

Greetings, Mr. Chair and members. My name is Joe Herzog, and I am the gambling manager at The American Legion Post in Buffalo, MN. Our post fully supports Representative Robbins' bill HF 753 to allow Congressionally chartered veterans service organizations that make up the Minnesota Commanders Task Force to use more of our gambling revenues for capital repairs.

I want to thank Representative Robbins for her work on this, as she has been trying to get this done for us for several years and we Legionnaires have noticed her efforts. Currently, A22 accounts for 5% of the previous year's

gross. For Buffalo, we had approximately 961,000 gross sales and 5% is 48,050. We spent 22,000 on basic A22 costs in 2024 and our building was built in 1989. Case in point, our roof is original, and we were quoted 150,000 to replace it. There are many Legions much older than ours so 5% is very restrictive.

This bill would be better if it didn't force an arbitrary sunset on us or constrain us 50% of our revenues to use on our building repairs. Many of our buildings are unsafe or at the very least out of compliance with the ADA, so the cost will be tremendous for some posts. It can take a long time to organize and execute such a project, especially since many posts change elected leadership such as the commander and other executive officers, on an annual basis. We have also seen a downturn in revenue since changes to the e-tabs were rolled out this year. In January 2025, charities across Minnesota saw on average 20% less revenue than in January 2024. At the Buffalo post, our drop in e-tab gambling revenue was about 10%. This has us very concerned that we will have less revenue to donate, use for repairs, and pay other bills allowed under the gambling tax code.

I am here because the Buffalo post recently underwent a massive capital improvement project. Our event hall was in very poor shape with bathrooms that were almost unusable, a bar that was falling apart, carpeting that was over 30+ years old, and old accordion doors that were not in good shape or sound proof in any way..

We did started a renovation in 2019 and it is an asset to the community. Our hall seats 275 people and is separated from the rest of the Club with beautiful, sound proof doors that can be opened for large events. It has multimedia capabilities and a sound system for meetings and presentations. The total cost was approximately 400 thousand dollars. Of that amount, 40 thousand came from gambling. The rest came from the post, club, and a loan. Before our renovation, the event hall was used strictly for bingo and our legion meetings. Since the project was completed in 2021, We have had several weddings, many celebrations of life, graduation, birthday, anniversary parties, private company events, Chamber of Commerce events, and post events such as fish fry, veterans breakfast, honor guard dinners, children and youth summer and Christmas events, etc.. These events produce revenue for our post and in June 2025, we will host The American Legion 10th District Convention in our event hall. We will accommodate roughly 250 people over two days for this annual convention. We are proud of our establishment. In our small town of Buffalo, our post building serves many purposes in our community, not just members and our post meetings.

Contact: Kristy Janigo, The American Legion Department of Minnesota Legislative Chair Phone: 612-708-9029 Email: Kristy.janigo@gmail.com We are grateful for our new space. We understand that many posts have not had the privilege of renovation.

The American Legion Department of Minnesota has a total of 531 posts; of that 260 have buildings. Of those, several are struggling and at risk of closing in the future. The communities of Stillwater, Marshall, Northfield, Waite Park, Coon Rapids, and a number of them in the metro area have all had to sell their buildings to survive in recent years. We recognize how blessed we are that we have been able to refresh our building to continue our mission.

Some assumptions can be made about legion post buildings:

- 1. They are just bars or restaurants
- 2. It's only a place to gamble and drink beer
- 3. We are so much more!

We not only conduct monthly post meetings, we host meetings for the Auxiliary, Son's of the American Legion, Legion Riders, Blue Star Moms, local sponsorship programs such as County Military Day planning meetings, local VFW's have met at legion posts. We also host football, baseball, and basketball events where professional players will visit to sign autographs and have photo sessions with customers. One of the pillars of the American Legion is Children and Youth. Legion posts sponsor many girl scouts, boy scouts, 4H and other youth programs, local high school sports teams as well as Legion Baseball and the ever popular Boys State & Girls State where our youth from all around the state of Minnesota learn about the government and how it works. All of this can not be made possible without funding from our gambling portion of the legion.

Outside of the American Legion, our post buildings support local nonprofits providing important community services that include community events, food, clothing and bed programs as well as fund raisers for other veteran organizations such as Roger Up, DAV, Dog Tags For Life, amongst others. These are important gaps withing the veteran community that are not filled on the federal, state, and local government\.

Our posts in Minnesota are increasingly diverse, as veterans seek places of refuge where they can relax in the camaraderie of like-minded people who have shared experiences. Veterans tend to be slow to trust other people, and that can lead to isolation, especially dangerous in the senior populations. We need social connection as much as other people do, perhaps because many do not understand what veterans have been through protecting this country and its freedoms.

As you have read, our event spaces are much more than a structure. In many small towns, our posts are the only option for many organizations, businesses and families.

Thank you again for hearing this bill today.

-Joe Herzog The American Legion Post 270 Gambling Manager, Buffalo, MN

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