

New Hampshire Racing & Charitable Gaming Commission
Commission Meeting
April 17, 2014
14-04

Present: Timothy J. Connors, Chairman
Anthony B. Urban, Secretary
Frederick H. Booth, Member
Dennis H. Caza, Member
Michael J. Gatsas, Member
Lynn M. Presby, Member
Paul M. Kelley, Director
Sudhir K. Naik, Deputy Director
Michael R. Williams, Procedures Administrator
Stephen Johnston, Supervisor-Gaming Operations
Billie Jean Arseneault, Gaming/Licensing Supervisor
Linda Glaser, Auditor
Stratos Argiras, Auditor
Amir Alic, Auditor
Linda R Darrow, Admin Secretary

In Attendance: Dick Bouley, Jamie Timbas, Nick Bonardi, Jan DiMarzio, Mike McLaughlin, Susan Geiger, Bob Sinclair, Jack Revallo, Richard Melvin, Joel Weinstein, Ed Callahan, Rick Newman, James Crawford, Gregg Barber, William Faucher, Representatives: Almy, Ames, Butynski, Cooney, Karrick, Lovejoy and Shattuck; and others.

The Chairman called the meeting to order at 11:00 a.m.

On a motion by Commissioner Urban, seconded by Commissioner Booth and unanimously voted to approve and place on file the minutes dated March 4, 2014.

Mr. James Crawford provided an overview of the Poker-Tek system followed by a demonstration of how the electronic poker table works.

On a motion by Commissioner Urban, seconded by Commissioner Booth and unanimously voted to place on file the racing & charitable gaming statistics for the fiscal period of July 1, 2013 – March 31, 2014.

The Games of Chance/Bingo/Lucky 7 warning letters/late financials spreadsheets were reviewed. Deputy Director Naik noted that all responses have been received and are satisfactory. The spreadsheets were accepted and placed on file

On a motion by Commissioner Booth, seconded by Commissioner Urban and unanimously voted to place the Games of Chance State and Charity revenue spreadsheets on file.

Final Adoption of Rules

Procedures Administrator Williams stated that the three rules listed below are ready for final adoption by the Commission.

Pari 1010 and others – Carryover Bingo Game Prize

Pari 1102.16 and others – Double-sided Lucky 7 Tickets

Pari 1102.17 and others – Multiple Jackpot Seal Cards

On a motion by Commissioner Presby, seconded by Commissioner Caza and unanimously voted to adopt these three rules.

The Commission had previously placed a moratorium on all new game submissions in May 2012 due to staff being inundated with new game requests. Director Kelley stated that the current request to lift the moratorium may need to be placed on hold as he had received a resignation letter from Procedures Administrator Williams which will temporarily leave the office short staffed and unable to efficiently process new game submission requests. On a motion by Commissioner Booth, seconded by Commissioner Urban and unanimously voted to table the request to lift the moratorium until the next Commission meeting.

Procedures Administrator Williams noted that he had received from Mr. Townsend, President of GameTech and FortuNet a request to approve approximately 32 new electronic bingo player devices. Some of the devices have features that are more advanced than the “bingo brains” previously approved by the Commission. Procedures Administrator Williams recommended that Mr. Townsend be asked to provide a list of his devices that closely match the approved “bingo brains” in order to put these on a fast track for approval. Approval of the remainder would be deferred until the rulemaking process is complete. Discussion ensued. On a motion by Commissioner Presby, seconded by Commissioner Urban and unanimously voted to request Mr. Townsend to identify the devices that closely match “bingo brains” and submit those for the approval process.

Procedures Administrator Williams told the Commission a request has been received from the law firm of Cooper, Cargill and Chant for release of Casino Game Rental’s bond. Procedures Administrator Williams stated that all legal issues have been resolved. Discussion ensued. On a motion by Commissioner Urban, seconded by Commissioner Booth and unanimously voted to release the bond and amended to include, on the condition that the bond was held for the specified amount of time required.

Deputy Director Naik provided a summary of the Club Mont Royal audit report. The audit resulted in the discovery of a \$10,040 discrepancy in bank deposits from Lucky 7 sales and a general lack of internal controls over Lucky 7 operations. Discussion ensued. A motion was made by Commissioner Booth and seconded by Commissioner Urban to send a letter of Intent to Revoke to Club Mont Royal. Mont Club Mont Royal would then have 15 days to appeal the revocation and come in for a hearing. If the license were to be revoked, the revocation period is one year. Further discussion ensued. A motion to table the previous motion was made by Commissioner Gatsas, seconded by Commissioner Presby and passed with four votes. On a motion by Commissioner Gatsas, seconded by Commissioner Presby and unanimously voted to ask representatives of Club Mont Royal to appear at the next Commission meeting for a hearing.

Correspondence:

- a. HB 1161 – relative to definition of slot machines, duties of game operators and game operator employers. Director Kelley noted that this bill was deemed inexpedient to

legislate. For the record, Director Kelley read the following from the March 21, 2014 House Record: “Rep. Frank W Davis for the **Majority** of Ways and Means. This bill would exempt certain electronic table aids from the definition of slot machines. The only speaker in favor of this legislation was the lobbyist for one particular company. This company has questionable financial stability, losing money every year since its inception, and has settled out of court in a Las Vegas lawsuit over improper distribution of its machines. The Committee was concerned about what might happen if these machines were accepted and the company went out of business.”

- b. Letter dated 3/26/14 from Seabrook Park regarding simulcast schedule.
- c. Summary of RCGC monthly activities for month ended March 31, 2014

All correspondence was accepted and placed on file.

Old Business:

- Commissioner Gatsas noted that the account wagering balance information from Seabrook and Rockingham fall within the required limits.

New Business:

- Director Kelley informed the Commission that he had received Procedures Administrator Williams resignation letter. The Commission thanked Procedures Administrator Williams and wished him well.
- Director Kelley updated the Commission on the electronic Lucky 7 rulemaking process. He provided a copy of the timeline and a draft of the work done to date in the process. Discussion ensued. All agreed that the process needs to move forward and that a lot of work remains to be done. Attorney Susan Geiger offered any assistance that would be appropriate to give. Commissioner Presby provided a list of observations that the rules will need to address. A workshop will be scheduled in order to move forward with rulemaking.

There being no questions or comments from the audience, at 12:20 p.m., on a motion by Commissioner Booth, seconded by Commissioner Urban and by a unanimous roll call vote the Commission voted to adjourn the regular meeting and go into nonpublic session as allowed under RSA 91-A:3, II(c)

Connors	-	Yes
Caza	-	Yes
Booth	-	Yes
Gatsas	-	Yes
Presby	-	Yes
Urban	-	Yes

At 12:50 p.m., on a motion by Commissioner Booth, seconded by Commissioner Gatsas and by a unanimous roll call vote the Commission voted to come out of the nonpublic session and permanently seal the nonpublic minutes.

Connors	-	Yes
Caza	-	Yes
Booth	-	Yes
Gatsas	-	Yes
Presby	-	Yes
Urban	-	Yes

On a motion by Commissioner Caza, seconded by Commissioner Urban and unanimously voted to approve the license application of Hinsdale Harness LLC pursuant to RSA 284, to conduct simulcast wagering; subject to the approval of the Office of the Attorney General.

The next meeting is scheduled for Wednesday, May 28th at 11:00 a.m. in conference room 100 at the Walker Building.

The Chairman closed the public meeting at 1:00 p.m.

Respectfully Submitted,

Secretary
Anthony B. Urban