreciate the sponsors of the bill for helping us introduce this bill.

Don Santer, Charitable Gaming Association of ND: (See testimony #1) (4:50-7:36)

Rep. Lois Delmore: Do you ever have an audience where a majority of them would rather play with the lower wage?

Don Santer: Yes of course. Those players will deter other players from playing. Players who want to play at a higher rate will leave the table for a while or for the evening.

Rep. Lois Delmore: All your tables now are for \$1?

Don Santer: We are required to have at least 50% of our tables at the \$1 minimum.

Rep. K. Wallman: If the legislature allows them to have more tables with higher amounts that more revenue would be used to help with disabilities?

Don Santer: By allowing us to increase the range of the minimum it would allow us to spend more money with our charitable organizations on what our purpose is. At the one dollar minimum if we have nothing but \$1 players we actually will lose money. We don't make enough money on the minimum wage to even support the expenses for the table.

Rep. L. Klemin: You have tables currently where half of them have to be a minimum wager of \$1 and the other half can be up to \$25? So the illustration that you are getting on a particular table where you are having a loose at the \$1 you are making that up on the other tables?

Don Santer: Yes that would be right. It depends on your location and ability to have more than one table.

Rep. L. Klemin: If this bill passes with these changes then will there no longer by \$1 tables?

Don Santer: No we are asking for the range of \$1- \$5 so you would have the option based on your players.

Chairman K.Koppelman: You talked about this 40-60 split in the century code. Is that an overall requirement and how does that work when you are sometimes working in the red. If you have a surplus do you still allocate 60% for your expenses and if you run short you get it from somewhere else?

Don Santer: It would require us to have either utilize surplus from another organization or site and would require the possibility of using funding from other sources if you have charitable donations. We can utilize more of if we wish to.

Rep. D. Larson: Did you say there are times that if your tables are not profitable that you will use other charitable donations to your cause to cover the gambling loose?

Don Santer: That is a possibility? It would not be a norm.

Rep. P. Anderson: You have discretion between a \$1 and \$5 table. So you could say you would have no \$1 tables. So the people that enjoy playing \$1 are we forcing them to play \$5?

Don Santer: Yes they would have to play at the higher rate if that site has set that up that way for that table.

Rep. G. Paur: What is the income of the ND Association of Disabled from this charitable gaming?

Don Santer: I can get back to you with that.

Rep. Brabandt: Is blackjack growing?

Don Santer: It is declining.

Chairman K.Koppelman: Would there be any incentive for the continuation of \$1 tables if this bill were to pass or would it just make business sense to up the limits and it would be made up by their \$5 bets?

Don Santer: My organization has sites across ND. There are lots of smaller organizations that have a little bit lower expenses based on the difference between a rural and city area.

Chairman K.Koppelman: Are you noticing things changing overall?

Don Santer: I would say the main reason we are here is trying to make sure we can continue to operate and provide money for our charities without losing money. We are hoping to just balance that out. Make up for inflation if nothing else.

Traci Ladaecer, Chief Financial Officer with NDAD, Treasurer of the ND Gaming of ND:

For every dollar we make in charitable gaming 40 cents has to go to charitable. The game types are intermixed so you may lose money on blackjack and make money on pull tabs, but if you make \$1000 then \$400 has to go to the charitable purposes of your organization. If your expenses are \$700 yes you do have to find that other \$100 from another place. We do spend more on our charity than we are rising, but the expenses are getting higher with everything. Does that answer what people were asking?

Rep. D. Larson: If we are having gaming which we know causes some people gambling problems and it is not doing any good for the charities that are out there because they are having to get money from their donor's just to cover being able to run gaming tables I am not sure that is a good wash?

Traci Laducer: The different gaming tables make up the difference usually. We picked a \$1 table as an example but this is just what we used and to show and we do use the other tables in the facility to make up the difference. You could set it as \$3 and that is why we like the range and not saying you have to go up to \$5. You do have to put that 40% into charitable purposes.

Rep. G. Paur: Do you know what the income is from gaming from the ND Association of Disabled?

Traci Laducer: The adjusted gross proceeds after our 40% we are required to put to our charitable is around \$300,000-\$350,000 a quarter. So \$1 to \$1.5 million a year.

Chairman K.Koppelman: If you would like to get some of those figures to the committee that would be fine.

Rep. Brabandt: Are most blackjack employees paid employees?

Traci Ladaecer: All the charities I know of are paid employees. There may be some in the rural areas. If you only run \$2 blackjack you don't have to have surveillance so that is another reason to leave it that way.

Rep. Brabandt: Would that also apply to the pull tab people as well?

Traci Ladaecer: Yes

Chairman K.Koppelman: When you calculate the split in order to meet that requirement we have been talking about; how do you allocate expenses? Are there overall expenses of the organization included in that and allocated to that 60% or is it strictly what is necessary to run that gaming site?

Traci Ladaecer: In the number we did for you we looked at one blackjack table. What the rent was for a month divided by 30; what it would cost to pay a dealer, cost of chips over 10 years, what one day would be; we took the taxes because you pay taxes on your gross proceeds to the state also. We have count teams that do the count the next day and take the drop boxes and we factor in those. \$112 is what we came up with for one table and that is just a blackjack table and that is a minimum.

Chairman K.Koppelman: Is that typical on how you figure the overall cost of the operation or do you include more general administrative costs?

Traci Ladaecer: We have an income statement for each site and we allocate their direct costs to them.

Jon Jorgensen: Board Member of CGAND member with Sharehouse Inc.: There was discussion about which part of the charities funds would cover if there were loses at the table. Generally there are not loses and they would usually be coming out of net proceeds carryover so it would be money that was raised by gaming. There is money coming into the charity but they are not meeting that 40% requirement. I am in support of this bill because when you are looking at this bill with the operating costs of \$112 for an 8 hour shift to operate one blackjack table; in order to get that 40% going to the charity the \$112 is just to cover our costs to operate at that point. We need to make \$187 in that 8 hour stretch to be at the 40% for charitable purposes. If we only make \$112 we are at the 60% we need to be at and that is not sending any money to the charities. We want to be able to make more money for our charities to deal with our services. To get to the \$187 an hour for a table we have to be at \$3.34 average wager for 8 hours dealing 60 hands and hour with all seven spaces betting \$3.34. If there are seven spots being played at \$1 we are never going to get anywhere near that. The last few years blackjack tables that are averaging a \$1-\$2 minimum; they are not turning a profit. We are not making a profit so at the site where I worked we had to lay off these people and cost that site. Their average wager was below \$3 and the charity could not turn a profit because they did not have other game types there. Had this bill been passed then I believe that charity would have made money at those sites.

Rep. K. Wallman: Do all the gaming sites send money to one place and then it is distributed. You said you were affiliated with the boys and girls club so each charity has their own gambling site or does it all go to one place and get distributed?

Jon Jorgensen: Formerly I was gaming manager for the boys and girls club. I am now the gaming manager for Sharehouse so they are all separate entities; and each charity makes its own money on gaming.

Rep. Brabandt: Are the gaming spots rented from the bar?

Jon Jorgenson: Yes. Some can charge us zero dollars for rent and some will be up to \$300/per table.

Chairman K.Koppelman: When operating a gaming operation for charity I would assume like any other business you look at what are your more profitable portions of that so if blackjack is a winner you might have more blackjack tables etc. Is that accurate?

Jon Jorgenson: A lot of it is dictated by the type of bar you are in. VFW might favor pull tabs more.

Opposition: None

Neutral:

Deb McDaniel, Director of the Gaming Division with the Office of Attorney General: (See testimony #2) It doesn't affect the office in any way as far as regulation goes. It does give the opportunity to the organizations to pick and choose depending on the market where they want to put their minimum wagers on twenty-one tables. I can get information for you from all organizations and NDAD specifically. For the fiscal year ending June 2014 gaming organizations took in \$2.8 million in gross proceeds for all game types. For twenty-one it self the gross proceeds were about \$81 Million. The adjusted gross; which is what they have to operate under was \$58 Million.

Hearing closed.

(Handout's #3,4 & 5 emailed part of the record)

2015 HOUSE STANDING COMMITTEE MINUTES

Judiciary Committee
Prairie Room, State Capitol

HB 1161
2/10/2015
23608

☐ Subcommittee
☐ Conference Committee

Committee Clerk Signature



Minutes:

Chairman K. Koppelman: reopened the meeting on HB 1161. This just has to do with a minimum wager. Changing it to \$5 if there is more than one active table at the site then they can set a higher minimum wager on additional tables.

Rep. Lois Delmore: I am not sure how the whole committee felt about the \$5. There was no opposition to the bill whatsoever. I would like to move that on line 9 we change 5 to 3.

Amendment moved by Rep. Lois Delmore: Seconded by Rep. K. Wallman:

Rep. Lois Delmore: My reason is when I talked to various people they will please their cliental and people in smaller and larger communities almost no one plays blackjack for a \$1 anymore; \$3 might be a little more reasonable.

Rep. Mary Johnson: Did they see any problem with the number of chips?

Rep. Lois Delmore: I would assume they will still use a \$1 chips. This just allows them that option of going higher if they wish.

Rep. Maragos: Chips all have 1, 3, and 5 so they could either use those chips appropriately. I would like to see the \$5 because in testimony they showed if everybody only bet \$1 their cost of operation would not be met by the amount of revenue they could take. \$3 should be able to cover the expense of the table. I guess I will be in favor of the motion.

Rep. L. Klemin: Does this proposed amendment change this bet to \$3 have any effect since it says \$2 on line \$20. Every site is going to have bets exceeding \$2 if this amendment is adopted here.

Chairman K. Koppelman: Does blackjack have video surveillance?

Rep. Maragos: I think they do most of them. Minimum wages is what we are talking about. If they allow wagers above the \$2 that is a maximum; then they have to have the video equipment. This bill only pertains to an additional table where an organization may set a higher minimum wager on additional tables.

Rep. Lois Delmore: There is still a minimum wage of \$1 would be an option. But they may open on table we are saying at \$3.

Chairman K. Koppelman: Do you know if most of the places that have blackjack have video surveillance.

Todd Kranda: Yes they do have multiple surveillances at different angles.

Rep. Kretschmar: Over the years that ND has allowed charitable 21 quite a few of the players have gotten smarter. Knowledgeable players would like to bet \$5. That is why this proposed amendment I am going to vote no.

Chairman K. Koppelman: I have generally been against gambling in ND. I view this more of an inflation catchup than I do an expansion.

Voice vote carried.

Do Pass As Amended motion made by Rep. Lois Delmore: Seconded by Rep. Maragos

Discussion: None

Roll Call Vote: 12 Yes 1 No 0 Absent Carrier: Rep. Lois Delmore:

15.0590.01001
Title.02000

Adopted by the Judiciary Committee

February 10, 2015

SP
g/hons

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1161

Page 1, line 9, replace "five" with "three"

Renumber accordingly

Date: 2-10-15
Roll Call Vote #: 1

2015 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1161

House JUDICIARY Committee

☐ Subcommittee ☐ Conference Committee

Amendment LC# or Description: 15.0590.01001.02000

Recommendation: ☒ Adopt Amendment
☐ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation
☐ As Amended ☐ Rerefer to Appropriations
Other Actions: ☐ Reconsider ☐

Motion Made By Rep. L. Delmore Seconded By K. Wallman

Representative	Yes	No	Representative	Yes	No
Chairman K. Koppelman			Rep. Pamela Anderson		
Vice Chairman Karls			Rep. Delmore		
Rep. Brabandt			Rep. K. Wallman		
Rep. Hawken					
Rep. Mary Johnson					
Rep. Klemin					
Rep. Kretschmar					
Rep. D. Larson					
Rep. Maragos					
Rep. Paur					

Total (Yes) No

Absent

Floor Assignment

If the vote is on an amendment, briefly indicate intent:

Date: 2-10-15
Roll Call Vote #: 2

2015 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1161

House JUDICIARY Committee

☐ Subcommittee ☐ Conference Committee

Amendment LC# or Description: 15.0590.01001.02000

Recommendation: ☒ Adopt Amendment
☒ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation
☒ As Amended ☐ Rerefer to Appropriations
Other Actions: ☐ Reconsider ☐

Motion Made By Rep. Delmore Seconded By Rep. Maragos

Representative	Yes	No	Representative	Yes	No
Chairman K. Koppelman	✓		Rep. Pamela Anderson	✓	
Vice Chairman Karls	✓		Rep. Delmore	✓	
Rep. Brabandt	✓		Rep. K. Wallman	✓	
Rep. Hawken	✓				
Rep. Mary Johnson	✓				
Rep. Klemin	✓				
Rep. Kretschmar	✓				
Rep. D. Larson		✓			
Rep. Maragos	✓				
Rep. Paur	✓				

Total (Yes) 12 No 1

Absent 0

Floor Assignment Rep. Delmore

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

HB 1161: Judiciary Committee (Rep. K. Koppelman, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (12 YEAS, 1 NAYS, 0 ABSENT AND NOT VOTING). HB 1161 was placed on the Sixth order on the calendar.

Page 1, line 9, replace "five" with "three"

Renumber accordingly

2015 SENATE JUDICIARY

HB 1161

2015 SENATE STANDING COMMITTEE MINUTES

Judiciary Committee
Fort Lincoln Room, State Capitol

HB 1161
3/9/2015
24455 & 24479

☐ Subcommittee
☐ Conference Committee

Committee Clerk Signature



Minutes:

1,2,3

Job 24455 begins.

Ch. Hogue: We will open the hearing on HB 1161.

Rep. Andy Maragos: Sponsor, support. I introduced this bill on behalf of the Charitable Gaming Association of ND. They seek to change the minimum limit of an original wager for the game of black jack or 21.

Todd Kranda, Charitable Gaming Association of ND: Support (see attached #1 and #2).

Ch. Hogue: You handed out a summary of the Attorney General's Use contributions. Can you tell us what those amounts are in the check amount column?

Todd Kranda: The categories are established by the AG's Gaming Division. They can probably provide further explanation. The description is, obviously, the type of a charitable purpose that is being contributed towards, for instance the abused is the first line, the amount would be the \$115,821 and then there is a percentage, grand total. So that out of all the charitable gaming revenues that are available for charitable purposes, it is my understanding that 6/10's of all the funds are used for that purpose of the abused. You would go through all of these categories and they do have them broken down into different types of sections. For instance, (b) is religious; (c) looks like educational aspects; (d) you have the Camp Grassick, Legion baseball, etc. It totals it up at the very end and you have a total of all contributions for 2014 on the very last page just before the end of the report; \$18,282,492 was contributed back towards the various charitable purposes throughout the communities in the state of ND. I believe that's how to interpret it.

Ch. Hogue: Is the check amount total the total that is given to the charitable organizations, that they received.

Todd Kranda: That's the amount that the organization put toward that purpose. Those are the funds that are actually received by that organization.

Sen. Armstrong: So the two tables, does it mean you have to set a table at no higher than \$3.00 but the other table can be set at \$10.00.

Todd Kranda: That's correct. For instance, if you have two tables, one of them has to be at the minimum, \$1-3 if this bill passes, and the other one could be at a different level anywhere up to \$25.00, depending on upon the demand of your players and that different site. That is the intent.

Ch. Hogue: Thank you. Further testimony in support.

Don Santer, ND Association for the Disabled, on behalf of Charitable Gaming Association of ND: Support (see attached #3).

Sen. Grabinger: I played a little black jack. If this is taking into consideration that one person \$1 on one spot. The chances of operating a table too long like that, you wouldn't be in business any way. Plus there are double downs, splits in the game of black jack. When you say this \$59.00 and a \$53.00 loss that is somewhat misleading, because you are going to have more than one person at the table, but you're figuring on one person.

Don Santer: Actually, we figured that for 7 players for an 8 hour shift, all betting \$1.00; you are correct that the chances of all 7 players betting only \$1 does not happen all the time. We needed a place to start.

Sen. Nelson: Are there a lot of folks that come in and want to play \$10.00 black jack.

Don Santer: Yes, there are quite a few people that want to come in and play at higher levels. We have a good portion of the players may not sit down at a table that has \$1 players playing the whole night. They want to play at higher stakes. Generally, they feel that a person playing for a \$1 is probably not as experienced and would take the cards that they want.

Sen. Nelson: But there is still a limit of \$25 at a table.

Don Santer: Yes.

Sen. Casper: When was the cap on the maximum amount of \$25 set? In the early '80s.

Deb McDaniel, AG's Office: It went from \$5.00 to \$25.00 in 2002.

Ch. Hogue: Thank you. Further testimony in support.

Jon Jorgenson, Sharehouse, Inc.: Support. The numbers that were given, the expected house income, if all players were betting \$1, in 7 spaces, is actually \$8.40/hour. That does include if players are doubling down and such. Those numbers come from Jim Kilby, at the University of Nevada, Las Vegas. The number is arrived at, it is based on 60 hands an hour, \$7.00 average wager, times a 2% house advantage, which is actually higher than what the normal advantage would be if players were all extremely savvy and knew exactly what they were doing. That's where that number was arrived at. As far as the reason that I support this bill, I was the gaming manager for the Boys and Girls Club in Fargo. It was operating a site at Borrowed Bucks, which was a four table black jack site. It did not have a lot of other income from things like pull tabs, we didn't have a big wheel, and there wasn't BINGO. That site was actually closed, people lost jobs because of that. Most of the times, we would be operating with two tables that were primarily \$1 players and as you have seen from these numbers, it is expected that you do not turn a profit if you have players betting between \$1 to \$3 average wager.

Ch. Hogue: Can you tell us how many gaming sites have more than one table.

J. Jorgenson: As far as the state is concerned, I couldn't answer that. As far as Fargo, which is where I operate them, I would say that half of the locations are one table or two table max.

Ch. Hogue: Thank you. Further testimony in support. Testimony in opposition. Neutral testimony.

Deb McDaniel, Director of the Gaming Division in the Office of Attorney General: Neutral.

Ch. Hogue: Can you answer the question about the total number of gaming sites that offer black jack. How many have more than one table; what percentage.

D. McDaniel: Basically, all the rural communities usually only have one table. It is the cities, Dickinson, Bismarck, Fargo, and Williston that have sites where there could be more than one table. We've seen a maximum of 8 tables at certain sites that they are paying rent for. That's the information also; we wouldn't have that direct information in our office. All we have is information on what amount of rent they paid per table. If they aren't paying rent on a table, we wouldn't know how many tables are in a site.

Ch. Hogue: The check amount that is listed in attached 2, can you confirm what that dollar figure is. What does that mean?

D. McDaniel: It means that out of all the charitable organizations, which there are about 350 charitable organizations; they are required to give a certain percentage of their adjusted gross to other charities. Out of those charities, this is the description of the charity and the check amount is the amount that's been given to that type of charity from all of the gaming organizations for the fiscal year of 2014. That's reported on their gaming tax returns.

Sen. Luick: I had a constituent that wanted to raise the limits on Texas Hold'em and a few other card games and I was told that is something that's established, those limits are established between the organization itself and the Governor's office.

D. McDaniel: That's not true. It is with the Attorney General's office.

Sen. Luick: Can you just briefly describe how that happens. How are the limits established? I was told these were on a 10 year contract.

D. McDaniel: No, the information you received is not correct. I can give more information on the poker rules and regulations; I don't have them with me right now. You can come by my office and I can explain it. Poker can only be conducted twice a year per organization and there are administrative rules that dictate what they can and cannot do.

Ch. Hogue: Thank you. Further neutral testimony. We will close the hearing.

Job 24455 ends. Job 24479 begins.

Ch. Hogue: What are the committee's wishes in regard to HB 1161?

Sen. Armstrong: I move a Do Pass.

Sen. Luick: Second the motion.

6 YES 0 NO 0 ABSENT DO PASS CARRIER: Sen. Armstrong

Date: 3/9/15
Roll Call Vote #: 1

2015 SENATE STANDING COMMITTEE
ROLL CALL VOTE
BILL/RESOLUTION NO. 1161

Senate

JUDICIARY

Committee

☐ Subcommittee

Amendment LC# or
Description: _____

Recommendation: ☐ Adopt Amendment
☒ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation
☐ As Amended ☐ Rerefer to Appropriations
☐ Place on Consent Calendar

Other Actions: ☐ Reconsider ☐ _____

Motion Made By Sen. Armstrong Seconded By Sen. Luick

Senators	Yes	No	Senators	Yes	No
Chairman Hogue	✓		Sen. Grabinger	✓	
Sen. Armstrong	✓		Sen. C. Nelson	✓	
Sen. Casper	✓				
Sen. Luick	✓				

Total (Yes) 6 No 0

Absent 0

Floor
Assignment Sen. Armstrong

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

HB 1161, as engrossed: Judiciary Committee (Sen. Hogue, Chairman) recommends DO PASS (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1161 was placed on the Fourteenth order on the calendar.

2015 TESTIMONY

HB 1161

#1
HB 1161
1-20-15
FJ1

HOUSE BILL 1161
HOUSE JUDICIARY COMMITTEE
TESTIMONY SUBMITTED BY DON SANTER
CHARITABLE GAMING ASSOCIATION OF ND
JANUARY 20TH, 2015

HB 1161 has two amendments regarding North Dakota charitable blackjack.

1. ALLOWS THE BLACKJACK MINIMUM OFFERED TO RANGE FROM \$1 TO \$5.

- Currently the minimum blackjack limit a charity has to offer is \$1. This has been the required minimum since the inception of blackjack in 1982, over 30 years ago.
- The cost of a \$1 blackjack chip is approximately \$2. If a player leaves with a chip it is an immediate loss for the charity of \$1.
- Operating a blackjack table for only \$1 bets generates a loss.
 - The **minimum** cost to operate a blackjack table for an eight hour shift is approximately \$112.
 - ND Century Code requires 40% of the Revenue to be used for charitable purposes, leaving 60% for expenses.

Activity for Eight Hour Shift	\$1 Bet	\$3 Bet	\$5 Bet
Revenue Generated	\$ 59	\$176	\$294
Cost to Operate Table	\$112	\$120	\$128
Profit/Loss before	(\$53)	\$ 56	\$166
ND Century Code - 40% requirement	\$24	\$ 70	\$118
Revenue needed from other sources	\$77	\$ 14	\$ 0

2. ADJUSTS ALLOWABLE NUMBER OF TABLES AT A HIGHER MINIMUM.

- Currently 50% or more tables at a site have to be at the legally required minimum.
- Proposed bill will require each charitable site to have one table at the legally required minimum.
- Charities set the minimum wager per table based on demand.

Please give **HB 1161** a favorable **Do Pass** recommendation. Thank you.

#2
HB 1161
1-20-15
pg 1

House Judiciary Committee
House Bill No. 1161
Wagers for the game of Twenty-one
1/20/15

Mr. Chairman and members of the Committee, my name is Deb McDaniel. I am the Director of the Gaming Division with the Office of Attorney General.

The Office of Attorney General takes a neutral stance on this bill.

Currently minimum wagers of \$1 must be accepted up to the maximum wager per table and the minimum wager of \$1 must be accepted on ½ of the active tables. Historically the original wager has been a minimum of \$1.

History of bet limitations on the game of Twenty-one

Prior to 1989 the max wager per table was \$2 with wagers of \$1 accepted up to max - percent of hold for organizations was steady at 26%

1989 up to \$5 max wagers began with increments of \$1 to be accepted up to max - percent of hold dropped to average of 18%

2001 up from \$5 to \$25 max wagers with increments of \$1 accepted up to max - percent of hold dropped to average of 15%

2003 Same bet limits however added that if more than one table that is active at a site, the organization may set a minimum wager on no more than one-half the active tables - percent of hold is between 13% and 15%

Current Regulation for Twenty-one not affected by this change;

Except for an organization's site that has twenty-one gross proceeds averaging less than ten thousand dollars per quarter, no organization may conduct twenty-one at an authorized site with wagers exceeding two dollars unless the organization has first installed video surveillance equipment as required by rules and the equipment is approved by the attorney general.

N.D.C.C. § 53-06.1-11(5)(a) (Gross proceeds – Allowable expenses – Rent limits)

- a. If twenty-one or paddlewheels is conducted, the monthly rent may not exceed two hundred dollars multiplied by the necessary number of tables based on criteria prescribed by gaming rule. For each twenty-one table with a wager greater than five dollars, an additional amount up to one hundred dollars may be added to the monthly rent. If pull tabs is also conducted involving a jar bar or dispensing device, but not both, the monthly rent for pull tabs may not exceed an additional one hundred seventy-five dollars. If pull tabs is conducted involving both a jar bar and dispensing device, the monthly rent for pull tabs may not exceed an additional two hundred dollars.

#3
HB 1161
1-20-15
Pg 1

NORTH DAKOTA GAMES OF CHANCE

ANALYSIS OF GAMING ACTIVITY For the Fiscal Year Ended June 30, 2014

	Gross Proceeds	Prizes	Adjusted Gross Proceeds
Bingo	\$27,460,749	\$22,606,368	\$4,854,381
Quick Shot Bingo	6,311,439	5,401,914	909,525
Raffles	7,482,938	3,244,607	4,238,331
Pull Tabs (Jar Bar)	78,481,471	62,277,102	16,204,369
Pull Tabs (Dispensing Devices)	67,923,006	52,504,605	15,418,401
Club Specials, Tip Seal, & Punch Boards	223,228	172,459	50,769
Prize Boards	413,900	309,712	104,188
Prize Boards - Dispensing Device	710,704	538,085	172,619
Sports Pools	111,660	87,795	23,865
Twenty-one	81,756,275	69,823,520	11,932,755
Calcuttas	242,720	194,175	48,545
Paddlewheels	181,765	122,645	59,120
Paddlewheels used with a table	7,374,976	5,553,741	1,821,235
Poker	1,066,352	843,534	222,818
Other - Interest Earned/Cash Long/21 Tournament	23,106	0	23,106
Totals	\$279,764,289	\$223,680,262	\$56,084,027
Less: Gaming Tax			\$3,363,601
Federal Excise Tax			93,037
Total Adjusted Gross Proceeds			\$52,627,389
Less: Allowable Expenses			31,576,859
Net Proceeds Earned			\$21,050,530
Eligible Use Contributions			\$18,237,214

SUMMARY OF GAMING ACTIVITY

For the Period April 1, 1977 through June 30, 2013

Gross Proceeds	\$8,023,175,446	
Prizes	6,417,229,367	
Adjusted Gross Proceeds		\$1,605,946,079
Less: Gaming Tax After June 30, 2011	\$14,140,612	
ND Excise Tax	\$146,239,816	
Federal Excise Tax	2,834,846	
Bingo Excise Tax	31,880,593	
		\$195,095,867
Total Adjusted Gross Proceeds		\$1,410,850,212
Less: Gaming Tax Prior July 1, 2011	\$82,989,835	
Allowable Expenses	761,459,514	
Total Deductible Expenses		\$844,449,349
Net Proceeds Earned		\$566,400,863

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NORTH DAKOTA GAMES OF CHANCE

ANALYSIS OF GAMING ACTIVITY

For the Fiscal Year Ended June 30, 2013

	Gross Proceeds	Prizes	Adjusted Gross Proceeds
Bingo	\$28,659,339	\$23,047,425	\$5,611,914
Quick Shot Bingo	7,491,378	6,383,428	1,107,950
Raffles	5,866,092	2,561,593	3,304,499
Pull Tabs (Jar Bar)	84,164,823	66,680,615	17,484,208
Pull Tabs (Dispensing Devices)	69,790,043	53,933,443	15,856,600
Club Specials, Tip Seal, Punch, & Prize Boards	611,314	453,922	157,392
Prize Boards - Dispensing Device	633,561	479,866	153,695
Sports Pools	124,675	95,985	28,690
Twenty-one	84,230,580	71,193,518	13,037,062
Calcuttas	222,180	182,946	39,234
Paddlewheels	157,960	100,413	57,547
Paddlewheels used with a table	7,638,885	5,823,458	1,815,427
Poker	1,079,308	863,800	215,508
Other - Interest Earned/Cash Long/21 Tournament	10,265	0	10,265
Totals	\$290,680,403	\$231,800,412	\$58,879,991
Less: Gaming Tax			\$5,357,689
Federal Excise Tax			97,377
Total Adjusted Gross Proceeds			\$53,424,925
Less: Allowable Expenses			32,056,148
Net Proceeds Earned			\$21,368,777
Eligible Use Contributions			\$16,278,457

SUMMARY OF GAMING ACTIVITY

For the Period April 1, 1977 through June 30, 2013

Gross Proceeds	\$7,743,411,157	
Prizes	6,193,549,105	
Adjusted Gross Proceeds		\$1,549,862,052
Less: Gaming Tax After June 30, 2011	\$10,777,011	
ND Excise Tax	\$142,876,215	
Federal Excise Tax	2,741,809	
Bingo Excise Tax	31,880,593	
Total Adjusted Gross Proceeds		\$188,275,628
		\$1,361,586,424
Less: Gaming Tax Prior July 1, 2011	\$82,989,835	
Allowable Expenses	729,882,655	
Total Deductible Expenses		\$812,872,490
Net Proceeds Earned		\$548,713,934

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NORTH DAKOTA GAMES OF CHANCE

ANALYSIS OF GAMING ACTIVITY For the Fiscal Year Ended June 30, 2012

	Gross Proceeds	Prizes	Adjusted Gross Proceeds
Bingo	\$38,988,763	\$31,705,401	\$7,283,362
Raffles	6,260,179	2,557,857	3,702,322
Pull Tabs (Jar Bar)	86,153,244	68,160,029	17,993,215
Pull Tabs (Dispensing Devices)	68,549,916	52,977,885	15,572,031
Club Specials, Tip Boards, Coin Boards, & Seal Boards	1,187,939	886,021	301,918
Punchboards	3,900	3,085	815
Sports Pools	104,836	82,382	22,454
Twenty-one	83,416,322	70,624,020	12,792,302
Calcuttas	236,513	201,461	35,052
Paddlewheels	177,543	109,796	67,747
Paddlewheels used with a table	7,582,816	5,799,713	1,783,103
Poker	1,058,823	842,075	216,748
Other - Interest Earned/Cash Long/21 Tournament	20,549	0	20,549
Totals	\$293,741,343	\$233,949,725	\$59,791,618
Less: Gaming Tax			\$5,419,322
Federal Excise Tax			102,012
Total Adjusted Gross Proceeds			\$54,270,284
Less: Allowable Expenses			32,562,175
Net Proceeds Earned			\$21,708,109
Eligible Use Contributions			\$17,576,660

SUMMARY OF GAMING ACTIVITY For the Period April 1, 1977 through June 30, 2012

Gross Proceeds	\$7,452,730,754	
Prizes	5,961,748,693	
Adjusted Gross Proceeds		\$1,490,982,061
Less: Gaming Tax After June 30, 2011	\$5,419,322	
ND Excise Tax	\$137,518,526	
Federal Excise Tax	2,644,432	
Bingo Excise Tax	31,880,593	
		\$177,462,873
Total Adjusted Gross Proceeds		\$1,313,519,188
Less: Gaming Tax Prior July 1, 2011	\$82,989,835	
Allowable Expenses	697,826,507	
Total Deductible Expenses		\$780,816,342
Net Proceeds Earned		\$532,702,846

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NORTH DAKOTA GAMES OF CHANCE

ANALYSIS OF GAMING ACTIVITY

For the Fiscal Year Ended June 30, 2011

	Gross Proceeds	Prizes	Adjusted Gross Proceeds
Bingo	\$36,697,981	\$29,832,766	\$6,865,215
Raffles	5,668,923	2,354,687	3,314,236
Pull Tabs (Jar Bar)	80,587,708	63,721,629	16,866,079
Pull Tabs (Dispensing Devices)	60,181,513	46,551,646	13,629,867
Club Specials, Tip Boards, Coin Boards, & Seal Boards	1,028,651	771,458	257,193
Punchboards	4,296	3,384	912
Sports Pools	109,832	87,544	22,288
Twenty-one	73,068,444	61,602,472	11,465,972
Calcuttas	200,194	170,818	29,376
Paddlewheels	193,604	118,089	75,515
Paddlewheels used with a table	5,246,566	3,833,051	1,413,515
Poker	1,000,924	807,588	193,336
Totals	\$263,988,636	\$209,855,132	\$54,133,504

Plus: Interest Earned & Cash Long (Short) \$32,170

Less: ND Excise Tax \$4,125,120
Federal Excise Tax 94,705
Bingo Excise Tax 1,067,914
\$5,287,739

Total Adjusted Gross Proceeds \$48,877,935

Less: ND Gaming Tax \$3,123,262
Allowable Expenses 28,029,397
Total Deductible Expenses \$31,152,659

Net Proceeds Earned \$17,725,276

Eligible Use Contributions \$17,746,800

SUMMARY OF GAMING ACTIVITY

For the Period April 1, 1977 through June 30, 2011

Gross Proceeds	\$7,158,989,411	
Prizes	5,727,798,968	
Adjusted Gross Proceeds		\$1,431,190,443
Plus: Interest Earned, Cash Long(Short), & Poker		(\$134,144)
Less: ND Excise Tax	\$132,099,204	
Federal Excise Tax	2,542,420	
Bingo Excise Tax	31,880,593	
		\$166,522,217
Total Adjusted Gross Proceeds		\$1,264,534,082
Less: ND Gaming Tax	\$82,989,835	
Allowable Expenses	665,264,332	
Total Deductible Expenses		\$748,254,167
Net Proceeds Earned		\$516,279,915

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NORTH DAKOTA GAMES OF CHANCE

ANALYSIS OF GAMING ACTIVITY For the Fiscal Year Ended June 30, 2010

	Gross Proceeds	Prizes	Adjusted Gross Proceeds
Bingo	\$31,976,605	\$25,319,334	\$6,657,271
Raffles	4,348,675	1,909,129	2,439,546
Pull Tabs (Jar Bar)	79,305,540	62,606,258	16,699,282
Pull Tabs (Dispensing Devices)	56,136,198	43,444,022	12,692,176
Club Specials, Tip Boards, Coin Boards, & Seal Boards	1,014,680	740,156	274,524
Punchboards	6,896	5,169	1,727
Sports Pools	128,955	102,923	26,032
Twenty-one	70,087,344	59,025,988	11,061,356
Calcuttas	194,855	164,871	29,984
Paddlewheels	180,040	102,936	77,104
Paddlewheels used with a table	5,185,002	3,868,029	1,316,973
Poker	882,088	709,118	172,970
Totals	\$249,446,878	\$197,997,933	\$51,448,945

Plus: Interest Earned & Cash Long (Short) \$21,526

Less: ND Excise Tax \$3,969,763
Federal Excise Tax 91,018
Bingo Excise Tax 930,528
\$4,991,309

Total Adjusted Gross Proceeds \$46,479,162

Less: ND Gaming Tax \$2,989,120
Allowable Expenses 26,736,519
Total Deductible Expenses \$29,725,639

Net Proceeds Earned \$16,753,523

Eligible Use Contributions \$18,999,916

SUMMARY OF GAMING ACTIVITY For the Period April 1, 1977 through June 30, 2010

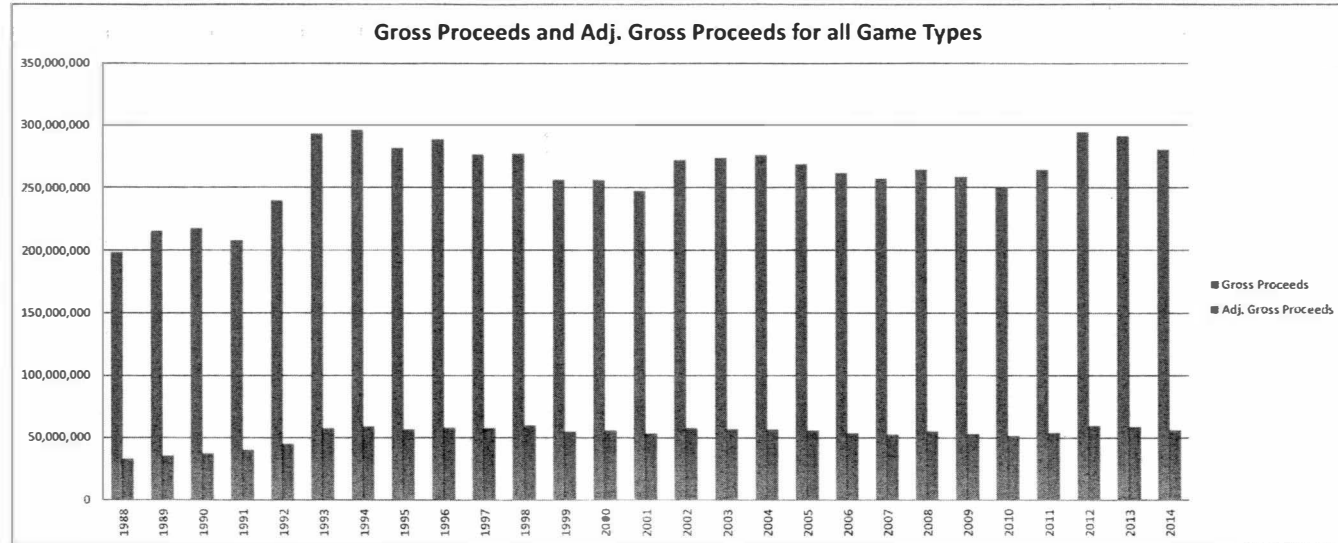
Gross Proceeds	\$6,895,000,775	
Prizes	5,517,943,836	
Adjusted Gross Proceeds		\$1,377,056,939
Plus: Interest Earned, Cash Long(Short), & Poker		(\$166,314)
Less: ND Excise Tax	\$127,974,084	
Federal Excise Tax	2,447,715	
Bingo Excise Tax	30,812,679	
		\$161,234,478
Total Adjusted Gross Proceeds		\$1,215,656,147
Less: ND Gaming Tax	\$79,866,573	
Allowable Expenses	637,234,935	
Total Deductible Expenses		\$717,101,508
Net Proceeds Earned		\$498,554,639

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Gross Proceeds and Adjusted Gross Proceeds as Reported on the Charitable Gaming Tax Returns
Fiscal years 1988 - 2014

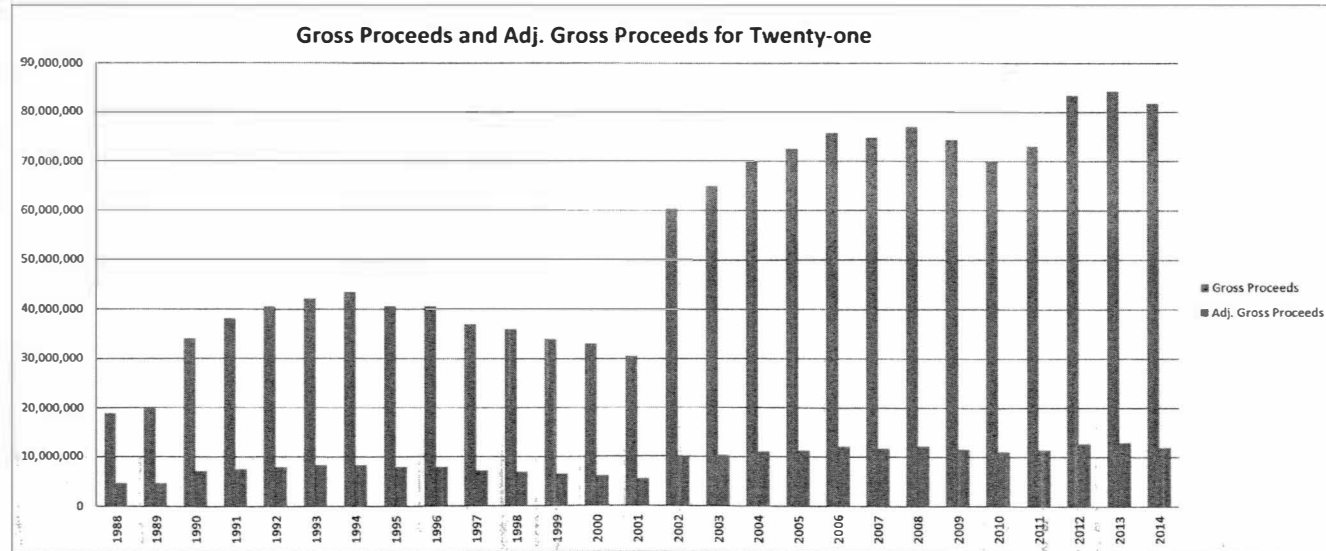
For All Game Types

Rank	FY Year	Gross Proceeds	Rank	Adj. Gross Proceeds
	1988	198,267,000		32,956,836
	1989	215,409,000		35,542,142
	1990	217,204,000		37,510,821
	1991	207,820,000		40,067,616
	1992	239,349,000		45,043,080
3	1993	292,660,000		57,570,258
1	1994	295,714,000	3	59,053,350
	1995	281,241,000		56,573,287
5	1996	288,101,000	5	58,015,556
	1997	276,079,000		57,965,737
	1998	276,557,000	1	59,900,625
	1999	255,708,000		54,950,728
	2000	255,718,000		56,001,297
	2001	246,863,000		53,406,887
	2002	271,311,000		57,867,108
	2003	273,308,000		56,936,939
	2004	275,455,000		56,709,214
	2005	268,352,000		55,857,214
	2006	261,429,000		53,809,860
	2007	256,633,000		52,854,171
	2008	264,033,000		55,156,229
	2009	258,306,000		53,293,768
	2010	249,447,000		51,448,945
	2011	263,989,000		54,133,504
2	2012	293,741,000	2	59,791,618
4	2013	290,680,000	4	58,879,991
	2014	279,764,289		56,084,027



For the Game of Twenty-one

Rank	FY Year	Gross Proceeds	Rank	Adj. Gross Proceeds
	1988	18,988,109		4,675,457
	1989	20,078,861		4,679,205
	1990	34,103,524		7,204,210
	1991	38,167,557		7,560,590
	1992	40,709,019		7,981,236
	1993	42,231,666		8,381,039
	1994	43,524,606		8,377,729
	1995	40,712,984		7,963,050
	1996	40,575,893		7,891,318
	1997	36,939,329		7,169,096
	1998	36,011,166		6,946,974
	1999	33,964,914		6,481,359
	2000	33,105,208		6,139,465
	2001	30,558,625		5,587,334
	2002	60,352,077		10,054,895
	2003	65,027,932		10,379,970
	2004	69,919,711		11,077,734
	2005	72,618,473		11,346,016
5	2006	75,769,192	4	12,179,910
	2007	74,843,928		11,760,902
4	2008	77,014,739	3	12,235,898
	2009	74,349,285		11,569,677
	2010	70,087,344		11,061,356
	2011	73,068,444		11,465,972
2	2012	83,416,322	2	12,792,302
1	2013	84,230,580	1	13,037,062
3	2014	81,756,275	5	11,932,755



NDLA, H JUD - Shimek, Delores

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From: Stuart Savelkoul <Stuart.Savelkoul@ndunited.org>
Sent: Tuesday, January 20, 2015 1:17 PM
To: NDLA, H JUD - Shimek, Delores
Subject: To: Delores Shimek

To: Delores Shimek
Testimony before the House Judiciary Committee re: HB 1157
Stuart Savelkoul, Assistant Executive Director, North Dakota United

Written below is a rough outline of the testimony I delivered to the Committee this morning. It, obviously, is not a verbatim transcript.

Good morning Chairman Koppelman and members of the committee. My name is Stuart Savelkoul and I am here today representing the interests of the 11,000 members of North Dakota United. We would respectfully ask that you assign a "Do Not Pass" recommendation to this bill on behalf of our public employee members.

The Capitol Building employs hundreds of state employees. Every day thousands of people walk through the halls of this building. To permanently adjust a policy relating to safety to address concerns that exist for 80 days every other year is troubling.

Because this bill does not limit the scope to just state legislators, it opens the door for the possibility of a state employee, who also serves on the local Park Board, to have the ability to carry a concealed weapon at work while his coworkers, subordinates, or supervisors do not.

Safety is important and so is the feeling of safety. We have had members voice concern to us that this bill will make them feel less safe at work.

Finally, we are troubled by the fact that we have heard no supporting testimony that shows consideration, discussion, or dialogue have occurred between the sponsors of this bill and the public employees who work in the public buildings that would be impacted by the passage of this bill.

Thank you for your time and I will stand for any questions that you might have.

Stuart Savelkoul
Assistant Executive Director
North Dakota United
301 N 4th Street, Bismarck ND 58501
701-223-0450; 800-369-6332; 701-934-1588 (cell)

Great Public Schools – Great Public Service

Testimony in Support of Engrossed HB 1161
Senate Judiciary Committee
March 9, 2015

Chairman Hogue and Senate Judiciary Committee members, my name is Todd D. Kranda. I am an attorney with the law firm of Kelsch Kelsch Ruff & Kranda in Mandan and I appear before you today as a lobbyist on behalf of the Charitable Gaming Association of North Dakota (CGAND) to express support for Engrossed HB 1161.

Initially I would like to provide you with some brief background information on CGAND which is a statewide association of charitable gaming organizations. CGAND has a diverse membership varying from clubs to small charitable gaming organizations in all regions of North Dakota. The mission of CGAND is to "Preserve gaming as a funding source for charitable purposes." There are numerous programs, services and worthy causes that are supported by charitable gaming. For your reference I have included a handout with a Summary of Eligible Use Contributions for the 2014 Fiscal Year. This information was obtained from the ND Attorney General Gaming Division.

Individuals from CGAND and its member organizations are here this morning to testify in support of HB 1161 and explain the need for and impact of this legislation. However, before they do I would like to briefly identify that there are two changes requested within HB 1161. The primary change is to allow the minimum wager for blackjack to be set by the organization in the range of \$1 up to \$3. The other change is to require at least one table at the minimum wager while allowing any other tables to be at a higher wager limit. Both of these will be based on customer demand and preference.

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In conclusion, on behalf of CGAND I ask for your favorable consideration of this legislation and in doing so, I also ask for your support of the local charities that would benefit from this legislation. As stated others are here from the charitable gaming industry to testify and respond to any specific questions. However, before I introduce each of them I would be willing to try to answer any questions at this time.

Please give **HB 1161** a favorable **DO PASS** recommendation.

User: DMCDANIE

North Dakota Office of Attorney General
Summary of Eligible Use Contributions

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Fiscal Year: 2014
Quarter: All

Eligible Code	Description	Check Amount	% of Grand Total
A-02	THE ABUSED	115,821	0.6
A-03	ALCOHOL AND DRUG ABUSE	6,126	0.0
A-04	ANIMAL PROTECTION	10,537	0.1
A-05	ALZHEIMERS	4,146	0.0
A-07	THE BLIND	14,911	0.1
A-08	CANCER	122,118	0.7
A-11	CYSTIC FIBROSIS	263,877	1.4
A-12	DIABETES	12,500	0.1
A-15	THE DISABLED	130,685	0.7
A-18	HEART DISEASE	4,250	0.0
A-20	LEARNING DISABILITIES	1,650	0.0
A-24	MENTAL HEALTH	304,302	1.7
A-25	MULTIPLE SCLEROSIS	50	0.0
A-26	MUSCULAR DYSTROPHY	1,825	0.0
A-27	THE NEEDY	159,796	0.9
A-28	PARALYSIS	1,250	0.0
A-29	DEVELOPMENTALLY DISABLED CITIZENS	1,078,708	5.9
A-30	SENIOR CITIZENS	211,031	1.2
A-32	TERMINALLY ILL	43,270	0.2
A-36	WILDLIFE	418,532	2.3
A-37	YOUTH ACTIVITIES	3,986,968	21.8
A-46	ADULT ACTIVITIES	250,424	1.4
A-47	HEAD INJURIES	3,125	0.0
A-58	HOME ON THE RANGE	22,980	0.1
A-61	MARCH OF DIMES	1,550	0.0
A-64	MEALS ON WHEELS	8,920	0.0
A-65	MEDICAL FACILITIES NON-PROFIT	158,780	0.9
A-67	MEMORIAL FUNDS	5,855	0.0
A-70	NURSING HOMES NON-PROFIT	55,327	0.3
A-80	RONALD MCDONALD HOUSE	5,500	0.0
A-81	RED CROSS	650	0.0
A-82	SALVATION ARMY	13,150	0.1
A-88	SPECIAL OLYMPICS	142,269	0.8
A-90	DISASTER RELIEF ORGANIZATIONS	6,110	0.0
A-91	UNITED FUND/UNITED WAY	4,000	0.0
A-94	YMCA/YWCA	8,075	0.0
A-97	VOLUNTEER SERVICES	18,740	0.1
A-99	OTHER	68,663	0.4

Subtotal Of Contributions: \$7,666,471 Percent to Grand Total: 41.9%

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North Dakota Office of Attorney General
Summary of Eligible Use Contributions

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Fiscal Year: 2014
Quarter: All

Eligible Code	Description	Check Amount	% of Grand Total
B-10	RELIGIOUS USES	284,130	1.6
Subtotal Of Contributions:		\$284,130	Percent to Grand Total: 1.6%

Eligible Code	Description	Check Amount	% of Grand Total
C-10	AGRICULTURE	24,655	0.1
C-20	THE ARTS	389,556	2.1
C-25	EDUCATIONAL PUBLIC SERVICES	942,491	5.2
C-30	SAFETY	22,700	0.1
C-40	4-H ACTIVITIES	35,758	0.2
C-50	EDUCATIONAL INSTITUTIONS AND A	1,118,192	6.1
C-75	PERSERVATION OF CULTURAL HERIT	384,102	2.1
C-80	SCHOLARSHIPS	1,269,463	6.9
C-90	VOCATIONAL WORKSHOPS	10,628	0.1
C-99	OTHER	20,762	0.1
Subtotal Of Contributions:		\$4,218,307	Percent to Grand Total: 23.1%

Eligible Code	Description	Check Amount	% of Grand Total
D-10	CAMP GRASSICK	7,989	0.0
D-20	FRATERNAL FOUNDATIONS	129,182	0.7
D-30	LEGION BASEBALL	334,441	1.8
D-40	VETERAN'S CEMETARY	32,685	0.2
D-50	DISABLED OR INJURED VETERANS A	73,479	0.4
D-60	MILITARY FAMILY SUPPORT	49,145	0.3
D-99	OTHER	26,161	0.1
Subtotal Of Contributions:		\$653,082	Percent to Grand Total: 3.6%

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North Dakota Office of Attorney General
Summary of Eligible Use Contributions

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Fiscal Year: 2014
Quarter: All

Eligible Code	Description	Check Amount	% of Grand Total
E-10	SCOUTING ACTIVITIES AND BOYS O	77,436	0.4
E-30	COMMUNITY BANDS, COLOR AND HONOR GUARDS, FLAG	380,265	2.1
E-99	OTHER	14,251	0.1
Subtotal Of Contributions:		\$471,952	Percent to Grand Total: 2.6%

Eligible Code	Description	Check Amount	% of Grand Total
F-10	ERECTION OR MAINTENANCE OF PUB	362,562	2.0
Subtotal Of Contributions:		\$362,562	Percent to Grand Total: 2.0%

Eligible Code	Description	Check Amount	% of Grand Total
G-10	COMMUNITY EMERGENCY SERVICES	921,870	5.0
G-15	DISBURSEMENTS DIRECTLY TO A CI	355,051	1.9
G-25	IMPROVEMENT OF PUBLIC AREAS	146,969	0.8
G-50	PARKS AND RECREATION	1,417,552	7.8
G-60	LAW ENFORCEMENT	32,194	0.2
G-99	OTHER	29,200	0.2
Subtotal Of Contributions:		\$2,902,836	Percent to Grand Total: 15.9%

Eligible Code	Description	Check Amount	% of Grand Total
H-00	LOSS OF THE HOME VICTIMS	17,031	0.1
Subtotal Of Contributions:		\$17,031	Percent to Grand Total: 0.1%

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North Dakota Office of Attorney General
Summary of Eligible Use Contributions

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Fiscal Year: 2014
Quarter: All

Eligible Code	Description	Check Amount	% of Grand Total
I-00	SUFFERERS OF SERIOUS DISABLING	271,248	1.5
Subtotal Of Contributions:		\$271,248	Percent to Grand Total: 1.5%

Eligible Code	Description	Check Amount	% of Grand Total
K-10	ECONOMIC DEVELOPMENT	384,614	2.1
K-30	TOURISM	738,067	4.0
K-99	OTHER	312,192	1.7
Subtotal Of Contributions:		\$1,434,873	Percent to Grand Total: 7.8%

Eligible Code	Description	Check Amount	% of Grand Total
V-00	VOIDED CHECK	0	0.0
Subtotal Of Contributions:		\$0	Percent to Grand Total: 0.0%

Total Of All Contributions: \$18,282,492

--- End of Report ---

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**HOUSE BILL 1161
SENATE JUDICIARY COMMITTEE
TESTIMONY SUBMITTED BY DON SANTER
CHARITABLE GAMING ASSOCIATION OF ND
March 9, 2015**

House Bill 1161 has two amendments regarding North Dakota charitable blackjack.

1. ALLOWS THE BLACKJACK MINIMUM OFFERED TO RANGE FROM \$1 TO \$3.

- Currently the minimum blackjack limit a charity has to offer is \$1. This has been the required minimum since the inception of blackjack in 1981, over 30 years ago.
- The cost of a \$1 blackjack chip is approximately \$2. If a player leaves with a chip it is an immediate loss for the charity of \$1.
- Operating a blackjack table for only \$1 bets generates a loss for many organizations.
 - The **minimum** cost to operate a blackjack table for an eight hour shift is approximately \$112.
 - ND Century Code requires 40% of the Revenue to be used for charitable purposes, leaving 60% for expenses.

Activity for Eight Hour Shift	\$1 Bet	\$3 Bet
Revenue Generated	\$59	\$176
Cost to Operate Table	\$112	\$120
Profit/Loss	(\$53)	\$56

2. ADJUSTS ALLOWABLE NUMBER OF TABLES AT A HIGHER MINIMUM.

- Currently 50% or more tables at a site have to be at the legally required minimum.
- Proposed bill will require each charitable site to have one table at the legally required minimum.
- Charities set the minimum wager per table based on demand.