

**Games for Charity Study Commission  
Meeting  
October 13, 2015  
04**

Present:

Mr. Larry Belair –Chairman  
Mr. Jim Rausch –Vice Chairman  
Representative Patrick Abrami -Member  
Mr. Timothy Connors -Member

In Attendance: Paul Kelley-Director RCGC, Valerie King-Procedures Administrator RCGC, Amir Alic-Gaming Audit Supervisor RCGC, Linda Darrow-Recording Secretary RCGC, Ed Callahan, Dick Bouley, Jan DiMarzio, Nick Bonardi and others

Members not present for today's meeting were Senator Lou D'Allesandro, Major Russell Conte, Attorney John Kennedy and Mr. Lynn Presby.

Chairman Belair called the meeting to order shortly after 10:00 a.m.

**Introduction of Members**

Chairman Belair introduced each member of the commission.

**General Ground Rules**

Chairman Belair reminded everyone to be recognized by the chair before making a comment.

**Approval of the minutes of 9/22/15**

On a motion by Mr. Rausch, and seconded by Mr. Connors, the Commission unanimously voted to approve the minutes dated 9/22/15.

**Recap on tour of charitable gaming sites held on October 4, 2015**

Director Kelley provided a recap of the tour and noted that it was well attended by the members. The venues included in the tour provided members with a flavor of what charitable gaming is in New Hampshire. Director Kelley provided copies of compliance checklists that the enforcement investigators use when conducting inspections at gaming locations. Discussion ensued. Observations made:

- a. The electronic Lucky 7 dispensing devices did not appear to be a big draw in some of the halls visited. Increasing the bet to \$1.00/bet would make them more profitable. The market will determine if they will be a success.
- b. Table stakes poker was a big draw.
- c. There appeared to be little active participation by the sponsoring charities. Over the years, the legislature has diminished the participation role of the charities.

- d. The complexity of Bingo games makes it difficult for the charities to run it on their own.
- e. To keep charitable gaming from getting out of control, more oversight is needed. It is important to ensure participants are treated fairly.
- f. Charities have an obligation to familiarize themselves with the games they participate in.

### General Discussion Topics

Discussion ensued on the following paragraphs of HB 1630, RSA 329:4 relating to RSA 284:6-b III:

1. (a) Revenue impact on the state, charitable organizations, facility owners, game operator employers, primary game operators, secondary game operators, and equipment dealers if the authorized games of chance system is eliminated - Director Kelley reviewed handouts he provided on gaming statistics and gave a quick overview of the data. Discussion ensued. Observations made:
  1. Charities rely on monies raised to fund their programs.
  2. Game Operator Employers provide hundreds of good paying jobs.
  3. Table stakes poker has increased revenue to the state. Is this sustainable?
  4. Could a case be made to divert funds from the Education Trust Fund to support additional auditor and inspector positions?
  5. What effects will the Massachusetts casinos have on charitable gaming in New Hampshire's southern tier?

Director Kelley was asked to provide the commission with a projection of revenue over the next 2-3 years based on the revenue stream currently being realized by Table Stakes Poker. He will provide data on the cost of adding additional auditors and inspectors.

Mr. Callahan of Rockingham Park offered to draft a projection of how Massachusetts casinos may affect business at the park.

2. (b) Oversight and enforcement costs and sufficiency of taxes and fees to pay for such costs – discussion ensued. Observations made:
  1. Per Major Conte, the cost of hiring a state trooper would be \$100,000. It would be more cost efficient to hire retired police officers to work part-time hours.
  2. Create two dedicated positions to work with RCGC: one assigned to the State Police and the other assigned to the AG's office.
  3. An increase in either fees or fines could help fund these positions. Representative Abrami offered to speak with someone in the Budget Office to determine how best to move forward with this.

Director Kelley was asked to provide the commission with a list of the current fine structure and determine if these monies could be redirected to the State Police and AG's office to fund new positions.

3. (c) Projected oversight and enforcement costs - should be they improved to satisfy best practice regulator standards – discussion ensued. Observations made:
  1. The WhiteSand Report addressed this item. The State Police and/or Attorney General's office may have drafted something on this.
  2. Charitable gaming does not produce enough revenue to satisfy best practice regulatory standards.

4. (e) The role of game operator employers and primary game operators – discussion ensued.

Observations made:

1. The Charities would be unable to run the games without the assistance of the game operators.
2. The game operators are essential for the charity revenue stream.
3. All game operator employers are bonded.
4. There is no evidence of corruption in this area

Chairman Belair noted that he recently met with the governor. She offered the services of her staff to assist the commission to put their recommendations in final report form. The governor expressed her appreciation for the work that the commission has undertaken and urges the commission to “tell it like it is” so that solutions to the commission’s findings can be found.

Chairman Belair will work on putting together a rough draft of the findings to date and send out copies to the members before the next meeting.

**Comments from the Public**

Ms. Jan DiMarzio of Community Bingo Center suggested increasing the licensing fee for the Lucky 7 machines. Currently, the fee is \$10/month.

**Set Next Meeting Date**

The next meeting is scheduled for Tuesday, October 27th at 10:00 a.m. in Room 274 of the Walker Building, 21 South Fruit Street, Concord NH.

At 12:05 p.m., on a motion by Representative Abrami, and seconded by Mr. Rausch, the Commission unanimously voted to adjourn the meeting.