

NATIONAL COUNCIL OF LEGISLATORS FROM GAMING STATES
EXECUTIVE COMMITTEE
LAS VEGAS, NEVADA
SATURDAY, JUNE 9, 2007
DRAFT MINUTES

The Executive Committee of the National Council of Legislators from Gaming States (NCLGS) met at the Rio All-Suite Hotel & Casino in Las Vegas, Nevada, on Saturday, June 9, 2007, at 11:00 a.m.

Senator Steven Geller from Florida, NCLGS President, presided.

Other members of the Committee present were:

Rep. James Buskey, AL
Sen. Tom Harman, CA
Rep. Kevin Ryan, CT
Rep. Vincent Lofink, DE
Rep. Bill Oberle, DE
Rep. Pamela Thornburg, DE
Sen. Pete Brungardt, KS
Sen. Richard Lerblance, OK
Rep. Chris Sainato, PA
Rep. Tim Solobay, PA

Other legislators present were:

Rep. Carlos Lopez-Cantera, FL
Rep. David Rivera, FL

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 January 13, 2007, meeting in Duck Key, Florida.

ADMINISTRATION

Sen. Geller said this meeting was our most successful yet, with about 190 attendees. He said over 50 legislators attended from over 20 states, and that 22 of the legislators were newcomers.

DUES/MEMBERSHIP

Sen. Geller said all of the NCLGS member states had paid their dues for the previous year, and that due notices were in process for July 2007 – July 2008.

Sen. Geller said that while meeting attendance is substantial the organization is working to increase member states. He said prospective member states include Kentucky and Mississippi.

He said NCLGS needs to get non-member state legislators that attend regularly to work to add their state as a NCLGS member. He said state dues are currently \$3,000, which is a minimal amount. He said Nevada would benefit from becoming a member state.

Rep. Oberle said a new benefit offered by NCLGS to legislators from member states is a weekly mass email of gaming-related articles of interest. He said NCLGS might consider using the articles of interest as a marketing tool to obtain new members. He said the articles of interest could be sent to legislators from non-member states for a limited time.

Ms. Nolan said that NCLGS might want to consider forming a membership committee. She said NCLGS should consider placing restrictions on some information in order to differentiate between member and non-member states. She said legislators from non-member states have access to all of the NCLGS information, and therefore do not feel obligated to join.

Sen. Geller said Rep. Oberle would be nominating a membership committee. Sen. Geller said the articles of interest should be sent to all NCLGS legislators that attend meetings for a limited time.

FINANCIALS

Ms. Nolan said NCLGS and NCLGS Foundation financials are in the black. She said NCLGS meetings have grown, which has led to financial growth.

NOMINATION OF LEGISLATORS TO SERVE ON EXECUTIVE COMMITTEE

Sen. Geller said NCLGS allows four legislators from each member state, with the exception of past-presidents, to be on the Executive Committee. He said elected legislators must first have attended two NCLGS meetings. Sen. Geller nominated Florida Senators Jones and King to serve on the Executive Committee. Sen. Geller encouraged other states to nominate legislators to serve on the committee, also.

Rep. Oberle nominated Rep. Wagner to be a member of the NCLGS Executive Committee.

The committee voted to appoint the nominees to the NCLGS Executive Committee.

COMMITTEE REPORTS

COMMITTEE ON LOTTERIES

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

- received a report on the *Kansas Expanded Lottery Act of 2007*
- received a report on mature lotteries and product development
- received a report on state lottery privatization

Rep. Buskey said the Committee meeting was well attended.

Sen. Geller said several states consider privatizing their state lotteries.

COMMITTEE ON CASINOS

Ms. Nolan reported that the Committee had:

- received a report on casino future trends and emerging technology including server-based systems
- received a briefing on efforts to use casinos as debt collection instruments
- received updates on smoking ban legislation
- received a report on illegal home poker games

Sen. Geller said HomePokerGames.com is setting up illegal home-based casinos, which offer large stakes, but are under no regulatory oversight or security measures.

COMMITTEE ON PARI-MUTUELS

Rep. Vincent Lofink, chair of the Committee, reported that the Committee had:

- received an update on the *Association of Racing Commissioners International* (RCI) independent pari-mutuel integrity monitoring system
- received a report on pari-mutuel SPMOs and simulcast economics
- received an update on jockey and backstretch employee welfare

Rep. Lofink said the Committee meeting was well attended. He said it was fascinating to hear a perspective on jockey and backstretch employee welfare.

Sen. Lerblance recommended that simulcast economics be revisited at the following meeting.

Sen. Geller said a general session on simulcast economics and SPMOs might be relevant.

Rep. Oberle said a future general session on simulcast economics would be well attended by pari-mutuel industry representatives.

COMMITTEE ON RESPONSIBLE GAMING

Rep. Chris Sainato, chair of the Committee, reported that the Committee had:

- received a report on 20-year trends in juvenile gaming in North America
- received a report on Native American gaming problems and prospects

SPECIAL MEETING ON RESPONSIBLE GAMING BEST PRACTICES

Rep. Chris Sainato, chair of the Committee, reported that the Committee had:

- received reports on recommended responsible gaming best practices

Rep. Sainato said responsible gaming is a serious issue that is not going to disappear.

Rep. Oberle said he would like to see NCLGS conduct a study on problem gambling and possible responsible gaming best practices.

Sen. Brungardt said a study might not be necessary, however NCLGS might want to invite other knowledgeable speakers on responsible gaming to the next NCLGS meeting. He said previous problem gambling speakers from Louisiana conveyed a lot of helpful information on the topic and that Louisiana appears to have a good program.

Sen. Geller said there is a lack of objective evidence in regard to responsible gaming. Sen. Geller said a conversation with Rev. Grey suggested that the anti-gambling groups would be supportive of a NCLGS study on responsible gaming if the study was agreed upon in advance and the information was fully shared.

Rep. Oberle suggested the NCLGS Executive Committee might look into developing a study in order to develop a checklist for responsible gaming practices.

Sen. Geller suggested a conference call on the issue before the following meeting.

Ms. Nolan said prior to a conference call, NCLGS staff could develop a few alternatives for developing a checklist of best practices.

STATE-FEDERAL RELATIONS COMMITTEE

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

- received a report from the NCLGS Federal Bureau
- received reports on Internet and Indian gaming
- received a report on internal control standards for Class III gaming
- received a report on tribal-gaming compacts without legislative approval

Sen. Geller said NCLGS has been historically opposed to internet gambling on states' rights issues. Sen. Geller said that he will continue to oppose internet gambling in his state because it does not produce jobs and can cause problem gambling. He said depending on future legislation, NCLGS might want to consider revising its position on internet gaming as a national organization.

Sen. Geller recommended sending a letter to state legislatures regarding governor approval of tribal-state compacts without legislative input.

Sen. Harman and Sen. Geller also suggested sending a letter to Congress after the following meeting to appeal the Indian Gaming Regulatory Act (IGRA) because NIGC Minimal Internal Control Standards of Class III gaming are not mandated in the legislation.

Sen. Geller said NCLGS might want to have a general session to include tribal-state compact labor standards and invite Unite Here.

Sen. Harmon said issues regarding the National Labor Relations Act in California have caused numerous debates in regard to compact negotiations.

Sen. Geller said amendments and revisions to the *NCLGS Tribal-State Gaming Compact Informational Checklist* will need to be voted on at the following NCLGS meeting.

LUNCHEON DEBATE

Sen. Geller said the luncheon debate provided both sides on the *Internet Gambling Regulation and Enforcement Act of 2007*. He said having the anti-gambling groups at NCLGS meetings adds to the strength of the organization.

GENERAL SESSIONS

Sen. Geller said the general sessions conveyed a lot of previously unknown and important information to NCLGS attendees.

NEW BUSINESS/OLD BUSINESS

Sen. Geller said the Nominating Committee recommended that Rep. Oberle be appointed to President, and that all of the succeeding officers move up in position. He said this would mean that Sen. Harman would be elected to the position of Treasurer, and that Rep. Buskey be elected as the Executive Committee chair.

The committee voted to adopt the NCLGS Nominating Committee's appointments.

Sen. Harmon said NCLGS should follow up with new legislative attendees.

Rep. Oberle recommended a newcomer breakfast at the following meeting.

FUTURE SITES

Sen. Geller said after a consensus by the NCLGS Executive Committee, it was decided that Ms. Nolan would make a site visit to the Valley Ho and Hilton Phoenix East in the Scottsdale/Phoenix area of Arizona.

Sen. Geller said other future sites might include Ashville, North Carolina and a site in Texas. He said Maine and Vermont are possibilities for a summer meeting.

Sen. Harmon recommended meeting in Las Vegas every few years due to the large attendee response at this meeting.

ADJOURNMENT

There being no further business, the meeting adjourned at 12:15 p.m.

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