

**Nebraska Commission on Problem Gambling  
February 26, 2021  
700 South 16<sup>th</sup> Street  
Lincoln Nebraska**

**MEETING MINUTES**

**The meeting was called to order at 9:37 a.m.**

**Roll Call:** Present in person: Lutz, Arch, Zohner, Patterson, Canada and Bomberger. Absent excused: Moore, Lambert, Leckband.

**Announcements:**

Chairperson Lutz made the following announcements:

The notice of this meeting was posted publicly on February 12, 2021, on the state events calendar. The notice of meeting with the agenda has been available continuously here in the office of the Gamblers Assistance Program in the Ferguson House, 700 South 16<sup>th</sup> street, Lincoln, Nebraska.

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.

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.

Let us now pause for a moment of reflection before we move on to the next item on the agenda.

**Approval of minutes of previous meeting:** Chairperson Lutz called for amendments or corrections to the minutes of the meeting of August 28, 2020, and hearing none, Commissioner Canada moved approval, seconded by Commissioner Arch. The motion was adopted by unanimous vote.

**The written Director's narrative report was distributed and is attached to these minutes.**

**Legislation:** The director reported on the status of the new casino initiative and several bills pending in the Legislature to add details to the initiative petition language.

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

**Summary of Fiscal Year-to-Date Operations:** The director's report summarizes the results of operations during the period July 1, 2020-January 31, 2021. The Commission reviewed a spread sheet that itemizes contractor performance and overall cost of services.

### **Increase contracts awarded to counselors**

The Commission reviewed a list of contracts for which increases are proposed. The added amounts are projected to be enough to pay for counseling services through the end of the fiscal year. Commissioner Canada moved approval of the proposed increases. The motion was seconded by Commissioner Patterson. After discussion the motion passed by unanimous vote.

### **Agent Brand contract report**

Representatives of Agent Brand reviewed the performance results for the digital media campaign including betcareful and lifeafterbet, the two URL internet searches that direct respondents to the program's website. The campaign is performing above expectations and will continue through the end of this fiscal year.

### **Affirm Executive Committee: Renew Helpline contract**

The Director explained that the contract with Louisiana Association on Compulsive Gambling to operate the program helpline was to expire on December 31, 2020, before the next meeting of the Commission. In order to avoid a lapse of that contract, the Executive Committee voted to enter a new contract for calendar year 2021. Commissioner Canada moved for approval of the executive committee's action. Commissioner Arch seconded the motion. After discussion the motion passed by unanimous vote.

### **Affirm Executive Committee: Renew Bellevue University/Nebraska Council on Compulsive Gambling training contract**

The Director explained that the contract with the Nebraska Council on Compulsive Gambling and Bellevue University to offer online training to

prospective counselors was to expire on December 31, 2020, before the next meeting of the Commission. In order to avoid a lapse of that contract, the Executive Committee voted to enter a new contract for calendar year 2021. Commissioner Canada moved for approval of the executive committee's action. Commissioner Arch seconded the motion. After discussion the motion passed by unanimous vote.

**Affirm Executive Committee: Increase contract award to Pine Lake Behavioral Health**

The Director explained that the counselor at Pine Lake Behavioral Health had experienced an increase in demand resulting in the immediate need to increase that contract in the amount of \$4,000 in order to pay an invoice and provide for future payments. The invoice was due before the anticipated next meeting of the Commission. Commissioner Canada moved for approval of the executive committee's action. Commissioner Bomberger seconded the motion. After discussion, the motion passed by unanimous vote.

**Affirm Executive Committee: Increase contract award to Agent Brand**

The Director explained that the program's official website needed an upgrade to permit better interaction with the new media message campaign emphasizing counseling services. The cost quoted by Agent Brand to create the digital files for this upgrade was lower than the quote from Nebraska Interactive, the website host. Because the media campaign was already being presented, it was important to upgrade the program website. The Director recommended approval by the Executive Committee of an increase to the Agent Brand contract in the amount of \$5,000 to pay for the website upgrade. Commissioner Canada moved for approval of the executive committee's action, which was seconded by Commissioner Arch. After discussion the motion passed by unanimous vote.

**Affirm Executive Committee: Revise counselor manual**

The Director explained that the program's Contract Provider Manual specifies the terms for delivery of counseling services and interacts with the terms of counselor contracts to define all aspects of the counseling services. As part of the process of reviewing utilization guidelines it became clear that language in the counselor manual needed to be improved in order to clarify the duties of the counselors in view of the proposed new rate schedule. The Director recommended adoption of the manual amendments to become effective

immediately in order to coincide with the new rate schedules. The Executive Committee approved the revisions on December 22, 2020. Minutes of the Executive Committee are included in the materials provided during the meeting. Commissioner Canada moved for approval of the executive committee's action, which was seconded by Commissioner Arch. After discussion the motion passed by unanimous vote.

#### **Affirm Executive Committee: Revise schedule of rates for counseling services**

The Director explained that the program's counselor contracts include schedules of rates paid for various services. Based on the studies of utilization completed in the summer of 2020, and review of invoice materials for several months, the Director devised a new rate schedule designed to lower overall cost to the program for these services without depriving clients of needed assistance. The Director asked the Executive Committee to adopt the new rates to become effective February 1 in order to allow several months remaining in the fiscal year to assess the impact on the program's budget. In order to allow advance notice to the counselors, the new rate schedule was to be announced in late December, 2020. On December 22, 2020, the Executive Committee met by telephone conference call to discuss the rate revisions and voted unanimously to approve. Commissioner Canada moved approval of the Executive Committee action, and Commissioner Arch seconded the motion. After discussion, the motion was adopted by unanimous vote.

#### **Approve certification of L. Janeen Gill**

The Commission received the application by L. Janeen Gill to be certified as a counselor. The application had been approved by the program Certification Advisory Board. Commissioner Canada moved approval of the application, and Commissioner Arch seconded the motion. After discussion, the motion was adopted by unanimous vote.

#### **Revise certification standards**

The Director reported that certification standards are due for updating in order to correlate with the training offered to licensed mental health professionals. The Certification Advisory Board is reviewing materials and holding meetings and expects to report on revisions at the May meeting of the Commission.

**Next meeting date**

The next meeting of the Commission will be held at Ferguson House on May 21, 2021, beginning at 9:30 a.m.

**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 1:00 p.m.**

**NEBRASKA COMMISSION ON PROBLEM GAMBLING**  
**FEBRUARY 26, 2021**  
**DIRECTOR'S NARRATIVE REPORT**

**LEGISLATION**

**Casinos in Nebraska.** The casino promoters are moving as fast as they can to be ready to build and operate casinos in Lincoln, Omaha and South Sioux City. State government is struggling to catch up. There are several bills on file that will add specific administrative features to the laws that the voters approved in November. One bill adds detail to the process of converting the existing racing commission into a racing and gaming commission. The initiative promoters left out many details.

The current commission has a staff of two and no budget that it can use to increase staff, acquire furnishings and equipment, and prepare for licensing and regulating casinos. One of the pending bills will appropriate \$225,000 so they can at least get started.

This is a first-time-ever administrative effort. The director of the racing commission hopes to be ready to accept applications for casino licenses in the first few days of July. But before licenses can be issued, regulations have to be written and inspections and background investigations have to be performed. The casino promoter told a legislative committee that they cannot arrange construction financing until a license is issued. Major construction projects always face many delays.

For these reasons, it is impossible to make reliable predictions about the time it will take for a casino operation to make it to opening day. Any projection of state tax revenue is only conjecture at this point, and provides no basis for the Gamblers Assistance Program to plan operations.

**Touch Screen Skill Games.** The Department of Revenue regulations and testing procedures are in effect. Some of the game distributors have chosen not to offer their games for testing, and are moving out of the state. There are now about 3000 of these devices in operation at over 1000 locations all over the state. The situation is barely under control. The new regulations will make significant changes.

**Biennial Budget for 2021-2023.** Governor Ricketts recommended approval of our budget request, and I have been told that the Appropriations Committee of the Legislature will approve it also. The appropriation for the first year of the biennium will be **1,947,610** and for the second year **1,950,434**.

On the revenue side of the budget, I have asked the Appropriations Committee for transfers to the Gamblers Assistance Fund in the amounts of **250,000** each year from the Health Care Cash Fund, and **400,000** each year from the Charitable Gaming Operations Fund. At this report, I have no response from the Committee on these requests.

**ADMINISTRATIVE SERVICES BUDGET AND FINANCIAL REPORTS**

The attached Department of Administrative Services Accounting and Budget Division reports dated **February 24, 2021**, (report date is in small print in the upper right corner) show you the financial condition of the program from three different perspectives:

The **Program Summary** itemizes revenue and spending for the period July 1, 2020-Feb. 24, 2021. Totals so far this year are on the second page of the report: **revenue \$1,278,942, and spending \$1,007,294**. Program revenue is about even with last year, while overall spending is

down by about 15%. This likely reflects the spending cuts the Commission adopted last summer combined with effects of the pandemic.

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** shows cash on hand as of July 1, 2020 was **\$575,949**. Cash on hand on February 24 is shown on the top line, page 1, second column from the right under the heading **Account Balance Debit: \$870,749**. **Note that this cash balance will be reduced by payment of \$23,152 of accrued liabilities, so available net cash is \$847,597.**

The **Budget Status** Report shows you that 65% of the fiscal year has elapsed as of this week, and our program has spent just over 47% of our approved budget. We have stayed under budget every year.

#### **INTERNAL OPERATIONS SPREAD SHEETS**

The Excel spreadsheets **Gamblers Assistance Contracts Performance** shows you the itemized results by contractor since July for the major categories of service. Near the bottom of the third page is a set of boxes with monthly overall totals. Here is a comparison to prior years:

- So far this year, for the period July through January, there have been 128 new clients admitted into our counseling services. Last year in the same period, there were 106 new client admissions; the year before, 120.
- So far this year, for the period July through January, an average of 227 clients have attended counseling each month. Last year the average was 232, and the year before it was 228.
- So far this year, again for the period July through January, counselors have been paid \$578,906 for counseling services. Last year the amount was \$671,836. The year before, it was \$670,005.
- We no longer compensate counselors to perform outreach and education, and we terminated the policy of allowing a 5% overhead payment. These changes have reduced program spending by about \$4,700 per month. The reduced spending on counseling services has lowered overall program spending by about \$95,000.

A second spreadsheet – **Itemized Cost of Counseling Service** - shows quantities and cost of the different items of counseling services at current rates of pay. So far this year our counselors have been paid for 4,682.25 hours of individual counseling; a year ago, the total was 4,977.7 hours. The other categories are also lower this year compared to last, particularly group counseling.

#### **OTHER TOPICS ON THE PROPOSED AGENDA FOR TODAY'S CANCELLED MEETING**

**Item 5** is approval of increases in the counseling contract awards that were issued last summer. The first round of awards totaled \$664,000, which is about 60% of your approved budget for this item. The requested increases should be more than enough to allow counselors to finish the year.

**Items 7 through 12** are requests to affirm decisions by the Executive Committee on matters that needed to be resolved by the end of the calendar year. The remaining agenda items will be discussed in open meeting.

Dated February 24, 2021.

David Geier, Program Director