

NORTH CAROLINA LOTTERY COMMISSION

Meeting Minutes

Members in Attendance: Dr. Charles Sanders, chair
Robert Appleton
Secretary Bryan Beatty
Linda Carlisle
Robert Farris
John McArthur
Gordon Myers
James Woodward

Meeting was Held:
*November 9 at 8:30am, Embassy Suites, 201 Harrison Oaks Blvd.,
Cary, NC.*

I. Introduction and Opening

- Dr. Sanders called the meeting to order and welcomed Jim Woodward, Chancellor Emeritus, UNC Charlotte, to the commission. Dr. Sanders confirmed Mr. Geddings resignation from the board and reiterated the commission's desire to remain transparent and to get the lottery into place as quickly as possible. He addressed the issue of confidentiality of the candidates to be interviewed. He noted that the commission will be adjourning to closed session at another location to conduct the interviews. Dr. Sanders indicated that the interviews should take most of the day and that the commission will reconvene in open session at the conclusion.

II. Approval of Minutes

- Mr. Farris moved to approve the minutes. Sec. Beatty seconded the motion. The minutes were approved.

III. Basnight Letter

- Dr. Sanders presented the letter from Sen. Marc Basnight. He said that Sen. Basnight is seeking the same code of ethics for vendors that the commission has adopted. He deferred to Mr. Farris who commented that the ethics code could be incorporated into the RFPs. The second item addressed in the letter was a request that any retailer that has video poker in their establishment be banned from selling lottery tickets. Dr. Sanders asked Ms. Carlisle to comment. She stated that video poker in North Carolina has been marked by controversy and legal action. Ms. Carlisle recognized the fact that all one hundred sheriffs in North Carolina support a ban on video poker.

She believes that any relationship between video poker and the lottery will be detrimental to insuring the integrity of the lottery. Ms. Carlisle proposed banning any retailer with video poker from the lottery. Sec. Beatty stated that law enforcement in general supports the ban of video poker. He stated that the ban is the right move to make. Mr. Woodward indicated that he is in general agreement with the prohibition, but asked for information about the legal basis for the Commission making such a decision. Mr. Farris warned of politicizing the lottery. Mr. McArthur suggested that any prohibition should be in the statutes so that the enforcement and penalties are clear. However, he indicated that time is of the essence and that he could support the measure. Ms. Carlisle noted that the commission does have the authority to establish the standards and guidelines for the retailers. A discussion followed concerning which types of establishments would be banned from selling lottery tickets. Ms. Carlisle mentioned that decisions concerning restrictive standards on retailers should be a decision that the executive director participates in; however, she considers video poker to be outside the standard retailer requirements. Dr. Sanders suggested that they hold the motion until the next meeting to obtain legal advice.

- At 9:00 a.m. Dr. Sanders moved that the commission move into closed session pursuant to N.C.G.S. 143-318.11 (6). Sec. Beatty seconded.
- The commission moved to the Cape Fear Room, Embassy Suites, to conduct confidential interviews.

9:00 a.m.- 5:00 p.m. Commission remained in Closed Session

- At 5:00 p.m. Dr. Sanders moved that the commission return to open session. Mr. Woodward seconded. The commission reconvened in open session. There was no new business. Dr. Sanders indicated that he was selected as the official spokesperson and made himself available for questions.

The meeting was adjourned.