

NEBRASKA STATE RACING AND GAMING COMMISSION
MINUTES OF MEETING

DATE: May 6, 2022

TIME: 1:30 pm

LOCATION: Lincoln Marriott Cornhusker Hotel
Office Plaza 202, 333 S 13th St
Lincoln NE 68508

PRESENT COMMISSIONERS:

Dennis P. Lee Chairman
Janell Beveridge Vice Chairperson
Jeffrey Galyen Commissioner
Shane Greckel Commissioner
Tony Fulton Commissioner

ABSENT:

Shelby Bakenhus Commissioner

Chm. Lee convened the meeting at 1:32 pm in compliance with the provision of Neb. Rev. Stat. 84-1411. Notice of the meeting was published in the Lincoln Journal Star. In addition, copies of such notice were sent to those on the Racing and Gaming Commission agenda mailing list. Notification was given to the public of the open meetings law and notification to its location for public view.

APPROVAL OF MEETING MINUTES AND FINANCIAL REPORTS

Fulton moved, seconded by Greckel to approve the minutes. Voting aye: Lee, Beveridge, Galyen, Greckel and Fulton. Motion carried.

APPROVAL OF MEETING MINUTES AND FINANCIAL REPORTS

Fulton moved, seconded by Greckel to approve the minutes. Voting aye: Lee, Beveridge, Galyen, Greckel and Fulton. Motion carried. Chm. Lee moved, seconded by Beveridge to approve the financial reports. Commissioner Fulton asked about the financial process within the agency. Voting aye: Lee, Beveridge, Galyen, Greckel and Fulton. Motion carried.

APPROVAL OF SIMULCAST APPLICATIONS RECEIVED SINCE FEBRUARY 24, 2022

Chm. Lee moved, seconded by Galyen to approve all applications received contingent upon Columbus provide the Commission the contract for Golden Hour Wagers. Voting aye: Lee, Beveridge, Galyen, Greckel and Fulton. Motion carried.

SOUTH SIOUX CITY RACING & EVENTS CENTER

Galyen moved, seconded by Fulton to approve the request for a change to the live race date of Sunday, June 19, 2022, with a backup date of June 20, 2022. Also moved was the approval of waiver of rules, takeout rate, and racing officials. Voting aye: Lee, Beveridge, Galyen, Greckel and Fulton. Motion carried.

JOHN WALKER – LAMSON DUGAN & MURRAY RESOLUTION OF PENDING HHR LAWSUIT

Chm. Lee moved, seconded by Fulton to approve the settlement with the Nebraska Attorney General's office and to vacate the Nebraska Racing Commission Order dated December 4, 1999, pertaining to approval of the Historical Horse Racing machines (HHR). Voting aye: Lee, Beveridge, Galyen, Greckel and Fulton. Motion carried.

COLUMBUS EXPOSITION AND RACING

Greckel moved, seconded by Beveridge to approve the change to the live race dates to May 27 – June 18, 2022, and to approve the racing officials. Voting aye: Lee, Beveridge, Galyen, Greckel and Fulton. Motion carried.

ZACHARY BRANDT – REQUEST FOR REINSTATEMENT – STEWARDS RULING 2021-FON-3

Zachary Brandt was present. After discussion Chm. Lee moved, seconded by Galyen to deny the request for reinstatement. Voting aye: Lee, Beveridge, Galyen, Greckel and Fulton. Motion carried.

APPROVAL OF GAMING APPLICATION FORMS

Greckel moved, seconded by Beveridge to approve the Gaming Vendor, Occupational License Level 1, Occupational License Level 2, and Occupational License Level 3 forms with the caveat that all future forms be sent to the strategic planning committee prior to being on the agenda for a Commission meeting. Voting aye: Lee, Beveridge, Galyen, Greckel and Fulton. Motion carried.

AGENDA ITEMS 9, 10, 13 AND 17

Chm. Lee moved, seconded by Greckel to lay over these items until the next meeting. Voting aye: Lee, Beveridge, Galyen, Greckel and Fulton. Motion carried.

CONTRACTING FOR BACKGROUND INVESTIGATIONS AND BACKGROUND COMPANIES

After discussion, Chm. Lee acknowledged that the Director is authorized to contract and retain any third-party background parties.

HORSERACING INTEGRITY AND SAFETY ACT (HISA)

Director Sage recommended to the Commissioners to not accept the assessment from HISA. Lori Thomas of the HBPA agrees to the recommendation. Chm. Lee moved to decline to pay the assessment fees, Fulton seconded. Voting aye: Lee, Beveridge, Galyen, Greckel and Fulton. Motion carried.

CAESARS/CER PHASE ONE SITE WORK FOR HARRAH'S RACTRACK & CASINO

The Commission decided to take no action on this item.

NEBRASKA THOROUGHBRED BREEDERS' ASSOCIATION

This item was withdrawn.

RECESS

The Commission had a recess from 3:59pm to 4:09pm.

MINIMUM INTERNAL CONTROL STANDARDS (MICS)

Fulton moved; Beveridge seconded to approve the MICS they were presented with. Voting aye: Lee, Beveridge, Galyen, Greckel and Fulton. Motion carried.

COMMISSION REQUIREMENTS REGARDING MARKET STUDIES FOR LB876

Chm. Lee moved, Fulton seconded to send a letter to the Attorney General asking for guidance and their opinion towards the various market studies addressed in LB876. This would include guidance of terms in LB876 like "detrimental." Voting aye: Lee, Beveridge, Galyen, Greckel and Fulton. Motion carried.

CONTRACTING GAMING EXPERT

Chm. Lee addressed that the Director has the authority to contract a Temporary Gaming Expert with the caveat that the contracts are yearly.

DIRECTOR'S UPDATE

The Director told the Commission and public that the headquarter office will expand to one of the local cottages near Whitehall Mansion as the new headquarter office gets built. An Office Specialist has been hired. Additional personnel will be added starting with the Director of Investigations, an IT Specialist, and a Budget Analyst to work on the budgets for the Racing and Gaming Commission.

MEETINGS WITH ASSOCIATIONS

Nebraska Thoroughbred Breeders' Association- None

NE Horsemen's Benevolent and Protective Association (HBPA)- Gerald Wollsen told the Commission that they hired a team to survey the Lincoln racetrack for safety and it would cost \$2.4 million to bring the track up to safety standards and asked the Commission to keep in mind the financial difficulties that they and everyone are experiencing.

Nebraska Quarter Horse Racing Association- None

Nebraska Quarter Horse Breeders Association- None

PUBLIC COMMENTS

None

EXECUTIVE SESSION

The Commission recessed to executive session at 4:59pm.

ADJOURNMENT

The Commission reconvened at 5:11pm and adjourned the meeting.

Respectfully submitted,
Tom Sage
Executive Secretary