

TRANSCRIPT OF PROCEEDINGS
BEFORE THE
TEXAS LOTTERY COMMISSION
AUSTIN, TEXAS
BINGO ADVISORY COMMITTEE MEETING

AUGUST 10, 2022

10:00 a.m.

AT

TEXAS LOTTERY COMMISSION
611 East 6th Street
Austin, Texas 78701

Proceedings reported by electronic sound recording;
transcript prepared by Verbatim Reporting & Transcription
LLC.

APPEARANCES

COMMITTEE MEMBERS:

William T. Smith III (Trace), Chairman

Will Martin

Tommy Duncan, Jr.

Melodye Green

Emile Bourgoyne

Corey Harris

Jason Pohl

Michael Anastasio

COMMISSION STAFF:

Cindy Fields, Commissioner

LaDonna Castañuela, Director of Charitable Bingo Operations

Bob Biard, General Counsel

Tyler Vance, Assistant General Counsel

Vivian Cohn, Deputy Director of Charitable Bingo Operations

PUBLIC:

Tom Stewart, Texas Charity Advocates

Glenn Goulet, K&B Sales

Larry Segebarth, Game Print Solutions

Kim Kiplin, Esq.

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P R O C E E D I N G S

WEDNESDAY, AUGUST 10, 2022 (10:00 a.m.)

AGENDA ITEM 1

CHAIRMAN SMITH: All right. Time to get the meeting started. Today is August 10th. It is now 10:00 a.m., and we'll call the meeting to order.

AGENDA ITEMS 2 AND 3

CHAIRMAN SMITH: We can start out with the American Pledge, followed by the Texas Pledge. Mr. Martin, would you do the honor, sir?

MR. MARTIN: All right.

(Pledges recited)

AGENDA ITEM 4

CHAIRMAN SMITH: All right. Roll call. Corey Harris.

MR. HARRIS: Here.

CHAIRMAN SMITH: Will Martin.

MR. MARTIN: Here.

CHAIRMAN SMITH: Melodye Green.

MS. GREEN: Here.

CHAIRMAN SMITH: Jason Pohl.

MR. POHL: Here.

CHAIRMAN SMITH: Tommy Duncan.

MR. DUNCAN: Here.

CHAIRMAN SMITH: Emile Bourgoyne.

1 MR. BOURGOYNE: Here.

2 CHAIRMAN SMITH: Veronica Uriegas will not be
3 here today. She had some family things she had to attend to,
4 so she will not be here today. And roll call for our newest
5 member, Michael Anastasio.

6 MR. ANASTASIO: Here.

7 CHAIRMAN SMITH: Michael is here today.
8 Michael, would you like to take this opportunity to kind of
9 tell everybody about yourself a little bit and say hello and
10 introduce yourself?

11 MR. ANASTASIO: Okay. I'm Mike Anastasio.
12 I've been the quartermaster at VFW 8577 since retired from --
13 for the second time back in 2008. Done a lot of work with
14 the bingo, just put us back in for another charity lessor
15 license to start helping other VFWs and American Legions in
16 the area to stand up bingo for themselves. And glad to be
17 here to help out.

18 CHAIRMAN SMITH: Well, we're sure glad you're
19 here. We appreciate your service and definitely glad to have
20 a new pair of eyes looking at some -- looking at the industry
21 here. Michael was approved by the Commissioners at the last
22 Commissioners meeting, so he will be with us.

23 AGENDA ITEM 5

24 CHAIRMAN SMITH: All right. Item number five
25 on your meeting agenda, meeting minutes from June 8th, 2022.

1 Any public comment on that? If not, any other comments?

2 Need a motion to accept the minutes as printed on the
3 website.

4 MR. HARRIS: Mr. Chairman, I so move.

5 CHAIRMAN SMITH: I have a --

6 MR. MARTIN: Second.

7 CHAIRMAN SMITH: -- motion by Corey and
8 seconded by Will Martin. All in favor say aye.

9 (Chorus of "ayes")

10 CHAIRMAN SMITH: Any opposed? Meeting minutes
11 are approved.

12 AGENDA ITEM 6

13 CHAIRMAN SMITH: Item number six on your
14 agenda is discussion and adoption of the end of year BAC
15 report to the Commissioners. Before we get into this, there
16 were several people that helped with this, but I did want to
17 give credit where credit is due. Tom Stewart from TCA helped
18 with this report extensively. So Tom, a lot of gratitude for
19 that. We really appreciate that. Saved us a lot of
20 heartache and a lot of headaches. So, you're much
21 appreciated, sir.

22 Has everybody read the report? I think I sent
23 that out to y'all a few weeks back. Do y'all have any
24 comments, questions on the report before we vote to submit it
25 to the Commissioners for approval? Anybody?

7

1 We do have Commissioner Fields and LaDonna and
2 Tyler here from the staff. If y'all would like to make any
3 comments on this for corrections for us. Also, Bob's over
4 there, I see him now. If there's any comments or questions
5 that y'all have, we'd be glad to answer those at this time.
6 No? Okay.

7 All right. Does anybody feel the need to read
8 all the way through this or --

9 MR. MARTIN: No, I was going to make the
10 motion to --

11 CHAIRMAN SMITH: Go right ahead, Will.

12 MR. MARTIN: -- accept the annual report as it
13 is.

14 CHAIRMAN SMITH: Okay. We have a motion to
15 accept the annual report as written.

16 MR. BOURGOYNE: I'll second.

17 CHAIRMAN SMITH: And Emile; we have a second.
18 All in favor?

19 (Chorus of "ayes")

20 CHAIRMAN SMITH: Any opposed? Okay.

21 AGENDA ITEM 7

22 CHAIRMAN SMITH: All right. Next, discussion
23 and recommendation of Fiscal Year 2023 Work Plan for the
24 Bingo Advisory Committee and reinstatement of BAC and its
25 current members. Has everybody read this --

1 MR. MARTIN: Yeah.

2 CHAIRMAN SMITH: -- preliminary report? Okay.
3 I do want to make some things that are clear on this. This
4 is a work plan that the BAC submits to the Commissioners for
5 their approval. They look at this, they decide if this is
6 along the lines of what they want us to do, and they can add
7 and subtract anything from this that they would like to.
8 This is basically just our recommendations of what we think
9 we want to do. So they have oversight on this.

10 But also in the report it says that -- well,
11 let me find it. Well, we also were going to ask that the
12 Commission reinstate the BAC for another year and the current
13 members want to stay on the Bingo Advisory Committee. I'm
14 assuming that everybody wants to stay on the Bingo Advisory
15 Committee that's on it. Nobody's expressed concerns or
16 desires of not continuing on. So that's good news.

17 LaDonna or Commissioner Fields, do y'all have
18 any comments or anything on this? No? All good? Okay.

19 All right. So we need to take a little action
20 on this. Anybody have a motion?

21 MR. MARTIN: Yeah, I'll make a motion that we
22 accept the work plan as written.

23 CHAIRMAN SMITH: All right. Thank you, Will.
24 We have a motion on the floor to accept the work plan as
25 written to submit to the Commissioners for their approval.

1 MS. GREEN: Second.

2 CHAIRMAN SMITH: Melodye Green; we have a
3 second. Any comments? All right. All in favor say aye.

4 (Chorus of "ayes")

5 CHAIRMAN SMITH: Any opposed? Motion carries.

6 AGENDA ITEM 8

7 CHAIRMAN SMITH: All right. Moving right on
8 to number eight, discussion and action on endorsement of
9 petition for rulemaking in reference to the shutter card
10 bingo systems. And I'm going to let Kim Kiplin, if you'd
11 like to update us on this.

12 MS. KIPLIN: Yes. Good morning, everyone.

13 MR. POHL: Good morning.

14 MS. KIPLIN: Just for the record, my name's --
15 if this is on -- okay.

16 CHAIRMAN SMITH: You might have to --

17 MS. KIPLIN: For the record -- is it on? For
18 the record, my name is Kimberly Kiplin. I'm an attorney here
19 in Austin, Texas. I represent the petitioners in the
20 petition for the adoption of rules. I also represent the
21 manufacturer of a shutter card bingo system. It's the Second
22 Bite. It's a Canadian company, but it is a licensed Texas
23 Lottery Commission bingo manufacturer.

24 He's not a petitioner because there were
25 changes to the Administrative Procedures Act, I think a

1 couple of sessions ago, that required him to have a business
2 located in Texas and he does not, notwithstanding the fact
3 that he's a licensed manufacturer and he pays license fees.
4 So based on that, he does not have standing to be a
5 petitioner. I wanted to just address that in case you had
6 questions.

7 So for the timing on this, I filed this
8 petition for rulemaking on July 5th with the Lottery
9 Commission and I emailed the petition, along with the
10 proposed rules, to Chairman Smith of the Bingo Advisory
11 Committee, and I did request that he forward those to you all
12 so you'd have an opportunity to review them before today, and
13 I'm hopeful that that's what occurred.

14 You will note, if you had an opportunity to
15 review them, that notwithstanding the fact they're addressing
16 a shutter card bingo system, really modeled those off of the
17 approved and adopted card-minding rules here in Texas. And
18 the reason for that is because, you know, we're familiar with
19 it and it's like, why are we going to reinvent the wheel. So
20 they were revised to the extent it makes sense to do so and
21 that's what is before you if you had a chance to review them.

22 I'm here today really to request the Bingo
23 Advisory Committee vote to support the rulemaking petition
24 and the proposed rules and make a recommendation tomorrow at
25 the Texas Lottery Commission's meeting to the Commission that

1 they approve the petition and they initiate rulemaking
2 proceedings.

3 Now having said that, if the Commission does
4 do that, then what that will mean is that they're going to
5 initiate rulemaking, and that is by approving proposed rules
6 and then publishing them in the Texas Register for a public
7 comment period. I don't know what the public comment period
8 would be. It's got to be a minimum of 30 days. It's
9 something that the Commission is the one to determine, along
10 with whether there will be a public comment hearing for
11 people to be able to comment.

12 And then after the comment period, those rules
13 would go back to the Commission for consideration of
14 adoption, and they may change based on the comment, you know,
15 that the Commission received as part of the public comment
16 period.

17 So the reason I'm saying all this today is to
18 -- I want to just put that out here that this isn't going to
19 be your last view of these rules. This is like the
20 beginning, this is like before the beginning actually of the
21 formal process, but it's really important on behalf of the
22 petitioners for us to have you all vet them, express
23 concerns, and part of your statutory role is to advise the
24 Commission on rulemaking. And if you have any questions or
25 concerns, we want to be able to address that.

1 And I'm going to leave it with that and open
2 it up to any questions you might have with regard to any of
3 the documents that I provided you.

4 CHAIRMAN SMITH: Does anybody have any
5 questions for Kim?

6 MR. ANASTASIO: Is this rule necessary for
7 this equipment to be legal in Texas? I mean, is there -- are
8 there other rules that this particular equipment can fall
9 under?

10 MS. KIPLIN: The shutter cards are bingo
11 equipment.

12 MR. ANASTASIO: Okay.

13 MS. KIPLIN: And standing alone, these right
14 here, that's bad for the court reporter, sorry about that.
15 These have already been approved. My client, the
16 manufacturer, submitted these for approval about six years
17 ago. You asked me, was it do we need rules? Is that what --

18 MR. ANASTASIO: Is a new rule necessary? And
19 is there -- are we certain that there isn't a rule that
20 already exists that covers the shutter card systems?

21 MS. KIPLIN: So let me answer like this:

22 I believe that there's not a requirement or a
23 need for the rules that when our earlier conversations with
24 the staff, the staff's preference was to go forward with
25 rulemaking and I -- they're -- you know, staff's here and

1 they can speak for themselves, but it was -- it's my
2 understanding it's to make sure that there's a public
3 process, there's transparency, people have a chance to weigh
4 in, and so it's not just a big surprise if all of a sudden
5 the system, the shutter card system is in a -- you find it in
6 a hall.

7 MR. ANASTASIO: Okay.

8 MS. KIPLIN: So I don't know if that's
9 completely responsive, but.

10 MR. ANASTASIO: If the staff wants it, then I
11 think that's good enough for me.

12 MS. KIPLIN: Yeah. It's my understanding
13 that's what they want at this time.

14 CHAIRMAN SMITH: I think it would definitely
15 define a lot of things that are not currently --

16 MS. KIPLIN: Yeah.

17 CHAIRMAN SMITH: -- specific to this
18 particular style of gaming. Is that fair to say?

19 MS. KIPLIN: I think that's fair. I mean, I,
20 you know, I'll stand on it again. I don't think that there's
21 a legal necessity to do rulemaking. Does it hurt? No, I
22 don't think so.

23 CHAIRMAN SMITH: Sure.

24 MS. KIPLIN: You know, it's an open process.
25 I've tried to draft these as generically as possible, you

1 know, using the card-minding rules as a model so they're not
2 specific to a particular manufacturer. When somebody wants
3 to go get shutter cards and design it and comply with
4 whatever the rules are that are eventually adopted, if that's
5 the case, then that's good for the bingo industry to have
6 options.

7 MR. ANASTASIO: I Agree.

8 CHAIRMAN SMITH: I think that the more tools
9 we have in the tool chest in the industry, I think that's
10 certainly a mantra that the industry has had for quite some
11 time is anything new and anything that we can put in the tool
12 chest for use for later. It may not be an industry saver,
13 but, you know, if you've got more tools in your pouch, you
14 can fix a lot more problems.

15 I'd like to -- does staff have any comment on
16 this process or want to add anything?

17 MR. VANCE: I do, and I would just say that I
18 agree with everything Kim said. We're mostly concerned about
19 publicizing this. It's new, it's electronic, we don't want
20 anybody to get caught by surprise. You know, there's
21 reasonable arguments that it needs to be a rule or that it
22 doesn't need to be a rule, but people are welcome to hear
23 those arguments during public comment or public hearing.

24 CHAIRMAN SMITH: Well, personally, I love the
25 transparency in all this. Everybody's been very forthcoming,

1 very up-front about everything, and in the past that hasn't
2 always been the case. And I'm not pointing fingers or
3 casting aspersions or anything, but it's definitely a breath
4 of fresh air and I personally love that. Gets everybody on
5 the same page.

6 Is there any other questions or comments about
7 this? Emile, you good?

8 MR. BOURGOYNE: Yeah, we only had one other
9 question. Is there anything proprietary or patented here?

10 MS. KIPLIN: No, it's generic. It's, like I
11 said, it's modeled after the card-minding rules, so.

12 MR. BOURGOYNE: I, under -- I knew that, I
13 just wanted it on the record. Thank you.

14 MS. KIPLIN: That's fine.

15 CHAIRMAN SMITH: Gotcha. Okay. All right.
16 So we have on the table to -- unless anybody else has another
17 comment about this, we -- this is a action item to approve or
18 I guess endorse the petition for rulemaking for the shutter
19 card bingo systems. Is that worded correctly? Okay. Yeah,
20 to enforce the -- the petition for rulemaking.

21 MR. MARTIN: I'll make a motion we endorse it
22 --

23 CHAIRMAN SMITH: Okay.

24 MR. MARTIN: -- and ask for the support of the
25 Commissioners in passing the rules.

1 CHAIRMAN SMITH: Okay. We have a motion on
2 the table to support the endorsement of the petition for
3 rulemaking in reference to the shutter card bingo systems.
4 All in favor of say aye?

5 MR. MARTIN: Aye.

6 MR. BOURGOYNE: I second and say aye.

7 CHAIRMAN SMITH: Oh, sorry. I thought --

8 MR. DUNCAN: I'll second it.

9 CHAIRMAN SMITH: I thought -- did you -- I
10 thought Melodye had.

11 MR. BOURGOYNE: Oh, okay. Melodye.

12 MS. GREEN: I did.

13 CHAIRMAN SMITH: Melodye? Okay. Did I have
14 that right?

15 MS. GREEN: You got it.

16 CHAIRMAN SMITH: Okay. All right.

17 MS. KIPLIN: Thank you.

18 CHAIRMAN SMITH: Okay. All in favor say aye.

19 (Chorus of "ayes")

20 CHAIRMAN SMITH: Any opposed? If not, motion
21 carries.

22 AGENDA ITEM 9

23 CHAIRMAN SMITH: Okay. Next item number nine
24 on your agenda today is discussion on the bingo advisory
25 opinion requested about the stackable \$50 games. There was a

1 Bingo Advisory Committee -- bingo advisory opinion requested
2 by Jimmy Gaskin out of, I think it was Belle Meade about the
3 legality of the stackable \$50 games and his letter is on the
4 website.

5 This is not an action item. This is just open
6 for comment and public comment. If anybody has any insight
7 or wants to address this; questions, comments, this is the
8 part of the industry BAC part where we hash this out.
9 Anybody comments?

10 MR. MARTIN: First and foremost, is it legal
11 or is there some way you can do it where it is legal or is it
12 totally illegal and off the table?

13 CHAIRMAN SMITH: I think that's what the bingo
14 advisory opinion will sort out for us. I don't know what
15 kind of timeline they've got left. I know there's a -- I
16 think there's a -- some criteria for timeline on response
17 from the staff, but I'm not sure what that is. I'm sure
18 maybe LaDonna or Tyler can or Bob can, you know, give us some
19 insight on that.

20 MR. VANCE: Sure. So it was filed on June
21 22nd and so we have 60 days after that, roughly by the end of
22 this month, to either respond to it or refer it to the
23 Attorney General's Office for an attorney general opinion.

24 MR. ANASTASIO: What is it?

25 CHAIRMAN SMITH: Which what?

1 MR. ANASTASIO: What is a stackable \$50 game?

2 CHAIRMAN SMITH: Well, that's a very good
3 question. Maybe one of the manufacturers, distributors might
4 want to answer that question.

5 MR. MARTIN: Tommy?

6 MR. BOURGOYNE: I'm not touching that tar
7 baby.

8 CHAIRMAN SMITH: Nobody wants to --

9 MR. BOURGOYNE: I'm not touching that tar
10 baby.

11 CHAIRMAN SMITH: Nobody wants to --

12 MR. DUNCAN: I think they're going to have to
13 do a rule on the stackable. What it is they're stacking the
14 games. So they're putting them together and paying out
15 multiple \$50 winners for one -- on one game. That's
16 basically in a nutshell what it is.

17 MR. BOURGOYNE: I'd like to know, does the
18 staff have a position today or they're going to wait till
19 they're -- Tyler?

20 MR. VANCE: We're going to wait, but we're --
21 we'd love to hear y'all's input on, whether you think it's --

22 MR. DUNCAN: Well, we heard last --

23 MR. VANCE: -- legal or isn't legal? What do
24 you think?

25 MR. DUNCAN: Well, this is Tommy Duncan.

1 Well, I believe at the last meeting it was something if the
2 the paperwork was right, you know, what do you do? So, I
3 mean, where do you stand on that comment?

4 MR. VANCE: So the law says that if there are
5 individual prizes, \$50 or less are exempt from, you know, the
6 occasion limit. The law also says that a single game may not
7 award a prize or a single -- a prize may not exceed \$750 in a
8 single game.

9 So my opinion is that the statute is pretty
10 vague and therefore, we're -- staff is going to recommend
11 that we refer this to the Attorney General's Office. So
12 other than that, I don't really want to speculate anymore on
13 what it means or what it doesn't mean.

14 It's a very vague statute. And in some
15 regards it's silent as to the aspect of what actually stack
16 cards, it really doesn't say anything at all.

17 MR. DUNCAN: Well, hypothetically, if the
18 attorney general, if it goes there and they do an opinion, is
19 there any recourse for the BAC if we don't agree with the
20 opinion?

21 MR. VANCE: No, Commission's going to follow
22 the legal advice.

23 CHAIRMAN SMITH: Tom Stewart?

24 MR. STEWART: For the record, Tom Stewart,
25 representing Texas Charity Advocates. I think one potential

1 recourse that you have, one potential recourse you have would
2 be a legislative fix.

3 CHAIRMAN SMITH: And Tom's statement is that
4 there may be a recourse in a legislative fix, which that is
5 always -- that's always the case. We do have a legislative
6 session coming up. So if somebody wants to try to tackle
7 that or get with us outside the BAC.

8 BAC's not allowed to officially propagate
9 legislation, I guess, is the proper term. But none of those
10 -- there's several groups outside the BAC that would probably
11 like to tackle that if it was tackleable. That is not my
12 forte. But I'm sure there are people you can get in touch
13 with to tackle that.

14 Glenn Goulet.

15 MR. GOULET: Thank you, Chairman.

16 CHAIRMAN SMITH: Yes, sir.

17 MR. GOULET: For the record, Glenn Goulet with
18 K&B Sales. More of a question I guess for Tyler or the legal
19 team at the Lottery. So on August 22nd, I think that was the
20 day you said, you would refer it to the attorney general --
21 you may refer it to the Attorney General's Office. Are they
22 under any timelines as to when they must --

23 MR. VANCE: Yeah. They have --

24 MR. GOULET: -- react?

25 MR. VANCE: -- 180 days.

1 MR. GOULET: So they have 180 days then to
2 issue an opinion one way or the other or no opinion?

3 MR. VANCE: Yeah. Or they may decline to
4 issue an opinion.

5 MR. GOULET: Got it.

6 MR. VANCE: And then they just send it right
7 back to us, at which point we'd have to issue our own
8 opinion.

9 MR. GOULET: And then are you -- then is the
10 Lottery obligated then? If they send it back to you, the
11 attorney general, is the Lottery Division obligated to --

12 MR. VANCE: Yeah, I believe we have 10 days
13 after that, after the attorney general rules on it or
14 declines to rule on it, we have -- it tolls our 60 day
15 deadline.

16 MR. GOULET: Thank you.

17 CHAIRMAN SMITH: One of the things that, and
18 this is just for general information, just kind of a industry
19 sounding board type thing. I've been contacted by several
20 halls that are not doing the stackable \$50 games and they are
21 in direct competition with halls that are doing the stackable
22 \$50 games. And the reason that some halls won't do it is
23 because they don't personally feel that this is in the lines
24 of the statute and the administrative rules, so they're
25 nervous to do it. There are other halls that have a

1 difference of opinion.

2 However, what happens is you get into a case
3 of one hall having a tool that the other hall is not willing
4 or doesn't feel like it's legal and it creates an unclear
5 playing field in the industry. And you can, with these
6 timelines of 180 days and 60 days, just for general
7 information, that can make or break a hall that's close to
8 getting into negative net proceeds and could cause a hall to
9 close if timelines are maybe adhered to or exceeded; I mean,
10 in a shorter version.

11 I think this is a pretty urgent matter. I'm
12 speaking for myself; I think this is a pretty urgent matter
13 and needs to be addressed as soon as it possibly can. There
14 are halls that are teetering on closing because they're
15 afraid to do this and a hall down the street is doing this.
16 So it is definitely urgent and of a time sensitive matter.

17 Any other comments on this?

18 MR. DUNCAN: Tommy Duncan. How are you going
19 to respond to the Commissioners tomorrow if they ask you
20 about this?

21 CHAIRMAN SMITH: Well, in the best way that I
22 can and be honest and truthful. The BAC isn't -- we didn't
23 take action on this.

24 MR. DUNCAN: So they shouldn't even ask you
25 then, right?

1 CHAIRMAN SMITH: Well, I can't control what
2 the Commissioners do. I think they have a -- I think they
3 have the right to ask me anything they want to ask, as long
4 as it's having to do with the bingo industry. I don't think
5 that's on their agenda tomorrow.

6 MR. MARTIN: I'm confused. Would it be best
7 to wait until we get a ruling from the attorney general or
8 where should we go on that?

9 CHAIRMAN SMITH: And --

10 MR. MARTIN: I mean, you can't -- you can't
11 say this is illegal when nobody's made a specific ruling on
12 it.

13 CHAIRMAN SMITH: I think that's where the
14 debate comes in and that's -- I think that's part of the
15 reason for the requesting of the advisory opinion. Because
16 that -- I think this may fall in a gray area somewhere. I'm
17 not a lawyer and I don't want to get to practicing law
18 without a license. So I think it's procedure at this point.
19 Tyler?

20 MR. VANCE: I want to say, too, if the
21 attorney general takes it up as they accept the petition,
22 they -- they'll almost always, and I think they would give
23 everyone a month to submit any briefs to respond to it, just
24 provide them with information, pros, cons, whatever everybody
25 thinks. And if that's the case, they'll send a letter to us

1 and then we'll publicize it with the BAC and copies from
2 other people, so that everybody in the industry has the
3 opportunity to inform the AG's office about their feelings on
4 the rule.

5 CHAIRMAN SMITH: Gotcha. Melodye?

6 MS. GREEN: Well, I was -- a question for the
7 staff. If you were to do an audit on somebody that were
8 playing this game, how would you look at those games? Would
9 you say -- would you fine them, would you just wait for the
10 attorney general opinion?

11 MR. DUNCAN: Well, I'll answer that for him.
12 How would they know?

13 MS. GREEN: Well, you do an audit. Well --

14 MR. DUNCAN: I understand, but how would you
15 know?

16 MS. GREEN: I know there's a hall, not one of
17 mine, in Tarrant County that would probably --

18 MR. DUNCAN: I mean, your schedule of prizes
19 is \$50 --

20 MS. GREEN: Four -- 8,000, you know, with four
21 to \$8,000 (indiscernible), that's a lot of \$50. So --

22 MR. DUNCAN: Would they ask in an audit how
23 you achieved all those \$50 games? I mean, how would they
24 know?

25 CHAIRMAN SMITH: I think you have to provide a

1 game schedule, don't you?

2 MR. DUNCAN: A schedule of prizes. That's
3 what Tyler addressed at the last meeting, the schedule of
4 prizes.

5 MS. GREEN: How would you proceed?

6 MR. VANCE: I would advise LaDonna that the
7 law is unclear on this and she would have to make an
8 enforcement decision based on that. You know, this occurs in
9 agencies all the time. People have to decide whether or not
10 they want to spend resources pursuing a law that's -- either
11 unenforceable or that doesn't exist, you know, so that's why
12 in the long run, we would like the AG's opinion on this,
13 because this is the kind of thing that gets challenged up to
14 a different court eventually because somebody could say -- no
15 matter what we do, somebody could say that we're acting
16 without the authority to do because the law is not very clear
17 on this.

18 MR. DUNCAN: And Tommy Duncan again.

19 CHAIRMAN SMITH: Yes, sir.

20 MR. DUNCAN: You know, there've been some
21 complaints and, you know, there's been some onsite, people
22 going onsite, but they can't comment on that. So I'm sure
23 they're going to hold that comment until after we go through
24 this next process. Would that be correct, Tyler?

25 MR. VANCE: That's correct. Yeah, we can't

1 speak about enforcement.

2 CHAIRMAN SMITH: Gotcha. Gotcha. Okay. Any
3 other comments on this?

4 MR. SEGEBARTH: What -- right here. Larry
5 Segebarth with Game Print Solutions.

6 CHAIRMAN SMITH: Yes, sir.

7 MR. SEGEBARTH: So the \$50 games are provided
8 for, we can -- there is no issue -- there is no question that
9 the \$50 games can be played in the state of Texas without
10 counting as the session.

11 CHAIRMAN SMITH: Correct.

12 MR. SEGEBARTH: So I guess is it the
13 Commission's position or is the question going to be whether
14 or not it can be cumulative -- a combination over \$750 or
15 under \$750?

16 MR. VANCE: Yeah, so the problem is 2001.420,
17 and it says that there's a \$2,500 occasion prize limit,
18 except individual -- in quote, individual prizes of \$50 or
19 less. It's not really clear what individual prizes mean. In
20 this case, they're saying that I'm going to sell 20 identical
21 bingo cards and you're going to win 20 individual \$50 prizes
22 on each one. Is that what individual prizes mean; I don't
23 know.

24 And so the question is if I give away 20 -- 20
25 \$50 individual prizes, is it really 20 individual prizes or

1 is it a thousand dollars? If it's a thousand dollars, does
2 it count against the \$2,500 limit and does it exceed the
3 single game limit of \$750? If it's 20 \$50 prizes, then you
4 know, then it's okay. If it's one thousand dollar prize,
5 then it's -- then it goes against both of the other general
6 rules. But it's not really clear what an individual \$50
7 prize means. Do we have to treat them as separate \$50 prizes
8 or are they treated as one aggregate thousand dollar prize or
9 is it one \$50 prize divided by 20?

10 MR. SEGEBARTH: Okay. Thank you.

11 MR. VANCE: Yep.

12 CHAIRMAN SMITH: Tom Stewart?

13 MR. STEWART: Tom Stewart again on behalf of
14 Texas Charity Advocates. I think the issue here is someone
15 in the industry has seen this happen and they're -- and they
16 asked themselves the question, is this really legal or not?
17 And so they asked the cop on the beat, the regulator, for
18 clarity on that. And our regulator is telling us hmm, we
19 gotta think about this. And in fact, we may have to ask the
20 attorney general for their opinion of what the current law
21 is. Right? And so it's -- kickstarts this whole process.

22 So that's really what I think we're trying to
23 determine here or the issue at hand is, is how do we read
24 existing law? There is the opportunity as Trace said
25 earlier, and as I noted to Tommy's question, we can bring --

1 we -- people within the industry can petition the Legislature
2 to clarify the law in a way that we want that to happen.
3 Absent that, we need to go through this process because we've
4 -- a way has been found to potentially, I don't want to use
5 this word, but I'm going to use it anyway, skirt the law, you
6 know, you can argue it round or flat. But our regulator is
7 saying we need some -- we need to bring some clarity to this
8 because somebody from the industry came and asked us to bring
9 clarity. That's the process that we're in right now.

10 CHAIRMAN SMITH: I think that pretty much sums
11 it up, Tom. Thank you. Anybody else?

12 AGENDA ITEM 10

13 CHAIRMAN SMITH: Okay. Moving on, number 10,
14 discussion on Commission website updates. Corey Harris.

15 MR. HARRIS: Thank you, Mr. Chairman. This is
16 Corey Harris. So when I had the presentation a couple of
17 meetings ago, probably the first meeting of the year, I think
18 would have been the one, we had taken a look at the website
19 as it exists currently. And if you'll recall at that time,
20 my statements and assessments of the website were that
21 there's nothing wrong with it and it is perfectly functional.

22 Exploring it a little bit further, I haven't
23 changed my initial interpretation, but the question becomes,
24 you know, what is the purpose of that website? Who -- what
25 is the user that it is intended to serve? Is it a public

1 tool? Is it a tool for the hall operators, for the committee
2 members, who is the intended user? Also, who is putting this
3 together? Who is the person that is responsible for the
4 information that's on it? How frequently do they update it
5 and what consideration do they give the various tabs that are
6 on the site?

7 I don't expect anybody sitting in this
8 horseshoe to know the answers to those questions, but if
9 we're going to proceed further with making any kind of
10 serious recommendations, we need to know who to talk to about
11 that. And that might be a staff question. And these are all
12 open-ended, so anybody can feel free to jump in and fill in
13 the gaps.

14 And there we go.

15 CHAIRMAN SMITH: And Melodye, I know you've
16 had some suggestions on the website stuff, too. And Corey, I
17 don't know, you may have sent it, I may not have got it. But
18 if you could, when you get time, send that to all of us, all
19 your recommendations.

20 MR. HARRIS: Sure. Sure.

21 CHAIRMAN SMITH: In an email; that way we can
22 look at it hard copy, and there might be some more
23 recommendations as well on that.

24 MR. HARRIS: And real quick, Melodye, if I
25 may? It's really hard to make a recommendation when we're

1 not even sure what the goal is. I mean, what exactly -- who
2 is the website meant to service? Is it just meant to be a
3 bulletin board and information? Just boom, here it is, sift
4 through it at your pleasure.

5 You know, everything is covered on there.
6 Everything I would ever want to know is on there. It does
7 take some knowhow to get to it. You've gotta open a lot of
8 doors to get to the room you might be trying to get into.

9 So that's the question is who is this for? Is
10 it just an information dump or is there actual structure to
11 the chaos? So we --

12 CHAIRMAN SMITH: That's -- I think that's a
13 really good question.

14 MR. HARRIS: And we need to determine that
15 before we can say, well, here's what we recommend it needs to
16 be. Well, whoever the architect of this building is --

17 CHAIRMAN SMITH: Sure.

18 MR. HARRIS: -- needs to make himself or
19 herself known.

20 CHAIRMAN SMITH: Tyler or Bob, maybe, are
21 there constraints that you have that the website has to be
22 geared towards or is it just a user friendly for every, I
23 mean, I don't know if there's any qualifications that you
24 have to have for your website before we step off in a hole
25 here and go, hey, we would like to have X, Y, Z. You know, I

1 don't know if there's -- does that -- am I making sense?

2 MR. BIARD: Yeah. This is Bob Biard. The
3 Department of Information Resources has rules about
4 accessibility.

5 CHAIRMAN SMITH: Okay.

6 MR. BIARD: It's a section of those rules.
7 And for some reason I think it's called -- it's Rule 202, I
8 believe. Anyway, that's really I think the only sort of
9 restriction about things that are on our website, they need
10 to be accessible by people who, you know, may be challenged
11 with reading or hearing, that sort of thing. But other than
12 that, and I understand our website is (indiscernible). But
13 that's kinda the only consideration.

14 CHAIRMAN SMITH: Well, I think -- I was kind
15 of asking along the lines of what he was saying is who -- who
16 is it set up to service? And I didn't know if y'all had
17 guidelines of --

18 MR. BIARD: It's the -- you know, we're a
19 public agency.

20 CHAIRMAN SMITH: It's over there?

21 MR. BIARD: So it's all the people that
22 enforce, the regulatory focus on funding that --

23 CHAIRMAN SMITH: Gotcha.

24 MR. BIARD: -- but it can provide -- it could
25 provide useful functions and features that are useful to

1 licensees with the players. I mean, it definitely it's okay
2 to focus it, you know, functionality is focused on the user,
3 so that's certainly all the --

4 MR. HARRIS: And perhaps it could just be as
5 simple as -- this is Corey Harris -- as when you go to the
6 site, that it actually takes you to a homepage that offshoots
7 three different homepages, where it's just got -- it's
8 literally got three choices; the public, manufacturer or
9 industry. And depending on what you click takes you directly
10 to those individual things. That way you're not sifting one
11 big thing to get -- if you're a public person and you're
12 wanting to know, you know, what's the legality of hosting a
13 charity bingo game, or where can you play bingo. You have a
14 -- an issue with your local bingo hall, who do you call?
15 That's a public question and should all be directed in this
16 public side.

17 If you're a manufacturer and you need
18 clarification on regulations or rules or anything like that,
19 that's all covered in this page. So I think we ought to do
20 our best to separate all of this information out for clarity
21 and for transparency. You know, I mean, this being a website
22 that's served by the Texas Lottery Commission it's goal first
23 and foremost ought to be to serve the public, because that's
24 what any government entity or regulatory agency is there for
25 supposedly, is to serve the public. So that I believe ought

1 to be agenda or goal number one, is to make sure that anybody
2 who's a member of the general public and has a question about
3 charity bingo can get their questions answered.

4 Anybody else in the industry, they don't need
5 the website. We don't need the website. We can pick up the
6 phone or send an email to get answers to our questions much
7 easier than the public can.

8 CHAIRMAN SMITH: Yeah, Tom?

9 MR. DUNCAN: Tommy Duncan. I'd like to
10 expound on that. I like his idea. I think it should be used
11 more as a promotional tool. I mean, the limited number of
12 people in the industry that get on there know where to go.
13 They know they're going to the statewide reports. They know
14 they're going to the quarterly reports. The everyday Joe
15 should have that page to go to, hey, there's 30 bingo halls
16 in San Anton, there's this, promote our industry with the
17 website. We're paying for it. You know, I mean --

18 MR. HARRIS: Like the charity bingo. I had
19 that in my initial --

20 MR. DUNCAN: Exactly.

21 MR. HARRIS: -- presentation of that.

22 MR. DUNCAN: I mean, you know, put on there
23 net proceeds for 2021 were 45-million.

24 MR. HARRIS: Right.

25 MR. DUNCAN: Go help charities.

1 MR. HARRIS: Well, there's a lot of stories
2 out there, you know, just in my small corner of the world in
3 Arlington, you know, we put in excess of \$60,000 a year of
4 pure charity money into the city of Arlington in various
5 charity programs.

6 MR. DUNCAN: There you go.

7 MR. HARRIS: Now, you know, you can keep going
8 in that bingo hall and you see where all that money comes
9 from, but the fact of the matter is charity bingo does a
10 tremendous amount of good in the state of Texas.

11 MR. DUNCAN: Sure.

12 MR. HARRIS: And most people don't realize
13 that.

14 CHAIRMAN SMITH: So, and this is more of a
15 staff question, I guess. Is there somebody you want us to
16 work through or, you know, collaborate with before we bring
17 something to the staff as a suggestion? Or, I mean,
18 obviously I don't -- I can barely write an email, LaDonna can
19 attest to that. So Tommy, thank you for lumping me in with
20 y'all that know how to access the website very well. I'm
21 technologically challenged. But is there somebody that you
22 want us to work through or collaborate with?

23 MS. CASTAÑUELA: You know, when you get your
24 list together, just send it to me, Trace, and I'll figure it
25 out.

1 CHAIRMAN SMITH: Okay. All right.

2 MR. HARRIS: Mr. Chairman, if I may?

3 CHAIRMAN SMITH: Let me ask one more question.

4 MR. HARRIS: Please.

5 CHAIRMAN SMITH: And my next question was, and
6 along the lines of what Corey's talking about, is there
7 analysis done on the use of the website? Like who clicks on
8 it more? Is it the general public? Is it the licensees? I
9 mean, is that information even available?

10 MR. HARRIS: Yes.

11 CHAIRMAN SMITH: I think that may help direct
12 us a little bit in our process.

13 MS. CASTAÑUELA: I have seen numbers about how
14 many people visit the website, but I don't know that there is
15 a way to break it down. I don't know the answer to that.

16 MR. HARRIS: Mr. Chairman --

17 UNIDENTIFIED VOICE: Should be through logins.

18 MR. HARRIS: -- the short answer to that is
19 always yes. There is not one single click of a mouse that is
20 not tabbed in one column or another. So while we may not
21 know it, I can assure you the person who is hosting and has
22 the website can tell you what tab was clicked, how long an
23 individual user was on the tab. It's not -- I mean, it's not
24 like anybody has to do it, the computer does it by itself.
25 It's programmed to -- to measure those things.

1 So we can't find that, and I don't know
2 anything about it. I turn the computer off and on, that's
3 as much as I know about it. But I know enough of them to
4 know that they are recording every click for however long
5 you're on a page. If it's one second, a half a second, 30
6 seconds, it'll tell you.

7 CHAIRMAN SMITH: Well, I know one of the
8 things that we've been working on in the industry is and this
9 may be a parallel, but is getting people to file quarterly
10 reports through the website. And last time I talked to
11 LaDonna, she said that was up quite a bit. I hope that trend
12 is still continuing on. Is that --

13 MS. CASTAÑUELA: It is -- it is up some, and
14 I'm excited about that. People that I've talked to like Ms.
15 Green, have told me that they are filing electronically and I
16 appreciate it. Anybody that is doing that, especially the
17 ones that are new to it.

18 Staff is working with me on user manuals. I
19 was hoping to have those out on the website I think I told
20 you all in June, but they hit a snag when I told them it
21 needed to be something that I understood and could use. And
22 so they're getting closer. They're getting closer. I think
23 it'll probably be later before the next meeting.

24 CHAIRMAN SMITH: Awesome.

25 MS. CASTAÑUELA: But you'll get a director's

1 message about it with links to those user manuals and I think
2 that you're going to find them helpful. If you have any
3 comments, absolutely let me know.

4 CHAIRMAN SMITH: Okay.

5 MS. CASTAÑUELA: We want to, you know, know
6 how we can improve them.

7 CHAIRMAN SMITH: All right. Excellent.
8 Corey, you have anything else, sir?

9 MR. HARRIS: I mean, I really -- I don't feel
10 like we accomplished too much on this tirade I just went on,
11 but we really need to know who is -- who's hosting the
12 website, who's responsible for it? Because I can tell you
13 it's being paid for handsomely. It's a nice website. The
14 functionality of it is professionally done. It's a very nice
15 website and those are not cheap.

16 So the Lottery Commission, somebody somewhere
17 in accounting is stroking a check for web service. I'm just
18 curious who is that entity or that person and how can we get
19 in touch with that person?

20 CHAIRMAN SMITH: Well, I think it would not --
21 any -- anything like that I think would have to go through
22 staff before we were able to talk directly with the -- and --
23 and to be clear, all we can do is make recommendations. We
24 don't actually get to talk with the provider, I guess if
25 that's the right word.

1 MR. HARRIS: Yeah.

2 CHAIRMAN SMITH: We just get to make the
3 recommendations to staff; hey, look, you know, we would like
4 X, Y, Z, and that's -- I think that's kind of where we're
5 trying to gear this towards. Like, I know for me, it's hard
6 to navigate the website, but I'm very challenged. And the
7 only reason I do find the buttons that I do is because I know
8 where to go through trial and error. But I think if we
9 concentrate maybe on being more user friendly having more
10 buttons or a ticker or, you know, something where it says,
11 you know, on the front page, BAC meeting, instead of having
12 to go to About Us and then click down on BAC and then it's a
13 14 step process.

14 Now, granted, I don't think that we are the
15 most important entity at the Lottery Commission here, but
16 maybe if more people knew about it, they would be more
17 involved. Will?

18 MR. MARTIN: I'd like to make a motion to
19 table this until the next meeting, put it on the agenda, give
20 the BAC members some time to come back with some actual
21 written out recommendations.

22 CHAIRMAN SMITH: That sounds like a plan to
23 me.

24 MR. ANASTASIO: I'll second that.

25 CHAIRMAN SMITH: All right. Michael with a

1 second. All in favor?

2 (Chorus of "ayes")

3 CHAIRMAN SMITH: Any opposed? All right.
4 Motion carries.

5 AGENDA ITEM 11

6 CHAIRMAN SMITH: All right. Any old business?
7 Moving on to number 11; any old business? Public comment,
8 old business? Anything? Bueller? No? Okay.

9 AGENDA ITEM 12

10 CHAIRMAN SMITH: All right. Let's go to
11 number 12, new business. I know we've got a couple people
12 wanting to bring some stuff up. I think, Will, you had some
13 stuff, did you? Did I have that correct or no?

14 MR. MARTIN: I -- after I talked to LaDonna,
15 it was about a \$50,000 operating capital. And you couldn't
16 file as a director for a waiver to bring it up. We did, I
17 think, brought ours up to 75,000, but it's only good for two
18 quarters. And I was informed that to change that from a
19 temporary thing, we'd have to go through legislative process.
20 So that's where I'm with that.

21 CHAIRMAN SMITH: I'd be willing to talk to you
22 about that after the meeting, if you'd like.

23 MR. MARTIN: Yeah. Yeah.

24 CHAIRMAN SMITH: That would -- I think that's
25 a recurring thing for a lot of charities that are -- did very

1 well.

2 MR. MARTIN: Yeah. Because \$50,000 don't go
3 anywhere nowadays -- what I'd really like to see is 75, at
4 least 75,000 and have a yearly process of if cost of living
5 goes up 10 percent or 9 percent, we'd like to raise that up
6 too.

7 CHAIRMAN SMITH: Okay. All right. Thanks,
8 Will. Any other -- Melodye, you have anything?

9 MS. GREEN: Yes. When I finished my quarterly
10 report online this time for jackpot, I, you know, I started
11 looking, I was, why are we so -- our sales were really good.
12 I was like why am I so upside down? How much more money?
13 And I compared my quarterly reports from last year to this
14 year and look at the difference. My paper went up 130
15 percent and my tabs went up 74 percent.

16 Now that's not because the manufacturers have
17 gotten super greedy. One of the things happened is that
18 we're so panicked about having pull-tabs, if you offered me
19 anything we'll take them, because we had to have them. We
20 were at the point -- but this -- this was eye opening to me.
21 I did not realize how high our expenses are. This does not
22 included utilities or employees, if you can find them.

23 Trace came to our -- visited us one night in
24 the hall, and he was impressed on how good the staff is. He
25 goes, how do you do that? I said, boy, I pay them. You've

1 got to pay them, you've got to give somebody a living wage or
2 you're going to lose them or they're going to steal, they're
3 going to try to find some way to do you in.

4 But anyway, I just wanted to get this. I know
5 that people involved with bingo can see this. I just didn't
6 know that the lottery staff themselves had any idea. Because
7 like I said, I don't think y'all buy pull-tabs or buy paper
8 much, but the cost has been really tough. So it's not us
9 just flittering our money away. It's just the true -- the
10 130 and 74 percent really surprised me.

11 MR. ANASTASIO: I'm seeing exactly the same
12 thing.

13 MS. GREEN: Isn't this awful?

14 MR. ANASTASIO: I mean, it's -- yeah. It --
15 if I brought in my numbers, the percentages would be almost
16 exactly the same as what you've got here.

17 MS. GREEN: Basically, this was to give them a
18 heads up of what they're going to see on the second quarter.
19 Why are your expenses so high up? It's not because, you
20 know, we bought a margarita machine, which we might, but it's
21 -- just because of this here, so.

22 MR. ANASTASIO: Well, the big thing --

23 MS. GREEN: Am I --

24 MR. ANASTASIO: The big thing from my
25 perspective is at some point as these costs rise and we don't

1 have a larger amount that we can give away, that we're also
2 going to wind up with a smaller amount that we can give away
3 to charities and stuff.

4 MS. GREEN: I understand.

5 MR. ANASTASIO: I mean, right now, at the end
6 of the first quarter, I was projecting that our VFW just it's
7 bingo by itself three days a week two special sessions a
8 month, was going to give away about \$200,000 in -- to
9 charities in Copperas Cove and surrounding areas.

10 MS. GREEN: That's great.

11 MR. ANASTASIO: Yeah. But now it's -- when
12 these costs are going up, it's putting a dent into that. My
13 projections from six months ago are going to have to be cut
14 by probably 10, maybe even as much as 20, 25 percent for the
15 follow up quarters, because expenses are just getting so much
16 higher.

17 MS. GREEN: That's the thing we're talking
18 about, having the tools in our box. If we don't get more
19 tools in our box, it's hard to plug up the leak in the dam.
20 We gotta get a bigger box.

21 So anyway, it was just an FYI thing. There's
22 nothing we can do about it.

23 CHAIRMAN SMITH: Well, Melodye, I can say
24 this. I hope everybody is paying attention to their expenses
25 and their costs as well as you are. If -- I know there's a

1 lot of halls that don't, so kudos to you for managing that
2 and staying on top of that.

3 I know one of the big issues is the rising
4 cost of pull-tabs. Pull-tabs is a fixed profit item.
5 Anybody doesn't know what that is, pull-tabs, you're only
6 going to make a certain percentage out of the box. No matter
7 the cost of the box to the charity is \$5 or \$40, it's still a
8 fixed price product and that's scary for a lot of people.

9 And, you know, I know I'm sure Tommy and Emile
10 are doing everything that they can to maximize the profits,
11 but I believe there is a percentage floor on the payout. Is
12 that correct, Emile?

13 MR. BOURGOYNE: That's correct. Yes.

14 CHAIRMAN SMITH: Do you know what that is
15 right offhand?

16 MR. BOURGOYNE: No. Not off the top of my
17 head.

18 CHAIRMAN SMITH: Tommy?

19 MR. DUNCAN: I believe it's 65/35.

20 UNIDENTIFIED VOICE: 65/35.

21 CHAIRMAN SMITH: 65/35? Okay. So maybe we
22 need to look at that sometime in the future.

23 MR. BOURGOYNE: That's by rule, isn't it?

24 MR. DUNCAN: Yes, that's by rule. That would
25 have to be legislative to --

1 CHAIRMAN SMITH: Okay. And you have tabs that
2 are set at that percentage payout I'm sure?

3 MR. DUNCAN: Do I have?

4 CHAIRMAN SMITH: You have tabs that are set at
5 around that percentage payout?

6 MR. DUNCAN: Yeah. Some are. They range all
7 across the board, you know. Some try to get more --

8 MR. BOURGOYNE: Some go higher. But it --
9 it's, you know, it's a slippery slope. It takes winners to
10 make players. If we take the winners out of the game to get
11 more profit to the game, we tend to lose players.

12 MR. DUNCAN: It's a fine line.

13 CHAIRMAN SMITH: Completely understand that.

14 MR. BOURGOYNE: So you have to have a kind of
15 a smorgasbord of payouts to try to mix and match anyplace you
16 can. But our costs have gone -- have gone way up.

17 CHAIRMAN SMITH: I'm sure.

18 MR. BOURGOYNE: Including salary, just to try
19 to hire people.

20 MS. GREEN: Right. Yeah.

21 MR. DUNCAN: It'll slow sales if you go from
22 one in eight to one in 16, one in 20, then the player catches
23 on quick, it'll stagnate everything, you know? So it -- it's
24 really tough. I mean, it's a -- it is a slippery slope.

25 CHAIRMAN SMITH: Okay. Any -- yes, sir.

1 MR. MARTIN: Can I make a comment on
2 attendance, about our experiment there in Victoria.

3 CHAIRMAN SMITH: Sure, absolutely.

4 MR. MARTIN: It kind of came together
5 accidentally. Friend of mine, he's a talk show host on the
6 radio early morning. And so, basically what he did is he
7 called me up and said, if you give me \$400 a month I'll bring
8 a crowd out there to your bingo hall. And I said well, let's
9 try it for a month or two and see what happens.

10 So we put him on a Thursday night, which is
11 usually a pretty bad night where we have 80 to 85 people.
12 First night, he came out there, it was 183 people. So I
13 think maybe sometime we're targeting the wrong crowd, you
14 know, instead of saying, well, everybody's sitting home
15 watching TV, I want to put -- run my commercial during the
16 weather forecast or something like that. I think we need
17 kind of -- it helped us, experiment and find out what people
18 are actually listening to. And those people come out there
19 just to BS with that guy. So this is -- it was a great thing
20 we've tried. That's all.

21 CHAIRMAN SMITH: All right.

22 MR. DUNCAN: Tommy Duncan. Trace, does Tom
23 have any more information on that little promotion you got
24 going?

25 CHAIRMAN SMITH: Funny you should say that. I

1 was fixing to ask him.

2 MR. STEWART: Tom Stewart with Texas Charity
3 Advocates again. I actually haven't -- I should have looked
4 before coming to this meeting, so I don't have details, but
5 the last time I looked, you know, we're on track to be about
6 three-quarters of the way through of a \$100,000 digital
7 advertising buy. So it's a -- it's -- you know, you're going
8 to get served on your phone or on your laptop. Maybe on your
9 desktop, but mostly, you know, it's going to come through
10 your phone. It -- and it's got a couple of different levels
11 of both geotargeting and shoot, I'm forgetting the other word
12 the soc --

13 UNIDENTIFIED VOICE: Behavior.

14 MR. STEWART: -- yeah, the behavioral stuff.
15 And so depending on where you are and who you might be, you
16 know, that -- that increases your chances of being served up
17 one of those ads. If you are served up an ad and you click
18 on it, we're talking about banner ads, you click on, it takes
19 you to, letsgobingo.org, which we organized and put together
20 several years ago.

21 And it has things like put in your -- your zip
22 code and it tells you what the nearest bingo hall to you is.
23 So you can either file it away and say, I'm, you know, I want
24 to go bingo at some point this week, I now know where to go
25 or, you know, let me hot foot it over there right now.

1 You guys help me if I'm going to -- if y'all
2 know better, but the last time I checked, what we were able
3 to tell was that it had driven at least 20,000 people into
4 bingo halls across the state. I think that number is
5 probably --

6 MR. DUNCAN: Can you tell what regions they're
7 in?

8 MR. STEWART: I can tell -- I -- I can tell
9 down to the hall.

10 MR. DUNCAN: Can you put that in a report and
11 send it to the BAC members?

12 MR. STEWART: Yes, I can. And I've offered
13 this frequently to the chairman that -- that I do a full
14 briefing on this, but --

15 MR. DUNCAN: I know you give it to the three
16 distributors, but --

17 MR. STEWART: Well, and actually we've shared
18 it with the others who have -- the manufacturers that have
19 been a big player and heavily supported this and have to give
20 a shout out to the -- to all of the distributors that are in
21 the room here today. They've all contributed to this effort.
22 So have been -- the manufacturers in significant ways.

23 I mean, it's, you know, on the scale wise for
24 the state of Texas, it's small, but for the bingo industry to
25 have a hundred thousand dollars promoting the game out there

1 right now, that's a significant step forward for us. And on
2 a scale that the industry has never tried or done before.
3 And I think that speaks to, you know, a lot of things that
4 have come up previously in this meeting of things we ought to
5 do. Well, it's being -- it's actually being done. And we've
6 been working on it for a number of years, but like everything
7 else, COVID, you know, knocked us down and it's taken us a
8 while. I would say that we're in -- a we're still, frankly,
9 in my opinion, we're in the crawling stage, closer to being
10 able to really walk. And there is -- we're -- with the
11 legislative session coming up, we've been talking outside of,
12 you know, formal channels, but we've been talking about ways
13 to potentially from a legislative standpoint, we could get to
14 the running stage and how we might do that and do it in a way
15 that's, you know, both -- you know, legal, appropriate, and
16 also impactful for charitable bingo, has been sort of the
17 discussion points, you know, it's, how do we actually do this
18 in sort of a, maybe a public-private partnership type of way.
19 And we're still trying to, you know, do that calculus and
20 figure that out.

21 The answer to your question is absolutely, I'd
22 be more than happy to do a full blown report. It's going to
23 be very similar to what the Lottery Commission does in a lot
24 of their advertising now from a digital type standpoint. So
25 I know that from a -- from an approach standpoint, we're

1 running with the best of them. We just don't have the scale
2 that they have.

3 And I'm happy to answer any questions.

4 MR. DUNCAN: I think you did.

5 CHAIRMAN SMITH: Thank you, Tom. We
6 appreciate that. And we'll look forward to your email report
7 next time at the next meeting.

8 If there's nothing else on the agenda that
9 anybody would like to address under new business?

10 AGENDA ITEM 13

11 CHAIRMAN SMITH: All right. Let's go to set
12 the date for the next meeting. LaDonna, I think you've got
13 some insight on that.

14 MS. CASTAÑUELA: So can you hear me? It's
15 LaDonna Castañuela, Director of Charitable Bingo Operations.
16 So this is going to be our last BAC meeting in this building.
17 And what I talked to Trace about was it would be easier for
18 us if we can schedule out more in the future than just one
19 meeting at a time. Usually, it seems to me after one year
20 that you all are meeting the day before the Commission
21 meeting.

22 So if we -- what I know now is of course the
23 Commission's meeting tomorrow, and then the next one is
24 scheduled for October 13th. And then the next one is
25 scheduled for December 8th. Tyler, Bob, do you know anything

1 different? That's what I know, based on information that I
2 get.

3 So it would help me and Mary Volpe to figure
4 out where we're going to be having these next meetings,
5 because right now I don't know, but we'll find something.
6 And the more we can, you know, the more advanced notice we
7 have I think the better.

8 CHAIRMAN SMITH: All right. Wonderful. I
9 don't have any schedule conflicts the day before either of
10 those meetings. Does anybody else have any issues with that?

11 MS. GREEN: October 12th --

12 UNIDENTIFIED VOICE: December 7th.

13 CHAIRMAN SMITH: So October the 12th and
14 December 7th.

15 MR. BOURGOYNE: What was the date in December?

16 CHAIRMAN SMITH: 7th.

17 MR. DUNCAN: Yeah, I won't be -- I won't be
18 able to do the 12th, but that's all right.

19 MR. BOURGOYNE: I'm sorry, 7th?

20 MR. DUNCAN: I don't want to push it back a
21 week, you're already going to be here for the Commissioners.
22 I'll dial in or something.

23 CHAIRMAN SMITH: Yeah. I was going to say
24 that we can dial in I think if it's -- that's alright.

25 MS. CASTAÑUELA: We'll figure it out. I don't

1 know; I'm sure we can.

2 CHAIRMAN SMITH: Oh, that's right. Yeah.
3 Okay. That's right. We might put you on speaker phone or
4 something.

5 MS. CASTAÑUELA: If we have to. We have
6 people on the phone right now, so.

7 CHAIRMAN SMITH: Two-way radio or something.

8 MS. CASTAÑUELA: Yeah, we'll figure it out.

9 MR. HARRIS: Do we have a location? Yeah.

10 CHAIRMAN SMITH: It'll be here in Austin, but
11 we're not sure --

12 MR. HARRIS: TBD, I got it.

13 MS. CASTAÑUELA: We'll figure it out.

14 CHAIRMAN SMITH: Pardon?

15 MS. CASTAÑUELA: There is limited parking
16 right now, but we'll be parking -- I don't know how soon
17 it'll be ready, so right now (indiscernible) meetings until
18 we figure it out. The building is still -- parts of it are
19 still under construction.

20 CHAIRMAN SMITH: All right.

21 MS. CASTAÑUELA: Thank you.

22 CHAIRMAN SMITH: Those dates look good for us.
23 Thank you, LaDonna.

24 MS. CASTAÑUELA: Uh-huh.

25 CHAIRMAN SMITH: Commissioner Fields, thank

1 you very much for being here. We do appreciate that. Is
2 there anything you'd like to say or Bob or Tyler, anything
3 from y'all? No?

4 AGENDA ITEM 14

5 CHAIRMAN SMITH: All right. Well, thank you
6 very much. We'll see you next time. Meeting's adjourned.

7 (Meeting adjourned)

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1 C E R T I F I C A T E

2 STATE OF TEXAS)

3)

4 COUNTY OF HARRIS)

5 I, Kimberly C. McCright, Certified Vendor in and
6 for the State of Texas, do hereby certify that the
7 above-mentioned matter occurred as hereinbefore set out.

8 I FURTHER CERTIFY THAT the proceedings of such were
9 reported by me or under my supervision, later reduced to
10 typewritten form under my supervision and control and that
11 the foregoing pages are a full, true and correct
12 transcription of the original notes.

13 IN WITNESS WHEREOF, I have hereunto set my hand and
14 seal this 21st day of August, 2022.

15 /s/ Kimberly C. McCright
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