

**Nebraska Commission on Problem Gambling
May 21, 2021
700 South 16th Street
Lincoln Nebraska**

MEETING MINUTES

The meeting was called to order at 9:36 a.m.

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

Announcements:

Chairperson Lutz made the following announcements:

The notice of this meeting was posted publicly on May 7, 2021, on the state events calendar and on May 10, 2021 on the program's website. 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 16th 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 in the lobby.

Copies of other printed materials that may be considered by the Commission during the meeting are also available to the public on the table in the lobby.

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 February 26, 2021, and hearing none, Commissioner Arch moved approval, seconded by Commissioner Patterson. 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 other bills pending in the Legislature.

Finance: Several financial reports from the Department of Administrative Services Accounting Division 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-April 30, 2021. The Commission reviewed a spread sheet that itemizes contractor performance and overall cost of services.

Program Budget Resolution for Fiscal Year 2021-22

The Commission reviewed and discussed the proposed budget for the next fiscal year. The budget includes projections of revenue and spending based on historical experience. The Legislative-approved appropriation includes approximately \$185,000 of projected wagering tax income from the new casinos, which is a projection that involves significant speculation. After discussion, Commissioner Leckband moved for adoption of the proposed budget. Commissioner Patterson seconded the motion which was then adopted by unanimous vote.

Agent Brand Contract Report, Renewal and Increase

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 June 30, 2021.

The Commission then considered and discussed renewal of the contract with Agent Brand for the two remaining years of the contract: July 1, 2021-June 30, 2022, and July 1, 2022-June 30, 2023. The proposal to renew included an increase in the budget for the fiscal year 2021-22 up to \$400,000, which will fund new creative efforts to enhance the digital media messages and the program's website. Commissioner Moore moved approval of the proposal to renew the contract and increase the amount to \$400,000 for the upcoming fiscal year. Commissioner Leckband seconded the motion and, after discussion, the motion was adopted by unanimous vote.

Increase contract rates paid for counseling next year

The Director submitted a proposal to revise the schedule of payments to counselors for outpatient services beginning July 1, 2021. Rates for counseling services would increase to \$110.00 per hour, and assessments would increase to \$300. These rates would still not make program counseling comparable to Medicaid or private insurance rates for psychotherapy services. Projected increase in program cost would be \$110,000. Commissioner Leckband moved for approval of the proposed increase in rates. 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 but the revisions are not yet ready for Commission action. The Director also reported on a proposal offered to Bellevue University faculty to create a test of gambling addiction subject matter that will be offered to candidates for certification in place of the current test administered by Professional Testing Corporation. The timetable and cost will be ready for Commission action at the August meeting.

Approve certification of Carly Spring

The Commission reviewed the application documents submitted by Carly Spring, who has completed training and the period of supervised practice. The Certification Advisory Board has recommended approval and issuance of the certificate. After discussion, Commissioner Arch moved approval of the application. Commissioner Moore seconded the motion which was adopted by unanimous vote.

Increase amount of current year contracts with counselors

The Commission reviewed a list of proposed increases to contracts with seven counselors that will allow payment for services through the month of June. The proposal was based on current and projected demand for counseling. Commissioner Patterson moved approval of the proposed increases. Commissioner Moore seconded the motion which was adopted by unanimous vote.

Financial support for continuing education at conferences

The Director submitted a proposal to reimburse counselors up to \$250 each for registration to attend the Midwest Conference on Problem Gambling and Substance Abuse or the annual national conference of the National Council on Problem Gambling. Each program presents seminars that are eligible for continuing education credits for program counselors. Few offerings are otherwise available to permit them to comply with continuing education requirements. Projected cost to the program would be \$5,000.00. Commissioner Arch moved for approval of the proposal. Commissioner Patterson seconded the motion. After discussion, the motion was adopted by unanimous vote.

Pay and performance review of the position of Director.

At 12:15 the Commission voted for an executive session to discuss pay and performance of the Director. At 12:30 the Commission voted to resume open session. Commissioner Lutz announced that the Commission had agreed upon a positive review of the Director's job performance, and voted to increase the Director's rate of pay by up to 5% if within Legislative approved salary limits for the program, effective July 1, 2021.

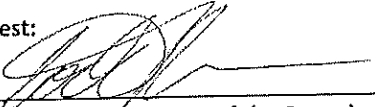
Next meeting date

The next meeting of the Commission will be held at Ferguson House on August 13, 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 12:45 p.m.

Attest:



Todd Zohner, Secretary of the Commission

NEBRASKA COMMISSION ON PROBLEM GAMBLING
MAY 21, 2021
DIRECTOR'S NARRATIVE REPORT

LEGISLATION

Casinos in Nebraska. Ho-Chunk Enterprises, the business entity owned by the Winnebago tribe, expects to deliver three casino license applications to the new Racing and Gaming Commission in early July. Early stage development of the Lincoln casino has included zoning and use permit changes that are necessary before construction can begin. It will also be necessary for the Racing and Gaming Commission to hire staff and develop rules and procedures for licensing and regulating casinos. It is possible that limited temporary casino operations could begin in Lincoln by this fall, but full-blown casino operations in the new facilities are probably two years off into the future.

Biennial Budget for 2021-2023. The Legislature adopted the biennial budget that authorizes Gamblers Assistance Program spending of \$ 1,947,632. A second appropriation bill that is attached to the bill that organizes casino licensing and regulation includes an appropriation of \$ 184,875. This is the predicted share of casino tax that will be transferred to the Gamblers Assistance Fund.

On the revenue side of the budget, this past year state lottery operations turned out to be more successful than the predictions given to us a year ago. Third quarter allocations from the lottery were among the highest in memory -- \$152,015 from our share of lottery profits, and \$84,035 for us to administer in problem gambling messages activities. In the Legislature's appropriations process, we were once again granted revenue transfers of \$400,000 per year from the tax on charitable gaming (keno) and \$250,000 per year from the health care cash fund (tobacco industry settlement funds).

The budget outline in agenda item 5 is based on historical revenue amounts with the addition of projected casino gaming tax.

ADMINISTRATIVE SERVICES BUDGET AND FINANCIAL REPORTS: TAB 3

The Department of Administrative Services Accounting and Budget Division reports behind tab 5 dated **April 30, 2021**, 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-Apr. 30, 2021. Totals so far this year are on the second page of the report: **revenue \$1,617,206, and spending \$1,279,167**. Program revenue is about even with the same month last year, while overall spending is down by about 21%. 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 April 30 is shown on the top line, page 1, second column from the right under the heading **Account Balance Debit: \$913,987**. This is a \$278,000 increase in the program's cash position compared to the same month a year ago.

The **Budget Status** Report shows you that 83% of the fiscal year had elapsed as of April 30, and our program had spent just over 60% of our approved budget. We have stayed under budget every year.

INTERNAL OPERATIONS SPREAD SHEETS: TAB 4

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 April, there have been 193 new clients admitted into our counseling services. Last year in the same period, there were 160 new client admissions; the year before, 168.
- So far this year, for the period July through April, an average of 190 admitted clients (not including short-term urgent care) have attended counseling each month. Last year the full-year average was 193, and the year before it was 218.
- So far this year, again for the period July through April, counselors have been paid \$811,462 for counseling services. Last year the amount was \$990,688. The year before, it was \$933,005.
- 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 over \$11,000 per month.

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 7,639.75 hours of individual counseling; a year ago, the total was 9,301 hours. This difference accounts for a program spending reduction of \$166,100.

Dated May 21, 2021.

David Geier, Program Director