

NATIONAL COUNCIL OF LEGISLATORS FROM GAMING STATES
EXECUTIVE COMMITTEE
SCOTTSDALE, ARIZONA
SATURDAY, JANUARY 10, 2009
MINUTES

The Executive Committee of the National Council of Legislators from Gaming States (NCLGS) met at the Napa Valley Hotel & Spa in Napa, California, on Saturday, January 10, 2009, at 11:15 a.m.

Delaware Representative Bill Oberle, NCLGS President, presided.

Other members of the Committee present were:

Rep. James Buskey, AL
Rep. Pebblin Warren, AL
Sen. Tom Harman, CA
Rep. Kevin Ryan, CT
Rep. Helene Keeley, DE
Rep. John Viola, DE
Sen. Nancy Rodriguez, NM
Rep. John Sparks, OK

Others present were:

Susan Nolan, Nolan Associates, NCLGS Executive Director
Nicholas Brozean, Nolan Associates, NCLGS Assistant Legislative Coordinator

MINUTES

The Committee voted unanimously to accept, as submitted, the minutes of its June 14, 2008, meeting in Napa, California.

ADMINISTRATION

ATTENDANCE

Rep. Oberle reported that attendance was approximately 100, which was lower than usual, but still a positive number, considering the national economy.

FUTURE SITES

Rep. Oberle reported that NCLGS would consider a meeting next September in Las Vegas in lieu of a June meeting. He also reported that NCLGS would explore the possibility of returning to the Valley Ho in Scottsdale, Arizona, in 2010, as many members had expressed a desire to do so.

Rep. Oberle added that NCLGS was conducting dialogues with the University of Arizona to see if synergy could be developed regarding future meetings. Ms. Nolan added that she was also speaking with the Council on Problem Gambling regarding the possibility of dovetailing future

meetings. She added that this could be a positive way for groups to address challenges presented by the economic downturn.

DUES

Ms. Nolan reported that last year's member state dues had been collected in full. She noted that dues notices were traditionally distributed not in January but in March or April for the fiscal year July 1 through June 30. She said that NCLGS would know more by June how things would shape up for the upcoming year.

FINANCIALS

The Committee voted to accept the June 30 and September 30, 2008, NCLGS and the NCLGS Foundation financials.

EXECUTIVE COMMITTEE MEMBERSHIP

Following nominations, the Committee approved appointments of Alabama Rep. Mac Gipson and Delaware Rep. John Viola to the NCLGS Executive Committee.

COMMITTEE REPORTS

COMMITTEE ON LOTTERIES

Rep. James Buskey, acting chair of the Committee, reported that the Committee had:

- received an update on lottery initiatives in the states, including Powerball
- received a report on impact of economy on lottery sales
- received an update on new products and marketing techniques
- heard an update on lottery privatization

COMMITTEE ON PARI-MUTUELS

Rep. John Viola, acting chair of the Committee, reported that the Committee had:

- received a report on independent monitoring systems
- received an update on racing integrity and independent wagering security
- received a report on horse safety and medication issues
- received a report on increasing importance of model rules
- heard a presentation on University of Arizona study regarding racino legislation
- was updated on state greyhound racing initiatives

COMMITTEE ON RESPONSIBLE GAMING

Rep. Kevin Ryan, acting chair of the Committee, reported that the Committee had:

- received a report on establishing evidenced-based treatment practices for pathological gambling
- heard a presentation on key components and implementation of a successful responsible gaming program

Rep. Ryan commented that Mr. Wexler did recommend that responsible gaming needed a legislative champion and that possibly the next chairman of the Committee on Responsible

Gaming could take on that role. He noted that Rep. Oberle's name also had been mentioned as a possible champion.

Rep. Oberle responded that he had not given up on a proposed NCLGS model on best practices in responsible gaming, though the economy had set progress back a bit. He said that this effort was still on the radar screen.

STATE-FEDERAL RELATIONS COMMITTEE

Sen. Tom Harman, acting chair of the Committee, reported that the Committee had:

- received an update on Internet gaming legislation and international agreements
- heard a report on technology tracking Internet gaming
- received an update on tribal off-reservation gaming initiatives
- received an update on tribal consultation prior to federal rulemaking
- heard an update on NIGC activity relating to distinction between Class II & Class III gaming machines

COMMITTEE ON CASINOS

Rep. Helene Keeley, chair of the Committee, reported that the Committee had:

- received a report on Kansas casino initiatives
- received an update on casino initiatives in the states
- heard a report on economic conditions impacting casinos
- heard a report on next generation of casino marketing
- adopted an amended resolution supporting smoke-free gaming

Rep. Keeley made a motion to bring forward the resolution supporting smoke-free gaming adopted at the Committee on Casinos for adoption by the Executive Committee.

Rep. Gipson said that as the one dissenting vote in the Committee, he wanted to again express the reason for his opposition. He said that he felt the resolution went beyond the scope of NCLGS, which he believed was educational, and that smoke-free gaming was a states' rights issue—that states should decide individually on this issue. He said that while he appreciated the amendment that substituted language encouraging rather than a mandating smoke-free gaming, he asked the Executive Committee for a no vote on the resolution.

Rep. Oberle said that he valued Rep. Gipson's comments. He said that dissent was productive—that indeed this country was founded on it. He said NCLGS was formed predominately for the purpose of education and also to support sound public policy. Rep. Oberle said that he felt the resolution in no way diminished states' rights, but that it simply encourages state legislators to take a look at the issue—as well as sovereign tribal nations—and to make a determination based on the facts before them.

After discussion and debate, the Executive Committee overwhelmingly adopted the resolution by a seven to one vote, with one member abstaining.

OTHER MEETINGS

MEMBERSHIP/PARTICIPATION

Ms. Nolan reported that she and Mr. Brozean had attended the University of Arizona Racetrack Industry Program Symposium, as they had done in the past, and had set up a NCLGS exhibit, which she believed was very helpful in raising NCLGS visibility.

Ms. Nolan said that NCLGS staff would continue to outreach to legislators and NCLGS interested parties.

GENERAL SESSIONS

Ms. Nolan reported that the general sessions on pari-mutuel racing integrity and tribal-state compacts were excellent—that they were two of the finest sessions that NCLGS had ever presented.

Rep. Oberle agreed that the racing integrity panel was one of the best sessions that NCLGS has offered. He said that it showed that while there was consensus between regulators and the industry on the existence of problems, there was no consensus on how to fix them, and that regulators and the industry were not going to get together any time soon. He said that when this happens, there is always the chance that the federal government might feel the need for involvement. He encouraged regulators and interested parties to work toward resolution—to bring integrity to wagering and medication.

Rep. Ryan noted that the tribal-state gaming compact general session provided valuable perspectives on a highly controversial issue and that NCLGS would continue to follow the issue, as we have yet to resolve the answer to the question: Who should have the last word when it comes to tribal-state gaming compacts?

OLD BUSINESS/NEW BUSINESS

Rep. Oberle noted that NCLGS would be saying goodbye to, among others, Connecticut Rep. Michael Caron, who had chosen not to run for the legislature for another term; NCLGS founder Florida Sen. Steven Geller, who was term-limited; and Delaware Reps. Vince Lofink and Nancy Wagner, who lost their elections this year.

Ms. Nolan noted, as was mentioned previously in the meeting, that Mr. Brozean of NCLGS staff would be leaving NCLGS employ to further his education and acknowledged his hard work, particularly on the Winter Meeting. Rep. Oberle and Executive Committee members commended Mr. Brozean and thanked him for his fine work with a round of applause.

ADJOURNMENT

There being no further business, the meeting adjourned at 12:00 noon.