

Testimony on HB 1162, modernizing raffle laws in North Dakota

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Given to the N.D. House Judiciary Committee

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Good morning, Chairman Klemin and committee members. My name is Ryan Taylor and I'm the director of public policy for Ducks Unlimited in North and South Dakota, and Montana. I'm here to join our friends involved in North Dakota nonprofit fundraising and the community charitable organizations that support HB 1162 to modernize our raffle laws in the state. Some of you who served on the interim judiciary committee heard my testimony on the prospect of this issue at your Sept. 24 meeting. I'm attaching that prior testimony, and will just add a little story for today's discussion.

I went to my first Ducks Unlimited banquet in Towner at our VFW Hall when I was 12 years old. Dad's hometown banker, Jim Williams, bought my ticket knowing that I was an aspiring hunter and Jim bought tickets for several young outdoors enthusiasts like myself as part of his community giving. I still have the art print I won at that banquet. Now, 38 years later, I work for that same waterfowl habitat, hunting and conservation organization and it's more than 4,000 members in North Dakota. And I work with the same community minded DU volunteers like I saw at that first banquet when I was a kid. Volunteers, not only for DU, but for the local fire and ambulance, the parent teachers organizations, the hockey and wrestling parents, the fraternal philanthropies, faith-based groups, and more who serve their communities in so many ways, groups that could also benefit from HB 1162.

A lot of nonprofit organization's like ours have been around for decades, DU started in 1937, and while our missions have stayed much the same, how we fulfill our mission has changed and continues to change. When I was at that banquet with our banker, most of the adults probably had a checkbook from that bank and a register in their pocket, or a wallet with cash, and they did most of their business in person. Maybe they'd call a business first to check on the availability of a product, if it wasn't a long distance call. Or they'd mail in an order form for a catalog order that could be shipped to the local catalog outlet like the one we had for Montgomery Ward in Rugby. There was no thought of a world wide web, or the wallet having more debit or credit cards in it than cash in those days. Or being able to check your bank balance on an app or tap your phone for payment. Or having some of the modern tools we're discussing today to help facilitate the fundraising for the group's raffle ticket sales.

I see HB 1162 as a much needed update for charitable raffles to catch up with the times, regardless of whether a pandemic limits our personal interactions. It allows fundraising tools and efficiencies that nonprofits will need during and after this pandemic subsides. It's a tool that my DU volunteers have been able to use in Montana since their 2017 legislative session, and that our South Dakota volunteers look forward to using under permission of their existing rules. However, in North Dakota, this bill is needed to allow the change and we respectfully ask for your 'do pass' consideration. Thank you for all you do to serve your constituents both here as a legislator, and back home as members of your communities.

Testimony on modernizing raffle laws in North Dakota
Ryan Taylor, director of public policy for Ducks Unlimited
Given to the N.D. Legislature's interim judiciary committee
Sept. 24, 2020

Good afternoon, Chairman Klemin and members of the interim judiciary committee. Thank you for allowing me this time on your schedule to visit a bit about North Dakota's nonprofit raffle laws and some of the current shortcomings that have become increasingly evident in the wake of COVID 19, social distancing, and restrictions on personal interactions.

While a number of states allow, or are quickly beginning to allow, the online sale of raffle tickets by charitable organizations and touchless electronic transactions for payment, North Dakota does not. I also do public policy work for Ducks Unlimited in Montana and they modernized their raffle laws for nonprofits in 2017. I've included a copy of their modernizing bill, SB 25 with this written testimony.

Like all businesses, political subdivisions, governments, and families, COVID 19 has also been an incredible disruptor for nonprofits, and the effects have rippled through our country's charitable organizations as they have for everyone. One saving feature for our economy, public services and schools, has been the presence of internet and technology. Tech has been the needed backup to our previously personal transactions and it has allowed us to shop, buy the things we need, have food delivered to our homes, conduct a meeting, renew our driver's license, check out a library book, bid on a bull for the cowherd, continue our classes at universities, and allow our elementary and secondary school students to keep their education somewhat on track. It seems like we can do most everything online, if we need to, in a pinch. But we cannot buy a raffle ticket from the nonprofit organizations we choose to support or for the charitable causes raising needed funds for the community philanthropy projects they take on. Maybe not an intentional gap, just not yet caught up to changing times.

Today, I'm speaking to provide information only, knowing that this group cannot introduce a committee bill without two meetings to hear it. However, I figured it could be useful information for you as the committee holds in its charge the study of our state's charitable gaming laws. Many of you may be assigned to your chamber's judiciary committee in the 67th Legislative Assembly and this may be an issue of interest in the session ahead.

At about the same time that this committee's March 24 meeting was cancelled due to COVID, DU was in the process of cancelling and postponing more than 2,000 events across the country, at an estimated cost of more than \$20 million to our budget and the habitat and conservation work we do, mostly with farmers and ranchers and private landowners, across the country. Like a lot of nonprofits, we depend on event based fundraising where people get together to visit, eat, laugh, tell stories, buy raffle tickets, bid on auction items and 'win' silent auction items. When you can't hold events, all of that goes away. I'm attaching an op ed from USA Today that our president, Rogers Hoyt, wrote about those pandemic experiences. They're the same experiences shared by our colleagues in the nonprofit world. For awareness, I'm also attaching some survey data from the Independent Sector, a member based group

for the charitable sector, that documents large majorities of nonprofits report significant reductions in revenue, services offered, jobs and individual giving.

COVID 19 has impacted a lot of areas in our lives, our communities, and our economy. One small area that we could possibly remedy resides in the raffle laws of the ND Century Code, Chapter 53-06.1. Thank you for your attention, and your service to your constituents.