

MINNESOTA GAMBLING CONTROL BOARD

MEETING MINUTES

April 21, 2025

Chair Janet Lorenzo called the monthly meeting of the Minnesota Gambling Control Board to order on Monday, April 21, 2025, at 10:03 a.m., at the Gambling Control Board Office, 1711 West County Road B, Suite 300S, Roseville, MN 55113.

Members Present: Janet Lorenzo, Jim Nardone, Mike Sundin, Doug Forsman, Bill English, and Al deJesus.

Members Excused: Kate Luthner

Members Absent:

Also Present: Laura Wade, Executive Director; Leah Hedman, Assistant Attorney General; Brett McKeever, Enforcement Manager.

1. Approval of Agenda

Mike Sundin moved to approve the agenda. Doug Forsman seconded the motion; the motion carried.

2. Approval of Minutes

Mike Sundin moved to approve the March 17, 2025, meeting minutes. Doug Forsman seconded the motion; the motion carried.

3. Chair's Comments

Chair Lorenzo noted that it was road construction season and apologized for being a couple of minutes late.

4. Director's Report

- Industry Update
 - Total gross receipts for February 2025 were down 12% over February 2024. Last February's gross receipts were \$409 million. This year's February gross was \$360 million. Paper pull-tab receipts for February totaled \$167.5 million which was identical to last February's total.
 - Total FY25 gross receipts through February were also nearly identical to last year's gross receipts. In FY24, we were at \$3.2 billion at the end of February, and this year, we're again at \$3.2 billion.
 - As far as e-tabs go after the new standards went into effect, March e-tab sales were down 16.38% from March of 24 but they were up 18% since February of 25, which is the first month over month increase in Fy25 since October, and only the 3rd of the year. Once again, we'll see what next month brings, but it does look good to not have another month of the trendline being down.
- Education
 - For education and outreach, we have some speaking engagements coming up this summer. We'll be presenting to the VFW and the Eagles in St. Cloud in June, the MN Clerks and Finance Office Association Rosemount in June, and to the American Legion in July in Willmar.
 - Our GM seminars have been filling up, so just a reminder that if you are wanting to get into the seminar, don't wait.
- Budget
 - We continue to operate under budget with no unexpected costs.
- Legislation
 - Our budget bill was passed out of both our House and Senate Committee, and both have a hearing scheduled this Wednesday in the House Ways and Means and Senate Finance for their next stop. The GCB asked for same-level funding of \$6.3M in each year of the biennia and this is the amount being carried in each of the budget bills. As a reminder, the GCB's budget comes from our licensing and regulatory fees, so we are not usually as impacted when there are concerns with the general fund budget.

- In terms of policy bills, there hasn't been anything passed related to charitable gambling, but we continue to track charity tax relief, lawful purpose language and sports wagering as they affect the charities we regulate. There was a bill introduced related to fund loss reform that had a last-minute push to get into the budget bill but was ultimately not included. This would have changed the requirement that the board would have the organization reimburse a denied fund loss from non-gambling funds and would require the board to report to the organization why the fund loss was denied. There is still potentially time for this to get into a separate policy bill, so we will continue to monitor and work with the legislators and stakeholders if it moves forward.
- And speaking of fund losses, there has been an active group of burglaries recently and they gained access to a bar in Anoka County but could not access the charities safe or remove it from property, so their stellar physical security kept the gambling money safe. So, kudos to them.

5. Committee Reports

None.

6. Public Comment

None.

7. Old Business

- License 02228, Eagan Lions Club, Eagan. Letter RE: denied fund loss. Letter received requesting reconsideration of a denied fund loss.
 - No motion taken by board.

8. TRANSFER OF GAMBLING FUNDS TO ORGANIZATION ACCOUNT

Exhibit A: Doug Forsman moved to approve the requests contained in Exhibit A. Mike Sundin seconded the motion; the motion carried.

Exhibit B: None.

9. PROPERTY AND CAPITAL ASSET EXPENDITURE REQUESTS (LG269)

Exhibit C: Al deJesus moved to approve the requests contained in Exhibit C. Jim Nardone seconded the motion; the motion carried.

Exhibit D: None.

Fire or Other Catastrophe (LG262)

Exhibit E: None.

Exhibit F: None.

Eminent Domain (LG263)

Exhibit G: None.

Exhibit H: None.

10. Exclusively Used for LPE (LG266)

Exhibit I: Doug Forsman moved to approve the requests contained in Exhibit I. Jim Nardone seconded the motion; the motion carried.

Exhibit J: None.

11. CONTRIBUTION OF GAMBLING FUNDS TO ANOTHER LICENSED GAMBLING ORGANIZATION (LG270)

Exhibit K: Al deJesus moved to approve the requests contained in Exhibit K. Jim Nardone seconded the motion; the motion carried.

Exhibit L: None.

12. FUND LOSS REQUESTS (PROFIT CARRYOVER ADJUSTMENT) (LG250)

Exhibit M: Mike Sundin moved to approve the requests contained in Exhibit M. Al deJesus seconded the motion; the motion carried.

Exhibit N: Bill English moved to deny the requests contained in Exhibit N. Doug Forsman seconded the motion; the motion carried.

13. ADA REPLACEMENT BUILDING (LG268)

Exhibit O: None.

Exhibit P: None.

14. LICENSE TERMINATION PLANS (LG204)

Exhibit Q: Mike Sundin moved to approve the requests contained in Exhibit Q. Doug Forsman seconded the motion; the motion carried.

Exhibit R: None.

15. MANUFACTURERS' GAMES

Exhibit S: Doug Forsman moved to approve the requests contained in Exhibit S. Jim Nardone seconded the motion; the motion carried.

Exhibit T: None.

16. APPLICATION FOR A LICENSE

Manufacturer License Renewal/Linked Bingo Game Provider License/Method of Sale or Transfer of Electronic Games to Distributors:

Exhibit U: None.

Exhibit V: None.

Distributor License Renewal/Method of Sale or Transfer of Electronic Games to Organizations:

Exhibit U2: Mike Sundin moved to approve the requests contained in Exhibit U2. Doug Forsman seconded the motion; the motion carried.

Exhibit V2: None.

17. RULE VARIANCE REQUEST

Exhibit W: None.

Exhibit X: None.

18. REQUEST FOR ALTERNATIVE METHOD SELECTING RAFFLE WINNERS

Exhibit Y: None.

Exhibit Z: None.

19. New Business

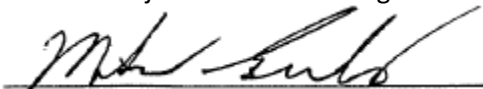
Bill English noted it is unusual that you must wait until a report concludes to ask a relevant question on the topic at hand. English asked if this had always been the case. Chair Lorenzo stated this has been her preference since becoming Chair.

20. Next Meeting Announcement

Chair Lorenzo announced that the next board meeting will be 10 am on Monday, May 19, 2025, at the Gambling Control Board office in Roseville.

21. Adjournment

The Chair adjourned the meeting at 10:25 a.m.

A handwritten signature in black ink, appearing to read "Mike Sundin", is written over a horizontal line.

Mike Sundin, Secretary