

A Message from the President

It is both a pleasure and a privilege to write to you in my capacity as President of NAGRA for the 2014-15 term. On the surface, it appears ironic that someone from Virginia, where gaming is limited to lottery, horse racing, and charitable gaming, serves in this capacity. However, I submit to you that this seemingly unusual arrangement is actually a practical example of the value and benefits that NAGRA offers to our members.

You see, back in 2010, due to reorganization of state government, charitable gaming was added to my portfolio as Director of the Division of Consumer Protection in the Virginia Department of Agriculture and Consumer Services. Yes... agriculture and consumer services. In case you are wondering, Virginia is one of a handful of states in the U.S. where the consumer protection function is housed under agriculture and consumer services. This proud legacy goes back to the days when the first consumer protection measures had a direct nexus to agriculture, such as weights and measures. Today, we cover a good chunk of the waterfront, so to speak. Our regulatory programs range from motor fuels, pesticides, and fertilizers to extended service contracts, health clubs, and charitable solicitations. We even regulate waste kitchen grease transporters.



Andres Alvarez
NAGRA President
2014/2015

So I guess I could say that I have a broad experience dealing with a wide variety of regulatory issues. But nothing I had done before prepared me for the exhilarating challenges – and the pounding headaches – associated with the regulation of charitable gaming. My only experience with bingo was in a former life in law enforcement. I vaguely remember assisting with a disorderly person call at a bingo hall, but I distinctively recall the strong smell of cigarette smoke on the polyester uniform afterwards. Fast forward ten years or so. On top of the charitable gaming assignment being completely new to me, I was tasked with promulgating regulations related to electronic pull-tabs, a project that had languished for a few years which very soon became an all-consuming undertaking. I did not know pull-tabs from Shinola, let alone electronic ones!!

As I sat in my office contemplating my fate, I riffled through the

paperwork that the former administrator of charitable gaming had left behind and I saw a payment made out to “NAGRA.” I had no clue what NAGRA was so I decided to investigate further. Turns out this was a most serendipitous finding, as I was eventually able to get in touch with many knowledgeable regulators and industry representatives who took me under their wing and – very patiently, I might add – proceeded to educate me on the nuances of charitable gaming. The knowledge they shared and the suggestions they offered made my job a lot easier. I really enjoyed and valued the professional connections I was making, so I decided to take a more active role in the affairs of NAGRA. The rest is history, as they say.

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30th
NAGRA Annual Training & Education Conference
June 9-12, 2014

Thank you to all who attended!

President's Message continued from page 1.

Allow me now share with you some of the highlights of the 2014 annual meeting in Minneapolis. The hotel where we held the conference, the Raddison Blu, was conveniently located in the Mall of America complex. I am sure the local coffers benefitted greatly from the many purchases by our conference attendees and their companions. In terms of significant accomplishments, the NAGRA bylaws underwent substantive changes, including:

- Creation of a fifth regional director position to represent Indian Country. The new regional director would represent tribal and First Nation agencies lawfully charged with the regulation and enforcement of gaming in their respective jurisdictions.
- Creation of a membership category called "international associate member" that will be open to all agencies, commissions, bureaus, or other entities within any unit of government outside the United States, Mexico or Canada are lawfully charged with the regulation and

enforcement of gaming in their respective jurisdictions.

- Creation of a membership category called "associate member" that will be open to any non-profit entity engaged in education and public outreach, responsible gaming, research, or any other activity that advances the body of knowledge related to gaming and enhances the professionalism of the industry, or any unit of government, regardless of jurisdiction, that is not specifically charged with the regulation or enforcement of any aspect of any type of gaming.
- Other amendments were administrative in nature. You can access the entire document at www.nagra.org, under "About NAGRA," "Administration."

The Board of Directors is also committed to maximizing the value of your NAGRA membership. To that effect, we are going to strengthen our outreach and educational efforts through the

expansion of our webinar offerings. To the extent practical, we will provide training opportunities that qualify for continued education credits for accountants, auditors, and fraud examiners, or which may count toward in-service requirements for law enforcement. The nice thing about the NAGRA membership is that all employees of a member agency can participate in the webinars at no extra cost. All they have to do is create their respective accounts at our website. If you have not participated in one of our webinars, please consider doing so. The feedback we have received from participants has been very positive and encouraging.

Please make plans to attend the 2015 conference at The Inverness Hotel and Conference Center, in Denver, Colorado, from June 15-18. This will be another value-packed and informative conference. Stay tuned for further announcements from your NAGRA Regional Directors.

See you in Denver!!

Andres Alvarez
President

Upcoming NAGRA Webinars

“Electronic Raffles”

Thursday, September 4, 2014

2:00 - 3:00 PM EDT

The introduction of electronic systems at sports venues and other large attendance events has revolutionized the manner in which organizations sell raffle tickets, including the use of touch-screen terminals and mobile devices. Learn how regulators can prepare to effectively manage this trend.

Presenters:

- Tracy Bigelow, North Dakota Office of Attorney General’s Gaming Division
- Michael Capen, Gaming Laboratories International
- Steve Lefler, Gaming Policy and Enforcement Branch Province BC

[Click here](#) for more information and to register for the “Electronic Raffles” Webinar.

“Money Laundering”

Wednesday, November 5, 2014

2:00 - 3:00 PM EST

An intriguing discussion on how gaming venues are targeted by money laundering operators, how organizational vulnerabilities are exploited, and what deterrence and investigative approaches work best.”

Presenter: Les Hahn, Missouri Gaming Commission

[Click here](#) for more information and to register for the “Money Laundering Webinar.”

Registration Costs:

NAGRA webinars are FREE to members and \$45 for non-members.

Want to Contribute?

Have an idea for an article for the NAGRA News? Would you like to contribute an article? Send in your idea today. Please include your name, agency, phone number and email address. Any member updates or insights into the industry make for great content! We appreciate your contribution.

Articles can be sent via email to scottf@nagra.org or mailed to the NAGRA office at 1000 Westgate Drive, Suite 252, St. Paul, MN 55114.

2014/2015 Newsletter Schedule

Fall:

Call for News: October 1

Content Due: November 1

Newsletter Emailed: November 15

Winter:

Call for News: January 1

Content Due: February 1

Newsletter Emailed: February 15

About NAGRA

NAGRA brings together agencies that regulate gaming activities and provides them a forum for the mutual exchange of regulatory information and techniques. Collecting and disseminating regulatory and enforcement information, procedures, and experiences from all jurisdictions provides ongoing gaming education and training for all members.

2014/2015 Board of Directors

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Join us in congratulating Rodney Rickenbach

Conference, NAGRA awarded the Excellence in Gaming Award to Mr. Rodney Rickenbach, New Jersey Division of Gaming Enforcement. NAGRA congratulates Mr. Rickenbach on being selected as the recipient for this prestigious award. Following is a brief biography of Mr. Rickenbach's accomplishments.

Mr. Rickenbach joined the New Jersey Division of Gaming Enforcement in 2003 as a State Investigator for their Regulatory Enforcement Bureau.

In 2008, Mr. Rickenbach transferred to the Division's Technical Services Bureau in order to lead their newly formed investigative unit. He quickly developed specialized auditing tools for authenticating computerized gaming systems that could not be checked by traditional means. With his custom auditing tools, he re-engineered existing field audits to achieve 100% accuracy, while simultaneously reducing the time required by more than a factor of 40. Mr. Rickenbach's tools and methods are currently used to regulate all non-slot electronic gaming equipment in Atlantic City, including, but not limited to, gaming voucher redemption machines, count room equipment, progressive controllers, and electronic table games.

In 2010, New Jersey's Lieutenant Governor recognized Mr. Rickenbach by appointing him as a Technical Expert on the state's three member Title 19 Voting Machine Examination Committee. As the state's expert, he evaluates the security and integrity of all computerized voting equipment proposed for use in New Jersey. Due to his extensive regulatory and technical knowledge and experience, Mr. Rickenbach was deeply involved with drafting all new regulations related to Internet gaming in New Jersey after its approval by Governor Chris Christie early in 2013.

A key part of regulating New Jersey's Internet gaming is determining the physical location of a patron attempting to wager online and prohibit those not physically located in the state. This is known as geolocation, and Mr. Rickenbach was chosen to evaluate all available geolocation technologies and to formulate New Jersey's regulatory standards. Inclusion of these patrons, while properly excluding out of state wagering, is critical to the success of Internet gaming in New Jersey's due to the dense population near its borders. This maximizing of eligible patrons was only possible due to Mr. Rickenbach's thorough research, testing, and analysis.

Recently, Mr. Rickenbach was promoted to leading a team of 7 information technology specialists who are focused on both land based and Internet gaming. While he is still the Division's lead for geolocation, he is now responsible for developing the tools, systems, and methodologies for monitoring the integrity of all Internet gaming servers located in Atlantic City.

Mr. Rickenbach is at the forefront of regulating this new frontier of Internet gaming in North America and is regarded as one of the world's foremost authorities in geolocation. NAGRA is pleased to present the NAGRA 2014 Excellence In Gaming Award to Mr. Rodney Rickenbach from the New Jersey Division of Gaming. ■

NAGRA Updates Organization's Bylaws at 2014 Annual Business Meeting

At the NAGRA Annual Business Meeting on June 12, 2014, the membership approved several changes to the organization's bylaws. These are the first changes to the bylaws since 2010. The changes passed unanimously on a voice vote. A special thank you to Andres Alvarez, NAGRA President, for his work on these updates.

A Summary of Amendments to the Bylaws of the North American Gaming Regulators Association:

- Creation of a fifth regional director position to represent Indian Country. The new regional director would represent tribal and First Nation agencies lawfully charged with the regulation and enforcement of gaming in their respective jurisdictions. As with other regional directors, the Indian Country regional director will hold a two year term, and will be elected in even-numbered years.
- Creation of a membership category called "international associate member" that will be open to all agencies, commissions, bureaus, or other entities within any unit of government outside the United States, Mexico or Canada, or the territories thereof, which are lawfully charged with the regulation and enforcement of gaming in their respective jurisdictions.
- Creation of a membership category called "associate member" that will be open to any non-profit entity engaged in education and public outreach, responsible gaming, research, or any other activity that advances the body of knowledge related to gaming and enhances the professionalism of the industry, or any unit of government, regardless of jurisdiction, that is not specifically charged with the regulation or enforcement of any aspect of any type of gaming.
- Requirement that "international associate members" and "associate members" must undergo a satisfactory review of their suitability for NAGRA membership.
- Clarification that "trade affiliates" must undergo a satisfactory review of their background and also of their suitability for NAGRA membership.
- Clarifying language that once notified of their admission to NAGRA, no entity will receive a refund for their membership dues.
- Clarifying language throughout the document regarding existing administrative practices that would now be applicable to the new category of members, i.e. "international associate members" and "associate members."
- Replacing the term "US mail" with the term "conventional mail."
- Clarification that proposed amendments to the bylaws shall be distributed to members at least forty days prior the next Annual General Meeting.

For the full bylaws, copy and paste the followign URL into your browser's address bar:
http://www.nagra.org/resource/resmgr/Board/NAGRA_BYLAWS_JUNE122014.pdf

If you have questions, please contact NAGRA Managing Director Scott Franzmeier at scottf@nagra.org. ■



Save the Date!

**2015 NAGRA Annual
Training & Education Conference
June 15-18, 2015
Denver, Colorado**

The Washington State Gambling Commission is putting on a New Agent Training Class

This training, put on by the Washington State Gambling Commission, is for regulatory personnel from any Gaming Regulatory or Law Enforcement agencies. The week long class will be held at the Lummi Silver Reef Hotel Casino, in Ferndale, Washington. The week training session covers subjects such as:

- Accounting
- Surveillance
- Tribal State Compacts
- Identifying cheating activities
- Tribal Lottery System
- Mock Casino
- Report Writing
- Internal Controls.

This training gives a overview of the regulatory side of the casino operation. The cost for the week training is \$750.00. For more information about this training, please call Supervisor Special Agent Ron Baldwin at 360-486-3587 or email him at ronb@wsgc.wa.gov. ■

RGC Launches Responsible Gambling Accreditation for Internet

TORONTO (July 9) —The Responsible Gaming Council (RGC) is pleased to announce the launch of RG Check – Internet, an international accreditation program that enables gambling websites to have their gambling safeguards assessed against independent and evidence-based standards.

RG Check – Internet is adapted from the highly successful RG Check – Venue program, which has accredited 60 venues since its launch in 2011. The standards for RG Check – Internet have been created by RGC, which will deliver the program within Canada. Internationally, the accreditation program will be administered by PricewaterhouseCoopers LLP (PwC Canada) and member firms of the PwC network. Final accreditation decisions will remain with RGC.

“RGC set out to create the gold standard of consumer protection,” says RGC CEO Jon Kelly. “The RG Check program, based on 7 standards and 51 criteria, gives gambling providers the opportunity to have their responsible gambling safeguards assessed against comprehensive international standards and a rigorous accreditation process.”

The six-month process of earning an RG Check accreditation for an online gambling site is voluntary and confidential, concludes with an independent assessment by a panel of experts, and is reviewed annually.

“We are proud to be part of RG Check – Internet and are excited to assist RGC with assessing websites against these stringent new standards,” says Darren Henderson, National Technology and Communications Consulting & Deals Leader at PwC. “We are advocates of responsible gambling and look forward to working with RGC on initiatives that support their mandate.”

>>Click here for full press release. ■



**Fall Training Conference
October 7 – 9, 2014**

Rock Creek Resort
Red Lodge, Montana

**Open to all Investigators and Regulators
throughout the United States and Canada**

**Like MGIR on Facebook @
[facebook.com/midwestgaminginvestigatorsandregulators](https://www.facebook.com/midwestgaminginvestigatorsandregulators)**

Midwest Gaming Investigators and Regulators (MGIR), created in 1988, is a non-profit organization comprised of gaming regulators and investigators throughout the United States and Canada.

MGIR holds conferences biannually with the mission of sharing gaming intelligence. Attendees are asked to share information that may impact other members (confidentiality is maintained).

Roundtable information has included:

- ✓ Thefts and illegal activities
- ✓ Licensing and background investigations
- ✓ New gaming activities and legislation
- ✓ Internet gaming
- ✓ Illegal slot machines

The Fall Conference will offer essential training designed to help members obtain more knowledge on subjects that we often do not have the resources to gain knowledge of on our own, such as emerging technologies.

MGIR is your organization. The Board of Directors relies on each of you for suggestions and ideas that will help make it better. If you have any suggestions or ideas, please don't hesitate to discuss them with any board member. See you in Montana!

"This is a big place, Montana; big enough to hide plenty of extraordinary places that you might miss if you didn't know where to look. Tucked in a beautiful canyon, along Rock Creek is such a place...Rock Creek Resort."

Rock Creek Resort

6380 Highway 212 South
Red Lodge, MT 59068
406.446.1111 or 800.667.1119
rockcreekresort.com

Conference Rate: \$77/night
Reserve by 9/6 to receive group rate.

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Conference Fee: \$85

Includes group dinner on October 8th
and hospitality suite each evening

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For information and registration contact:

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Missouri State Highway Patrol
Gaming Division
P.O. Box 1847
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•••••

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Gaming News

Arizona Department of Gaming News

azfamily.com, by Jennifer Thomas
Updated Wednesday, Jun 11 at 10:28 AM

PHOENIX – The Arizona Department of Gaming (ADG) seized gambling paraphernalia and surveillance equipment after serving search warrants during an investigation into suspected illegal poker games at two Valley businesses.

Friday night, ADG agents, the Maricopa County Attorney's Office, Mesa Police Department and Phoenix Police Department served simultaneous warrants at Pocket Jacks Poker Room, 9123 E. Southern Ave., in Mesa and Elite Poker Social Club, 3632 W. Pinnacle Peak Road, in Phoenix.

The agents also seized eight poker tables, several televisions, computers, records, cell phones, a .38-caliber revolver, ammunition and more than \$2,000 in cash.

The investigation into the two businesses began earlier this year when law enforcement officers received complaints regarding alleged illegal poker games. After interviewing the owners, ADG recommended that corrective action be taken to prevent further liability. According to Jelena Momich with the Arizona Department of Gaming, the poker rooms chose not to comply.

Momich said officers gathered evidence suggesting violations of various state gambling statutes, including possession of gambling devices, benefiting from gambling, promotion of gambling, and possession of gambling records.

The investigations are ongoing and no arrests have been made at this time.

In December, ADG agents, the Maricopa County Attorney's Office, Phoenix Police Department, Department of Public Safety and the Glendale Police Department served warrants at five Valley locations suspected of illegal gambling.

Simultaneous warrants were served on Dec. 12 at Pocket Rockets, 13048 W. Rancho Santa Fe Road, Avondale; Cracked Aces, 15224 N. 59th Ave., Glendale; AZ Poker Supply, 6003 N. 43rd Ave., Phoenix; Poker Play, 4494 W. Peoria Ave., Glendale; and Joker Social Club, 3519 W. Northern Ave., Phoenix. ■

June 10, 2014

The Arizona Department of Gaming served separate search warrants at two Valley poker clubs Friday night with the help of Mesa and Phoenix police.

The first, Pocket Jacks Poker Room, is located at Southern Avenue and Ellsworth Road in Mesa. The second, Elite Poker Social Club, is located near 39th Drive and Pinnacle Peak Road in Phoenix.



Agents seized eight poker tables, several televisions, surveillance equipment, computers, records, cell phones, a revolver, ammunition and more than \$2,000 in cash, according to the release. The evidence suggested multiple violations of various gambling statutes, according to the Department of Gaming. An investigation began earlier this year when law enforcement received complaints of illegal poker games, according to a press release from the Department of Gaming. The department recommended corrective action be taken, but the poker rooms chose not to comply, according to the release.

Officials say the investigation is ongoing and no arrests have been made. ■

U.S. gaming revenue set record in 2013, study shows

CasinoJournal.com - RubinBrown study reports U.S.-based commercial and tribal casinos generated \$66.3 billion in revenue last year. >>Read more. ■

Texas bingo operators win suit to lobby lawmakers

HOUSTON (CBSDFW.COM/AP) — A federal appeals court has ruled that charitable bingo operators are allowed to use proceeds from their games to lobby Texas lawmakers on a variety of issues, including gambling.

The 5th U.S. Circuit Court of Appeals ruling strikes down a provision of the Texas Bingo Enabling Act, on the books for more than three decades. The ruling late Monday says the law violates free speech rights of nonprofit organizations that hold bingo licenses.

“What the charities wanted to make sure was that they didn’t get pushed away,” said Attorney Anatole Barnstone to NewsRadio 1080 KRLD. “They wanted to be able to have their voices heard at the Legislature. They didn’t have a legal right to do that because the law said they couldn’t spend their Bingo money towards lobbying.”

About a dozen AMVETS and Veterans of Foreign Wars posts, Indian tribal councils and Elks lodges from around the state filed suit in 2010 against the Texas Lottery Commission and its commissioners. The suit contended for-profit gambling interests like horse and dog racing firms were allowed to use revenues “to influence the political process” but nonprofit groups were not. ■