

MINUTES
KANSAS LOTTERY COMMISSION
Wednesday, April 18, 2007
11:15 a.m.
128 North Kansas Avenue
Topeka, Kansas 66603-3638

Call to Order

The regular monthly meeting of the Kansas Lottery Commission was called to order on Wednesday, April 18, 2007, at approximately 11:25 a.m. by Chairperson Harold Nye. The meeting was conducted via telephone conference with the Commissioners and was open to the public at Lottery headquarters, 128 North Kansas Avenue, Topeka, Kansas. Security Director Gary Herman determined compliance with the *Open Meetings Law*. Minutes were recorded by Executive Secretary Mary Metzler.

Attendance

Commissioners Present	Commissioners Absent
Harold Nye, <i>Chairperson</i> - Hays	
	Jeanine McKenna - Reading
	Michael Gayoso, Jr. - Pittsburg
Joni Franklin - Wichita	
Robert Van Cleave - Overland Park	

Staff: Keith Kocher, Assistant Attorney General
Sally Lunsford, Communications Liaison
Dave Mackey, Director of IT
Steve Crabtree, Information Systems Manager
Mary Metzler, Executive Secretary

Visitors: Bob Heptig, GTECH
Rick Alm, *Kansas City Star*

Introduction of Attendees

Assistant Attorney General Keith Kocher introduced Bob Heptig from GTECH as well as Rick Alm of the *Kansas City Star*. Mr. Alm was attending via phone conference. All other attendees were staff members known to the Commission.

Approval of Minutes

The minutes of the regular meeting conducted on March 14, 2007, were presented to the Commission in the online agenda packets which were emailed to the Commission prior to the meeting. There were no additions or corrections to the minutes as presented. **Commissioner Franklin moved to approve the minutes as presented; Commissioner Van Cleave seconded;** motion approved unanimously.

New Business:

(1) RULES Assistant Attorney General Keith Kocher

Assistant Attorney General Keith Kocher presented a written summary of the rules prior to the meeting, a copy of which is filed with the official minutes. He also presented the rules to the Commission for approval as follows:

New Instant Game Rules

- Specific Instant Game Rules* Article 4**
K.A.R. 111-4-2558 “High Roller” - Game No. 680
K.A.R. 111-4-2559 “Treasure Chest” - Game No. 681
K.A.R. 111-4-2560 “Double Wild 7s” - Game No. 682
K.A.R. 111-4-2561 “3 Cheers” - Game No. 683

New Instant Pull Tab Game Rules

- Specific Pull Tab Game Rules* Article 9**
K.A.R. 111-9-146 “Cash Carnival” - Game 674
K.A.R. 111-9-147 “Dino Bucks” - Game No. 675
K.A.R. 111-9-148 “Cash Express” - Game No. 676
K.A.R. 111-9-149 “Har-Money” - Game No. 677
K.A.R. 111-9-150 “Tropicash” - Game No. 678
K.A.R. 111-9-151 “Raise The Stakes” - Game No. 679

New Drawing Rules

- Specific Instant Game Rules* Article 4**
K.A.R. 111-4-2562/2566 “Open Season Drawing”

Specific Online Game Rules **Article 7**
K.A.R. 111-7-218/222 “Get an Edge Drawing”

Amended Rules

Specific Online Game Rules **Article 7**
Kansas Hold ‘Em:
K.A.R. 111-7-197 “Description of Game”
K.A.R. 111-7-198 “Expected Number and Value of Prizes, and Odds of Winning”

Commissioner Franklin informed the group that she was able to see the Kansas Hold ‘Em game while she accompanied the Director’s Club tour group. There was no other discussion. Chairman Nye called for a motion to approve the rules. **Commissioner Franklin moved to approve the rules as promulgated by Assistant Attorney General Kocher. Commissioner Van Cleave seconded; motion carried unanimously.**

(2) DIRECTOR’S REPORT Keith Kocher (for Executive Director Ed Van Petten)

Assistant Attorney General Kocher reminded the Commission that Executive Director Van Petten was unable to attend the meeting due to a scheduling conflict. Mr. Van Petten, current chairman of the Multi-State Lottery Association’s Powerball Group, was attending a Powerball meeting.

- (1) Sales. Mr. Kocher reported that sales were 1.59% ahead of last year. He pointed out that Powerball was down by approximately 31%.
- (2) Legislature. Mr. Kocher said that he and Finance Director Carolyn Brock attended a House budget subcommittee meeting earlier in the week where eight vehicles were recommended for the Lottery.
- (3) Expanded Gaming. Mr. Kocher informed the group that Senate Bill 66 was signed last week by Governor Sebelius and would be effective upon publication in the *Kansas Register*. He said that the publication was expected to occur on April 19, 2007, which would start the time period of 30 days as set forth in the Expanded Gaming Act as the time line for the Lottery to publish application procedures. Mr. Kocher informed the Commission that a constitutional challenge to the Expanded Gaming Act was expected. As such, Governor Sebelius had asked the Attorney General to file suit regarding the constitutionality of SB 66.

Mr. Kocher informed the Commission that at least one, and probably two special Commission meetings would need to be conducted in order to achieve the 30 day time line for the Lottery to publish the application procedures. He informed the group that the Executive Secretary would be in contact with them to determine the meeting dates.

- (4) Online RFP. Mr. Kocher reported that four Lottery staff members traveled to Phoenix, Arizona, and Boise, Idaho, to view the online vendor sites of GTECH and Intralott, respectively. He said the committee was ready to present its recommendations.

Announcements

The next regular Commission meeting will be conducted on Wednesday, May 16, 2007, at 11:15 a.m. via conference call. The meeting will be open to the public at Lottery headquarters.

Adjournment

Having no further business, **Chairperson Nye called for a motion to adjourn. Commissioner Franklin moved to adjourn the meeting; Commissioner Van Cleave seconded.** Meeting adjourned at approximately 11:50 a.m.