

Security and Operations Committee Meeting
New Mexico Lottery Authority
June 06, 2018
MINUTES

Call to Order: S. Baragiola called the meeting to order at 11:00 a.m. and asked for a roll call. Present and constituting a quorum were Sal Baragiola, Aubrey McGowen and Paul Guerin.

Present from NMLA were; Karla Wilkinson, Vince Torrez and David Barden.

Approve Proposed Agenda: S. Baragiola entertained a motion to approve the proposed agenda. P. Guerin moved to approve the agenda as presented; second by A. McGowen. Carried; 3-0.

Public Comment: None.

OPERATIONS Committee Report – S. Baragiola, Committee Chair:

NMLA Rules for Online Games: K. Wilkinson provided an overview on the proposed changes to the NMLA Rules for Online Game. K. Wilkinson reported that the lottery would like to add a new instate online game to its product mix called PICK 4. PICK 4 plays similar to PICK 3. Instead of matching 3 numbers, players will match 4 numbers. This is a \$1.00 game. Players will select four numbers from a set of ten numbers; 0 thru 9. The payout on the game will be 55% with a top prize of \$5,500 with two drawings per day: noon and evening. There are currently 29 lotteries that offer a PICK 4 game. The PICK 4 game is scheduled to launch in the fall of 2018. The lottery projects sales for this game to be approximately \$1.8 Million.

P. Guerin asked to see a sample of the ticket. K. Wilkinson provided a mock-up of the logo and advised that once the Board approves the new game, the lottery will move forward with production. The lottery anticipates that this will be a strong game and players currently playing PICK 3 will begin to play PICK 4.

S. Baragiola entertained a motion made a motion to approve the changes to the NMLA Rules for Online Games. P. Guerin made a motion to approve and add PICK 4 to the NMLA Rules for Online Game product mix; second by A. McGowen. Carried; 3-0.

Code of Conduct Policy: V. Torrez reported that the Code of Conduct Policy is being revised with a few changes. The purpose for these changes is to comply with the Lottery Act and the Power Ball and Mega Million Game Rules. The changes are:

1. Page 5 of 6: Conduct of Board Members and Employees, section f "or person(s)" was added after spouse. Also added to the end of this section "The Mega Millions game may not be purchased in any lottery jurisdiction."

A new section "g" was added which states "Employees who have person(s) residing in their household must provide to the Security Division that person's identifying information as may be required."

2. Page 5 of 6: Conduct of Contractors and Retailers, section f "or person(s)" was added after spouse. Also added to the end of this section "The Mega Millions game may not be purchased in any lottery jurisdiction."

A new section "g" was added which states "Contractors who have person(s) residing in their household must provide to the Security Division that person's identifying information as may be required."

V. Torrez reported that the MUSL and Mega Million group are two different organizations that govern the rules for Powerball and Mega Millions in all lottery jurisdictions. The committee discussed the changes and have recommended additional changes. The committee recommends that after the wording "as may be required" insert under the NM Lottery Act. This language is for compliance with the lottery act. Also on page 3 under "General Use and Applicability" the committee recommends deleting "former employees and board members" from the first line. These changes would not affect the statute regarding former employee or former board member.

A. McGowen made a motion to accept the changes as presented and discussed to the Code of Conduct Policy; second by S. Baragiola. Carried; 3-0.

Other – None.

ADJOURNMENT: S. Baragiola moved to adjourn the meeting; second by P. Guerin. Carried; 3-0. The meeting adjourned at 11:35 a.m.



Sal Baragiola, Committee Chair

Date 8.22.18