

**NEBRASKA COMMISSION ON PROBLEM GAMBLING
MEETING MINUTES
AUGUST 23, 2024**

The meeting was called to order at 9:39 a.m.

Roll Call: Present in person: Lutz, Arch, Zohner, Leckband, Volnek, Pulverenti, Lambert. Absent excused Moore, Monheiser.

Announcements:

Chairperson Lutz made the following announcements:

The notice of this regularly scheduled meeting of the Commission on Problem Gambling was posted publicly on August 5, 2024 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 Whitehall Campus, Building 7, 5800 Walker Avenue, Lincoln, Nebraska since the date when the notice was posted publicly.

This meeting of the Commission on Problem Gambling is conducted in compliance with the requirements of the Nebraska Open Meetings Act. A copy of the Open Meetings Act is on the table to my right.

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

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.

The sequence of our discussion of agenda items and the timing of discussion are tentative and subject to ruling by the chair as this meeting goes on.

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 meetings:

The chair called for amendments or corrections to the minutes of the meeting of May 10, 2024. Hearing none, Commissioner Leckband moved for approval of the minutes as distributed, seconded by Commissioner Arch. The Chair called for a vote. Voting yes: Arch, Lambert, Leckband, Lutz, Pulverenti, Volnek, Zohner. Voting no: None. Motion carried.

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

Budget Status: The Director's report detailed revenue and expenditures for the fiscal year-to-date; status of new casino gambling in Nebraska; other staff activities this fiscal year.

Finance Reports: 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, 2023-June 30, 2024. The Commission reviewed two internal spread sheets that itemize contractor performance and measure counseling utilization on average and in detail by vendor and categories of service. Counseling utilization increased during the just-completed fiscal year.

Legislation: The just-completed special session of the Legislature did not produce any changes to Nebraska gambling laws, although several ideas were presented. The Director reported meeting with Senator Elliott Bostar about gambling legislation that may be presented at future sessions.

Other topics reported by the director are summarized in the written narrative report attached to these minutes.

Agenda Item 6: Review and approve contracts awarded for the term beginning July 1, 2024.

The Director presented a list of the contracts issued to counselors and other vendors for the year beginning July 1, 2024. The list is included in the meeting materials. Commissioner Leckband moved to approve the contracts as issued. Commissioner Arch seconded the motion. After discussion, the Chair called for a vote. Voting yes: Arch, Lambert, Leckband, Lutz, Pulverenti, Volnek, Zohner. Voting no: None. Motion carried.

Agenda Item 7: Report on Public Awareness Campaign.

The Director reported on the status of the public awareness campaign contract with Argus. Four Argus staff met with Program staff in Lincoln on July 1-2, to become acquainted and develop plans for the campaign. Commission materials included presentation of the strategic framework of the campaign and budget for the first year of the contract. This item was discussion only; no vote taken.

Agenda Item 8: 2025-2027 Biennial Budget

The Commission received forms prepared by the Director to be submitted to the state budget office the include background about the Program, base budget amounts including staff salaries, and an analysis of the Gamblers Assistance Fund. Commissioner Pulverenti moved for approval of the budget as distributed, seconded by Commissioner Lambert. After discussion the Chair called for a vot. Voting yes: Arch, Lambert, Leckband, Lutz, Pulverenti, Volnek, Zohner. Voting no: None. Motion carried.

Agenda Item 9: Counseling Data Reports

The meeting materials for this agenda item included a detailed report prepared by J.P. Ramirez that tabulated responses to questions asked of new clients in the Program during the fiscal year July 1, 2023-June 30, 2024. Responses from 267 gambler clients and 50 family member clients were reported. This item was discussion only, no vote taken.

Agenda Item 10: Issue new counselor certificates

Applications for Provisional Certificates by Danielle Bugay of Lincoln; Mya Wragge of Lincoln; Kayla Wilson of Lincoln; Andrew Koepp of Omaha; Cassi Stark of South Sioux City; and Andrew Vuorela of Omaha, were received. All applications had been reviewed and approved by the Certification Advisory Board. The applications were considered and voted on separately, as follows:

1. Bugay: Commissioner Leckband moved for approval, seconded by Commissioner Lambert. Voting yes: Arch, Lambert, Leckband, Lutz, Pulverenti, Volnek, Zohner. Voting no: None. Motion carried.
2. Wragge: Commissioner Pulverenti moved for approval, seconded by Commissioner Lambert. Voting yes: Arch, Lambert, Leckband, Lutz, Pulverenti, Volnek, Zohner. Voting no: None. Motion carried.
3. Wilson: Commissioner Leckband moved for approval, seconded by Commissioner Pulverenti. Voting yes: Arch, Lambert, Leckband, Lutz, Pulverenti, Volnek, Zohner. Voting no: None. Motion carried.
4. Koepp: Commissioner Leckband moved for approval, seconded by Commissioner Pulverenti. Voting yes: Arch, Lambert, Leckband, Lutz, Pulverenti, Volnek, Zohner. Voting no: None. Motion carried.

5. Stark: Commissioner Lambert moved for approval, seconded by Commissioner Arch. Voting yes: Arch, Lambert, Leckband, Lutz, Pulverenti, Volnek, Zohner. Voting no: None. Motion carried.
6. Vuorela: Commissioner Leckband moved for approval, seconded by Commissioner Pulverenti. Voting yes: Arch, Lambert, Leckband, Lutz, Pulverenti, Volnek, Zohner. Voting no: None. Motion carried.

Agenda Item 11: Upgrade counselor certificate

The application by Brandy Atherton of Columbus to upgrade her certificate status from provisional to fully certified was presented to the Commission. The application had been approved by vote of the Certification Advisory Board. Commissioner Pulverenti moved for approval of the application, seconded by Commissioner Volnek. The chair called for a vote. Voting yes: Arch, Lambert, Leckband, Lutz, Pulverenti, Volnek, Zohner. Voting no: None. Motion carried.

Agenda Item 12: Approve issuance of new counselor contracts to Andrew Vuorela, Cassie Stark, and Andrew Koepp

The Director presented a proposal to issue new counselor contracts in the amount of \$15,000 each to newly-certified counselors Vuorela, Stark and Koepp. Commissioner Leckband moved for approval of the new contracts, seconded by Commissioner Volnek. The chair called for a vote. Voting yes: Arch, Lambert, Leckband, Lutz, Pulverenti, Volnek, Zohner. Voting no: None. Motion carried.

Agenda Item 13: Update Evergreen Council contract for new counselor training, Council on Economic Education contract for high school financial literacy curriculum about gambling.

The director discussed the current status of the new counselor training that has been recorded by Evergreen Council on Problem Gambling, taught by Wylie Harwell and Lori Rugle. The recorded training will be offered at Bellevue University later this year. The director also discussed the current status of the creation of lesson plans and curriculum about gambling for use in high school financial literacy courses. Three University of Nebraska faculty are creating the materials which will be ready to distribute to schools this fall, and will also be posted on the website of the U.S. Federal Reserve Bank of St. Louis. This agenda item was for discussion only, no vote taken.

Agenda Item 14: Appointed Kit Johnson to the Certification Advisory Board.

The Director nominated Kit Johnson to replace Ron Felton on the Certification Advisory Board. Commissioner Leckband moved for approval of the appointment, seconded by Commissioner Volnek. Voting yes: Arch, Lambert, Leckband, Lutz, Pulverenti, Volnek, Zohner. Voting no: None. Motion carried.

Agenda Item 15: Director Performance and Pay Review.

Consistent with Commission policy, the performance and pay status of the Director was reviewed and discussed. Commissioner Arch moved for a 5% increase in the Director’s pay. Commissioner Pulverenti seconded the motion. Voting yes: Arch, Lambert, Leckband, Lutz, Pulverenti, Volnek, Zohner. Voting no: None. Motion carried.

The next meeting will be on Friday, November 1, 2024, beginning at 9:30 a.m. at a location in Lincoln to be determined.

Meeting adjourned at 12:14 p.m.

ATTEST:

Todd Zohner, Secretary

NEBRASKA COMMISSION ON PROBLEM GAMBLING
AUGUST 23, 2024
DIRECTOR'S NARRATIVE REPORT

BUDGET STATUS: FY2023-24

Budget status at the end of last fiscal year (June 30) was about as predicted at your meeting on May 10: total revenue ended at \$2.592 million and spending \$3.019 million. This reduced the cash fund balance from \$1.008 million to \$.581 million.

Counseling accounted for two-thirds of program expenditures: \$2.024 million. Another 22% of spending went for the marketing/message campaign. The details of last year's budget are in the Administrative Services accounting reports at agenda item 4.

BUDGET STATUS: FY2024-25

The Commission's internal budget for this fiscal year dated May 10 is attached. Page 1 of this document projects revenue of \$2.69 million, about 4% more than last year. Page 2 of this document projects spending totaling \$2.944 million, \$75,000 less than last year, and \$256,000 less than the Legislature appropriated for the year.

There are three hard to predict elements of our budget this year:

1. Casino wagering tax revenue. The pace of casino openings and expansions has not kept up with predictions since 2021. Budget item 8 today is a review of the budget request documents for the two years beginning July 1, 2025. The Funds Analysis entries are based on today's best predictions.
2. New client admissions and ongoing client counseling utilization. New client admissions last fiscal year were 30% more than the year before. Total counseling hours were 18% higher. Today's agenda includes new certificates for six new counselors, three of whom are at clinics that are new to our program. Over the past year ten other new certificates were awarded. By early 2025 we will have issued contracts to about thirty counseling clinics – more than twice the number of clinics in our program two years ago. Counseling hours will almost certainly continue to increase.
3. Impact of gambling outside the authority of the agencies we rely on for revenue. Sports bettors appear to prefer remote access to bookies, which may siphon off anticipated revenue from the Nebraska casinos where the bettor must be physically present inside the building. Untaxed mechanical amusement cash devices continue to spread, siphoning off unknown amounts of gambling revenue from the licensed casinos and state-approved lottery and charitable gaming. Federal data show that about 1% of spending is for gambling. This suggests that more gambling offered by entities other than the Nebraska casinos and state-approved games will reduce the revenue available to our program – the pie is simply divided into smaller pieces.

STATUS OF CASINOS

The casinos in Lincoln, Grand Island and Columbus are operating about 1,200 slot machines – this number changes frequently. Omaha opened this month with 800 slots. All four offer table games and sports betting. The Racing and Gaming Commission has approved transfer of the racetrack license from Hastings to Ogallala, which is the first step to development of a casino at

Lake McConaughy. At some point during this fiscal year construction may begin at the former Dakota Downs facility in South Sioux City. By some point in the next 2-3 years Nebraska will be home to six casinos.

OTHER ITEMS FOR DISCUSSION

- The updated new counselor training program has been completed. Preparation is underway at Bellevue University to host the training on their website and begin offering the course later this year.
- The improved training creates the opportunity to revise and update the Program's training and certification standards. Data from around the country is telling us that addiction to gambling is a complex disorder often accompanied by severe mental health and substance abuse problems. Our training and certification standards need to be raised to a level that will meet the needs of this population.
- I attended the annual Midwest Conference on Problem Gambling and Substance Abuse in Kansas City in June, and the annual national conference of the National Council on Problem Gambling in San Diego in July. Sessions at these conferences reaffirmed the need to strengthen our program.
- Item 12 on the agenda includes a status update on the high school curriculum project. Staff at the University of Nebraska have begun development of class materials that will be offered to Nebraska high schools for inclusion in their financial literacy courses.
- Anne McCollister's retirement combined with the forced move of the program office to the Whitehall campus present two issues: staffing the program office and planning for improved office space. These will be topics at future meetings.

David Geier
August 23, 2024

GAMBLERS ASSISTANCE PROGRAM BUDGET FISCAL YEAR 2024-2025

REVENUE

Share of State Lottery profits <i>500,000 + 1%; Constitution Article III Section 24</i>	950,000
5% of State Lottery ad budget <i>Statute Section 9-831</i>	325,000
Share of Charitable Gaming tax <i>Legislative fixed amount appropriation</i>	400,000
Share of Casino Wagering Tax <i>Racetrack Gaming Act Section 9-1204</i>	1,000,000
Investment Income <i>Gamblers Assistance Fund earnings</i>	<u>15,000</u>
TOTAL PROJECTED REVENUE	<u>2,690,000</u>

EXPENDITURES

510000 PERSONAL SERVICES

511100 PERMANENT SALARIES <i>Limit set by Legislature</i>	144,881
515100 RETIREMENT PLANS EXPENSE <i>Employer share 7.5%</i>	10,866
515200 FICA EXPENSE <i>Employer share 7.65%</i>	11,083
515500 HEALTH INSURANCE EXPENSE <i>Employer share of premiums</i>	25,000
516500 WORKERS COMP PREMIUMS <i>State assessment</i>	<u>1,000</u>
Personal Services Total	192,830

520000 OPERATING EXPENSES

521100 POSTAGE EXPENSE	150
521400 CIO CHARGES <i>State data; communications</i>	12,000
521500 PUBLICATION & PRINT EXPENSE <i>State printing</i>	2,000
522200 CONFERENCE REGISTRATION <i>National Conference</i>	1,228
524600 RENT EXPENSE-BUILDINGS	10,656
531100 OFFICE SUPPLIES EXPENSE	500
534600 EDUCATIONAL SUPPLIES <i>Texts, manuals</i>	1,000
541100 ACCTG & AUDITING SERVICES	5,000
541200 PURCHASING ASSESSMENT	400
554130 VIDEO SERVICES <i>Zoom Video</i>	6,948
554900 OTHER CONTRACTUAL SERVICES	
<i>Data analyst</i>	77,750
<i>New training license fee – Evergreen Council</i>	20,000
<i>Bellevue Univ. training & testing</i>	10,000
<i>Helpline service</i>	31,500
<i>Council on Economic Education high school curriculum</i>	12,000
<i>Tyler Tech internet & website services</i>	15,000
559100 OTHER OPERATING EXPENSE	
<i>NAADGS Membership</i>	3,500
<i>NABHO Conference Sponsorship</i>	2,500
559164 PROBLEM GAMBLING MESSAGES <i>RFP Awarded Contract</i>	<u>400,000</u>
Operating Expenses Total	612,132

570000 TRAVEL EXPENSES

571100 BOARD & LODGING <i>Commissioner travel; National Conference hotel</i>	3,500
572100 COMMERCIAL TRANSPORT <i>National Conference air fare</i>	750

573100 STATE-OWNED TRANSPORT .32/mile; 12.50/day	1,000
574500 PERSONAL VEHICLE MILEAGE <i>Commissioner, director travel .67/mile</i>	<u>1,500</u>
Travel Expenses Total	6,750
590000 GOVERNMENT AID	
595100 CONTRACTUAL AID <i>Counseling services</i>	<u>2,132,500</u>
<i>Assumes 11,000 hours counseling @185; 325 admission assessments @300</i>	
TOTAL ALL PROJECTED EXPENDITURES	<u>2,944,212</u>

APPROPRIATION **3,200,792**

CASH FUND STATUS

PROJECTED BALANCE 07/01/24	441,900
PLUS PROJECTED REVENUE FYE24-25	+ <u>2,690,000</u>
TOTAL FUNDS AVAILABLE FY24-25	3,131,900
MINUS PROJECTED EXPENDITURES FY24-25	- <u>2,944,212</u>
PROJECTED BALANCE 06/30/25	<u>187,688</u>