

BETTING ON POKER

Charities turn to tournaments to ante up their donations, but it's no easy money -- and hurdles are plentiful

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By Chris Kirkham

In the high-stakes game of charity fundraising, nonprofit groups across the state are cashing in on the popularity of poker tournaments to boost donations.

In the past two years alone, the number of charity groups getting permits for casino tournaments has increased more than tenfold, from one or two a year to sometimes twice a month, according to the state Office of Charitable Gaming.

Looking beyond the usual fundraising staples of bingo and bake sales, major nonprofit agencies and local civic groups are hoping to draw hundreds of players and spectators who otherwise might not donate their time and money to charity. The calculation is simple: Set limits

"A lot of these guys just come to play poker; they don't have any idea what the charity is," said Mark Fracalossi, creator of the Small Town Poker Tour, which is putting on a Texas Hold 'Em tournament at the Alario Center in Westwego this weekend for the Krewe of Choctaw in Gretna. "I tell the groups that now we have a captive audience. You've got a five- or six-hour infomercial for your charity."

The payout for nonprofit agencies can be high: The United Way of Acadiana raised \$57,000 at its tournament this year.

But charity groups are wagering more than they might think.

Rules, regulations

Putting on a tournament in Louisiana requires an extensive permit and review process with the state Office of Charitable Gaming. Nonprofit groups have to get approval for the venue, record the proceeds with the state and show they are working with one of two private casino contractors sanctioned to provide the tables, chips and cards.

Laws also limit poker playing to six hours a day to ensure the venues don't turn into temporary casinos.

"Some of them will make money on the Texas Hold 'Em, and some of them won't," said Michael Legendre, director of the state Office of Charitable Gaming. "The game has to be well-advertised. If they don't get the people out there, they're not going to get the money."

Larry Krause learned that firsthand when organizing a tournament for the annual Bridge City Gumbo Festival last fall at Holy Guardian Angel Church. He got the word out through fliers and attracted some outsiders, but he ultimately filled only about half of the 30 poker tables.

They raised about \$7,000, but Krause said \$3,000 was sunk in upfront costs for the casino contractor that brought the tables and equipment. Much of the money came from regulars who donate to the church anyway.

"We did OK, but we didn't knock 'em dead," Krause said. "It was about equal to the pool tournaments we have. We may not do another one because it's too nerve-wracking."

Three-ring circus'

Robert Heindel is feeling the pressure.

As organizer of this weekend's tournament for the Krewe of Choctaw, he has spent months coordinating an advertising campaign, organizing volunteers, and hiring security guards and caterers. He's hoping 1,000 people show up, maybe more.

By state law, even the dealers have to be volunteers. So he has sent people to training classes during the past few months with the casino contractor, Texas Hold 'Em Consultants LLC of Monroe.

"It's like a three-ring circus," Heindel said.

Although the group is expecting the advertising to pay off -- the event is being billed as the largest charity Hold 'Em tournament ever in the New Orleans area -- Heindel doesn't expect it to supplant the krewe's profitable twice-a-week bingo night.

Like most charity tournaments throughout the state, the group will make money through \$60 entry fees and "re-buys," where players who go below their chip minimum can buy back into the game.

As a one-time event, the tournaments can yield a profit. But critics argue that the intersection of gambling and charity can distract from the goals of the nonprofit group. Two local charity tournaments last year, for example, were fundraisers for cancer patients.

"If you have a bunch of gamers giving money to you temporarily and they can get a game somewhere else, they'll go elsewhere," said Daniel Borochoff, president of the American Institute of Philanthropy, a charity watchdog group. "It's more of a short-term solution to a goal."

Less than half of all states allow charities to hold poker tournaments, but legislatures across the country are exploring the measure after pressure from nonprofit agencies that had major Texas Hold 'Em events canceled. Charitable gaming tournaments became legal in California at the beginning of this year, and the Texas Legislature will consider a bill this session.

A bill introduced in the Louisiana Legislature last year by Rep. Warren Triche, D-Thibodaux, would have allowed tournaments in bars and restaurants as long as the owners didn't take part in the proceeds. It failed after opposition from Gov. Kathleen Blanco.

Phenomenon takes off

To get a pulse on the national rise of charity poker, look no further than Annie Van Bebber's FundRaisers.com.

The Web site got its start four years ago with a goal of helping event planners improve fundraising goals. But after hundreds of e-mails poured in about charity poker in 2005, the bulk of her advice now has been geared toward poker.

"I've been fundraising for 35 years, and I've never seen anything blow up like this," Van Bebber said. "The interest in poker by far leads anything else we've talked about on our fundraising site, which tells me it's not going away."

Arguably, the amateur poker players might be the biggest winners from the boom in charity tournaments. An informal network of players frequents the Louisiana tournaments, sometimes logging more than 1,000 miles of travel in a month.

The Krewe of Choctaw tournament this weekend is the latest entry in Joe Spain's twice-a-month circuit. A 50-year poker veteran from Lake Charles, he's no longer attracted to high-dollar payouts. It's mostly the prestige of winning, which he said he does often.

"It's enough to keep me interested," he said after trying to recount the number of first-place finishes he has racked up. "Wherever I find what looks like an interesting tournament, I'll go to it. I don't care if it's overseas or local."

Spain and several other amateur poker enthusiasts follow Saul Hakim to every tournament. He's the owner of Texas Hold 'Em Consultants LLC, one of two licensed casino contractors in the state and one of the other benefactors of the poker craze.

After he and his wife, Raquel, wrap up this tournament Sunday, they'll head to New Jersey in their white, unmarked semi, which usually carries a portion of the 200 tables and 228,000 poker chips they own.

When asked whether he feels conflicted about mixing gambling and charity, Hakim responded quickly.

"How much did you give to charity last week, or even last month?" he asked. "What's the difference? It's going to charity, and you get the satisfaction of knowing that."