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STATE OF VIRGINIA

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HOUSE OF DELEGATES

SPECIAL SUBCOMMITTEE ON CHARITABLE GAMING LAWS

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IN RE: :

RULE 18; RULES OF THE :

HOUSE OF DELEGATES :

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Transcript of proceedings taken at the  
Tidewater Community College Roper Performing Arts  
Center, 340 Granby Street, Norfolk, Virginia, on  
Thursday, September 3, 2009, commencing at 6:15 p.m.  
Taken by and before Mary H. Carraher, Court Reporter  
and Notary Public of the Commonwealth of Virginia.

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PROCEEDINGS

MS. EVERETT: My name is Maria Everett, and Amigo already introduced himself, but this is Amigo Wade. We are both attorneys for the General Assembly, for the General Laws Committee that each of our committees are conducting this study.

So, we really appreciate you-all coming out here tonight and taking your time from your busy schedules. And also with the parking the way it is, for you to persevere and get here tonight, I really appreciate that.

The subcommittees that I'm speaking of that are looking at this issue have been looking and studying it since the early spring and will continue to look at the issues about charitable gaming throughout the fall and make any changes needed.

We specifically wanted to get as much public comment as possible because not everybody can make it to Richmond to give testimony before the committee meeting there. Of course, you're welcome at any time. We've left cards and contact information out front at the table. You're welcome to take it so you can contact Amigo and I at any time. Also, we have a website for the study and the website address is there.

1 So, this is not your only opportunity. If something  
2 after this evening comes to your mind, there's plenty  
3 of ways to contact us and to have your thoughts brought  
4 before the subcommittee.

5 The one thing we are going to do with  
6 what is said today, there is a court reporter here and  
7 what we are going to do is analyze sort of the trends  
8 that we see, what people are seeing as the issues and  
9 which side of the issues they are on.

10 The joint subcommittee will meet  
11 September 15th in Richmond and we're going to sort of  
12 digest the comments you have from the public hearing in  
13 Annandale, Roanoke, and today in Norfolk. Just to give  
14 the subcommittee an idea of where people are in  
15 charitable gaming.

16 So, I guess the guidance principles for  
17 the charitable gaming subcommittee are three. The  
18 first is, they don't have any preconceived notion of  
19 where charitable gaming laws should go. But again,  
20 year after year there is legislation representing  
21 different ideas about the way the laws should go, but  
22 it has not, by any means, been comprehensive.

23 So, this is an idea to take a look in a  
24 big-picture way about charitable gaming in Virginia.  
25 And again, your comments are very important to us and

1 we really would love to hear from you tonight and again  
2 at any time after.

3           And then the other thing is, the other  
4 overriding principle is, charitable gaming in Virginia  
5 is, as I assume everyone in this audience knows, is an  
6 exception to the general prohibition against gambling  
7 in Virginia, you know, welcome to Virginia. This is  
8 Virginia; we don't gamble here. Except when the  
9 General Assembly says we do, which is horse racing, the  
10 lottery, and charitable gaming.

11           So, it's an exclusion to a prohibition  
12 against gambling. And the reason, I think, the policy  
13 behind that is the idea that charitable gaming takes  
14 some burden off of government because of the good work  
15 that organizations do to make to make charitable  
16 contributions. That way government doesn't have to  
17 fund things as much as it allows for them.

18           But the idea here is about balance, the  
19 need to regulate the activity in such a way to keep its  
20 integrity, to prevent abuse, disappearing funds, and to  
21 make sure that the money goes to the charities as it is  
22 required to. So it's a balance between understanding  
23 we want to make as much money for charities as  
24 possible, but keep it all clean and aboveboard.

25           And finally, it's been 14 years since

1 charitable gaming laws have been studied and when we  
2 transferred regulation of charitable gaming from the  
3 local level -- some of you may remember when you had to  
4 get your permits from the locality -- to statewide  
5 regulations. So, it's time again to take, like I said,  
6 just the big picture of what charitable gaming laws  
7 are, what's broken, what's not broken, what you see the  
8 future of charitable gaming is.

9           So, what we ask is, as you come forward  
10 to the podium to please state your name and the  
11 organization, if any, that you represent, as well as  
12 the comments you make. We will not have any time, as  
13 we do in other meetings, to allow everybody to speak;  
14 but I think we have plenty of time this evening, so  
15 come up, make your comments.

16           If you brought a copy of your comments,  
17 we would appreciate it if you would just lay it on the  
18 stage here; that would be great. And so, please, do  
19 not be shy. And again, just state your name, who you  
20 represent, if you represent anybody, or you're just  
21 here as a player, whatever the case may be.

22           With that introduction, if anybody has  
23 any sort of questions before we proceed, feel free to  
24 ask them. And the further we get, feel free to ask  
25 them then, too. We want to make you feel as



1 comfortable as possible. So, this is informal. Don't  
2 worry about it if you haven't spoken publicly, it's no  
3 big deal. Just come up and tell us what you think.

4 We do have a sign-in sheet, but if you're  
5 not on the sign-in sheet when we go through this, just  
6 raise your hand and, please, come forward. So, the  
7 person I have on the list is Mark Cooper. Mr. Cooper,  
8 if you would come forward, we'd like to hear from you.

9 MR. COOPER: My name is Mark Cooper. I'm  
10 the president of the Marching Elites Association, we  
11 also are the owners of the Mercury Entertainment Center  
12 in Hampton, and I'm on the board of the Virginia  
13 Charitable Gaming Association.

14 I'm just basically here to emphasize on  
15 the need to support the charities even more as far as  
16 thinking outside the box of some of the types of games  
17 that the charities have brought to my attention as well  
18 as other people. Innovative ways of making money to  
19 sustain their durability as far as it's pretty hard for  
20 some of the bingo charitable organizations to stay  
21 afloat because of, you know, there may be some rules  
22 that could be changed to support them making money or  
23 either to sustain their life as far as plans.

24 Also, I think it needs to be said that  
25 the charitable gaming staff, we should come with some

1 innovative ways to support that staff because they're  
2 really overworked and we understand that. It gets  
3 frustrating with the charities as well as myself, but  
4 when you look at the overall picture, we understand  
5 it's their time and, you know, the way the economy is  
6 and the cutbacks that the state had is really, really  
7 tough on those staff there.

8           So, if we could come up with some ways to  
9 support that staff, to increase the staff, thinking out  
10 of the box, you know, I would really, and my group  
11 would really support that. They have done the best  
12 they can under the circumstances but it does get  
13 frustrating for both of us, for the charities and the  
14 staff. So, I am really, really supportive of finding  
15 ways to increase the staff for the game, general game.

16           That's about it for me right now, but I  
17 do have some other ideas that I will present in the  
18 following committees.

19           MS. EVERETT: Great. We appreciate the  
20 comments. Thank you, Mr. Cooper.

21           The next speaker I have is Art Kelly.  
22 Mr. Kelly, come on down, as they say.

23           MR. KELLY: Good evening. My name is Art  
24 Kelly and I represent the Knights of Columbus, Council  
25 511. We game at the Chestnut Hall bingo in Newport

1 News. I think, like a lot of the charitable  
2 organizations, we're all struggling these days to find  
3 ways, not only to make money for our organizations, but  
4 some of the comments I get from the players are that  
5 they feel the excitement is out of bingo. They feel  
6 that the charitable groups are just in there to, you  
7 know, take their money and move on.

8 I've tried to come up with innovative  
9 ideas on different types of paper maybe to use. And  
10 it's been a challenge because the state regulations are  
11 written in such a way that you can only do this.  
12 There's an awful lot of bingo paper out there that can  
13 be used to make it exciting for players. In some cases  
14 though, the prizes may have to be fluctuated.

15 In other words, if you bingoed on this  
16 letter here, we should be able to pay you at a higher,  
17 you know, level, say \$125 if you bingoed on a "W."  
18 And, you know, not limit that \$100 maybe just for one  
19 game or two games where we could have a scale of going  
20 to \$250.

21 There's like triangle-shaded paper, for  
22 instance, where you could -- if you bingoed in the  
23 shaded area you could win \$250. If you bingo in the  
24 non-shaded area, you only win the \$100. So, it's not  
25 like you're doing it for -- and I think it would make

1 it more exciting for the players and for the groups  
2 themselves because if the players are excited about  
3 playing it they're going to buy the paper.

4           Some of the other things that I have are  
5 the forms that the groups are expected to fill out.  
6 The 103's, the 105's, some of these forms, like right  
7 now, I don't know what happened when they changed the  
8 title to the Department of Agriculture, one of the  
9 Winner-Take-All's has gone away on the form so there is  
10 only one Winner-Take-All there now, not two.

11           The 105 that you use to report your  
12 raffle games on, the one block 10 is blocked out. You  
13 can't put a dollar figure in there from your carry-over  
14 page. The inventory sheets that we use like for the  
15 paper, you know, we're killing trees. It's 20 pieces  
16 of paper that we fill out just to track the paper  
17 inventory because they want us to do it all by invoice  
18 number. At the end of the day, that invoice number  
19 doesn't mean heck or beans when you fill out your  
20 annual report. They want to know how much paper you  
21 bought, how much you sold, and there's your bottom  
22 line.

23           So, that's what we were doing but we kept  
24 getting tagged for it so we're now killing trees  
25 essentially every week. So, it's putting an additional

1 burden on the groups. Some of the forms just are  
2 geared toward doing the inventory of the paper itself  
3 at the game and not reconciling that station.

4 You know, I not only want to know how  
5 much paper I sold at that station, I want to know how  
6 much that station made and if I have somebody with a  
7 light finger or something like that. The forms don't  
8 do that so those forms should be modified to serve a  
9 dual purpose.

10 But I think all in all this is a great  
11 opportunity and I appreciate you folks taking your time  
12 to listen to us. I think there is a lot of work that  
13 can be done to help the groups. I think one of those  
14 may be to put, like the players are saying, the  
15 excitement back in the game. Thank you.

16 MS. EVERETT: Thank you very much.

17 The next is Gary Jacobs. Mr. Jacobs,  
18 come on down.

19 MR. JACOBS: Good evening. My name is  
20 Gary Jacobs. I am the district president for the  
21 Virginia Moose Association for District 2, which is the  
22 eastern Virginia area. I also speak on behalf of the  
23 other Moose districts in the State of Virginia on our  
24 policy towards the changes that you-all are thinking  
25 about doing.

1           Virginia Moose Association at this time  
2 stands firmly in their belief that they would like to  
3 keep the limits at \$100 for smaller games. We feel  
4 that since we do so much community service work with  
5 our monies that it would actually be a hindrance to us,  
6 being smaller games.

7           It would actually close the smaller games  
8 out if the bigger games gave more money, which the only  
9 ones that would really benefit from it would be the  
10 commercial operators. It would be more money for them  
11 because it would be bigger prizes and basically it  
12 would shut the smaller business bingos out, which a lot  
13 of the fraternal organizations, and not only the Moose,  
14 but others depend on this money a lot to do the  
15 community service and charitable work that we do.

16           And that is the policy and the position  
17 of the Fraternal Order of Moose at this time. I thank  
18 you for your time.

19           MS. EVERETT: Thank you very much for  
20 your comments.

21           Bill Tennis.

22           MR. TENNIS: Good evening. My name is  
23 Bill Tennis. I'm a member of the Hampton Elks Lodge,  
24 but I'm the past president of the Virginia Elks  
25 Association.

1                   Our biggest fear is, if you go to the 250  
2 blanket, we're not going to be able to make it. The  
3 problem would also come in the fact that if we went to  
4 four nights, we can't get enough volunteers. We have a  
5 hard enough time at our lodge getting enough volunteers  
6 for two nights a week.

7                   I'm familiar with the American Legion  
8 Post over in Hampton, Post 31, if they have 40 or 50  
9 players, they are happy as clams. Those kind of groups  
10 definitely will be impacted seriously by going to 250  
11 or four nights a week. And I would encourage that we  
12 stay where we are. I might agree with the gentleman  
13 that said we should put a little more excitement in the  
14 game.

15                   But if it does go to the 250, don't make  
16 it a blanket. Because if you look at the 250 game,  
17 like he's talking, like a progressive bingo, sort of.  
18 But leave it for the average game at \$100 and I think  
19 we'll be fine. Thank you.

20                   MS. EVERETT: Thank you very much.  
21 Larry Wapman.

22                   MR. WAPMAN: Good evening. Thank you for  
23 being here tonight. When I signed up on the list out  
24 there, I said, well, when it came time to call my name  
25 I didn't know whether I was going to speak or not,

1 depending on some of the comments and what I was  
2 already hearing from some of the discussions. So, my  
3 comments are going to be very, very brief this evening.

4 I represent the Virginia State  
5 Firefighter's Association, which is a membership of  
6 about 13,000 members across the Commonwealth. Many of  
7 the fire departments and rescue squads across the  
8 Commonwealth use bingo as one of their primary forms of  
9 revenue to operate their halls, and it's been very  
10 successful over the years.

11 What we are hearing from our membership,  
12 two main points tonight and you've already heard some  
13 of it, one is on the \$250 prize, wanting to raise that  
14 minimum to the 250. And like you've heard from them,  
15 we'd like to keep it down to the level where it already  
16 is and not raise that. The same fears that you've  
17 already heard and the same concerns that it will drive  
18 the smaller operations out of business and be very  
19 difficult for them to compete.

20 And the other issue has to do with the  
21 requirement to use a hand-held electronic scoring  
22 device that the folks use. Again, it's an expense for  
23 the small operators that are running bingo halls for  
24 smaller numbers of people, for just their fire  
25 departments and not running the huge shows. It's an



1 expense that makes it very difficult for them to  
2 compete with the larger halls.

3 So, basically leave things alone, is what  
4 they are saying, and what we've heard from our folks as  
5 well. Thank you for taking the time to be here tonight  
6 and go across the Commonwealth and collect the  
7 comments. Thank you so much.

8 MS. EVERETT: Thank you.

9 Next is Cheryl Mazza. I hope I said that  
10 right.

11 MS. MAZZA: My name Cheryl Mazza. I'm  
12 with Aragona Pembroke Little League. I've been a game  
13 manager for 15 years. I became a game manager one  
14 month before the State Gaming Commission came in and  
15 changed the rules. So, I feel that I've been here the  
16 whole time.

17 Some of the things that I think need to  
18 be changed is, a lot of the groups when I first came,  
19 when I was first a game manager, our pack sales were  
20 representative of what our expenses were. We were  
21 bringing in \$60 pack sales, which would pay for the  
22 rent, the paper, and all that. And our instant sales  
23 were what we used to call our "gravy money."

24 Because of the competition, and I believe  
25 it's just in this Tidewater area, new game managers

1 have come in; new games have opened up. So, instead of  
2 getting the old amount that we used to get, \$60 a head,  
3 they have cut the pack prices. This Tidewater area has  
4 become so stiff with competition that a player who used  
5 to come in and spend \$60, 15 years ago, and I've got  
6 the records to prove it, is now coming in and getting  
7 the same thing for \$35. And I'm high.

8           Some groups are offering \$10 and \$20.  
9 It's gotten to the point where it is so cutthroat that  
10 nobody is making any money. In the meantime, as the 15  
11 years have gone by, our pack prices have gone down and,  
12 of course, with the cost of living the supplies have  
13 gone up, the rents have gone up.

14           So, it's systematically over the last  
15 five years, I believe it's just in this area, the  
16 groups are getting squeezed as to how much money they  
17 can make. So, of course, each year more and more  
18 groups are not making their 10 percent use of proceeds.  
19 Because this area is so cutthroat, as soon as a new  
20 group comes up, they offer \$10 a pack. We can't  
21 compete with that because we're offering 35. The  
22 customers are going wherever the lowest one is. They  
23 don't care if the group makes money or not.

24           Every time I've been audited for the last  
25 five or six years, it's the same thing, you've got to

1 go up on your pack prices or you have to cut your  
2 payouts. I'm willing to do that but when I get back, I  
3 can't do that because my competitor is down to 10 or 15  
4 dollars. So, if I go up like I'm supposed to or cut my  
5 pack prices, I'm dead in the water. I have no  
6 customers. I did that one month. I went up on my pack  
7 prices, I cut my payouts, and I took a huge loss that  
8 month. So, sure enough, I had to go down to what the  
9 other groups are going at.

10           What I see -- I have researched this, me  
11 and my husband. We went and played bingo up in  
12 Richmond. They don't seem to be having a problem.  
13 Their prize payouts are probably, you know, I don't  
14 know the statistics of whether they are making their 10  
15 percent or not, but they seem to be doing much better  
16 than this Tidewater area. What I see is happening, I  
17 know the people -- there was people that said they were  
18 going to propose legislation to only allow like 55  
19 games to be played in one session.

20           I think that is great, but what I see is  
21 going to happen is, you're going to cut the games down  
22 -- if that happens, you'll cut the games down to 55  
23 games, the game managers are going to cut their pack  
24 prices so you are going to be in the same boat. What  
25 needs to happen in the Tidewater area is we need to

1 level the playing field with the groups that are paying  
2 rent and the groups that are not paying rent because  
3 some of the other problems are you have a group that is  
4 paying, say \$2,000 a session, competing against a group  
5 that owns their own facility. So therefore, the person  
6 that owns their own facility can charge less. Need to  
7 level the playing field.

8           During some of the audits that I have  
9 gone through, it was brought to my attention that in  
10 order to make your 10 percent that you should be making  
11 28 percent off of your windows. Fifteen years ago when  
12 I first started, that's what we were doing. It was a  
13 rule of thumb that your window pack prices paid all  
14 your expenses, your instant table was your gravy money.  
15 Everybody was making it.

16           The first year I did it I was like at 14  
17 percent. Nobody was having any problems really, except  
18 for the group where the funds were misappropriated.  
19 That needed to be changed. In order to level the  
20 playing field, one of the suggestions that I have, and  
21 might not even work, is to instead of doing a 10  
22 percent use of proceeds, you do a percentage -- if the  
23 Gaming Commission says that in order to do your 10  
24 percent proceeds you should have 28 or a certain profit  
25 out of your windows, make it so the groups -- change

1 the law to say if you want to offer \$5,000 in payouts  
2 your pack prices have to be a certain percent of that  
3 payout so that everybody makes it and everybody is on a  
4 level playing field.

5           Systematically in the last five years,  
6 everybody is just putting everybody out of business.  
7 Nobody is making the same amount of money that they did  
8 before and we're just going down. Each year, I know  
9 for a fact that more and more groups are not making  
10 their use of proceeds.

11           It's just that the Tidewater area is so  
12 tight with competition, it's just, they are just  
13 strangling each other. It's going to come down to the  
14 point where the last man standing is going to be the  
15 winner.

16           And the only other thing is, I do agree  
17 that some of the forms for -- the State Gaming  
18 Commission is paper hungry. For groups, for large  
19 groups that have a huge amount of instant sales it is  
20 very time consuming and I just thought that maybe some  
21 of that could be changed so it's not so time consuming  
22 as to doing the paperwork.

23           And my last comment, and I'm going to  
24 keep this brief, is -- my husband calls them the  
25 "One-year wonders." There's a lot of new game managers

1 that come in, they're volunteers -- we're a nonprofit  
2 organization. So, even to get somebody to volunteer to  
3 be game manger, to take on that responsibility, is very  
4 hard to do.

5           They do go through training to learn the  
6 laws of the Gaming Commission, but I also thought that  
7 maybe a lot of these people are not business oriented  
8 and they are only doing your organization a favor.  
9 They can change just your reconciliation. What I've  
10 done for 15 years is, I do a separate form that's not  
11 required by the Gaming Commission where it tells you  
12 exactly what your profit and loss is. A lot of these  
13 game managers they don't bother to do that. All they  
14 do is the reconciliation. The reconciliation tells  
15 them whether they are missing money or not.

16           To change that one form so that they can  
17 see what their profit or what their loss was for the  
18 session would help a game manager change or do what he  
19 needs to do in order to have a more profitable session.  
20 That was just one suggestion I had. Just change that  
21 one form to not only show if money is missing but to  
22 show them exactly what they made in profit. A lot of  
23 game managers don't bother to do that. Thank you.

24           MS. EVERETT: Thank you so much.

25           That's about it for people who signed up,

1 I keep seeing people come in so if you have something  
2 you'd like to say to us, please, come forward. I don't  
3 bite, I'm not sure about Amigo. I've got him tied to  
4 his chair so he won't get up. Anyone else?

5 Yes, please come forward and state your  
6 name and who you represent.

7 MS. ARSHONDO: My name is Brooke Arshondo  
8 and I work mainly with the Portsmouth Moose Lodge, 898,  
9 in Chesapeake, but also all Moose Lodges in the area.

10 We, too, run bingo and in the past five  
11 years -- I was listening to the comments that the  
12 previous speakers said, costs have gone up for us and  
13 in the end what happens if you raise payout  
14 requirements is that cost goes to us and in turn that  
15 cost goes to our players, who just won't play, because  
16 they can't afford it.

17 And really, that's not taking away just  
18 from the organization itself that runs the bingo, a lot  
19 of these organizations, and specifically the Moose and  
20 the Elks, I know, fraternal organizations don't just  
21 represent themselves but they also help other smaller  
22 organizations within their local community as well as  
23 contribute to larger national organizations.

24 So, my big concern is that if the payout  
25 is raised we will have to cut the number of games and

1 at the same time, raise the number of the packs, and  
2 people just won't play. So, it won't be just the  
3 smaller organizations that are put out of business but  
4 also the larger ones that help smaller organizations.  
5 It really is going to become a commercially-based  
6 business more than a volunteer-run fund-raising event  
7 for local charities.

8 MS. EVERETT: Thanks very much. Anybody  
9 else have anything to say? Please come forward. Love  
10 to here from you.

11 Hold up, Chuck. Before we give you that  
12 opportunity, because I know what he's going to say.  
13 Anybody else? Please feel free.

14 MR. BYLER: You know what I'm going to  
15 say, too --

16 MS. EVERETT: Well, Gary, if you want to  
17 say it again, you are welcome to say it.

18 MR. BYLER: I will put it in the record.  
19 I appreciate the opportunity and thank you to you for  
20 coming down to our bailiwick.

21 Speaking with a lot of volunteer  
22 organizations in the room, the folks from the Red  
23 Cross, the folks from Chincoteague, I think --

24 MS. EVERETT: Gary, can you give your  
25 name and organization.



1 MR. BYLER: Gary Byler, B-y-l-e-r,  
2 representing the Virginia Bingo Group. I think we hear  
3 the same concerns over and over. The necessary  
4 friction with the paperwork, probably inherent in any  
5 bureaucracy. Obviously because of some of the misuses,  
6 the outright criminal acts, there needs to be some  
7 oversight. I do think that the Commonwealth's  
8 attorneys and the law enforcement officials have done  
9 an excellent job.

10 The fact that the Virginia system is  
11 volunteer intensive gives us a real guarantee that if  
12 there is some misuse of funds that it comes to light.  
13 And inevitably what we've seen over the years, whether  
14 it's the recent situation in Henrico or the  
15 unpleasantness in Chesapeake 10 or 12 years ago, there  
16 are volunteers who say that something isn't right here.  
17 I think we all want to work together to minimize that,  
18 but that's a law enforcement obligation. I think the  
19 Commonwealth's attorneys handled that very well.

20 The groups that are unable to meet the  
21 use of proceeds is one reason, of course, the study  
22 committee has been put together. I think there is a  
23 couple items of low-hanging fruit that all the  
24 charitable groups can agree on. One would be to reduce  
25 the minimum wait between sessions from one hour to

1 one-half hour. That would help by raising revenue by  
2 having fewer players drop out between games. It would  
3 also help on the expense side by keeping security costs  
4 down, reducing them by half an hour.

5 The other idea, the adjusted gross to  
6 exclude the prize money and cost of supplies and/or  
7 security probably would be appropriate, as the earlier  
8 speaker had indicated, the cost of some of the supplies  
9 going up.

10 I will say that here in Tidewater we are  
11 very pleased not only of the hundreds of thousands of  
12 dollars that have been generated for charities on an  
13 annual basis, but the excellent record of meeting the  
14 use of proceeds. The data that was generated by the  
15 charitable gaming ended up showing that those in the  
16 larger commercial halls, if you will, were less likely  
17 to have a problem with use of proceeds than some of the  
18 other games. And I think that is something that has to  
19 be dealt with on a one-by-one problem.

20 Obviously as the speaker had said, the  
21 competition over games, I see pretty steady objection  
22 to allowing charities to expand to four days as the  
23 earlier speaker had noted, feeling that that would just  
24 cause additional competition in a market that is  
25 already crowded.

1           In short, the Virginia Bingo Group looks  
2 forward to working with the subcommittee, with the  
3 staff in Richmond, and more importantly, with  
4 individual charities to continue to generate the  
5 hundreds of thousands of dollars and to make sure that  
6 the use of proceeds could be met by all of the groups.

7           I would say that, I think speaking on  
8 behalf of just myself and citizens in general, the  
9 charities giving the monies is more than just saving  
10 the Commonwealth money. By the citizens' volunteer  
11 efforts and directing it, we think it means so much  
12 more.

13           I know that I got caught up -- the late  
14 Congressman Bacon was very upset that I wouldn't  
15 support government funding for public radio and TV, and  
16 when he found out that my late wife and I had been  
17 members for years, well, what's the problem? Well,  
18 it's the voluntary versus involuntary aspect. Those  
19 who want to give up their time and efforts, I think it  
20 means that much more, not only in lower costs, not  
21 having to pay the salaries, the retirement, and the  
22 healthcare costs of the administrative staff, but also  
23 the ability to target the needs of the community.

24           The volunteers putting their hours forth  
25 make sure that is targeted. And then finally on the

1 recipient standpoint, I think it's different being  
2 helped by a charity that is truly volunteer in nature  
3 instead of one that, shall we say, is here at gunpoint  
4 through taxation.

5           So, we applaud all the charitable groups.  
6 If there is any way to minimize the paperwork burden on  
7 these volunteers that would be great. I know that one  
8 immediate way we could do that and one way we could  
9 immediately save volunteer time is to immediately  
10 reduce the one-hour delay between games to 30 minutes.  
11 It's not a silver bullet, but I think it's something  
12 that everybody can agree to and I'd urge the commission  
13 to take that into account. Thank you.

14           MS. EVERETT: Thank you. What I'd like  
15 to do right now -- and again, if anybody thinks of  
16 something else they want to say -- before we hear from  
17 Chuck, I want to recognize the Charitable Gaming  
18 Division is here, represented here, and to give Betty  
19 Bowman, who is the executive -- what is your title,  
20 Betty? Well, she's the head honcho.

21           If you want to make any comments at this  
22 time, I'm not trying to put you on the spot, but you  
23 are here. And I think it's important that you are here  
24 and have been here at every public hearing because they  
25 want to hear from you as well. So, I'll give you an

1 opportunity to address issues that you'd like to  
2 address.

3 And what I thought then, Chuck, we'll  
4 hear from you. And trying to be respectful of  
5 everybody's time, what we've done in the previous  
6 venues is kind of turn this into a public, a town hall  
7 kind of meeting where we just throw out issues and just  
8 pitch your comments back and forth. And I'll walk the  
9 mic around until you-all are tired of talking about it,  
10 to give you an opportunity to respond to some things  
11 you've heard.

12 So, Betty.

13 MS. BOWMAN: You put me on the spot, but  
14 you did that at the other two, so you're consistent.

15 We're here tonight to listen. We've got  
16 business cards. Carolyn Buko, the audit manager, Tom  
17 Clarke, the enforcement and section manager.

18 I don't really think I have anything to  
19 add other than we are here to hear your thoughts and  
20 comments. The charitable gaming, as many of you know,  
21 has had several changes over the last few years. There  
22 was a commission, then in 2003 it was a department. I  
23 came in 2003. Then July 1 of 2008, the administration  
24 changed it to be the Department of Agriculture.

25 So, if you don't keep up and go to the

1 website, you're not going to know where we are. So we  
2 have had some changes; we're keeping up with that.  
3 It's no big hidden secret, we've got budget reductions.  
4 You are going to hear some more about those next week.

5 We do the best we can; we've lost seven  
6 so far and \$750,000. So, we know you're there. We're  
7 trying to do our best to keep up with your needs and  
8 what we have to do as a regulatory standpoint.

9 And I think someone said, maybe it was  
10 you Gary, bureaucracy, I know you-all think that is  
11 what we are. I do hope you will appreciate this,  
12 what's in the statute is what I'm obligated to do. I  
13 am the division director so I have what they call the  
14 "Employee work profile," which is better known as the  
15 contract.

16 And they expect me to ensure that we do  
17 everything in our power to make sure that there is not  
18 fraud and waste and so forth out here. Remember what  
19 Maria said, the General Assembly has designated bingo  
20 and raffle, that's what charitable gaming is, as a form  
21 of gambling. Let's just say it. Many people don't  
22 like to hear it, but that's what it is.

23 We fully understand, and I know you don't  
24 think we do at times, you are volunteers. But at the  
25 same time we hope you understand, as much as you think

1 the forms are bureaucratic, it's a way to keep up.  
2 There is a lot of cash laying out here in the middle of  
3 the table. You've got to keep up with it. And I've  
4 made notes, I have at every one of these meetings about  
5 the forms.

6 We're willing to work with you to try to  
7 do what it takes to make it easier for you. But  
8 please, it's not a punishment and it's not made to be  
9 bureaucratic -- somebody making you do something for  
10 nothing.

11 I'm getting old, but I do know when I was  
12 in school you put off whatever you had to do to get  
13 that paper done or get the study notes read. You just  
14 put it off. I know you'll do that. When you finish  
15 your game at night and it's midnight or 2 in the  
16 morning or whatever, all you care about is going home,  
17 but if you do not keep up with this paperwork, we have  
18 documentation that we know the people that don't do it,  
19 you don't know what's going on in your game. For all  
20 the bad things that could be happening, somebody  
21 stealing from you, or you have to change your price  
22 structure.

23 You're no different, and I try to say  
24 this as nice as I can, I know you're volunteers, but  
25 you're running a business and you need to really keep

1 that in mind. You may have to change your stripes.  
2 And as cruel as this may sound, and don't take it that  
3 way, maybe bingo ain't it. You know? Maybe you need  
4 to do a raffle, maybe you need to get out of it.

5 I don't know how you find the volunteers  
6 you do. It is hard to ask somebody to come out once a  
7 week. Lord help you if you are twice a week. But that  
8 is the commitment that your groups have to get from  
9 your volunteers.

10 I just told you, we done lost seven  
11 people. We used to be 40-some people; now we're down  
12 to 23. Next week we'll be less so I got nobody to give  
13 you. You've got to come inside of yourselves to figure  
14 out if you have the staff to make this commitment. And  
15 that truly is what it is.

16 Smoke, whatever you want to call it,  
17 fills halls, but that is time and commitment to get  
18 these people to do it. I'm appreciative of what you  
19 have to go through, but at the same time, you've got to  
20 keep up with it because when you don't, you don't have  
21 a clue what's going on in the game.

22 So, that is all I've got to say. One  
23 other thing I want you to know, there were some  
24 comments made about use of proceeds. I know that's a  
25 very irritating subject to you. Remember what Maria



1 said, the reason charitable gaming is here is what? To  
2 give it to the charities.

3 So, 10 percent -- it used to be 12. In  
4 2004, 2005 it was changed from 12 to 10. In 2006, 197  
5 organizations reported on the annual report they didn't  
6 meet it. As Carolyn always tells me, once audits are  
7 done and the right numbers get in the right pew, sort  
8 of speak, it really only ended up being 65 that didn't  
9 meet it.

10 In 2007, 174 organizations reported they  
11 didn't meet it. After audits were done, it was 48.  
12 So, in 2008 we had 154 organizations that on paper said  
13 they didn't meet it. This is a downward trend that's  
14 going on about meeting this required 10 percent.

15 So, I just wanted you to know that, yep,  
16 I know it's a very irritating topic. We hear it all  
17 the time. But that's what you are required by the  
18 board to do to give to your charities. The numbers are  
19 all coming down because you-all have made improvements.  
20 You're managing your games better and that is all we're  
21 here to try to make sure that happens. We'll be here  
22 if you have any other questions. Thank you. And thank  
23 you, Maria, for always following through.

24 MS. EVERETT: Yeah, Betty, I like putting  
25 you on the spot, it's good sport.

1 I think it's important that they make the  
2 effort to be here. I think by what Betty just said,  
3 people report something and then they work it out. The  
4 division is working to see that it's just maybe  
5 accounting errors and stuff and see the numbers drop.  
6 But their willingness to work, they are here, they want  
7 to work with you.

8 With that, Chuck, thank you for your  
9 patience, this is your time. Please come forward.

10 Chuck has been following us around. He's  
11 our bingo guru.

12 MR. WESSON: I've been called a lot of  
13 things; I've never been called that.

14 My name is Chuck Wesson, and I am the  
15 legislative director of the Virginia Charitable Bingo  
16 Association, in addition to which I have been a  
17 volunteer at my charity's bingo game for the past 25  
18 years.

19 MS. EVERETT: Both sides of the business.

20 MR. WESSON: Both sides of the business;  
21 no question about it. In addition, we can add to that,  
22 our charity built a building about seven or eight years  
23 ago so we're now landlords. So, we really do get to  
24 see this from a lot of different angles.

25 We decided, a number of us, about six or

1 seven months ago that we were going to form the  
2 Virginia Charitable Bingo Association and the reasons  
3 were very simple. Bingo is down significantly across  
4 the nation, not just in Virginia. Nationally speaking,  
5 bingo is down almost 30 percent.

6 We also know from our own experiences and  
7 from many others that we've spoken to that our general  
8 donations are down significantly. We also, like  
9 everyone else here, read the news and listen to the  
10 news and watch the news and we know that not just our  
11 state, Betty just talked about the budget cuts, it's  
12 not just Virginia, it's everywhere. Since all of the  
13 states are having and experiencing budget cuts, it's  
14 laughable to think that any charity no matter how big  
15 or how small would be able to go to a legislative body  
16 and say, help us, give us more money. It's not going  
17 to happen.

18 So we thought, a few months ago, how  
19 would we deal with this? And that is, if we're  
20 suffering financially but we're still putting in the  
21 same amount of time, if we come together as a group,  
22 know that we can gain consensus. And we intend and  
23 have already begun to travel the state and to speak to  
24 the charities, the large charities, the medium-sized  
25 charities, and the small charities, and to get whatever

1 consensus we can to make the games better.

2 What is better? Better is simple.

3 Better is more money to the charities. One of the  
4 things that I've said to all of the charities that I've  
5 spoken to is, you know, I don't smoke, I have never  
6 smoked, I have lots of family members that smoke, I  
7 don't, but I have sucked down lots of packs of  
8 cigarette smoke over the past 25 years. In the five or  
9 so hours it takes to be in a smokey bingo hall, the  
10 last thing I want to see is my charity or anybody  
11 else's make less money.

12 We need to be making more money. It's a  
13 lot of effort to be out there. Whether you're the game  
14 manager or the brand-new kid on the block, we all know  
15 it is at lot of effort. Betty alluded to that also, it  
16 is a lot of effort to be out there in the bingo halls.

17 So, what is it that we're going to do  
18 about it? We, I think for many years, have been sort  
19 of passive. Those of us that manage bingo games and  
20 that own bingo halls sort of sit there and just wait  
21 for things to happen to us.

22 So again, we decided we would sort of  
23 take the lead and try to be instrumental in helping to  
24 shape our own destiny. How do we make more money?  
25 Well, we don't have all of the answers, but as we

1 travel the state we've heard a lot of different things.

2 Our intention is at the end of this  
3 process and going forward as far as we can see we are  
4 going to try and pull together all of these ideas,  
5 present them to our legislative body, work with the  
6 Division of Charitable Gaming and say this is what we  
7 would like to happen. This is what most of our folks  
8 are saying.

9 So, with that I'm going to give you a  
10 couple very quick ideas that I think represent some of  
11 what I've heard from around the state. The first one  
12 is, we all know that the overwhelming majority of our  
13 proceeds at the end of the night come from instant  
14 bingo.

15 Now, is it a good idea for us to see  
16 instant bingos in electronic devices, stand-up devices,  
17 portable devices? We know that there has been  
18 legislative action over three years ago that the state  
19 is going to allow some form of electronic gambling or  
20 gaming, if you will. And we've heard word it could be  
21 stand-up, maybe it is going into portable devices.

22 Is it a good idea, is it not a good idea?  
23 We're talking to a lot of charities and we're getting a  
24 lot of input. One of the interesting comments that I'm  
25 hearing over and over is the following: What do we do

1 to sell more instants as it is? As the current system  
2 exists? We try to get extra volunteers. And it's up  
3 and down the rows, and in the non-smoking room, and  
4 it's back and forth, and it's selling three instant  
5 tickets at the same time. It's like a juggling act,  
6 right?

7 But the more people we have on the floor,  
8 the more instant tickets we sell. So, the answer could  
9 be accessibility. Some people will get up and stand at  
10 those two or three instant windows and some people  
11 won't do it.

12 So what if we put these pull tabs in  
13 theoretically just like they are? Picture the  
14 thousands of versions of paper pull tabs that we all  
15 use now, and lets say that we didn't change any of  
16 that, they stayed just the way they are, but we just  
17 transferred them from paper into machines. Not do away  
18 with the paper pull tabs, but in conjunction with paper  
19 pull tabs, we put them in some type of electronic  
20 device.

21 That could solve the issue of  
22 accessibility. Instead of having five volunteers  
23 running up and down all night long, maybe we need two  
24 or three. And maybe in the beginning of the night or  
25 middle or toward the end, a patron can go up to the

1 window and say, I want \$30 worth of instant play and  
2 take it back to the device, whatever that device is,  
3 enter a control number, and they are playing instants  
4 on computers.

5           Maybe that is a good idea, maybe it's not  
6 a good idea. It's definitely something we all be  
7 talking about. My experience so far is most charities  
8 think it's a good idea. A lot of charities are  
9 thinking that it's probably a good idea to do it in the  
10 existing devices most of us are already using. We have  
11 these little portable card-minding devices. Maybe we  
12 split the screen -- whatever.

13           They are details that are important, but  
14 the idea is let's speak together as a group of  
15 charities and tell the folks in Richmond that we'd like  
16 to see something like this.

17           Let me give you another idea. I had  
18 three different charities approach me in the past two  
19 or three months to tell me the following -- it was an  
20 eye-opener for me, it was intuitive but it was not  
21 something that I had evaluated at my own game. I was  
22 told the following: Which game in the program is the  
23 least productive game by far? Simple. It's the  
24 Winner-Take-All game.

25           Most charities in the state aren't paying

1 \$1,000 on the Winner-Take-All. They are paying 700,  
2 800, 900. Of course, they are making goose eggs. You  
3 can't make a penny on that, right? And even if you are  
4 paying a thousand, you are making pennies over that.  
5 We just don't -- our crowds are down; we're not selling  
6 what we used to sell.

7           So, we are making almost no money on the  
8 Winner-Take-All game. What's the most profitable game  
9 in our program? Almost across the board? The new  
10 Lucky 7 game. In fact, when I heard this, I went to my  
11 own folks and pulled out our paperwork for the last  
12 quarter and we evaluated it. Zero dollars on the  
13 Winner-Take-All. On average, after our expenses we  
14 were earning \$303 on the Lucky 7 game. Wow.

15           If you crunch the numbers and look at  
16 your hundred dollar games, and your jackpot, it's by  
17 far the most profitable game. So, the idea was why  
18 don't we stop playing Winner-Take-All games and start  
19 playing more Lucky 7 games?

20           Or maybe we stop playing one of the  
21 Winner-Take-All's and play more Lucky 7. Although, I  
22 will say that most folks are telling me if the  
23 empirical evidence is there, this isn't a guess -- I'll  
24 back up for a second. If we do electronic pull tabs,  
25 maybe it it's a good idea, maybe it will work, maybe it



1 won't. We don't know because we've never done it. We  
2 do have the information on the Winner-Take-All and the  
3 Lucky 7.

4           Since that's the case, why don't we stop  
5 playing the games in the pack that are not making any  
6 of us any money? I say "any," I realize there are some  
7 exceptions. For most of us, big games, medium games,  
8 and small games, we are not making any money on the  
9 Winner-Take-All.

10           So, what if we played three Lucky 7 games  
11 in a session of bingo? And what if we could average  
12 300 or 400 bucks every time we did that after expenses?  
13 Wow.

14           Now, some of the initial objection was,  
15 well, wait a minute, now we're allowed to start that  
16 game at \$500 and the Winner-Take-All that you want to  
17 kill is going to pay \$1,000, many games force that,  
18 right, because they finagle and manipulate and I don't  
19 know, it's magic, I don't know how they do it but they  
20 always seem to pay \$1,000 and you can't do that on the  
21 Lucky 7, right?

22           Well, what if we raise the limit? What  
23 if we say to the General Assembly, instead of being  
24 able to start that game at \$500, allow us to start it  
25 at a thousand dollars. And allow us to play three or

1 four of them. Maybe.

2 I talked to Art Kelly about this earlier  
3 tonight and Art had another good point. He said maybe  
4 it would be boring to play three or four Lucky 7s.  
5 Maybe we need to do one or two Lucky 7s and maybe  
6 something else. Different games. He was talking  
7 earlier and he talked about shaded paper and these are  
8 exactly the ideas that I think we should be talking  
9 about.

10 How do we make the games more exciting?  
11 Well, I would argue the most important way to make it  
12 more exciting for all bingo players is just to let them  
13 win more money. But we can't let them win more money  
14 at the expense of the charities.

15 So, what we have to focus on is making  
16 the game exciting by paying out more money, bigger  
17 prizes, but not raising prize limits as was talked  
18 about last year, where all of the games would suffer.  
19 Raise the prizes as we just talked about in a way that  
20 the charities can make money at the same time.

21 So, I don't want to take up any more time  
22 on that issue. But I would like to say that this idea  
23 of three or four Lucky 7s in lieu of Winner-Take-All, I  
24 think has a lot of merit. It may need some polishing  
25 up, but again, I've now talked with at least 40 or 50

1 different charities around the state and almost  
2 everybody thinks it's a great idea.

3 I heard things from Art tonight that I  
4 hadn't heard yet, and it made me realize that we're  
5 just not finished with this process. But you know  
6 what, the subcommittee is not finished yet, either. We  
7 still have a chance to refine our message, if you will.

8 So, our office is in Richmond. We've got  
9 a website, vcbingo.org. It cost \$100 a year to join  
10 the group. We have a lobbyist in Richmond that  
11 represents us and gives us the access -- I hate to be  
12 rude and crude about it, but we're all average citizens  
13 and we don't have access by ourselves the way we would  
14 like. So, we have a super professional who does know  
15 all these legislators personally and it enables us to  
16 have lunch, dinner, coffee and whatever to be able to  
17 speak to them.

18 I urge everybody to join. I'm not naive  
19 enough to think that we'll have all 551 permits be  
20 members of the VCBA. But we need to have 250 or 300  
21 for sure. And we are well on our way. We've been  
22 making monumental strides. We're available, we're  
23 going to be sending out quarterly newsletters by mail.  
24 Just a simple tri-fold. We're going to post it on the  
25 website. We're likely going to start a blog.

1                   What we should be able to do in six  
2 months to a year is to call up Betty Bowman and say,  
3 "Betty, can we have a meeting? We've got 75 charities  
4 that have all been talking and we have an idea. Will  
5 you listen to this? This is within the realm of rules  
6 and regulations. Can you talk to us and let us know if  
7 it's doable?"

8                   In numbers, we can be successful and  
9 improve our bottom line. I have some cards and  
10 applications with me if anybody would like them and I  
11 look forward to hearing from everybody here. Thank you  
12 very much, Maria.

13                   MS. EVERETT: Thank you, Chuck.

14                   Just to dovetail a little bit what Chuck  
15 said, and I'll send the bill later, but when I said  
16 earlier in opening that the subcommittee doesn't have  
17 preconceived ideas of where it should go. And Delegate  
18 Dave Albo, who is on the subcommittee said that the  
19 legislators themselves probably don't play bingo, and  
20 they really don't know what's in the best interest.  
21 So, they said if there is a consensus coming from  
22 anywhere just let them know and they'll do what we want  
23 them to do.

24                   And they don't want to make any decisions  
25 without the input. What we've heard consistently is,

1 don't increase the prize amounts. But the idea is they  
2 don't want to do that if that's not what people want.

3 So, consensus is a very important part of  
4 the legislative process. And as Chuck said, it's sort  
5 of the insider baseball but having a group represent,  
6 they listen to that. Not that they don't listen to  
7 individuals, but you have a greater voice and also  
8 participating in the regulatory part.

9 We're learning that legislators have  
10 impact on statutory change but like any program,  
11 licensing program, such as charitable gaming or boxers,  
12 real estate agents, lawyers, there is a way to  
13 participate in the regulatory process as well. So,  
14 that is the other thing about organizing yourselves  
15 because the bingo landlords have always been  
16 represented down at the general assembly, but the  
17 organizations themselves, you know, the Elks, the Moose  
18 show up individually.

19 So, I said there's one consensus where  
20 you all want to be and that is a lot of what these  
21 public hearings have done is shown us where the  
22 consensus points are.

23 I just want to address the issue where  
24 "Who came up with this idea of increasing the prize  
25 money, who came up with this increasing the number of

1 days of play?" There was a bill last session in the  
2 General assembly and it came from just one -- it wasn't  
3 a consensus necessarily. It was just -- and that bill  
4 did not pass so a lot of people at public hearings  
5 think that is what we're really looking at, that we  
6 want to raise it or the subcommittee does.

7 And no, since the bill died. But it was  
8 at least risk to the idea of there is a lot of things  
9 going on in charitable gaming and we've got to find out  
10 from the people who run it and play it what needs to  
11 get done in charitable gaming.

12 So, there is no stomach for it, or hasn't  
13 been at least the last session, that bill, as I  
14 mentioned, was defeated. There was no increasing  
15 number of days to play or any of that.

16 So, anybody else that may have -- Yes,  
17 sir. Come on down.

18 A SPEAKER: I just wanted to clarify a  
19 point. I am not an advocate for raising all the prize  
20 money to \$250. I deeply oppose that. What I am  
21 advocating is that possibly we could compress the \$100  
22 games and make it a \$200 game and play the different  
23 types of paper. I certainly don't want to run any  
24 smaller games out of business. That would even hurt  
25 our own game in our own hall. So, I am opposed to the

1     \$250 increase in going there. I want to maintain a  
2     \$100, but I want to consider maybe one game that we  
3     could just combine and make a \$200 game.

4                   MS. EVERETT: Anybody else? I'm going to  
5     walk around with the mic just to make sure everyone can  
6     hear it.

7                   A SPEAKER: I'm glad to see Ms. Bowman  
8     here. On behalf of Hampton Elks Lodge we would like to  
9     express our thanks to her and her staff.

10                   Our game manager did not pick up on the  
11     fact that in 48 hours our permit was going to expire.  
12     And we got a phone call from the staff and we jumped on  
13     it and before our next bingo game, they were kind  
14     enough to rush the paperwork through, get it approved  
15     and we played happily ever after. So, a big thank you  
16     to your staff.

17                   I would like to think -- and the  
18     gentleman talked about electronic bingo, that we could  
19     something in the social quarters like electronic  
20     machines for members and invited guests only. Not  
21     connected with bingo, necessarily, but phone cards or  
22     whatever you want to call them. We'd like to put those  
23     into social quarters for our own use.

24                   MS. EVERETT: Okay, thanks. Anybody  
25     else?

1 MR. KELLY: On the electronic bingo,  
2 those packs, you know, we've talked here tonight about  
3 increasing costs of games, increasing this and that,  
4 well, you know, you put these electronic pull tabs it's  
5 into that computer, that computer has much more space  
6 than what we're playing with right now. So, that cost  
7 is going to get passed on the player.

8 A \$20 computer that we're using now,  
9 you're talking a \$50 or \$60 computer that these people  
10 will paying for so that they have the capability of  
11 putting these electronic tabs in.

12 We've all talked about the amount of  
13 paperwork. I think we're going to increase the amount  
14 of paperwork now that's going to come on because of the  
15 electronic tabs. I personally don't see the electronic  
16 tab bingo in the bingo hall. Like the gentleman said  
17 up front, in the social quarters and stuff like that  
18 there is probably a good place for it. Maybe on the  
19 military installations where they are using it now.  
20 That is better than at the bingo halls. Thank you.

21 MR. WESSON: If I could address that,  
22 Art, because a few other charities around the state  
23 brought up the same point. If we were to put  
24 electronic pull tabs in these devices, they are going  
25 to become more expensive to the charities and how did



1 that help? But we did a reasonable amount of homework  
2 on this before we even began the discussion with the  
3 numbers of different charities. And the homework was,  
4 we called up a number of different suppliers and  
5 manufacturers that would be able to put that kind of  
6 software in the existing machines.

7 And here is the way it was posed by a  
8 small group of us, the following: If the charities  
9 cannot purchase electronic pull tabs inside those  
10 devices for the same amount of money or less than we  
11 are currently paying for them, we don't want them.

12 And the way that worked out is as  
13 follows: We are paying, all of us, approximately 3  
14 cents for every instant bingo pull tab that we buy  
15 right now. So, these manufacturers, whether they be on  
16 Indian reservations or in other venues that I'm not  
17 aware of, they haven't figured out that they can offer  
18 deals in the same size that we're currently playing.

19 In fact, this is what I said: Can you  
20 take the exact format that we're using in paper and put  
21 it in a device? Yes or no? And the answer was yes.  
22 Can you sell those deals to our charities in Virginia  
23 for the exact same price or less than we're paying now?  
24 Yes. Now, we don't have them yet. Are they lying to  
25 us? I don't know.

1           But I'll tell you what I did make clear  
2           to three different manufacturers, if you don't come in  
3           with the same price or less, why are you going to waste  
4           all this research and development, no one is going to  
5           buy it from you. My gut is that to present them, they  
6           would make it cost competitive for us as charities and  
7           it would give us another way to sell instants.

8           Once again, as I said before, I have no  
9           clue if pull tabs in electronics are going to make us  
10          more money. I don't know. But I do think it's worth a  
11          shot as long as it's not going to cost us more money  
12          and then we'll determine afterwards, if it works or it  
13          doesn't.

14                   MS. EVERETT: Anybody else?

15                  While we're on the electronics thing,  
16          what is the sense that you have for sort of the one to  
17          run the gambit, the simple hand-held version, wall  
18          mounted, bell and whistles, anybody have a preference?

19                   A SPEAKER: The wall-mounted ones, from  
20          what I've seen and talked to certain suppliers, you  
21          know, this could be a paperwork nightmare. They're not  
22          going to put a unit in there for each one of the  
23          groups. The units are just too expensive. So, before  
24          I stop buying these, somehow I'm going to have to go in  
25          there and get a start/stop number or something. Before

1 going to something like this and -- it's the  
2 practicality, again, it's hello to the digital world.

3 It's an additional burden. The hand-held  
4 is something entirely different. In talking with them  
5 again, it's going to be additional work for the group.  
6 You'll get someone come in and buy \$100 worth of  
7 instants. Now, you're going to play those instants  
8 with that hand-held and at the end of the night when  
9 you are all wrapped up and getting ready to go, they're  
10 going to take that hand-held to the counter to get  
11 punched out and they're going to have winnings on there  
12 just like they would have won on a pull tab, you know.

13 So again, my own personal thing, you  
14 know, what I've seen. I don't want to sway anybody in  
15 any way. Just throwing my 2 cents in. I just don't  
16 see it happening and there is a bigger cost associated  
17 with it.

18 MS. EVERETT: Anybody else have any  
19 comments on any topic?

20 Well, how about we've heard before that  
21 sort of the older crowd that comes to play bingo maybe  
22 won't have the stomach for too much electronic stuff;  
23 they are not interested in that. But that you need to  
24 attract new players, people who may want electronics,  
25 they are gadget people. Is that your sense?

1 MS. BLAUM: My name is Marci Blaum. I  
2 actually have two halls. I have one that is a computer  
3 hall and one that is not a computer hall. I think that  
4 having the big machines that are more to the player  
5 like a slot type of machine will be attractive and will  
6 attract younger people.

7 Having them in the actual hand-held I  
8 think is going to go right back to having the  
9 competition problem because you are going to have  
10 places that aren't going to be able to afford to buy  
11 those. So, your smaller games, once again, are going  
12 to be in the competition ranks.

13 I think that as far as like we have been  
14 trying to do for years to attract younger players  
15 because obviously the older players are creatures of  
16 habit and unfortunately they are dying.

17 It's sad to say, but my father actually  
18 started commercial halls in Virginia 36 years ago so I  
19 see a lot of people come and go and if there were other  
20 things to entice younger people to come in, then I  
21 think you would see that. And once they get in the  
22 hall then they would continue to come in and play.

23 But to have the actual instants in the  
24 hand-helds I don't think will work. I think you have  
25 to have it on the wall to make it look like a lottery

1 machine or a slot machine would be an attraction to  
2 people.

3 MS. EVERETT: Anybody else have comments  
4 about that?

5 A SPEAKER: For over 20 years I've been  
6 working and playing bingo. Coming from a volunteer and  
7 a worker, we need something new and more interesting.  
8 There is nothing new, the same things. We need to  
9 rejuvenate the old games. We have to get some ideas  
10 for new games. Maybe \$200 games or more \$1,000  
11 payouts.

12 As far as the computers, our players are  
13 going to go spastic. I use paper now, I don't use  
14 computers. If I have to buy computers, I won't do it.  
15 My crowd is an elderly crowd. They are going to go  
16 spastic because I put a new game in. If you give them  
17 any kind of complicated machine, they won't play. I  
18 can see tons more paperwork and it won't be beneficial  
19 from a time standpoint.

20 The elderly crowd is not going to do it.  
21 If you go and put the machines in, it would have to be  
22 very easy for them or they won't do it. So, as far as  
23 I can see, I'm not for it or against it, I'd have to  
24 see it. So, I can't say yes or no.

25 A SPEAKER: I think, obviously let's face

1 it, somewhere down the line computers are going to be  
2 the way of the world, but for right now, you know, look  
3 how long it's taken to be where we are. Once  
4 everything does go to where we're seeing more and more  
5 computers you are not going to want the instants in  
6 there. I think that that's way down the road.

7 MS. EVERETT: Anybody else?

8 A SPEAKER: I agree we need to research  
9 something new, something to bring the excitement back  
10 to the bingo halls because I believe that it is  
11 stagnant. We play the same games. The games do get a  
12 little changed but it is has been nothing new where I  
13 am. Some take off, Lucky 7. But over the last years  
14 it's the same thing. No matter which way you flip it,  
15 it's the same thing, it's stagnant.

16 There was a company that had approached  
17 me about a horse race game and it was just very  
18 exciting and that -- something like that -- I thought,  
19 oh, my God, would that excite the crowd. But it was a  
20 couple years ago and they told me something like that  
21 was not allowed.

22 But something like that to look into,  
23 bring excitement back to the game. It was like being  
24 at a race track. It wasn't very complicated. It was  
25 done by a ball. I feel that if we have any game, we

1 should look into it. I don't even know how to approach  
2 for a game and how long it would take to make it  
3 happen. How to submit it or any of that. At least  
4 months.

5           Someone could have an opinion, something  
6 new and maybe re-excite bingo hall because you have old  
7 crowd. Your crowd is dying. You've got to bring young  
8 people in. The young people right now are going to  
9 Dover Downs -- believe it or not, we're not just  
10 competing against each group in the Tidewater area,  
11 we're also competing against Dover Downs and Atlantic  
12 City.

13           For the last four months all the games at  
14 Dover Downs has been the talk of my bingo hall. As  
15 soon as a bus is going, they're gone. They leave at  
16 7:00 in the morning, get there by 10:00, they have all  
17 day and they are home by 10:00 again. So that is also  
18 some of where the real money goes to. That is actually  
19 going out of state.

20           MS. EVERETT: Just to address part of  
21 your comments about what do you have to do with an  
22 idea, Betty left her card and you can talk to her for  
23 more detail. But the statute, the General Assembly  
24 authorizes what games can be played by defining what  
25 bingo is, what a raffle is.

1           So, to the extent how do you approach the  
2 legislature, join Chuck's group -- and I'm not dumping  
3 for him here -- or you can contact me and Amigo now  
4 that you have our cards and we'll tell you who you have  
5 to call. We'll explain to you how you need to talk to  
6 a legislator. We'll tell you their contact information  
7 and everything.

8           So, for a legislative change, a change in  
9 the law, it needs to go through a legislator and in all  
10 likelihood, it's going to be Amigo and I who actually  
11 draft the legislation, so that's one avenue.

12           Variations in games that are currently  
13 allowed is regulatory and Betty's job. Again, that's  
14 the statutory definition.

15           Which is saying generally the people that  
16 come, the seniors, they are the ones that you depend  
17 on?

18           A SPEAKER: They are not the only ones,  
19 but we do have a pretty steady senior crowd. And they  
20 are limited incomes, but believe it or not, most of  
21 their income comes there because they do like to play  
22 bingo. We actually did a survey, I guess it's been two  
23 years ago, about using electronic devices and it was  
24 overwhelmingly no. Even our younger people, we have  
25 younger people that say the prize payouts are split



1 more because they still consider it more a game of  
2 skill rather than chance because, you know, I can't  
3 play ten cards and some of them can.

4 But we actually did a survey among our  
5 crowd because we looked into electronic devices. So we  
6 are still using paper and I agree with you, the  
7 instants in the computer would not go over well with us  
8 at all. Especially right now.

9 A SPEAKER: Another thing about computer,  
10 they put like eight large packs in one container for  
11 \$30, everybody bought it and I don't think there was  
12 one winner. You know, you were lucky if you won once,  
13 you paid \$40 and you won 10. I don't think there was a  
14 solo winner that night at all.

15 A SPEAKER: My opposition to it and I  
16 think people of my generation or age group is that  
17 there is no excitement to it. You get bingo and some  
18 people like to say it, it's part of the fun, but you  
19 don't even get to yell bingo, you know, the young  
20 people, you know.

21 A SPEAKER: If you were to go  
22 computer-based you may have to limit like instead of  
23 buying a computer for \$30 and have 16 large packs in  
24 it, you know -- for those elderly who can't daub or the  
25 disabled maybe the computer might help but there is one

1 pack in there, you know. So, you have a better chance  
2 of winning by yourself. Or they want to buy two packs.  
3 Charge it that way, you buy a computer for \$30 that has  
4 10 large packs in there, so does everybody else, you  
5 got 20 people with bingo every game. It's not worth  
6 it.

7 A SPEAKER: I just want to say that I  
8 don't think that it is about whether to use a computer  
9 or not. I don't think that is the case here, I mean,  
10 we are a computer hall and works for us. I believe if  
11 it ain't broke, don't fix it. So, if you are a paper  
12 hall or paper-based and it works, once again, don't fix  
13 it.

14 I mean, I have two halls, one is paper  
15 and one is a computer hall and it works for them. So,  
16 right now if it's working, it's totally your option.

17 A SPEAKER: I think she pretty well said  
18 it. I am the game manager and we run computers and if  
19 I was to tell the players next Sunday night we're  
20 getting rid of the computers and going with paper, they  
21 would all get up and walk out. That's their  
22 preference. And they do enjoy daubers but they  
23 normally buy a computer and they have the best of both  
24 worlds. So, if it's not broke, don't try to fix it.

25 MS. EVERETT: Anything else?

1                   Let me add one comment. When Amigo and I  
2 were planning a meeting for the subcommittee we took  
3 them to a bingo hall because we needed to let them know  
4 what bingo in the 2000's looks like. Not when they  
5 went with their grandma in the church basement and they  
6 were using one card at a time. And when they saw how  
7 bingo was being conducted they were like, oh, my gosh,  
8 they were shocked. When saw the speed of the games and  
9 how many cards people were using, and the daubers and  
10 all the cool colors and stuff, they couldn't believe  
11 it.

12                   They want to hear from you. Remember the  
13 story, they were like, who knew? So your voice needs  
14 to be heard by them because, like I said, they want to  
15 go where the consensus is. They don't have any ideas  
16 themselves. All they want is insurance that it's a  
17 clean game and that it's charity connections.

18                   I would really appreciate it if when you  
19 go back to your game tell the players about us and you  
20 have that contact sheet and have them call us because  
21 we want to hear from the players, too, about what they  
22 want and if you would help get that word out -- tell  
23 them to call Amigo.

24                   This is my own throw-out idea. What  
25 about poker? What is the general sense of poker?

1           A SPEAKER: I think something like that  
2 would tie in to what we were saying earlier about all  
3 the different games that would keep people coming back,  
4 like treasure chest because when those jackpots come up  
5 we see people we've never seen before. And they come,  
6 and they come, and they come. But that might be good  
7 to incorporate something like that.

8           A SPEAKER: There's lots of paper out  
9 there that hasn't even been explored yet. And there's  
10 a lot of it that can be sold the same way you're  
11 selling the other stuff where you make a percent and a  
12 percentage goes to the player.

13           A SPEAKER: I agree with you a hundred  
14 percent. I have been on like 50 to 60 bingo websites  
15 over the last few months. There are so many exciting  
16 games out there. If they could be brought into  
17 Virginia and allowed, the groups would have a variety  
18 of what games to play and the places where they like  
19 this game or that game over here.

20           It would all just generate the younger  
21 player and the younger crowd. Eventually, we are going  
22 to need the younger crowd. Believe it or not, this  
23 sounds terrible, but you've got to teach the younger  
24 ones to gamble if you want to stay in it. And there is  
25 so much more out there. We need new games. Even if

1 just a few different paper games came in it would be so  
2 exciting for these people. And the older crowd would  
3 be into it more than the younger crowd, but it would  
4 get rid of the stagnant atmosphere.

5 A SPEAKER: The horse race game if that  
6 could get approved you could play between sessions and  
7 keep the people in the hall.

8 A SPEAKER: You are a hundred percent  
9 right. The people came in and bought paper cards, it  
10 was played B-I-N-G-O and the first one to get down the  
11 B and I row, number going down, and then whoever won,  
12 the payout was determined like a regular horse race.  
13 First place, second place, and all that. And it was  
14 all done on paper. The only thing that was electronic  
15 may have been the little horses moving. Its stuff like  
16 that is what the industry needs.

17 MS. EVERETT: This kind of reminds me of  
18 duck races which are legal in Virginia as a raffle.  
19 It's kind of the same thing except you don't throw a  
20 bunch of ducks in the river. I'm not giving a legal  
21 opinion here, but it reminds me of the same thing.

22 Does anyone have anything else?

23 A SPEAKER: What are duck races?

24 MS. EVERETT: Duck races are when you  
25 take a bunch of rubber ducks, then you buy a chance,

1 it's a raffle, and they put your number or something on  
2 the bottom and they put a ton of them in the river and  
3 the first duck that crosses some end point they turn it  
4 over and go, Look at that, Maria won a thousand  
5 dollars.

6 That's what it is. I don't know if there  
7 are places in it. But it wasn't legal before and it  
8 was a state policeman busted a game and said what is  
9 this duck race thing? Duck races were not legal then  
10 and now there is this bill and trying to write an  
11 explanation of what a duck race is, an inanimate object  
12 floating on the river. They have tons of duck races in  
13 Richmond and all around the state.

14 So there it is, something was occurring,  
15 they thought it was legal and it wasn't. They went to  
16 the legislature and, poof.

17 Anybody else? You know, we were going to  
18 go until 8:30 but I want to be respectful of  
19 everybody's time.

20 A SPEAKER: The only time in my town that  
21 we got to play bingo was at the carnival in the month  
22 of July. We open up on weekends starting the 4th of  
23 July. This carnival is the only means we have of  
24 making our support money. The problem we have getting  
25 the permit for the bingo, number one, we give away

1 three prizes, we gave away a cruise, a homemade quilt,  
2 and a motorcycle. We had to buy these prizes before  
3 the commission would give us a permit. We also have to  
4 give them every date that we are going to sell those  
5 chances. If we could get the prizes and have our  
6 tickets and sell them openly for about six months  
7 before the carnival it would help. This year we didn't  
8 get our permit until after the 4th of July weekend  
9 which cost us a lot. We need to lighten up some of the  
10 items put on us by the commission. This is the only  
11 function we have.

12 MS. EVERETT: Anyone else? Going once,  
13 going twice. All right, thank you for being here.

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C E R T I F I C A T E

COMMONWEALTH OF VIRGINIA  
CITY OF NORFOLK, to wit:

I, Mary Carraher, Court Reporter, do hereby  
certify that the foregoing pages are a true and correct  
transcript of my Stenotype notes of the proceedings had  
at the time and place in the caption mentioned.

This 9th day of September 2009.

Mary Carraher, Court Reporter