

**Department of Health and Human Services  
Advisory Committee on Problem Gambling (ACPG) Legislative Workgroup**

**January 12, 2018 Meeting Minutes**

**Approved February 2, 2018**

**Meeting Location**

Held via teleconference with physical location of 1820 E Sahara Avenue, Suite 208, Las Vegas NV 89104

**ACPG Legislative Workgroup Members Present on Call**

Tony Cabot  
Alan Feldman  
Ted Hartwell  
Connie Jones  
Carol O'Hare  
Denise Quirk  
Debra Robinson (joined call at 2:22 PM)

**ACPG Legislative Workgroup Members Absent**

Judge Cheryl Moss

**Others Present on Call**

Leah Cartwright, Nevada Psychiatric Association  
Merle Sexton, Bridge Counseling Associates  
Cindy Smith and Pat Petrie, Office of Community Partnerships and Grants (OCPG), DHHS

**I. Call to Order, Welcome, Introductions and Announcements**

Pat Petrie, OCPG, reminded participants to mute their phones when not speaking. He announced that the meeting was being recorded and asked participants to identify themselves for the record when speaking.

Denise Quirk, Chair of the Advisory Committee on Problem Gambling, called the meeting to order at 2:00 PM and led roll call. A quorum of Workgroup members was confirmed, and members of the public also introduced themselves for the record. There were no further announcements. Ms. Quirk turned the meeting over to Tony Cabot, Chair of the Legislative Workgroup.

**II. Public Comment**

None

**III. Discussion on Program Funding**

Mr. Cabot reviewed the history of the last legislative session as it pertained to the efforts of the ACPG and Legislative Workgroup. Senate Bill 120 introduced a number of initiatives related to the ACPG and Problem Gambling Fund; most were successful, but not the effort to change the funding formula by which the money for the Problem Gambling Fund is allocated. It comes out of gaming taxes and is determined by a formula based on the number of slot machines in Nevada. Because of the changing demographics, the number of slot machines in the State has been on a steady decline, resulting in a

decline in the amount of money available for the problem gambling grants. The ACPG sought to change the methodology for funding the program from the formula based on the number of slot machines to a set amount with escalators based on the rate of inflation. That was unsuccessful, and is probably the number one priority of this workgroup going into the next session.

Group discussion included the following points regarding last legislative session.

- ACPG members gave prepared testimony and provided documents that included justification for the requested increase in funding. The ACPG Program Concepts Workgroup did a great job of detailing the specific amounts needed to support the different aspects of the program – treatment, prevention, research, and workforce development. Their research was conducted concurrent to the Legislative Workgroup’s efforts last year, and made a powerful case as to what the needs are. The research also included data on the funding levels in other states and where Nevada stands compared to the rest of the country.
- The consensus position taken by the gaming industry was that of positive support. The biggest error was not approaching the Governor’s Office in time for the Governor to get this funding into the budget. The legislators did not want to have to cut funding elsewhere in order to fund problem gambling. Additionally, the legislators never completely grasped the concept that they would be de-funding the program by continuing to base allocations on the number of slots, because that number keeps declining every year. There was also confusion that the funding formula is an actual tax that was added when the Fund was created; the finance committee did not grasp that the money comes from the Gaming Control Board. Gaming industry taxes go to the State, and the Gaming Control Board tells the State how much of that money goes to the Problem Gambling Fund.
- Ms. O’Hare reviewed the ACPG’s previous experiences with the Legislature. In 2009-2010, funding was slated to be cut completely. The ACPG was able to convey to the Legislature that there was no direct funding coming from anywhere else to support these services. If the program got cut, all the money already spent to develop a treatment system would be for naught, and they would be letting their own system fail. The next time was to get funding restored to full rates after they had been cut from \$2 to \$1 per machine. The ACPG sent a letter to the Governor which spoke from a point of relevance of saving lives. The request was made particularly relevant due to the anticipated legalization of internet gambling. The ACPG asked not to expand gambling without restoring the Fund at a minimum to the level it had been.
- Mr. Feldman stated that nationally, the states that have the most significant funding tended to develop a funding mechanism up front, as they were initiating gambling legislation. It became a political issue; if the bill did not include provisions for treatment, prevention and education, in some cases their support would be withheld. Nevada differs in that the Problem Gambling Fund was an add-on decades after gambling legislation was passed, so we tend to not be able to benefit from the political view. His advice was to come up with the structural manner for increasing funding, and then get to the Governor and be a part of the discussion on day one. Otherwise, it’s almost impossible to get it in the budget. Go in with a clearly articulated plan and not wait for the finance committee to determine the best way to get it done. Articulate the problem and the solution, and ensure the stakeholders are in support of that solution.

- When asked about the timing of the legislative session and inauguration of the new governor, Mr. Feldman believed the budget will be substantially developed by Governor Sandoval. With the inauguration taking place on January 1, the incoming governor will have only two weeks before the budget needs to be submitted. There could be changes, but in his experience, it will substantially be coming from Governor Sandoval. Mr. Cabot concurred. Mr. Feldman added that they will have that continuity and, depending on who it is, there will be a fair amount of communication between the outgoing and incoming administration. However, the incoming governor will need to be informed on this topic.
- Michael Alonso, of Lewis Roca Rothgerber Christie LLP, provided pro bono services on behalf of the ACPG. Mr. Cabot offered to reach out to Mr. Alonso to see if he would be willing to continue this support next session. It was noted that Mr. Alonso will need to clear any conflicts prior to lobbying on behalf of the ACPG.

Mr. Cabot asked if it would be worthwhile to ask the Program Concepts Workgroup or Dr. Marotta if there is a need to update the information or come up with new or better numbers moving forward. Ms. Quirk requested a follow-up action item to add Dr. Marotta to the workgroup, and to ask him if there are updates on the funding levels in other states or if anything has changed in the way of needs. Mr. Cabot suggested that Mr. Alonso be invited to attend the next meeting to share not only his historic perspective, but also what he thinks might be of assistance going forward in terms of coalition movement. Ms. Quirk offered to invite him to the next call.

#### **Item IV. Develop and Adopt Action Plan for Legislative Workgroup**

Mr. Cabot explained that the purpose of this agenda item was to determine whether there are other legislative items the workgroup should be considering. None were offered and he asked the group to think about it and bring them forward to be discussed at a later meeting. This agenda item was tabled awaiting ideas or comments regarding development of the legislative agenda.

(Note: An error in the agenda items' numeric order inadvertently omitted number V.)

#### **Item VI. Set Meeting Schedule**

The group discussed the timeframe for the next workgroup meeting. Mr. Cabot suggested they may want to meet monthly; however, the next meeting should occur sooner to hear Mr. Alonso's ideas for coalition building and what the timing of the meeting with the Governor should be. After taking into consideration the date of the next ACPG meeting on February 15, and allowing time enough to comply with Open Meeting Law posting regulations, the group decided on Friday, February 2 and asked staff to survey the members to determine the best time of day.

#### **Item VII. Public Comment**

None

#### **Item VIII. Additional Announcements and Adjournment**

Mr. Cabot reminded the group to send him their ideas on additional items for the legislative agenda by January 23. There being no further announcements, Mr. Cabot called for a motion to adjourn.

- Carol O'Hare moved to adjourn the meeting. The motion was seconded by Alan Feldman and carried unopposed.