

1 CHAIRPERSON JAMES: Mr. Finnegan?

2 MR. FINNEGAN: I'll attempt to be brief. Madam  
3 Chairman, members of the Commission, I appreciate having this  
4 opportunity to address you this afternoon.

5 My name is Patrick Finnegan. I currently serve as the  
6 President of the North American Gaming Regulators Association, or  
7 NAGRA. In the overall gaming picture, we are a small  
8 organization, having about 120 member jurisdictions.

9 The North American Gaming Regulators Association is  
10 comprised of federal, state, provincial, tribal, and local  
11 government agencies that are charged with responsibility for the  
12 regulation of legalized gaming activities.

13 We currently do not have members from New Jersey or  
14 Nevada. Membership includes such agencies as the state offices  
15 of the attorney general, state departments of revenue, -- I, for  
16 example, work as an attorney in the Minnesota Revenue Department  
17 -- state and local law enforcement agencies, state lotteries,  
18 state and tribal commissions, the Internal Revenue Service, and  
19 various Canadian provincial gaming agencies.

20 NAGRA provides a forum for regulators to discuss  
21 problems, exchange information, review proposed legislation, and  
22 basically learn from the experiences of other jurisdictions.

23 To put it simply, NAGRA is an association of government  
24 gaming regulators who have the responsibility for regulating a  
25 variety of different types of gaming activities.

26 The primary recommendation of our gaming regulators is  
27 that if there are to be legal forms of gaming, a strong

1 regulatory presence is necessary. As regulators, we may be asked  
2 to provide input, but we're generally not the policy-makers or  
3 the legislative decision-making as regulators would carry out and  
4 enforce the statutes and the decisions of the policy-makers.

5 Our recommendations regarding the issue of the  
6 regulation of gambling activities are, therefore, somewhat  
7 general in nature. As far as regulation, we believe that  
8 comprehensive regulation is needed to ensure the integrity of  
9 gaming.

10 Fairness. Regulation should ensure that the gaming  
11 activity is conducted in a fair and honest manner and that each  
12 player has an equal opportunity to win.

13 Resources. All necessary resources must be available  
14 for jurisdictions to provide regulators with the requisite tools  
15 to protect the integrity of the games.

16 Criminal penalties. To assure the public confidence is  
17 maintained in the integrity of gaming, strong criminal penalties  
18 are needed in relation to violations of legalized gambling laws.

19 Investigations and prosecutions. Effective regulation  
20 requires the ability of jurisdictions to conduct investigations  
21 and to prosecute all individuals and entities responsible for  
22 criminal violations of gaming laws.

23 Charitable gaming. Regulations should ensure that the  
24 public interest is protected and that funds are used for  
25 legitimate charitable purposes.

1           Information sharing. There is a need for increased  
2 information sharing between the various jurisdictions regarding  
3 licensing, inspecting, and criminal investigations.

4           Internal controls. Effective regulation of all forms  
5 of gaming requires the implementation of internal controls,  
6 including administrative and accounting controls, which can be  
7 audited by regulators to ensure accountability over all gaming  
8 revenue.

9           Resources and training. Regulators need the resources,  
10 training, and education to keep abreast of the rapidly changing  
11 gaming technology to ensure compliance with federal and state  
12 laws, state tribal compacts, and administrative rules.

13           Problem gambling. Emphasis on responsible gambling is  
14 critical. Resources should be available in jurisdictions to  
15 assist the compulsive gambler.

16           Regulators and problem gambling. Regulators need  
17 increased awareness and education regulated to compulsive and  
18 problem gambling and the prevention and treatment programs  
19 available to help individuals with gambling addictions.

20           Madam Chair and members of the Commission, on behalf of  
21 the gaming regulators who are members of the North American  
22 Gaming Regulators Association, I thank you. And I am grateful  
23 for the opportunity to appear before you today.

24           CHAIRPERSON JAMES: Mr. Finnegan, thank you so much.

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