

DRAFT MINUTES

Charitable Gaming Board
Department of Agriculture and Consumer Services
102 Governor Street – 2nd Floor Board Room – Room 220
Richmond, Virginia
September 10, 2013

Call to Order

Mr. Randy Green called the meeting to order at 10:06 a.m. He asked Ms. Trent to call the roll.

Members Present:

Wesley I. Crowder
Clay L. Dawson
Randy W. Green
Renee T. Maxey
Thomas Stiles

Members Absent:

C. D. Crouch
Ruth Modlin Ellett

Staff Present:

Michael Menefee, Program Manager, Office of Charitable and Regulatory Programs
Roz Trent, General Administration Supervisor/Coordinator I, Office of Charitable and Regulatory Programs

Office of the Attorney General Staff Present:

Josh Laws, Assistant Attorney General

Approval of Minutes

Mr. Green asked for a motion to approve the draft minutes of the March 12, 2013 Board meeting. Mr. Crowder motioned, seconded by Mr. Stiles, to approve the March 12, 2013 minutes. The motion passed unanimously.

Report from Board Members

There was no report from any Board member.

Program Manager's Report

Mr. Michael Menefee reported the following:

- 1) On June 25, Ms. Joan Scott joined OCRP as the team leader for the Audit and Financial Review team. Ms. Scott came to the program from the Virginia Employment Commission where she serviced in a variety of capacities, but most

recently as the Tax Manager and as the business lead for the agency's new taxing system.

- 2) Ms. Kay Cholko will serve as OCRP's Gaming Coach. In this role, Ms. Cholko will work with charitable gaming organizations on a variety of charitable gaming matters such as identifying and controlling costs, classifying expenses accurately, and meeting the mandatory Use of Proceeds percentage.
- 3) OCRP has begun the process to hire two charitable gaming inspectors. One will be based out of the Farmville area; the second will be based out of the Staunton area.
- 4) At the beginning of June, OCRP attended the North American Gaming Regulators Association (NAGRA) Annual Training Conference in Virginia Beach. Approximately 200 state, provincial, and Indian gaming regulators participated.
- 5) OCRP approved a manufacturer of electronic pull-tab systems permit to E-Max Gaming Corporation, Powerhouse Gaming, Inc., and Technology Exclusive, Inc. In total, six manufacturers are licensed by OCRP. At this time, there are approximately 112 locations utilizing 340 electronic pull-tab devices. According to the manufacturers, in total this year, the devices have generated approximately \$50 million in gross receipts.

New Business

Mr. Menefee asked for the Board's authorization to withdraw the Notice of Intended Regulatory Action (NOIRA) approved by the Board at its March 12, 2013 meeting since staff determined it was necessary to convene a panel to assist in the drafting of regulations. As such, a new NOIRA will need to be filed by the Board. Mr. Green asked for a motion to withdraw the NOIRA previously approved by the Board at its March 12, 2013 meeting regarding 11VAC15-40, *Charitable Gaming Regulations*, and to authorize staff to take any and all actions necessary to have the NOIRA withdrawn. Mr. Dawson motioned, seconded by Mr. Stiles. The motion passed unanimously.

Mr. Menefee asked for the Board's authorization to re-file the NOIRA to amend 11VAC15-40, *Charitable Gaming Regulations*, with the Registrar for publication in the Virginia Register of Regulations. The regulatory action will amend the Charitable Gaming Regulations to include provisions regarding a new bingo game called "network bingo", pursuant to legislation enacted by the 2013 Session of the General Assembly. Additionally, this regulatory action will include amendments to clarify provisions of the current regulation and the agency's intention to convene a panel to assist in the drafting of regulations. Mr. Green asked for a motion to authorize staff to take any and all actions necessary to file on behalf of the Board a NOIRA to amend 11VAC15-40,

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Charitable Gaming Regulations, in order to promulgate regulations required by amendments to the *Code of Virginia* enacted by the 2013 Session of the General Assembly. Mr. Crowder motioned, seconded by Mr. Dawson. The motion was passed unanimously.

Next Board Meeting

The next Board meeting will be held on Tuesday, December 10, 2013, at the Virginia Department of Agriculture and Consumer Services, 102 Governor Street, Richmond.

Public Comment

Marty Williams, (Fraternal Order of Police) spoke about changing the Use of Proceeds formula and reducing the audit and administrative fee. As such, he asked the Board to consider both proposals for adoption during the regulatory action it authorized earlier in the meeting.

There being no further business, the Board adjourned at 10:15 a.m.

Respectfully submitted,

Roz Trent