

**Nebraska Commission on Problem Gambling
August 16, 2019
700 South 16th Street
Lincoln Nebraska**

MEETING MINUTES

The meeting was called to order at 9:30 a.m.

Roll Call: Present: Lutz, Leckband, Patterson, Arch, Bomberger, Muelleman, Lambert and Canada. Absent excused: Zohner.

Announcements: Chairperson Lutz made the following announcements:

The Meeting Notice and Agenda were published on the state events calendar, the program website and the website of the Charitable Gaming Division on August 9, 2019. The notice of meeting has also been continuously posted here at the office of the Gamblers Assistance Program, and available for public inspection.

This meeting of the Commission on Problem Gambling is conducted according to the requirements of the Nebraska Open Meetings Act. A copy of the Open Meetings Act is available on the table toward the rear of this room.

Copies of other printed materials that may be considered by the Commission during the meeting are also available to the public on the table toward the rear of this room.

Today the Commission welcomes Kelly Lambert, new commissioner appointed by Governor Ricketts.

Public comments on issues presented during this meeting will be allowed by the chair from time to time during the meeting and may also be requested by any member of the commission at any time.

Approval of minutes of previous meeting: Chairperson Lutz called for amendments or corrections to the minutes of the meeting of May 17, 2019, and hearing none, the minutes were approved as distributed and posted on public websites.

Bylaws Review: The Commission discussed the requirement for a two-thirds vote of appointed Commission members in order to approve spending measures, now found in Article V of the bylaws. Changing membership of the Commission and

scheduling conflicts may mean that important decisions cannot be adopted for lack of five affirmative votes. The Commission resolved that a bylaws amendment to eliminate this “super majority” vote should be presented and considered at the next regular meeting of the Commission. Eliminating the term limits for Commission officers in Article VI will also be presented for discussion. Proposed revised bylaws to be drafted by the director and circulated before the next regular meeting.

Agent Brand contract

Representatives of Agent Brand and Mediaspark presented a report on the multimedia contract performance and the new animated warning messages. A hard copy reproduction of their report was distributed.

Director’s Report

The written Director’s report was distributed and is attached to these minutes.

Legislation: The director reported that LB 41 remains on general file. Senator Hilkemann will be approached about plans to move the bill during the session starting in January. Other legislation including the initiative petition to allow racino gambling was reviewed.

Finance: Several financial reports were distributed and reviewed with the Commission. These are referred to in the written report.

Summary of 2018-19 Operations: The director’s report summarizes the results of operations during the period July 1, 2018-June 30, 2019. The Commission reviewed a spread sheet that itemizes contractor performance and overall cost of services.

Increase Provider contracts

The Director reported on counselor contract increases that were approved by the Executive Committee of the Commission in July, 2019. After discussion, Commissioner Canada moved for approval of the decisions by the Executive Committee to increase the contract awards as listed. The motion was seconded by Commissioner Muelleman, and agreed to by unanimous vote.

Approve FY 2019-20 Contract awards

The Commission reviewed a list of contracts awarded to vendors for the fiscal year that began July 1, 2019. After discussion, Commissioner Leckband

moved for approval of the awards as listed. The motion was seconded by Commissioner Canada, and agreed to by unanimous vote.

Extend Training Contract

The current contract with the Nebraska Council on Compulsive Gambling offering online training to prospective counselors hosted by Bellevue University ends in October. The director recommended extending the contract until December 31, 2020. Commissioner Leckband moved to extend the contract. The motion was seconded by Commissioner Muelleman, and after discussion the motion was adopted by unanimous vote.

NABHO Conference Display Table

The Nebraska Association of Behavioral Health Organizations holds its annual conference in Lincoln on September 9-10. Gamblers Assistance can set up an exhibitor table for \$150.00. Commissioner Muelleman moved to authorize spending \$150 for the display table. Commissioner Canada seconded the motion which was adopted by unanimous vote.

Revised Training Standards

The director reported that the Certification Advisory Board has scheduled a meeting in September to review and develop recommendations for updates to the Commission's training and certification standards. Any recommended changes will be presented at the November meeting of the Commission.

Revised Contract Counselor Manual

The director reported that some changes have been made to this manual. This will also be a topic of discussion for the Advisory Board. Action on this manual will be tabled until the November meeting.

Comprehensive Data Report

J. P. Ramirez presented his report of data accumulated by program counselors. This report will be included with materials submitted to the Legislature and Governor in the program's annual report.

Director Performance and Compensation Review

Chairperson Lutz discussed the results of the Commission's review of the director's performance. Commissioner Canada moved to increase the director's

pay by 3%, effective with the next pay period, seconded by Commissioner Leckband, and approved by unanimous vote.

Copies of all printed materials distributed to the Commissioners are retained in the records of the program at the program office.

The meeting was adjourned at 1:15 p.m.

The next meeting will be held in November, date to be determined.

NEBRASKA COMMISSION ON PROBLEM GAMBLING
AUGUST 16, 2019
DIRECTOR'S REPORT

6.A. LEGISLATION

1. LB 41 This is the bill that Senator Hilkemann introduced on behalf of the Commission. It was reported to the floor by the General Affairs Committee last session, but did not make it onto an agenda for debate by the full Legislature. The bill remains on file, and will be a “carryover” bill when the next session opens in January. If the bill appears likely to be called up for debate, it will need to be amended. The current version calls for a permanent increase in program revenue to begin on July 1, 2019. The action by the Appropriations Committee last session (providing for the increase for the current two year budget cycle) means that the revenue increase should start on July 1, 2021, and an amendment would make that change.

2. Casinos in Nebraska. The petition drive to legalize casino gambling in facilities located near licensed horse race tracks has begun. Gambling opponents claim that their surveys prove the effort will fail. Proponents claim that their surveys show it will succeed. If the petitioners gather enough valid signatures, the issue will be presented to Nebraska voters at the election in November, 2020. In other news: a U. S. federal judge has ruled in favor of the Ponca tribe’s decision to establish a casino at Carter Lake, over objections by Attorneys General from Nebraska and Iowa, and the Council Bluffs city council.

3. Touch Screen Skill Games. Senator Lathrop’s bill that was meant to severely restrict these games passed near the end of the Legislative session. The new law prohibits some features of the computer software that operates the devices. Distributors of the devices will be required to submit a sample to the Department of Revenue for testing to make sure no prohibited software is included. The Department of Revenue is finishing its regulations. In the meantime, the spread of these devices continues. Over 2,400 are in operation around the state.

4. Publication of Lottery Games Odds of Winning. A bill by Senator Geist of Lincoln requires the State Lottery to clearly advertise the odds of winning prizes. This by itself is not likely to make much difference to habitual gamblers but it does illustrate the ongoing concern among legislators about the problems that gambling causes.

5. Fantasy Sports Games. LB 137 by Senator Blood of Bellevue was advanced by the General Affairs Committee on March 4 and remains on general file. The bill was not debated during the session, and it is too early to predict whether it will be called up for debate during the session beginning in January. Nearly identical bills offered by Senator Tyson Larsen failed to gather necessary votes to advance in earlier sessions of the Legislature.

6.B. FINANCE

The Department of Administrative Services Accounting Division reports dated June 30, 2019, show you the financial condition of the program from three different perspectives:

- (a) The Program Summary itemizes revenue and spending for last fiscal year, July 1, 2018 to June 30, 2019. Totals are on the second page of this report: revenue \$1.658 million, and spending \$1.794 million.
- (b) The Fund Summary by Fund shows you the status of the Gamblers Assistance Fund, which is the main vehicle for the Program’s revenue and spending. On the first page, far right column, on the line Fund Equity Undesignated the balance shown is 726,733.54. This was the cash on hand as of July 1, 2018 in the Gamblers Assistance Fund. Cash on June 30, 2019 is shown on the top line, page 1, second column from the right under the heading Account Balance Debit: 591,110. These reports show that cash balance declined last year by 135,624.
- (c) The Budget Status Report shows a comparison of spending to the overall Legislative-approved budget. In the upper right corner of the pages it shows that 100% of the fiscal year had elapsed as of June 30, 2019. The columns headed “Percent of Budget” show the status of the individual accounts.
On the second page, about in the middle, it shows you that the program as a whole ended the year at 85.12 percent of the Legislature’s approved budget, so we were 15% below budget.
- (d) Attached is an outline of this year’s projected budget based on the current obligations and overhead.

6.C. SUMMARY OF 2018-19 OPERATIONS

(1) The Excel spreadsheet “Gamblers Assistance FY2018-19 Contracts Performance” shows you the itemized results by contractor of the counseling services. A second spreadsheet – “Itemized Cost of Counseling Service” - shows cost of the different items of counseling services at current rates of pay. The data report by J. P. Ramirez shows results of client characteristics and outcome of our program services for this fiscal year.

The total on the last page of the Contracts Performance spreadsheet reports that 540 individuals have received our program’s counseling services during the period July 1, 2018-June 30, 2019. This is the first year we have been tracking this total. It includes individuals admitted into care before July 1, 2018, who were counseled after July 1, and new clients receiving both long-term and short-term counseling after July 1.

(2) The agenda includes a presentation by representatives of Agent Brand and Mediaspark, our media campaign contractors. Their presentation will give a detailed report on the results of the “BetCareful” media campaign from its beginnings in early 2018.

OTHER TOPICS ON TODAY’S AGENDA

Two program manuals are on the agenda: Training and Certification Standards, and Contract Provider Manual. These manuals establish program standards as required by the statute that created the Commission. Discussion will focus on revisions to these manuals.

Dated August 16, 2019

FISCAL YEAR 2019-20 BUDGET PROJECTIONS

REVENUE	
State Lottery Profits Distribution	900,000
Share of Lottery Advertising Budget	300,000
Share of Charitable Gaming Tax	400,000
Health Care Cash Fund	250,000
Interest on Gamblers Assistance Cash Fund	<u>20,000</u>
TOTAL REVENUE	1,870,000
EXPENDITURES	
Staff salaries and benefits	150,000
Data Analyst	49,000
Louisiana Helpline service	20,000
Zoom telehealth service	3,600
Bellevue University training (4 students complete)	2,900
Periodic newspaper ads	12,000
General office overhead	25,000
Counseling services	961,700
Counselor outreach	123,700
Agent Brand	<u>300,000</u>
TOTAL OBLIGATIONS 08/16/19	1,647,900
JULY 1, 2019 CASH FUND BALANCE	591,110
LEGISLATIVE APPROPRIATION	1,939,365
UNOBLIGATED FUNDS: AS ALLOWED BY APPROPRIATION	291,465
UNOBLIGATED FUNDS: BALANCE WITH REVENUE	222,100