

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Division of Public and Behavioral Health
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Advisory Committee on Problem Gambling Legislative Workgroup Work Session Approved Meeting Minutes Tuesday, October 4, 2022

1. Call to order/roll call: Stephanie Goodman, Chair

Members Present: Stephanie Goodman (Chair), William Theodore Hartwell, Constance Jones, Lesley Pittman, Carol O'Hare, Alan Feldman, Dr. Rory Reid

Members Absent: Denise Quirk

Staff/Guest: Cody Phinney, Division of Public and Behavioral Health (DPBH); Kim Garcia, Marcelle Anderson, Bureau of Behavioral Health, Wellness & Prevention (BBHWP); Dr. Jeff Marotta, Problem Gambling Solutions; Nann Meador, Nevada Council on Problem Gambling; Peter Ott, Bristlecone Family Resources; Trey Delap, Group Six Partners; Andrea Dassopoulos, University of Nevada, Las Vegas (UNLV); Jeanyne Ward, Center for the Application of Substance Abuse Technology (CASAT)

2. **Public Comment:**

There was no public comment.

3. <u>For Possible Action:</u> Approval of Meeting Minutes - August 31, 2022 Stephanie Goodman, Chair

Chair Goodman requested a motion for approval of the August 31, 2022, meeting minutes. Ms. Constance Jones made the motion. Mr. Ted Hartwell seconded the motion. Motion passed unanimously.

4. **For Possible Action:** Discussion and Possible Recommendations for Future Strategies Related to Problem Gambling Services. *Stephanie Goodman, Chair*

Chair Goodman stated, Ms. Lesley Pittman has secured us May 2, 2023, Problem Gambling Awareness Day, at the legislature. Chair Goodman asked Ms. Pittman to share further details on this.

Ms. Pittman began with a short explanation for those who are not familiar with what transpires during the legislative session. The legislature allows set up of display areas in the foyer of the

legislative building, where individuals and organizations can provide information to legislators, lobbyists, guests, and people who are walking through the building, about the programs they offer and the need for the continuation and expansions of those types of programs.

Ms. Pittman stated an events calendar request was submitted to the legislature for Problem Gambling Awareness Day. The idea is to have some displays and charts, to showcase the need for our services and for continued funding. Chair Goodman and I will work on a couple of proclamations; One in the Assembly and one in the Senate, declaring it officially as Problem Gambling Awareness Day. I will work to get some of our members seated as the guests in each of the chambers. This would be a great day for folks to schedule meetings with key legislators to discuss what our agenda is, and to advocate for the programs all of you provide. The date is May 2, 2023, from 8:00 a.m. to 5:00 p.m. Broadcast Services will reach out to me for a table count and for how many easels we will need.

Chair Goodman stated, I realize this will not be happening until May of next year, but I think it would be great if KPS3 did design some of the professional looking boards to display. Project Worth represents all of us and should be highlighted. I am going to talk about the gaming tax we are hoping to get a portion of through lobbying.

Mr. Alan Feldman agreed that getting KPS3 involved is a good idea. This is an opportunity to develop some new material to grab people's attention.

Chair Goodman stated Ms. Dassopoulos recently collected new and compelling data and suggested perhaps a card can be designed which will be quick and easy to read with this information and brand the card Project Worth. Chair Goodman then spoke to Ms. O'Hare's comment about being at the legislature once before and asked Ms. O'Hare to speak a little more on this.

Ms. O'Hare stated this took place during Addiction and Recovery Advocacy Day. This was not specific to Problem Gambling; however, they were able to speak to some people while they were in Carson City. Other people in attendance at the time were Dave Figler who helped with getting the Gambling Court established and Denise Quirk.

Mr. Delap stated for the record, Ms. O'Hare recalled the event correctly.

Chair Goodman stated, there was a great conversation with the State. The State is neutral on allowing us to get a piece of the gaming tax, which is not a new tax but has already been assessed. We feel our next step is to speak with industry. This will be the Nevada Resort Association (NRA) and we are now in the process of trying to get on their agenda.

Ms. O'Hare stated the industry is very broad, diverse and becoming more complex. She inquired if they should reach out to other partners as well, such as the Association of Gaming Equipment Manufacturers (AGEM).

Chair Goodman stated she does not believe tax is assessed on manufacturers but will look into it.

This item was discussion only. No motion for action was sought for this item.

5. <u>Informational:</u> Discussion on Updates Related to Problem Gambling Services Stephanie Goodman, Chair

Mr. Feldman inquired which tax they were referring to as there are approximately ten different taxes collected by the Gaming Control Board. Mr. Feldman stated the Legislative Workgroup is attempting to attain stable funding through the non-executive budget and not the general fund. They are seeking .06% of the total taxes collected by the Gaming Control Board. The Gaming Control Board still collects money from slot machines which might not be tied to the formula the workgroup is trying to install.

Ms. O'Hare stated, they need to be as inclusive as possible, as the industry is expanding. Anyone who makes their living through, by, under, and for, the gaming industry needs to understand who Problem Gambling is, what they are doing and why they are up in Carson City.

Mr. Feldman believes 98% in all forms of tax in Nevada is generated from land-based casino interests. He also agrees with Ms. O'Hare anyone might misunderstand what this is about, and they should be prepared in advance to reach out to them.

Ms. Jones brought up the point the workgroup had considered taking a percentage of all licensing fees of all who apply.

Mr. Feldman pointed out, there could be a year where 100 applications are submitted and another year, where 1,000 are submitted. The Gambling Control Board collects a percentage of what is dedicated to the fund. No single group is targeted which creates a level of stability.

Ms. Jones agreed and stated the simpler they make this for the government officials who sort out the tax revenue, the easier it will be to get something done.

Ms. O'Hare stated she has read, where in the statute, the Gaming Control Board gives the money allotments and percentages they are to receive. In the statute, Problem Gambling is the only entity receiving the equivalent of \$1.00 per slot machine. With the proposal of getting a percentage of what is collected, they will be in line with the way the statute is collected.

Ms. Pittman stated she will read the Gaming Control Statute to see how those dollars are allocated. This will help her prepare to answer questions such as "You are asking to reallocate existing revenues. Where will they be taken from?".

Mr. Feldman stated The Gaming Control Board's only roll is to collect the money which goes into the General Fund. On the legislative level, this will be a switch in how the General Fund will be appropriated. This will create a fixed number as opposed to going to the legislature and fighting for funding every two years. From a fiscal perspective, the money will still be coming from the General Fund.

Chair Goodman stated this will put us into the Non-Executive Budget so we will not have to go to the legislature every two years. She then asked if anyone else had anything to add to this item. No one responded. Chair Goodman moved on to item #6.

6. <u>For Possible Action</u>: Discussion and Possible Recommendations for Future Funding Option Related to Problem Gambling Service. *Stephanie Goodman Chair*

Ms. Garcia reminded the Legislative Workgroup; at their last meeting they requested this item be placed on this month's agenda.

Mr. Feldman began by suggesting an annual report be included with what they are trying to achieve with the statute pertaining to the Gaming Control Board. This report will provide data on the work Problem Gambling is doing, and it will show how the money is being spent. The report will be presented to both The Gaming Control Board and the Legislature.

Ms. Pittman agreed. It would not only show accountability, but it will demonstrate the need still exists.

Ms. O'Hare suggested the Gaming Control Board receive the report directly from ACPG. By doing so, it will establish a line of communication for both entities.

Mr. Feldman agreed and added, they could try to get on both the Gaming Control Board and Gaming Commission's agendas once a year for an hour and give a report on the state of the community and the state of their circumstances.

Dr. Marotta stated, when working on the National Survey, he found, problem gambling programs in other states receive funding through add-on provisions through their legislation as well as gambling regulations and responsible gambling.

Mr. Feldman stated, when provisions are added on to legislation, what ends up happening is disproportionate funding and more importantly, someone may be left out.

Chair Goodman stated, even though Dr. Marotta's idea is good, she believes with the dynamic workgroup they have, along with the data and statistics they have, this workgroup will be able to make a very compelling presentation and can stand on its own without being an add-on.

Ms. Pittman suggested the Diversion Court might tell a better story.

Chair Goodman stated, this is a viable program, however, since there had been a very small number who graduated from the program, it does not tell the story they want to tell. It does show a need to educate both the District Attorney's and Public Defender's Offices. This program is not being utilized to the best of its ability.

Ms. O'Hare stated, the Diversion Law exists statewide, but the court is only in Clark County. People who go through this court and do not finish the treatment and the three-year process, are facing prison time. Right now, Judge Bell who sits on this court will be stepping down to sit on the Supreme Court and there will be a new judge and staff coming in. Ms. Michelle Malkin is doing a study of the court and will be presenting her findings at the conference in March 2023. Hopefully, there will be some good stories about the court and what the outcomes are.

Ms. Garcia asked Chair Goodman if there will be a motion on this item.

Chair Goodman stated this has only been an update meeting for the Legislative Workgroup and no motion is necessary for this item.

7. <u>For Possible Action:</u> Approval of the Next Meeting and Future Meeting Agenda Items. *Stephanie Goodman, Chair*

Chair Goodman suggested the next meeting to take place the first week of December. The workgroup agreed December 6, 2022, at 11:15 a.m. will be the best date and time. Ms. Garcia asked if there will be a standing agenda. Chair Goodman confirmed this.

Ms. Garcia confirmed December 6th at 11:15 a.m.

8. **Public Comment:**

Ms. Ward, CASAT - I was not sure at the last meeting if Ms. Sarah Adler was able to let you know what our Bill Draft Request (BDR) is for the upcoming legislative session to expand workforce.

Chair Goodman - Roberta Lang, BDR 57, right? Ms. Ward - Yes.

Chair Goodman - We did discuss that briefly. Is there an update on that?

Ms. Ward - No, she had circled back with me after the meeting, so just giving me kind of a heads up that the hearing will likely be in early February as this is a simple bill. So as the hearing draws near, she wanted to know who is going to be responsible for the slide deck, and the one page supporting document, who is going to be a list of testifiers, and who should we get letters of support? All questions to answers I did not have. So, I thought I should speak with Ms. Garcia and thought, I should really, probably, as CASAT is not allowed to lobby, I should probably get ACPG more involved when it gets to that point.

Chair Goodman - Well, Ms. Ward, if you are fine, I will call you. Ms. Pitman and I can jump on a call with you if that works. Ms. Pittman, are you up for that? I will coordinate it with you and that way you can let us know what we need to do, and we can either divvy it out among this committee or if it's not a ton, we can handle it.

Chair Goodman - Who else has public comment?

Mr. Hartwell - O.K., I just wanted to give everybody a brief update on this, and this has nothing to do with Nevada, but it is a legislative issue at the federal level. Some of you may have participated in advocacy day through the National Council, but if you did not, there is a piece of legislation, we are almost sure will not be introduced with the current Congress. I think folks will wait until after the November election to see where everything stands, but a piece of legislation called the (GRIT) Act, which stands for Gambling Addiction, Recovery, Investment and Treatment Act, and it is fairly simple. It is to be introduced ultimately by Representative Claudia Tenney, Republican from New York. Part of the purpose of the advocacy day was to search out potential co-sponsors across the country. This is a piece of legislation that is looking at allocating a percentage of the current federal excise tax on sports wagering, which is currently .25%, and taking 50% of that and allocating that for gambling addiction, treatment and research. Essentially 25% of if would go to research, specifically through the National Institute of Drug Abuse. The other 75% would be distributed to the states through the existing Substance Abuse Prevention and Treatment Block Grant Program. So, individual states would apply for that using an existing ratio. Very conservatively, if this were to go through, it would mean a minimum of \$100 million a year of federal funding for research, treatment, prevention. So, if you can imagine a couple million dollars infusion, some states would go from zero to \$2,000,000. But even for states that are decently funded, to have a couple million extra dollars to decide where that goes would be a wonderful thing. We have seen this excise tax go from,

Fiscal Year 2020 (FY20) it was 38 million, FY21, it was 110 and it already reached 91 million halfway through this year. It is probably going to be \$200 million this year alone. I think ultimately, we are probably looking at \$150 million or more. And so, this is just kind of a heads up. I think everybody who is participating in this meeting has an interest in seeing this go through and I will keep updating folks so when the time comes, folks can reach out individually to advocate to you or particular representative to Congress to hopefully put this through. It was kind of exciting and there is some, I can feel some cautions, optimism, and excitement behind this one in ways that has not been there before. So, wanted to let everybody know about it. *Ms. Jones* - Where is GRIT right now?

Mr. Hartwell - GRIT has not been introduced yet. If anybody is interested, I can send the existing draft language for that legislation and the background information on it. And since it is not a ACPG matter, I suspect we can do that o.k. via email, right Ms. Garcia? *Ms. Garcia* - Individually, yes.

Ms. Jones - And it would be introduced in the House?

Mr. Hartwell –That is correct. Claudia Tenney is fairly far to the right on the political spectrum, so it is pretty critical we find co-sponsors that are out on the other side. This is certainly a bipartisan issue if there ever was one. In her introduction of the bill, to all of us who were present, she said all the right things. I was completely impressed with her understanding of the issue, why it is important, she said all the right things about why we need to fund it. There was no hint of partisanship in the way it was delivered, an so I was excited to hear that. But yes, it has not been introduced yet though.

Chair Goodman - That is exciting news. Thank you so much Mr. Hartwell. O.k., does anyone else have public comment?

There were no other public comments made.

9. Adjournment: Stephanie Goodman, Chair

Chair Goodman requested a motion to adjourn. Ms. Jones made the motion to adjourn. Mr. Feldman seconded. Motion was passed unanimously. Meeting was adjourned at 1:26 p.m.