

NEW HAMPSHIRE LOTTERY® COMMISSION
14 INTEGRA DRIVE, CONCORD, NEW HAMPSHIRE 03301
MINUTES OF COMMISSION MEETING
December 14, 2016, 9:30 a.m.

Commissioners:

Debra Douglas, Chairman
Paul J. Holloway, Commissioner
David Gelin, Commissioner

Lottery staff in attendance:

Charles McIntyre	Katie Brown	Paul Kelley	Leonard Mannino
Lynda Plante	Kelley-Jaye Cleland	Valerie King	Sudhir Naik
Cynthia Baron	Stephen Johnston	Maura McCann	Cammy Nolin

Others in attendance:

Ashley Spicer, GYK Antler	Ryan Sahr, Intralot	Ryan Gloddy, Casablanca Casino
Rose Longo-White, GYK Antler	Kristen Paré, Intralot	Dick Bouley, Dennehy Bouley
Travis York, GYK Antler	Colleen Hernandez, CBC	Nick Bonardi, Tri-State
	Jan DiMarzio, CBC	Mike McLaughlin, CBC

Chairman Douglas called the Commission meeting to order at 9:33 a.m.

1. ACCEPTANCE AND SIGNING OF PREVIOUS MINUTES:

Commissioner Holloway moved to approve the November 30, 2016 minutes as submitted; seconded by Commissioner Gelin. So voted, unanimous.

2. PUBLIC HEARING:

Chairman Douglas opened the public hearing for Pari 1000 relative to Shared Bingo. Oral testimony commenced, with Mike McLaughlin from Community Bingo Center (CBC) in Manchester as the first party to offer testimony. Mr. McLaughlin circulated a summary of his comments, and explained the statute itself directs financial parameters and minimum of 7% bingo tax and 7% shared to charities. Their opinion is that the legislation has made the statement of what the financial minimum should be and the rule as written is exceeding the authority of the statute. Mr. McLaughlin described that the shared carryover coverall is the main driver to get players into halls; bingo itself is a loss leader, but the real revenue maker is Lucky 7. Jan DiMarzio also from CBC affirmed Mr. McLaughlin's position that shared bingo is a way to pull more players in, and feels shared bingo is a way to sustain the game. As no other parties signed up to speak, Chairman Douglas pronounced oral testimony closed.

3. INTRALOT:

Ryan Sahr of Intralot reported that the Jingle All The Way promotion will kick off on Sunday, December 18, and will continue through December 24.

4. TRI-STATE:

The Tri-State Commission met on December 9 at New Hampshire Lottery. Maura McCann reported the following activity:

- a. The Commission voted to approve the spending in Maine, New Hampshire and Vermont of Tri-State expired, unclaimed prize money of \$149K on the Jingle All The Way promotion.
- b. The new Tri-State \$10 Ultimate Vegas Getaway scratch tickets were previewed and that game will go on sale end of January. The Fast Play game Miss Match, although not a Tri-State game, was discussed during Tri-State Product Development meetings since it may be offered in Maine, New Hampshire and Vermont. Other Tri-State (or state-specific) promotions are being planned through the end of Fiscal Year 2017 using the remainder of Tri-State expired, unclaimed prizes.

- c. Abacus “in-lane” ticket sales are being discussed in all three states. This was an offer made to us during the NASPL conference in the fall.
- d. Approval was given for the sound-abatement project of the draw room at New Hampshire Lottery. Chairman Douglas asked when that work would start, and Maura replied that she is waiting to get a schedule from the installer.


5. ADVERTISING:

Maura McCann had nothing to report as our last meeting was only two weeks ago; Travis York of GYK Antler also had nothing to report this month.

6. OTHER:

- a. Valerie King presented the annotated text for the Final Proposals of several Pari rules that are ready for submission to JLCAR. Changes to the Initial Proposals were made in response to comments from the attorneys at OLS. A motion initiated by Commissioner Holloway and seconded by Commissioner Gelinas unanimously authorized Ms. King to submit the Final Proposals, as drafted, to OLS for the January JLCAR meeting. The proposals are:
 - Repeal of Pari 100 (Racing and Charitable Gaming Organizational Rules)
 - Repeal of Pari 200 (Racing and Charitable Gaming Practice and Procedure Rules)
 - Amendments to Sw 200 (relative to the Lottery Commission’s Practice and Procedure Rules)
 - Amendments to Pari 1000 (relative to Bingo Penalties)
 - Amendments to Pari 1100 (relative to Lucky 7 Penalties)
 - Amendments to Pari 1200 (relative to Games of Chance Penalties)
- b. Kelley-Jaye Cleland demonstrated a new augmented reality scratch game called Gold Castle. The game can be played either as a traditional scratch ticket, or in conjunction with an app which scans a barcode on the ticket to create a 3-D interactive environment on the mobile device. The price point of such a ticket would be \$5, and the size may have to be negotiated as the ticket is larger than our other games. The expense to set up the game as well as licensing fees were discussed. Travis York stressed that though the excitement of an augmented reality game may be short lived, the bigger strategy is to be first with a new technology and get players to use mobile platforms to engage with Lottery.
 - Commissioner Holloway noted the instant sales are still down; Kelley-Jaye expressed confidence that they will rebound before the end of the fiscal year. Director McIntyre noted that sales have grown from \$35 to \$43 million over the last few years by making every functional and operational change that we can, there is not much more that we can do with our current system of games. He remarked that our state is slow to move toward the adoption of technology, but that is where the future success lies. There are no obstacles with State government to introducing this particular game, and a vote is not required. The Commissioners would like to see this augmented reality game launch as soon as possible.
 - Commissioner Holloway asked what we have done with the New Hampshire Liquor stores to increase the sales there so dramatically. Kelley-Jaye described the measures that have been taken with retail displays, helping with back of office operations, and building a stronger relationship between our agencies. Commissioner Holloway congratulated Kelley-Jaye for the Sales team’s efforts in improving those sales. Maura noted in addition to the work being done by the sales department, that work opened up a further opportunity to do a successful co-social media promotion between liquor and lottery.
 - Chairman Douglas would like to know when the next mobile app game will be up and running. It was noted that once a contract is in place, we should have a launch in May of the Golden Luck game. Commissioner Holloway asked why it is taking so long; Director McIntyre explained that this is a new game provider and we are working through contracting.

- Director McIntyre announced to the Commission that this would be Director Paul Kelley's last meeting as he is soon to retire. Chairman Douglas thanked Director Kelley for his years of service and wished him luck in his retirement, and Director McIntyre added that it was by Director Kelley's leadership that the merger with Racing and Charitable Gaming went so well.
- c. Director McIntyre submitted to the Commission that they go into executive session to discuss contract and procurement details. Motion was made by Commissioner Holloway, second by Commissioner Gelinas. Roll call was taken at 10:30 a.m. with Commissioner Gelinas, Commissioner Holloway, and Chairman Douglas in attendance.



Debra Douglas, Chairman



Paul J. Holloway, Commissioner



David Gelinas, Commissioner