

MINUTES
KANSAS LOTTERY COMMISSION
Friday, June 22, 2007
1:30 p.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 Friday, June 22, 2007, at 1:30 p.m. by Chairperson Harold Nye. The meeting was conducted at Lottery headquarters, 128 North Kansas Avenue, Topeka, Kansas, and was open to the public. 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: Ed Van Petten, Executive Director
Keith Kocher, Assistant Attorney General
Gary Herman, Director of Security
Dave Mackey, Director of IT
Jim Giordono, Director of Auto Ship
Sally Lunsford, Director of Communications
Colleen O'Neil, Director of Marketing
Steve Crabtree, Telecommunications Manager
Maria Aikman, Corporate Accounts Rep
Mary Metzler, Executive Secretary

Visitors: List of signed-in visitors attached and incorporated by reference to the official minutes.

By Phone:

Matthew Clark, *Pittsburg Morning Sun*

Introduction of Attendees

Executive Director Ed Van Petten introduced the attending guests to the Commission. All other attendees were staff members known to the Commission.

Approval of Minutes

Minutes of two previous meetings were submitted to the Commission in their online agenda packets. Those minutes included the regular meeting conducted on May 16, 2007, and a special meeting on May 31, 2007. There were no additions or corrections to any of the minutes as presented. **Commissioner Franklin moved to approve the minutes as presented; Commissioner McKenna 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. 111-4-2574 "Super Red Hot Crossword" - Game No. 690
- K.A.R. 111-4-2575 "Decades of Dollars" - Game No. 691
- K.A.R. 111-4-2576 "Holiday Treasures" - Game No. 692
- K.A.R. 111-4-2577 "Double Your Luck" - Game No. 694
- K.A.R. 111-4-2578 "Gold Dust" - Game No. 695
- K.A.R. 111-4-2579 "Ducks In A Row" - Game No. 696
- K.A.R. 111-4-2580 "4 Times The Cash" - Game No. 697
- K.A.R. 111-4-2581 "Hot Cash Doubler" - Game No. 385
- K.A.R. 111-4-2582 "Cash In The Box" - Game No. 386
- K.A.R. 111-4-2583 "Gimme 5" - Game No. 387

K.A.R. 111-4-2584 “Hot Numbers” - Game No. 388
K.A.R. 111-4-2585 “Uno Doubler” - Game No. 702

Other New Rules

Specific Instant Game and Drawing Rules **Article 4**
K.A.R. 111-4-2586/2591 “Texas Hold ‘Em Second Chance Drawing (2008)”

Lottery Retailers **Article 2**
K.A.R. 111-2-208 Zarco Instant Ticket Promotion
K.A.R. 111-2-209 Ball’s Price Chopper/Hen House Instant Ticket Promotion

Amended Rules

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

Hearing no questions or comments from the Commissioners, 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) EXPANDED GAMING:

Action and Reports - Sumner County Executive Director Ed Van Petten
Assistant Attorney General Keith Kocher

Sumner County. Executive Director Van Petten reminded the Commission that under the provisions of SB 66, the Kansas Lottery Commission may waive the requirement of an additional election if there was an election administered by the county election officer in accordance with Kansas election law, held after December 31, 2004, and before April 19, 2007, conducted pursuant to the county’s home rule authority, and where a majority of the votes cast and counted was in favor of the proposition(s). Mr. Kocher provided the Commissioners with documents relating to Sumner County in their agenda packets. In addition, the same documents were distributed to all attending persons at the meeting. Those documents pertaining to Sumner County included:

- (a) Waiver request from Sumner County, including affidavit and resolution, and
- (b) Informal Opinion received from the Office of the Attorney General.

Those documents referenced immediately above are attached and incorporated as part of the official minutes.

Assistant Attorney General Kocher informed the Commission that the Sumner County vote was taken December 20, 2005. Sumner County Clerk Shane Shields informed the Commission that the number of votes cast in favor was 4,842, and the votes cast against were 2,838. Mr. Shields added that mail out ballots were used in the election to give all voters the opportunity to cast their ballots and in so doing, the election results exceeded the last presidential election voter turnout in Sumner County.

Commissioner Franklin asked if the Lottery had received information from any citizen or group in Sumner County regarding the waiver request. Executive Director Van Petten said, "None known."

Commissioner Franklin asked that if the county were to conduct an additional election, whether it would be an expense that the county had not anticipated. Sumner County Counselor John Potucek said that no funds had been budgeted for such an election.

Motion.

Commissioner Franklin moved to waive the requirement for an additional election in Sumner County, and that the Kansas Lottery Commission certify the findings presented by Sumner County. Commissioner Van Cleave seconded; motion carried unanimously.

(3) DIRECTOR'S REPORT Executive Director Ed Van Petten

- (1) Sales. Executive Director Van Petten reported that sales were on track for another record year.
- (2) MUSL Presidency. Mr. Van Petten informed the Commission that he had recently attended the Spring Directors' meeting in Annapolis, Maryland, where it was held in conjunction with Powerball meetings. He reported that he had been elected and will serve as president of MUSL for a one year term beginning July 1, 2007.
- (3) Expanded Gaming. Mr. Van Petten reported that rules for expanded gaming will be presented at the July Commission meeting. He said that the application form for Lottery gaming facility managers as well as the RFQ for a central computer system were posted on the Lottery's Web site.

Other Business

Commissioner Franklin asked why sales for the 2by2 game were down. Mr. Van Petten said that sales for this game had a downward trend during the past two years and that the staff was considering some promotions in conjunction with the two other participating states.

Announcements

The Commission discussed the next meeting date which was scheduled for Wednesday, July 18, 2007, at 11:15 a.m. In view of the rules for expanded gaming scheduled for the July meeting, the Commission changed the meeting time to 1:30 p.m. and the meeting will be conducted as an "in person" meeting in Topeka.

Adjournment

Having no further business, **Chairperson Nye called for a motion to adjourn. Commissioner Franklin moved to adjourn the meeting; Commissioner McKenna seconded.** Meeting adjourned at approximately 1:55 p.m.