

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

February 5, 2025

10:00 a.m.

AT

1801 Congress Avenue
George H. W. Bush Building
4th Floor, Board Room 4.300
Austin, Texas 78701

Transcript prepared by Rev.com and Commission staff from an audio recording.

APPEARANCES

COMMITTEE MEMBERS:

William T. Smith III (Trace), Chairman

Melodye Green

Veronica Uriegas

Tommy Duncan Jr.

Victor Kuykendoll

Dr. Demetrick "Tre" Pennie

Jason Pohl

Audrey Walter

COMMISSION STAFF:

LaDonna Castañuela, Director of Charitable Bingo Operations

Tyler Vance, Assistant General Counsel

PUBLIC:

Stephen Fenoglio, Texas Charity Advocates and Bingo Interest Group

Ronnie Baker, All Saints Bingo

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PROCEEDINGS

WEDNESDAY, FEBRUARY 5, 2025 (10:00 a.m.)

AGENDA ITEM I.

CHAIRMAN SMITH: Good morning and welcome to the February 5th Bingo Advisory Committee meeting at the Texas Lottery Commission. Item number one, we're calling the meeting to order, and we're going to have the Pledge of Allegiance to the U.S. and the Texas flags.

(Pledges recited)

AGENDA ITEM II.

CHAIRMAN SMITH: All right. Moving on to item number two, roll call. I am present. Audrey?

MS. WALTER: Present.

CHAIRMAN SMITH: Jason?

MR. POHL: Present.

CHAIRMAN SMITH: Tommy?

MR. DUNCAN: Present.

CHAIRMAN SMITH: Melodye?

MS. GREEN: Present.

CHAIRMAN SMITH: Veronica?

MS. URIEGAS: Present.

CHAIRMAN SMITH: Dr. Pennie?

DR. PENNIE: Present.

CHAIRMAN SMITH: Floyd? Floyd was going to try to dial in. He did not make it. It doesn't look like, and Victor has dialed in. He is present.

AGENDA ITEM III.

1 CHAIRMAN SMITH: All right, moving on to item number three,
2 the meeting minutes from December 4, 2024 meeting. Any public comment
3 on those? If not, can we get a motion to approve?

4 MS. GREEN: Motion to approve the minutes.

5 MR. DUNCAN: Second.

6 DR. PENNIE: Second.

7 CHAIRMAN SMITH: We have a motion and a second. All in
8 favor?

9 (Chorus of "ayes")

10 Any opposed? Meeting minutes are approved.

11 AGENDA ITEM IV.

12 CHAIRMAN SMITH: Item number four, rule review update. I
13 believe we have somebody wanting to speak on the rule review. Mr.
14 Fenoglio?

15 MR. FENOGLIO: Yes. For the record, my name is Stephen
16 Fenoglio. I'm here representing the Texas Charity Advocates and the
17 Bingo Interest Group. We made extensive comments at the rule change,
18 and while we appreciate staff's observation regarding the Bingo
19 Advisory Committee's work plan, that's section 402.102, the reality is
20 the Bingo Advisory Committee cannot currently advise the commissioners
21 on legislation, rules that are in other states that would either
22 adversely or positively affect charitable bingo. We discussed this
23 with Sunset staff and Sunset staff recommendation is that the BAC
24 should be able to advise the commission on developments outside the
25 State of Texas.

1 I've attended a number of lottery commission meetings and
2 the lottery side tells the commissioners about the multi-state
3 lotteries that the lottery commission participates in. In fact, the
4 only way they could participate in that was because they discussed it.
5 So it's a little interesting that there's a different role for
6 charitable bingo than there is for the lottery side. Again, Sunset
7 Advisory Commission, in their unanimous vote, voted in their bill to
8 authorize the BAC to be able to advise the commissioners on charitable
9 bingo matters, not only in the state of Texas but Oklahoma, New
10 Mexico, wherever, and the staff's response is, "Well, we'll wait for
11 the legislation to occur." Again, lottery side is telling the lottery
12 commissioners about what happens in other states on the lottery side.

13 We made a comment about the destruction of paper and
14 products that is no longer either needed or is out of date, and as
15 most of you know, there's a process by which the charities can notify
16 the commission and seek to have that inventory destroyed. We suggested
17 that once that notice is made -- 30 days to be able to witness it or
18 else the charity is free to go ahead and destroy it -- and staff
19 response is, "Well, 30 days may not be long enough." To which I would
20 respond, "What would be a reasonable time?" Is it 45 days? Is it 60?
21 We don't know.

22 Penalties. Sunset staff recommended that the penalty chart
23 matrix be changed such that for a certain level of penalties that it
24 be an automatic monetary penalty no matter what. This is discussed
25 beginning at page 13 of the commission's rules that were part of the
26 lottery commission meeting tomorrow, and they start, specifically, 16

1 Tex. Admin. Code 402.706(c), the Standard Administrative Penalty
2 Chart, and so it used to be zero to a 1,000 for the first offense and
3 now it is minimum of \$250. So, one of the categories is: a person made
4 a false statement in the application of a license. "False" under
5 dictionary definition is "incorrect." So if you transpose a zip code,
6 if you got the wrong address of the person, but you got their driver's
7 license and other identifying information, that's a false statement,
8 and it would mandate automatically a \$250 fine.

9 The same is true for: "A person falsified or made false
10 entries in books and records." In an earlier time, I thought I would
11 be a CPA, until I discovered in cost accounting that I am dyslexic as
12 to numbers, and I regularly transpose numbers. That happens in the
13 bookkeeping CPA world; 89 becomes 98. The way this is written, the new
14 rule, if you make a transposition error, that's a false entry and you
15 would automatically be subject to a \$250 fine. I have represented
16 hundreds of charities on audits through the years and it's not
17 uncommon to see an error like that, a minor error, it's the first time
18 it's ever happened. The staff believes there's no malintent, but it
19 occurs. And when you're dealing, as most of you charity reps know,
20 you're dealing with 30 pages of documents on a daily cash report, not
21 uncommon, and that's two or three times a day for four years. You're
22 going to have some problems. You're going to have a few errors, but
23 there's no "knowing" requirement; it's just a ball and strike. It's
24 either correct or it's incorrect, and if it's incorrect, the charity
25 automatically is going to get sanctioned at a minimum \$250. It doesn't
26 matter if it's the first time it's ever happened and the charity has

1 been conducting bingo for 30-plus years, you've got a strike. It seems
2 to me that, at a minimum, the standard should be "knowingly," so the
3 staff can look at it and say, "Yeah, this is truly a one-off. We
4 shouldn't issue a penalty." I'm anticipating staff will say, "Well,
5 how are we going to determine whether someone knowingly violated that
6 provision?" Well, to which I respond, category one has the "knowingly"
7 standard. It specifically says, "A person knowingly participated in
8 the award of a prize to a bingo player in a manner that disregarded
9 the random selection of numbers or symbols." That could be a serious
10 offense. They knowingly did it. If they unintentionally did it, they
11 confused Bob with Richard, no harm, no foul.

12 I don't think the Sunset Advisory staff, and we met with
13 them and gave them Bingo 101, Bingo 201, and I know some of you also
14 met with them. This is a complicated area, and the most complicated
15 area is the accounting and the bookkeeping to get it right, and so
16 with that being said, at a minimum, that rule should -- both category
17 two and three of 402.706(c) -- should be a "knowingly" standard, so
18 you don't get caught up in a minor violation that is truly innocent.
19 That's all I have to say about that, and I'll be happy to answer any
20 questions.

21 CHAIRMAN SMITH: Any questions?

22 DR. PENNIE: Yeah, I do have a question for you.

23 MR. FENOGLIO: Sure.

24 DR. PENNIE: This just came out of the Sunset review. So
25 what you're saying, essentially, there are no instances where this

1 actually happened. This is more so what you're trying to do is on the
2 preventative side to make sure that it does not occur. Correct?

3 MR. FENOGLIO: On the penalties you're talking about?

4 DR. PENNIE: Correct.

5 MR. FENOGLIO: Yes, sir. Yes, sir. Yeah, they did not
6 identify in the report a rampant series of violations. They just look
7 at it and say, "Well, charities ought to get for a serious violation a
8 monetary penalty." And I don't disagree with that, but, again, a false
9 entry would include someone who transposed numbers.

10 DR. PENNIE: Absolutely --

11 MR. FENOGLIO: So.

12 DR. PENNIE: -- and I do want to look at what that
13 adjudication process is. What are we doing to know that they
14 intentionally and knowingly did this? Yeah, they may have made the
15 error, but what was the mental culpability behind that? I mean, were
16 they trying to defraud in completing the document or, like you said,
17 was it just an accident? I think there needs to be something in the
18 middle to qualify that so that we're not just penalizing nonprofits.

19 MR. FENOGLIO: Exactly. And to give you an example, if that
20 happened regularly -- they determined that of the 27 daily cash
21 reports they randomly reviewed in an audit, and then typically, the
22 staff is going to a quarter and they're not going to look at every
23 piece of paper, they'll pull out randomly 20 different daily cash
24 reports as an example, and they'll look at those, and if, I'm going to
25 make it up, if 18 of the 20 had a transposition error, that suggests
26 something that's just not a one-off, but if there was only one time

1 that that happened, there's no evidence it was either not -- that it
2 was "knowingly" or that there was conscious disregard, which is a
3 standard that they didn't really care; they were intentionally sloppy.
4 So that's the standard that I think should be applied, and, bear in
5 mind, there are some halls where they are paid professionals at every
6 level doing the record keeping, but there are other halls, the VFW
7 Post, for example, those are all unpaid volunteers, and so, it's just
8 -- and it seems to be intentionally punitive for an innocent mistake.

9 DR. PENNIE: Of course. Thank you.

10 MS. URIEGAS: So, I have a question. So what is the step to
11 get this -- a correction? Who do we go to? How's this done to get it
12 fixed?

13 MR. FENOGLIO: It's my understanding, tomorrow the staff are
14 going to make this rule packet recommendation for adoption at the
15 commissioners, so it would be at the commissioners meeting tomorrow.

16 CHAIRMAN SMITH: Any other comments? No? Thank you, Steve.

17 MR. FENOGLIO: Thank you.

18 DR. PENNIE: Thank you.

19 AGENDA ITEM V.

20 CHAIRMAN SMITH: Thank you. Any other public comment? Okay,
21 moving on to item number five, Sunset update. Do we have anything from
22 Sunset? I think we're still waiting for a bill sponsor on the House
23 side. Is that correct? Yeah. Okay. No other public comment?

24 AGENDA ITEM VI.

25 CHAIRMAN SMITH: Moving on to item six, 2025 legislative
26 update. Any update from anyone?

1 MR. FENOGLIO: If I may -- for the record, Stephen Fenoglio,
2 again, for the Bingo Interest Group and Texas Charity Advocates. We
3 have been working diligently for a bill to be introduced. It's in Lege
4 Council now, and when that bill is released, we'll be happy to share
5 that with BAC and the staff. We've met with the staff to tell them
6 about some of the provisions and we'll be happy to work with everyone
7 on that.

8 DR. PENNIE: Yes, sir.

9 MR. FENOGLIO: So, you'll have at least two vehicles, and I
10 understand... I don't see the other bingo association present here,
11 but I think they also have a bill, so there will probably be at least
12 three different bills. One will be the Sunset all-encompassing bill
13 for both Lottery and Bingo. Technically, the Lottery Commission
14 terminates if it's not reauthorized, that's the Sunset bill, and then
15 Bingo Interest and TCA have a bill and, I believe, I think it's Texans
16 for Charitable Bingo will also have some legislation.

17 CHAIRMAN SMITH: Thank you, Steve.

18 MR. BAKER: Good morning. I'm Ronnie Baker with All Saints
19 Bingo. I've actually been in the business way too long and a lot of
20 people would like to see me retire, but I'm just like a Timex watch.
21 There's a couple of things and the thing I wanted to speak about
22 legislatively, and maybe Steve may know something about this, but
23 there is -- I know they're talking about pending legislation -- but
24 there is Senate Bill 517 and House Bill 487 that impact game rooms and
25 the regulatory requirements, and as somebody who worked with Will
26 Martin for two years to impact the proliferation of game rooms in

1 Nueces County after Covid, there's some things in this bill -- and I
2 was wondering if the BAC or Tom or Steve may know something about the
3 sponsor of the bill, the ramifications for charitable bingo; does it
4 tend -- or is it going to remove the regulatory ability for counties
5 and cities to regulate game rooms? There is a proliferation of those
6 and that's something I'll speak to in new business, but I was just
7 curious if the BAC has any information, because it was brought to my
8 attention. I've since passed it on to some other interested parties
9 because I see game rooms as an existential threat to charitable gaming
10 across Texas. What we showed in Nueces County, if you looked at the
11 records, the child trafficking, drug usage, car theft, money
12 laundering was a huge issue, and we actually impacted over 50 game
13 rooms. Unfortunately, it's kind of like a cockroach. They just keep
14 being squashed, but they keep coming back. So, I didn't know if Steve
15 had any information on that bill. If he did -- if not, I think it's
16 something that I hope to have more information on because there is a
17 House bill and a companion Senate bill. I don't know where it's at.

18 CHAIRMAN SMITH: Are you talking about Middleton and
19 Tepper's?

20 MR. BAKER: That's --

21 CHAIRMAN SMITH: The skill machines, is that what you're --

22 MR. BAKER: It is Tepper and... It's Tepper and the guy down
23 in Galveston, the representative, that are pushing this bill.

24 CHAIRMAN SMITH: That's Middleton. Yeah. Mr. Fenoglio?

25 MR. FENOGLIO: Yes. He's referring to House Bill 487 by
26 representative Carl Tepper of Lubbock -

1 MR. BAKER: Tepper.

2 MR. FENOGLIO: -- and SB 517 by Mayes Middleton of
3 Galveston.

4 MR. BAKER: Yes.

5 MR. FENOGLIO: And those two, they've been introduced,
6 they're identical, but, no surprise, this early in the session there's
7 been no activity. The House side hasn't even appointed committee
8 members yet, so it can't be referred anywhere; they haven't even
9 created the committees. And in the Senate, the committees have been
10 formed, but, other than the Senate finance bill, which is the biannual
11 appropriations, I don't believe there are any committee meetings set,
12 and certainly Senator Middleton's bill hasn't been referred to a
13 committee.

14 Those two bills do five things: first, they codify the Fort
15 Worth Court of Appeals' decision handed down in, I believe it was June
16 of last year, that holds that eight-liner redemption machines that
17 operate under a provision in the Penal Code prohibiting gambling
18 devices, creates a safe harbor for eight-liner redemption machines
19 that offer non-cash de minimus prices. The Fort Worth Court said that
20 provision is unconstitutional as it authorizes a lottery. Lotteries
21 are prohibited under the Texas Constitution, unless they're
22 specifically voted on by the voters; they did that for charitable
23 bingo, they've done that for raffles, and they've done it for the
24 lottery -- the voters approved that. So, what this bill or these two
25 bills would do is they would mandate that decision is statewide. Under
26 our system of jurisprudence, a court of appeals decision is binding in

1 the counties in which the court of appeals has jurisdiction. It can be
2 used as precedent in other counties, but it's not binding. So this
3 would make it effectively binding the law.

4 The second thing the bills do is they create a new game
5 that would be permitted and a game that has -- "operates with
6 predominant skill." You don't know what that game is or looks like,
7 but it would authorize one of those to be games to be legal under
8 Texas law that -- undoubtedly the theory is, well, lottery provision
9 in the Constitution prohibits games that operate by chance, which a
10 slot machine is clearly a chance, there's no skill involved; the only
11 skill involved would be putting the money into the slot or whatever
12 you do to start the game, and then hit the button. There are games out
13 there. I represent one of the manufacturers of those where the court
14 has determined that skill determines whether you win or lose each and
15 every time. This isn't that client's bill at all, and it says
16 predominant skill. It doesn't say a 100% skill. The bills provide a
17 defense to prosecution for operators, companies, individuals who have
18 one of these predominant skill games. So they couldn't be charged with
19 possession of a gambling device, keeping a gambling place, gambling
20 promotion, possession of gambling paraphernalia, et cetera. So it
21 would create, for whatever game that is, assuming a court determined
22 that it operates predominantly by skill, then it would be a safe
23 harbor.

24 And then finally, the bills repeal chapter 234 of the Local
25 Government Code, which is the provision that gives counties the
26 authority to regulate and control the operation of game rooms in the

1 state, and that provision, coincidentally, was started by, now,
2 Senator Dan Patrick when he was a state senator from Houston, and a
3 game room is defined as six or more amusement redemption machines,
4 eight-liners, if you will. So this provision and the bill, in both
5 bills, would repeal that, so counties would no longer have the
6 authority to specifically regulate game rooms. The downside or the
7 different side of that coin is, but there's this predominant skill
8 game and it would be not considered a gambling device.

9 Finally, the provision in the bill creates a safe harbor
10 for bingo operators operating those games that operate predominantly
11 by skill. There's a provision in the Bingo Enabling Act that says you
12 can't have a prohibited second game of chance in a bingo hall. So, for
13 example, an operator can't allow customers to play scratch-off
14 tickets; that's a second game of chance. This provision, it would be
15 amended under the bill to say, charities, whoever operating these
16 predominant skill games, are considered an exception to the
17 prohibition against operating a second game of chance. So it would
18 create a safe harbor in that regard.

19 MR. BAKER: So, I've been asked by several bingo halls in the
20 last several weeks about placing skill-based machines in their bingo
21 halls, and playing them not during a bingo occasion. The reason being
22 is that the split on the skill-based machines, at least from the
23 individual that I talked to down in the Rio Grande Valley, was as much
24 as 50% as opposed to a charity paying \$8 to \$9 inventory pricing for
25 electronics. In other words, they could place a stationary-style

1 screen, maybe 10 or so, which I was asked about, and after bingo was
2 over, people could sit and continue to play those devices.

3 The court case out of Fannin County that basically said the
4 skill-based machines rise to the level of being considered legal
5 devices, and there was a court case in Kentucky that said that it's a
6 \$25,000 fine if you play those machines. My thing is this -- I
7 actually reached out to some of the manufacturers and said -- because
8 most of them actually have a game that could be considered skill-based
9 if you look at a 24 or a 25-numbered game that they could set
10 immediately.

11 CHAIRMAN SMITH: Let me ask you a question real quick. When
12 you say you talked to the manufacturers, are you talking about of the
13 skill-based games or --

14 MR. BAKER: No. No.

15 CHAIRMAN SMITH: -- the bingo-based games?

16 MR. BAKER: No, what I did is I called, because my thing is
17 this: if they're going to put the machines in, I want the charities to
18 get a fair return on their dollar. A long time ago, and Steve knows
19 this, I made a misstep and I was in the gaming business, and I got out
20 of it, and I won't get into that, but thank you Steve, but the thing
21 for me is that All Saints Bingo, as other distributors, we have a
22 significant number of leased units to the nonprofits across the state
23 of Texas, and they're based on inventory pricing and the charity makes
24 a fair return. They also pay a 5% winner's fee, which was in the
25 millions of dollars to the State, city, and county, and in Nueces
26 County, when we looked at the number of rooms there -- and they

1 weren't skill-based -- but I fully expect to see them because I've
2 already had two halls call and tell me they've put skill-based
3 machines in and wanted to know if I had other halls that would like to
4 do that. And I'm not about to take that step without firm legal ground
5 because I think that, and Steve, maybe you know, the case in Fannin
6 County was at the district level. There was no appellate jump from
7 there. So I don't know what to tell my charities. You all represent a
8 variety of this industry. You know what's happened since I've been --
9 and I've done this 40 years, and I've seen bingo go from 1,500 plus
10 non-profits to down around 900-plus. We're under constant attack. The
11 governor just came out and said he's going to support sports betting.
12 Guys, I'm not going to be here that much longer. My charities will be
13 here. I'm just looking to make sure that that they're at the table for
14 anything that comes down the way, so they have an equal chance, and
15 that's why I wanted to know about taking away the county or city's
16 ability based on what I saw in Nueces County with an explosion of
17 associated criminal activity, and, if the skill-based machine passes,
18 and the charities can put them in, and the Charitable Bingo division
19 is fine with it outside the confines of a licensed occasion, so be it.
20 I appreciate your time.

21 CHAIRMAN SMITH: Thank you, Ronnie.

22 MS. GREEN: I do have a question, Ronnie.

23 DR. PENNIE: Ronnie?

24 CHAIRMAN SMITH: Ronnie?

25 MS. GREEN: Ronnie, you said it's a machine, skill-based
26 machine. What do you win? You win Steve?

1 MR. BAKER: Steve.

2 MS. GREEN: Okay, I'll take that.

3 MR. FENOGLIO: For the record, Stephen Fenoglio, again. I
4 represented the company that won the case that Mr. Baker referred to,
5 Pace. They pay cash, if you --

6 DR. PENNIE: What's the name of the case?

7 MR. FENOGLIO: The Penal Code is difficult to read and
8 understand for the layperson and even for lawyers, but the case law as
9 far as Fannin County is concerned, and this was a case that was tried
10 in one day. The prosecutor decided he didn't want to file criminal
11 charges, wanted a civil forfeiture, and in a civil case, unlike a
12 criminal case, the prevailing party submits findings of fact and
13 conclusions of law laying out the reasons, the facts in the case, and
14 why the facts give the result of the following, and in that case, the
15 court made a determination -- it's extensive; I think the findings of
16 fact conclusions of law are about 18 pages -- and held that: (a) the
17 games are legal, and (b) it's legal to award cash for those. That case
18 has been appealed by the prosecutor to the Texarkana Court of Appeals.
19 Both sides filed briefs. Since late September, I believe, the case has
20 been ready for the Texarkana Court of Appeals to make a decision, and
21 appellate cases typically take much longer than a trial case to get a
22 final decision out of, so.

23 DR. PENNIE: Steve, what's the name of that case? You have
24 the name of the case?

25 MR. FENOGLIO: I'll have to send it to you. I do not off the
26 top of my head. No.

1 MS. WALTER: I have a real quick question. Is Music Bingo
2 considered a skill-based?

3 MR. FENOGLIO: Is what?

4 MS. WALTER: Music Bingo.

5 MR. FENOGLIO: I have no idea what Music Bingo is.

6 MS. WALTER: Okay. It's all over the place, everywhere. A
7 lot of the bars, they play it in the bar. They pay out cash.

8 MR. FENOGLIO: Yeah, I think that may be a question for
9 staff to answer.

10 MS. WALTER: Okay.

11 MR. VANCE: Yeah, we consider it a skill-based game. It's
12 like Trivia. Trivia is a skill-based game. It's not based on chance.
13 So we don't think it meets the definition of bingo, which has to be
14 purely random.

15 MS. WALTER: Okay. Thank you.

16 MS. URIEGAS: I have a question, Steve. Were these machines
17 in a bingo hall?

18 MR. FENOGLIO: No, they were in convenience stores.

19 CHAIRMAN SMITH: And just for the record, I do not have
20 anything to do with this case, even though it is in the Texarkana
21 Court of Appeals. I would like everybody to please know that.

22 MR. FENOGLIO: That's his story and he's sticking with it.
23 That's true, what Trace says and everything, and I was unaware until
24 Ronnie mentioned it, that there are any of these. I don't know what
25 type of games.

26 MS. URIEGAS: Yes.

1 CHAIRMAN SMITH: I've seen games that claim they're skill
2 that they're not, but I wasn't aware that there were any in charitable
3 bingo halls.

4 MS. URIEGAS: Are sweepstakes not skill, correct?

5 MR. FENOGLIO: They would not be considered skill. No.

6 CHAIRMAN SMITH: Thank you, Steve.

7 MR. FENOGLIO: It's random draw.

8 MS. GREEN: Is there any legislation there where skill-based
9 machines or some sort of a non-gambling device could be used?

10 MR. FENOGLIO: I'm sorry, can you say that again?

11 MS. GREEN: Well, is there any case pending where you'd have
12 a machine in a hall, and what you win would be either tickets or
13 something, and you could redeem it for bingo product? That was a while
14 back and then Abbott said, "No, you can't do that," and then he also
15 said, "Well, you can go county by county. If a county says you can,
16 then you can." Is anything like that?

17 MR. FENOGLIO: I'm unaware of any case that's held that that
18 is allowed.

19 MS. GREEN: Is it because of the machines were random, not
20 skill-based?

21 MR. FENOGLIO: I'm unaware of any case where that's been
22 held legal, period. There were some cases -- this goes back 25 years
23 ago -- that held at eight-liners games redeeming for bingo product
24 were settled and determined to be illegal, and, again, this Tepper-
25 Middleton bills are designed to give some clarity to that. Whether
26 anything's going to happen, too early to tell.

1 CHAIRMAN SMITH: Thank you, Steve. Anything else on
2 legislative update? Ladonna, anything from staff?

3 MS. CASTAÑUELA: No.

4 CHAIRMAN SMITH: No? Okay. Before we go on to the next item,
5 I did receive a call a couple of days ago about -- a very special
6 person that we have in the crowd today is celebrating their birthday
7 today, and could we please sing Happy Birthday to her? And that is our
8 wonderful Bingo Commissioner Ms. Cindy Fields. So, Happy birthday. So,
9 if y'all would join me.

10 (Chorus: Happy birthday to you. Happy Birthday to you.
11 Happy Birthday, dear Cindy. Happy Birthday to you.)

12 CHAIRMAN SMITH: All right, congratulations, by the way.

13 DR. PENNIE: That's beautiful.

14 CHAIRMAN SMITH: And please don't fire me.

15 MR. DUNCAN: I'm not part of that case.

16 AGENDA ITEM VII.

17 CHAIRMAN SMITH: Yeah, right. Okay. All right, let's move on
18 to the next item, item number seven, the Bingo Services Portal Input
19 Subcommittee. Boy, that's a mouthful. Before I give this over to Dr.
20 Pennie and Victor, I just wanted to tell y'all what a great job y'all
21 did on this report. I have been told by many people, this is one of
22 the best reports that's come out of a subcommittee, ever. So great job
23 on this, and I think, Melodye, I think you helped on that a little
24 bit, too. Didn't you? So, congratulations and great job. Thank you.

25 DR. PENNIE: Absolutely. Thank you.

26 CHAIRMAN SMITH: It's all yours, sir.

1 DR. PENNIE: Yeah, absolutely. So last month you guys know
2 we were tasked with doing the usability review of the BSP. On that
3 subcommittee was myself, Melodye Green, Victor Kuykendoll, and Sharon
4 Ives. This report itself was about 16 pages long, so I'm not going to
5 read you the 16 pages, but I do kind of want to give you a gist of
6 what we were looking at in the report and what we came up with.

7 This report outlines the key usability challenges
8 identified in the Bingo Service Portal and represents targeted
9 recommendations to address these issues. Enhancing the portal's
10 functionality and usability experiences aims to boost efficiency,
11 minimize errors, and support improved compliance. The findings and
12 recommendations were based on feedback collected through public
13 surveys, interviews, and responses from active bingo operators.

14 Some of the usability issues that were identified were: the
15 lack of document review access; fragmented report forms --- so as you
16 open some of the reports, depending on whether you're on your mobile
17 device, on your computer, you only get part of the form; limited
18 online payment options; the system freezes; and loss of data -- a lot
19 of that's going to be due to the bandwidth -- we've got to definitely
20 address that; redundant forms; excessive search requirements;
21 inadequate navigation; lack of document and form guidance; inefficient
22 form filing process; inefficient bandwidth -- we're going back to the
23 bandwidth. A lot of these issues in terms of those of you that do use
24 a BSP, you're going to see that when you use it, you may only get part
25 of a form or something cycles really slow, but a lot of that's because
26 of the bandwidth. This system is doing a lot of work, and it just

1 doesn't have the capacity to really push it forward. So that's
2 something that's really going to have to be looked at.

3 The absence of an auto-save functionality. So a lot of
4 people are doing work and if they take too long the system will time
5 out and then they have to start all over again. So, I can imagine
6 that's been really frustrating for a lot of users.

7 The lack of video tutorials. I think a lot of people are
8 running into issues because they may be new to the systems or they may
9 just, it's so many steps that they forget how to do it. We kind of
10 need to have some kind of video tutorial to guide them through it as
11 they go back into repeating some of these same steps over again.

12 They said, a user-unfriendly language and acronyms. We got
13 a lot -- let's say a lay person goes into these systems and we may
14 task a third party to do our books, and they come in and not
15 necessarily understand because we don't have a key guide or something
16 to say what some of the small terms are. So, we need to make sure that
17 we qualify that as well.

18 Data privacy and access for the advisory committee review,
19 a redundant report tab. We got inadequate staffing for BSP
20 maintenance, so a lot of people have called in complaints, and it's
21 taken a long time to get those complaints addressed. The lack of
22 automation and integration; a lack of multilingual support; incomplete
23 list of individuals on the organization site on the temporary; mobile
24 view errors; and it just goes on and talked about a lot of the
25 inefficiency, and it does give some guidelines on what the description

1 on what the impacts of these frustrations are. So, as you guys get a
2 chance to review the report, you'll see that.

3 But going on into the recommendations, these are some of
4 the things that we think will definitely enhance the usability for the
5 people that are actually using it. We want the ability to enable the
6 document review and printing -- this will allow users to be able to
7 view, print, and download submitted reference documents; want to be
8 able to consolidate report forms. So, like I said, we talk about all
9 these redundancies in the system. It's more so being able to bring in,
10 remove some of those redundancies, and bring those reports together.

11 Implement online payment for renewals. We definitely want
12 to be able to have people that have the ability to pay online to have
13 that implemented. Access a system stability, eliminate redundant -- we
14 talked redundant forms -- that's there again -- that might be on me,
15 guys. Simplify search criteria -- we talked again -- we talked about
16 just being able to search by organization itself, like the
17 organization names as opposed to trying to use a number to go look for
18 the organization. If you don't know the number, you're not going to be
19 able to go find the organization, so. Provide detailed guidance of the
20 form; increase bandwidth, we talked about that; develop step-by-step
21 tutorials; implement a mirrored backend system -- provide BAC members
22 with the ability to access this data from the backside. A lot of times
23 we can't see it. We'd have someone who's -- we have to have all that
24 information from the person that makes the complaint to be able to go
25 into their file to look at it, and so we can't help you from our side.
26 It'd have to be someone affiliated with that report to go in and do

1 it. And, basically, reduce reliance on paper forms, we want to
2 definitely, in this day and age, move over to more so the electronic
3 system and do everything through the system as opposed to, like I
4 said, some people are still talking about printing and downloading,
5 and printing forms, and mailing forms in. We want to move away from
6 that and ensure basically a free neutrality; direct collected fees
7 solely to the industry needs; improvement in BSP maintenance to the
8 benefit of the stakeholders. So basically, in conclusion and
9 addressing these usability issues is critical to improving the
10 efficiency, accessibility, and overall satisfaction of the BSP users.
11 Implementing these recommendations will ensure a more user-friendly
12 system, reduce errors, and increase compliance for the systems
13 overall, and, like I said, I like to have this usability report
14 entered into the record, and, hopefully, we can use it toward
15 developing some changes. Any comment?

16 CHAIRMAN SMITH: Any questions? I just thought that was a
17 super-thorough report. The report has already been submitted to the
18 staff back in January, I believe it was, and we got it in early, so
19 that was great, too. Good job on that. I'm assuming that that'll be in
20 the commissioners report tomorrow or no?

21 MS. CASTAÑUELA: It is included under your tab, actually.

22 CHAIRMAN SMITH: Okay. Okay. Excellent. All right, so I
23 guess we need to take a vote to submit that to the commissioners
24 tomorrow?

25 MS. GREEN: I move that we submit it to the commissioners
26 tomorrow.

1 CHAIRMAN SMITH: Yes. Okay. We have a motion and a second.
2 All in favor?

3 (Chorus of "ayes")

4 Any opposed? All right, we will submit that tomorrow.

5 AGENDA ITEM VIII.

6 CHAIRMAN SMITH: All right, any other comment, questions?
7 Item number eight, old business. Any old business? Nope? Okay.

8 AGENDA ITEM IX.

9 CHAIRMAN SMITH: Item number nine, new business. Ronnie, did
10 you --

11 MR. BAKER: I think we covered that because Stephen had kind
12 of mentioned the skill base, I thought it was appropriate.

13 CHAIRMAN SMITH: Okay.

14 MR. BAKER: Go ahead and present, so thank you.

15 AGENDA ITEM X.

16 CHAIRMAN SMITH: Okay, thank you. Any other new business?
17 All right. Item number ten, set the date for the next meeting.
18 LaDonna?

19 MS. CASTAÑUELA: The next meeting is scheduled for April
20 9th. It's going to be at 3 o'clock in the afternoon. The commission
21 meeting date just changed, so we had to change the BAC meeting. This
22 is the only time we can get the room. So it'll be at three o'clock in
23 the afternoon. There will be, of course like there always is, a Team's
24 link for a remote option if that doesn't work out for you. We'll be
25 here on April 9th at 3:00.

1 CHAIRMAN SMITH: And then the commission meeting's the next
2 day at 10:00?

3 MS. CASTAÑUELA: Yes. Commission meeting at 10 o'clock on
4 the 10th.

5 AGENDA ITEM XI.

6 CHAIRMAN SMITH: Okay. All right, so April 9th will be the
7 next one at 3:00 p.m., and then the commissioners meeting will be at
8 10:00 a.m. the following day. All right, if there's nothing else, we
9 will adjourn this meeting at 10:45. Thank you very much.

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