CHAIRPERSON JAMES: Mr. Finnegan?

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

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

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

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

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

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

The primary recommendation of our gaming regulators is that if there are to be legal forms of gaming, a strong
regulatory presence is necessary. As regulators, we may be asked to provide input, but we’re generally not the policy-makers or the legislative decision-making as regulators would carry out and enforce the statutes and the decisions of the policy-makers.

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

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

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

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

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

Charitable gaming. Regulations should ensure that the public interest is protected and that funds are used for legitimate charitable purposes.
Information sharing. There is a need for increased information sharing between the various jurisdictions regarding licensing, inspecting, and criminal investigations.

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

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

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

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

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

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