

VIRGINIA LOTTERY
Gaming Compliance Committee
March 19, 2024

The Virginia Lottery Gaming Compliance Committee met on March 19, 2024, at 9 a.m. at Lottery Headquarters in Richmond, Va.

Members Present: Orrin Gallop, Chairman
 Jonathan Comer
 Scott Price
 Adam Tolbert
 Ferhan Hamid, Board Chairman

Staff Present: Tony Russell, Interim Director
 Amy Dilworth, General Counsel
 Deborah Courtney, Deputy Executive Director of Finance and
 Administration
 Gina Smith, Deputy Executive Director of Gaming Compliance
 Jo Murphy, Executive Assistant

Chief Gallop, chairman, presided, and Jo Murphy was the recording secretary.

Call to Order

Chief Gallop called the meeting to order and noted that a quorum was present.

Minutes

On motion duly made by Mr. Hamid and seconded by Mr. Comer, the committee recommended that the Board approve the minutes from the Gaming Compliance Committee meeting held on December 19, 2023, as presented.

Appeals Process

Ms. Dilworth provided an overview of the Gaming Compliance licensing appeals process. A recent appeal that we thought would come before the Board did not materialize. Ms. Smith provided several reasons why licenses are denied. Ms. Dilworth said that she has not yet seen a situation where there was not a well-based recommendation for denial. She also provided an overview of consent agreements. Ms. Dilworth explained that violations in other states become material fact if action was taken on a Virginia licensee. There are violations that an individual licensee might commit, but there also are violations committed by licensed operators of a casino. The appeals process is the same. If an appeal comes before the Board, she will review the process again.

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Board Member Gaming 101 Discussion

Ms. Smith reminded the committee that the next Board meeting will be held on May 1, 2024, in Portsmouth. At the conclusion of the Board meeting, Ms. Smith will take the Board members on a tour of the casino in Portsmouth. They will meet the onsite staff and tour the back of the house, surveillance room, count room and other pertinent areas. A slot machine demonstration will be available if the members are interested. Mr. Tolbert thanked Ms. Smith for taking him and Mr. Comer on a recent tour of the HR Bristol Casino.

General Assembly Update

Mr. Russell provided an update on the following bills Senate Bills: SB 222, SB 397, SB 540, SB 212, SB 628, SJ 12, SB 541, SB 344, SB 675, SB 689, SB 307, SB 345, SB 348, SB 124 and SB 429. He also provided an update on HB 298.

Closed Meeting

Mr. Price made the following motion, which was seconded by Mr. Hamid.

In accordance with the provisions of Section § 2.2-3705.3(1) of the Code of Virginia, I move that the Committee convene a closed meeting for the purpose of discussion, consideration or review of:

Information relating to investigations conducted by the Virginia Lottery of licensees and permittees pursuant to Chapter 40 (§ 58.1-4000 et seq.) and Chapter 41 (§ 58.1-4100 et seq.) of Title 58.1.

Reconvened Meeting

Following its closed meeting, the committee reconvened in open session. Mr. Tolbert read the following certification for the closed meeting:

WHEREAS, the Virginia Lottery Gaming Compliance Committee has convened a closed meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of the Virginia Freedom of Information Act; and

WHEREAS, Section 2.2-3712 of the Code of Virginia requires a certification by this Committee that such closed meeting was conducted in conformity with Virginia law.

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NOW, THEREFORE, BE IT RESOLVED that the Virginia Lottery Gaming Compliance Committee certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed meeting to which this certification resolution applies, and (ii) only such public business matters as were identified in the motion convening the closed meeting were heard, discussed or considered by the Committee.

By roll call, all members in the room voted in the affirmative that the certification was accurate as read.

Next Meeting

Discussion ensued regarding the date of the next Gaming Compliance Committee meeting. The Committee members decided to defer the next meeting until late July 2024 due to staff commitments related to the opening of the permanent casino in Bristol in June 2024.

Adjournment

There being no further business to come before the committee, the chairman declared the meeting adjourned.

Tony R. Russell, Secretary

Orrin Gallop, Chairman