

FINAL MINUTES

Charitable Gaming Board
Department of Agriculture and Consumer Services (VDACS)
Pop's Bingo World
210 Giant Drive
Richmond, Virginia
Tuesday, November 10, 2020

CALL TO ORDER

Mr. Charles Lessin called the meeting to order at 12:15 p.m.

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

MEMBERS PRESENT:

Mr. Charles Lessin, Chair
Ms. Lasonja Black
Mr. Clay Dawson
Mr. Samuel Kaufman
Ms. Lea Roberts
Ms. Amy Solares
The Honorable Ryant Washington [via Conference Call]

MEMBERS ABSENT:

Ms. Tanya Conrad, Vice-Chair
The Honorable William Feasenmyer
Mr. James Lewis

VDACS STAFF PRESENT:

Mr. Joel Maddux, Deputy Director, Division of Consumer Protection
Mr. Michael Menefee, Program Manager, Office of Charitable and Regulatory Programs

OFFICE OF THE ATTORNEY GENERAL STAFF PRESENT:

Mr. Justin Bell, Assistant Attorney General, Office of the Attorney General [via Conference Call]

Mr. Menefee informed Mr. Lessin that a quorum was present.

MESSAGE FROM THE CHAIR

Mr. Lessin informed members that next year, the Board will meet five times a year with workgroups meeting virtually more often than five times a year. Mr. Lessin stated the 30-day public comment period on the proposed regulations to govern Texas Hold'em poker tournaments began on November 9, 2020, and it will conclude on December 8, 2020. As such, the Board will meet either on December 17, 2020, or December 18, 2020, to consider any public comments on its proposed regulations. With no further comments, Mr. Lessin moved onto the approval of the minutes.

APPROVAL OF MINUTES

Mr. Lessin asked for a motion to approve the draft minutes of the October 13, 2020 Board meeting. Ms. Lasonja Black motioned approval of the draft minutes as presented. Ms. Lea Roberts seconded the motion and it passed by a unanimous vote. Mr. Lessin moved onto the next item on the agenda.

REPORT FROM BOARD MEMBERS

Mr. Lessin asked members whether they had any reports for the Board. Mr. Samuel Kaufman stated the Use of Proceeds workgroup discussed creating a dual-track for use of proceeds by setting a different use of proceeds requirement on the gross receipts generated from the sales of bingo and the gross receipts generated from the sales of electronic pull-tabs in order to encourage organizations to use electronic pull-tabs during their bingo session. In addition, the workgroup discussed granting the Board the ability to change the use of proceeds requirement on an annual basis in lieu of the administrative process, which may take the Board two to three years to change the requirement in the regulations. Ms. Roberts asked members to consider asking the casinos operators, who will be operating casino in the Commonwealth in the foreseeable future to not play bingo within their facilities. Ms. Black and Mr. Lessin offered comments on this matter. With no further remarks from members, Mr. Lessin moved onto New Business.

NEW BUSINESS

Mr. Lessin stated that the new business before the Board is to review draft Prize Amount Report, which the report was required by Chapter 980 of the 2020 Acts of Assembly. Mr. Lessin asked Mr. Joel Maddux and Mr. Menefee to present the report to the Board. Mr. Maddux spoke on the report, which he stated was developed at the request of the Board and prize amounts were discussed by a workgroup of stakeholders on September 10, 2020. Mr. Menefee explained to the Board the various sections of the report. Mr. Lessin stated that House Bill 1690 (Chapter 980 of the Acts of Assembly) was pushed by Vienna Volunteer Fire Department. He further stated he requested Delegate Mark Keam, patron of House Bill 1690 to withdraw the legislative bill because earlier, Mr. Lessin had pushed a different legislative bill during an earlier session of the Virginia General Assembly to raise prize amounts. As such, Mr. Lessin stated he heard a lot of comments from small and medium-sized organizations over their concerns about raising prize amounts. He further stated, currently, organizations may provide higher prize amount by offering up to six progressive bingo games and Treasure Chest Raffle games during their bingo sessions. Mr.

Barrett Hardiman, who represents Grover Gaming, Inc. stated his client wishes to increase the prize amount for electronic pull-tabs. In response, Mr. Lessin stated he is open to increasing the prize amount for electronic pull-tabs, paper instant bingo/seal cards/pull-tabs, and door prizes. Mr. Clay Dawson stated he wishes for all prize amounts to remain the same as it is unfair to change them to the advantage of the larger organizations. Mr. Lessin asked Mr. Dawson whether he supports increasing the prize amounts for electronic pull-tabs and paper instant bingo/seal cards/pull-tabs. In response to the question from Mr. Lessin, Mr. Dawson stated he is opposed to the increasing the prize amounts for electronic pull-tabs and instant bingo/seal cards/pull-tabs because players follow the larger prize amounts. Ms. Black stated she agrees with Mr. Dawson's comments. Ms. Roberts stated she did not see any harm in increasing the prize amounts for electronic pulls, paper instant bingo/seal cards/pull-tabs, and door prizes. Mr. Kaufman stated he agrees with Mr. Lessin's comments to increasing the prize amounts for electronic pulls, paper instant bingo/seal cards/pull-tabs, and door prizes. Hon. Ryant Washington inquired on the next course of action on the report. He stated if the intent is to go back to Delegate Keam with a specific recommendation on the prize amounts, then he is okay with the report, as it is written. He further stated he is supportive of incremental changes in the prize amounts in lieu of a significant and immediate increase in the prize amounts. Mr. Dawson further stated he is also opposed to increasing the prize amount for door prizes as it will cut into the charity's profit. Mr. Bob Jekanowski, who represents Powerhouse Gaming, Inc. stated an increase in the prize amount for electronic pull-tabs will not cut into the charity's profit.

At the conclusion of member's comments, Mr. Lessin asked for a motion on the report. Ms. Roberts motioned to recommend increasing the prize amount for electronic pull-tab and paper instant bingo/seal cards/pull-tabs from \$1,000 to \$2,000 while keeping all other prize amounts, as specified by the current law, the same. Ms. Dawson seconded the motion. As such, the following members voted in favor of the motion:

Member	Vote on the Motion
Lessin	Aye
Black	Aye
Dawson	Aye
Kaufman	Aye
Roberts	Aye
Washington	Nay

Mr. Lessin announced the vote with five ayes and one nay; and the motion passed.

Mr. Menefee advised the Board that it may wish to empower a member to rewrite the report's conclusion in order to incorporate the Board's approved recommendation on the prize amounts. As such, Mr. Dawson made a motion to empower Mr. Lessin to rewrite the report's conclusion on behalf of the Board. Ms. Black seconded the motion and it passed by a unanimous vote.

Mr. Lessin asked for a motion to approve the rescheduling of the Board meeting from December 8, 2020, to December 18, 2020. Mr. Lessin further stated that the meeting will occur at noon at Pop's Bingo World, unless the Board needs to meet virtually. Mr. Dawson motioned approval of the rescheduling of the Board meeting as presented. Ms. Black seconded the motion and it passed by unanimous vote. With no further new business before the Board, Mr. Lessin moved onto public comment.

PUBLIC COMMENT

Mr. Lessin asked whether anyone from the public had any comments for the Board.

With no comments from the public and there being no further business, the Board adjourned at 1:22 p.m.

Respectfully submitted,

Michael Menefee
Program Manager
Office of Charitable and Regulatory Programs