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House Commerce Finance and Policy Committee

Thank you Chair Stephenson and members of the Committee.

Thank you for the privilege to introduce the Electronic Gaming Group of MN, our charitable gambling trade association, to your committee.

My name is Tracy Wigen and I am the president of the EGG and serve as the charitable gambling manager of the Competition Cheer Spirit Booster Club located in Coon Rapids. Electronic Gaming Group (EGG) is a Minnesota non-profit trade association founded to focus on supporting and advocating for charities who conduct or want to conduct charitable electronic gaming in Minnesota. EGG offers education and training opportunities; advocates for charities with state agencies and lobbies for positive legislative changes that will benefit charities missions.

According to the MN Gambling Control Board in their FY20 Annual Report, sites that offer electronic pull-tabs enjoy an average of \$17,937 or more in net profit per site from electronic gaming activities. The sites that offer electronic gaming also offer overall additional funding available for their missions.

Presently, over 1700 sites are utilized by charitable gaming organizations for our electronic gambling games out of a potential of 2800. Approximately 60 % of all potential sites presently conduct charitable gambling on their premise.

This is great news for charities. Electronics are helping charities bring more dollars to their missions and that is the point of charities choosing to operate lawful gambling in the first place.

In addition to funding our all important community missions, the taxes we pay on our sales have been directed by the legislature to the general fund and to the stadium reserve fund. In FY20, those state gambling taxes amounted to \$78.3 million.

We must guard against any changes that would reduce funding for our community based organizations and their important missions.

Electronic gaming in MN is seeing growth but there is still much work to be done. We still have 40% of all premises that do not utilized electronic gaming. Electronic gaming is easier for state regulators to monitor and regulate. Plus, it is less labor intensive for our charities thus reducing our expenses. As licensed organizations discover the benefits of electronic gaming, we believe it will not be long before

Page 2

most organization involved in charitable gaming in Minnesota will adopt electronic gaming into their other gambling activities.

Thank you Mr. Chairman, and we look forward to working with you and members of the Commerce Finance and Policy Committee in the future to answer any questions you may have about our activities. You and your members should feel free to contact me at Tracy@EGGMN.com with any questions.

Tracy Wigen EGG President