

FINAL MINUTES

Charitable Gaming Board
Department of Agriculture and Consumer Services (VDACS)
City Council Chambers
City Hall, Municipal Center, Building 1, 2nd Floor
2401 Courthouse Drive
Virginia Beach, VA
Tuesday, June 27, 2017

CALL TO ORDER

Ms. Tanya Conrad called the meeting to order at 9:15 a.m.

Ms. Conrad asked Mr. Michael Menefee to call the roll.

MEMBERS PRESENT:

Ms. Tanya Conrad, Vice-Chair
Mr. Randy Green
Ms. Amy Solares

MEMBERS ABSENT:

Mr. Bob Sussan, Chair
Chief Humberto Cardounel, Jr.
Mr. James Corrigan
Mr. Nicholas Curry
Mr. Samuel Kaufman
Mr. Charles Lessin
Mr. James Lewis

VDACS STAFF PRESENT:

Mr. Michael Menefee, Program Manager, Office of Charitable and Regulatory Programs

OFFICE OF THE ATTORNEY GENERAL STAFF PRESENT:

Mr. Donald Ferguson, Senior Assistant Attorney General, Office of the Attorney General

Mr. Menefee informed Ms. Conrad that a quorum was not present.

APPROVAL OF MINUTES

Since a quorum was not present, Ms. Conrad informed members that the approval of the draft minutes for the January 24, January 25, and April 4, 2017, Board meetings were deferred until the next Board meeting.

PRESENTATION

Ms. Conrad asked Mr. Menefee to make his presentation. Mr. Menefee presented information to members on the annual financial reports for the 2016 calendar years, which were filed by licensed charitable gaming organizations with the Office of Charitable and Regulatory Programs (OCRP). Ms. Conrad asked members whether they had any questions for Mr. Menefee. Ms. Amy Solares had questions related to discounts and Ms. Conrad had questions related to the cause of the overall increase in reported player attendance at bingo sessions in the Commonwealth, for Mr. Menefee. With no further questions, Ms. Conrad moved onto the next item on the agenda.

REPORT FROM BOARD MEMBERS

Ms. Conrad asked the members whether they had any reports that needed to be brought before the Board. Ms. Solares stated she is working independently on defining what constitutes as a qualified organization's social quarters for charitable gaming purposes. This is in response to Mr. Bob Sussan's interest in the Board forming another workgroup on developing a definition. With no further reports before the Board, Ms. Conrad moved onto the Program Manager's Report.

PROGRAM MANAGER'S REPORT

Ms. Conrad asked Mr. Menefee for an operational update on OCRP and Mr. Menefee reported that OCRP is moving forward with a live testing of the new online charitable gaming licensing system. This live testing will involve a test group, which will submit actual license applications through the system to OCRP for processing. This live testing will enable OCRP to identify any potential software errors that must be addressed before it can allow a wider use of the system. Mr. Menefee also encouraged Board members to attend the next Board meeting since the Board must take action on the final amendments to 11VAC15-40, *Charitable Gaming Regulations*, to increase the number of electronic pull-tab devices in a qualified organization's social quarters from five devices to nine devices in order to begin the final executive branch review.

Ms. Conrad asked members whether they had any questions for Mr. Menefee and with no questions, Ms. Conrad moved onto old business.

OLD BUSINESS

Ms. Conrad stated the report from the Curry-Lewis workgroup will be deferred until the next Board meeting. She asked members whether they had any old business for the Board to discuss and with no further comments, Ms. Conrad moved onto new business.

NEW BUSINESS

Ms. Conrad asked members whether they had any new business for the Board to discuss. Mr. Randy Green requested the Board review the Use of Proceeds requirement to determine whether the current percentage is appropriate in today's market conditions. Since a quorum was not present, Ms. Conrad informed members that action on the request will be deferred until the next Board meeting. Ms. Solares had several questions, in response to the concerns

expressed during the last Board meeting regarding the regulatory framework of “bar bingo,” which is bingo conducted in a qualified organization’s social quarters.

With no further comments from members, Ms. Conrad moved onto the next item on the agenda.

NEXT BOARD MEETING

Ms. Conrad informed members that the next Board meeting will be held on September 12, 2017, in Roanoke/Salem at the American Legion Post 3 at 9:00 a.m.

PUBLIC COMMENT

Ms. Conrad asked the public in attendance whether any comments needed to be brought before the Board. Mr. Bud Oakey of Advantus Strategies, who represents the Virginia Charitable Gaming Council, provided an update on the Council, which consists of 100 members of which 80% come from charities. Mr. Oakey stated that it is the desire of the Council to aggressively lobby the upcoming General Assembly to convert the oversight of charitable gaming from a general fund supported program to a non-general supported program. Mr. Steve Farau of LeClair Ryan, who represents Newmarket Entertainment expressed concerns over certain practices being seen in the electronic pull-tab device market.

With no comments from the public and there being no further business, the Board adjourned at 10:00 a.m.

Respectfully submitted,

Michael Menefee
Program Manager
Office of Charitable and Regulatory Programs