

FINAL MINUTES

Charitable Gaming Board
Department of Agriculture and Consumer Services
102 Governor Street – Compensation Board Conference Room
(Lower Level – Room 22)
Richmond, Virginia
March 12, 2013

Call to Order

Mr. Randy Green called the meeting to order at 10:10 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:

RoxAnne L. Christley
C. D. Crouch
Ruth Modlin Ellett

Staff Present:

Michael Menefee, Program Manager, Office of Charitable and Regulatory Programs
Erin Williams, Policy and Planning Coordinator, Division of Consumer Protection
Roz Trent, General Administration Supervisor/Coordinator I, Office of Charitable and Regulatory Programs
Michelle Townsend, Team Leader, Charitable Programs Unit, 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 December 11, 2012 Board meeting. Mrs. Maxey motioned, seconded by Mr. Stiles, to approve the December 11, 2012 minutes. The motion passed unanimously.

Report from Board Members

There was no report from any Board member.

Program Manager's Report

Michael Menefee reported the following:

- 1) Michelle Townsend joined the Office of Charitable and Regulatory Programs (OCRCP) on February 25 and leads the Charitable Programs team. Ms. Townsend joins OCRCP from the Office of the Attorney General where she served as the

Manager of the Dispute Resolution and Investigative Unit. In addition, Ms. Townsend has extensive experience in working with the non-profit community.

- 2) In response to the Board's request during the last meeting, Mr. Menefee reported that an amendment to the Charitable Gaming Regulations, 11VAC15-40, which would exclude prizes from the gross receipts, must not be inconsistent with the Charitable Gaming statute. Pursuant to §18.2-340.16 of the Code of Virginia, "gross receipts" are defined as "...the total amount of money generated by an organization from charitable gaming before the deduction of expenses, including prizes." In light of this definition, Mr. Menefee advised that amending the Charitable Gaming Regulations to exclude prizes from gross receipts would be inconsistent with the statute.
- 3) In January 2013, the OCRP approved a manufacturer of electronic pull-tab permit to Acres 4.0, Inc. and V-Tabs, LLC. In addition, OCRP approved V-Tabs' electronic pull-tab device and electronic pull-tab games, which are now available to eligible organizations. At this time, there are 58 locations utilizing 156 electronic pull-tab devices.
- 4) OCRP continues to move forward with the development of its online charitable gaming license system. Recently, OCRP reviewed the interface, which applicants will use. Once fully operational, applicants will be able to pay their registration fee electronically, track the status of their application, gain immediate access to the approved license, update their information, and amend the license.
- 5) In the coming months, staff from the Division Director's Office and OCRP will conduct several meetings with stakeholders throughout the Commonwealth to listen to ideas on ways to advance charitable gaming. These ideas will be considered for possible inclusion in OCRP's legislative initiatives for the upcoming General Assembly session.

New Business

Erin Williams asked for the Board's authorization to begin the regulatory process to amend the Charitable Gaming Regulations, 11VAC15-40, by filing a Notice of Intended Regulatory Action 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 also include amendments to clarify provisions of the current regulation.

Mr. Green asked for a motion to authorize staff to take any and all actions necessary to file, on behalf of the Board, a Notice of Intended Regulatory Action concerning amendments to 11VAC15-40 to promulgate regulations required by amendments to the Code of Virginia enacted by the 2013 General Assembly and to amend current provisions of the regulation as described by staff. Mr. Crowder motioned, seconded by Mr. Dawson, to authorize staff to begin the amendment process. The motion passed unanimously.

Next Board Meeting

The next Board meeting will be held on Tuesday, June 11, 2013, at the Virginia Department of Agriculture and Consumer Services, 102 Governor St., 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 11:15 a.m.

Respectfully submitted,

Roz Trent