

FINAL MINUTES

Charitable Gaming Board
Department of Agriculture and Consumer Services (VDACS)
American Legion State Headquarters
1708 Commonwealth Avenue
Richmond, VA
Tuesday, April 3, 2018

CALL TO ORDER

Mr. Bob Sussan called the meeting to order at 10:15 a.m. Mr. Sussan led the Board and the public in attendance with the Pledge of Allegiance.

Mr. Sussan asked Mr. Michael Menefee to call the roll.

MEMBERS PRESENT:

Mr. Bob Sussan, Chair
Mr. Randy Green
Mr. Charles Lessin
Ms. Petrina Jones

MEMBERS ABSENT:

Ms. Tanya Conrad, Vice-Chair
Mr. James Corrigan
Mr. Nicholas Curry
Mr. Samuel Kaufman
Mr. James Lewis
Captain Daniel Minton
Ms. Amy Solares

VDACS STAFF PRESENT:

Mr. Larry Nichols, Director, Division of Consumer Protection
Mr. Michael Menefee, Program Manager, Office of Charitable and Regulatory Programs

OFFICE OF THE ATTORNEY GENERAL STAFF PRESENT:

Mr. Josh Laws, Assistant Attorney General, Office of the Attorney General

Mr. Menefee informed Mr. Sussan that a quorum was not present.

APPROVAL OF MINUTES

Since a quorum was not present, Mr. Sussan deferred the approval of the draft minutes for the December 5, 2017, Board meeting until the next Board meeting.

REPORT FROM BOARD MEMBERS

Mr. Sussan asked the members whether they had any reports that needed to be brought to the Board. With no remarks from members, Mr. Sussan moved onto the next item on the agenda.

PROGRAM MANAGER'S REPORT

Mr. Sussan asked Mr. Menefee whether he had any operational updates on the Office of Charitable and Regulatory Programs (OCRP). Mr. Menefee informed the members that OCRP allowed a limited number of organizations to submit their renewal license application online to further test the new system. Mr. Menefee stated that the test identified a few system errors, which is currently under review of VDACS' Information Technology staff. Mr. Sussan asked members whether they had any questions for Mr. Menefee and with no questions, Mr. Sussan moved onto old business.

OLD BUSINESS

Mr. Sussan asked whether there was a report from the Curry-Lewis and Use of Proceeds workgroups. With no report from the workgroups, Mr. Sussan moved onto the presentation.

PRESENTATION

Mr. Sussan informed members that Mr. Johnathan Smith, President and Chief Executive Officer of Lancaster Bingo Company, Inc., a licensed charitable gaming supplier was unable to present before the Board due to unforeseen travel issues. Mr. Sussan explained to members that Mr. Smith wanted to share his experience with the impact of skill-based games, sweepstakes or other "grey market devices" on charitable gaming marketplace in the State of Ohio. As such, Mr. Sussan re-invited Mr. Smith to the next meeting of the Board and asked Mr. Randy Green to read the prepared statement from Mr. Smith on his experience, which Mr. Green did so. Mr. Sussan asked members whether they had any questions for Mr. Green and with no questions, Mr. Sussan moved onto new business.

NEW BUSINESS

After hearing the prepare statement from Mr. Smith, Mr. Sussan asked the public whether they had any comments on skill-based games, sweepstakes machines or other "grey market devices" and their impact on the charitable gaming marketplace. Mr. Charlie Daniels and Mr. Marty Williams with the Virginia Charitable Gaming Council expressed concerns with the direct competition for players between the unregulated skill-based games, sweepstake machines and other "grey market devices" and the regulated activities of charitable gaming. They asked the Board to find a way to address their concerns. Mr. Chris Mackenzie, with Sands Anderson, who represents Cave Conservancy of the Virginias, and Mr. Pete Britton with Cave Conservancy of the Virginias, a licensed charitable gaming organization encouraged the Board to address unregulated skill-based games, sweepstake machines and other "grey market devices." They also encouraged the Board to address how the charitable gaming marketplace will prepare itself for direct competition for players from Indian casinos after a news report surfaced that the federally recognized Pamunkey Indian tribe was considering whether to build a \$700 million casino and resort near Fredericksburg. Mr. Sussan asked members whether they had any remarks on this

matter. Mr. Green and Mr. Charles Lessin expressed concerns with the direct competition for players from skill-based games, sweepstakes machines or other “grey market devices” and possibly a casino.

With no further comments from the members or the public, Mr. Sussan moved onto the next item on the agenda.

NEXT BOARD MEETING

Mr. Sussan informed members that the next Board meeting will be held on April 23, 2018, in Richmond at the American Legion State Headquarters at 10:00 a.m.

PUBLIC COMMENT

Mr. Sussan asked the public in attendance whether any additional comments needed to be brought before the Board.

With no additional comments from the public and there being no further business, the Board adjourned at 10:53 a.m.

Respectfully submitted,

Michael Menefee
Program Manager
Office of Charitable and Regulatory Programs