

BEFORE THE MISSOURI GAMING COMMISSION

STATE OF MISSOURI

MEETING

December 7, 2011

Missouri Gaming Commission

3417 Knipp Drive

Jefferson City, Missouri

COMMISSIONERS PRESENT:

James L. Mathewson, Chairman

Suzanne Bocell Bradley

Barrett Hatches

Darryl Jones

Jack L. Merritt

REPORTED BY:

Kristy B. Bradshaw, CCR No. 1269

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1 CHAIRMAN MATHEWSON: Okay. We'll call unto
2 order. Would you call the role, Angie, please.

3 MS. FRANKS: Commissioner Merritt?

4 COMMISSIONER MERRITT: Present.

5 MS. FRANKS: Commissioner Hatches?

6 COMMISSIONER HATCHES: Present.

7 MS. FRANKS: Commissioner Jones?

8 COMMISSIONER JONES: Present.

9 MS. FRANKS: Commissioner Bradley?

10 COMMISSIONER BRADLEY: Present.

11 MS. FRANKS: Chairman Mathewson?

12 CHAIRMAN MATHEWSON: Present.

13 Okay. Nice to have everyone here. Nice to
14 have you back, lady.

15 COMMISSIONER BRADLEY: Nice to be back.

16 CHAIRMAN MATHEWSON: We -- this is the
17 first time we've had all five of us here for a little
18 while. Hell, there's no telling how much damage we could
19 do with all of us here at the same time.

20 We're going to -- just so everyone knows, we
21 are going to -- after I make a couple of comments, we're
22 going to vote ourselves into a closed session, but we're
23 not going to be in there very long, just so you know.
24 We're not going to be in there all morning, or whatever.

25 So let me mention something that I was very,

1 very pleased about, and I think everyone who knows him will
2 be; our Executive Director, Roger Stottlemyre, who's a cool
3 guy to start with. You know, I'm very proud to know him.
4 Governor Nixon had him over recently and brought him over
5 to the Capitol.

6 And as he said in his comments out to us,
7 you know, those things always scare him when he's called
8 over to the Governor's Office because he doesn't know
9 what's going to happen. But this was a very positive
10 thing, and the Governor awarded Roger the Silver Star
11 banner, which is probably the highest honor that you can
12 have the governor give you in this state.

13 And it's because of his service in Vietnam,
14 where he was injured, and had malaria, I think. Didn't
15 you, Rog? And he had some health problems that went along
16 with that, and also is still carrying some shrapnel. You
17 know, we just want to thank you, you know, tell you we love
18 you, Roger, not only for what you do here, but because
19 you're just one of those super good human Americans.

20 CHAIRMAN MATHEWSON: Okay. We probably
21 need a motion --

22 COMMISSIONER HATCHES: Mr. Chairman?

23 CHAIRMAN MATHEWSON: Yes.

24 COMMISSIONER HATCHES: I'd like to make a
25 motion for closed meeting under Section 313.847,

1 Investigatory, Proprietary and Application Records and
2 610.021, Section 1 and Section 14.

3 COMMISSIONER MERRITT: Second that.

4 CHAIRMAN MATHEWSON: Call the role, Angie,
5 please.

6 MS. FRANKS: Commissioner Merritt?

7 COMMISSIONER MERRITT: Approve.

8 MS. FRANKS: Commissioner Hatches?

9 COMMISSIONER HATCHES: Approve.

10 MS. FRANKS: Commissioner Jones?

11 COMMISSIONER JONES: Approve.

12 MS. FRANKS: Commissioner Bradley?

13 COMMISSIONER BRADLEY: Approve.

14 MS. FRANKS: Chairman Mathewson?

15 CHAIRMAN MATHEWSON: Approve.

16 (Off the record.)

17 CHAIRMAN MATHEWSON: I guess we ought to
18 vote ourselves back in out here, hadn't we?

19 MS. FRANKS: Yes.

20 CHAIRMAN MATHEWSON: Would you do that,
21 Angie, please?

22 MS. FRANKS: Commissioner Merritt?

23 CHAIRMAN MATHEWSON: We're voting ourselves
24 back in.

25 COMMISSIONER MERRITT: Approve.

1 MS. FRANKS: Commissioner Hatches?
2 COMMISSIONER HATCHES: Approve.
3 MS. FRANKS: Commissioner Jones?
4 COMMISSIONER JONES: Approve.
5 MS. FRANKS: Commissioner Bradley?
6 COMMISSIONER BRADLEY: Approve.
7 MS. FRANKS: Chairman Mathewson?
8 CHAIRMAN MATHEWSON: Approve.
9 Okay. Chair would accept a motion on the
10 minutes from October 26th, and I believe there's only three
11 of us actually can vote on that. Right?
12 MR. STOTTLEMYRE: Yes, sir.
13 CHAIRMAN MATHEWSON: So call the role,
14 please.
15 MS. FRANKS: Mr. Chairman, I need a motion
16 first.
17 CHAIRMAN MATHEWSON: Oh. The Chair would
18 accept a motion on --
19 COMMISSIONER JONES: Move to approve the
20 minutes for October 26, 2011.
21 COMMISSIONER HATCHES: Second.
22 CHAIRMAN MATHEWSON: Now call the role,
23 please.
24 MS. FRANKS: Commissioner Merritt?
25 COMMISSIONER MERRITT: I have to abstain.

1 MS. FRANKS: Commissioner Hatches?
2 COMMISSIONER HATCHES: Approve.
3 MS. FRANKS: Commissioner Jones?
4 COMMISSIONER JONES: Approve.
5 MS. FRANKS: Commissioner Bradley?
6 COMMISSIONER BRADLEY: Abstain because I
7 wasn't here. Thank you.
8 MS. FRANKS: Chairman Mathewson?
9 CHAIRMAN MATHEWSON: Approve.
10 MS. FRANKS: By your vote you've adopted the
11 minutes of the October 26, 2011 Commission meeting.
12 CHAIRMAN MATHEWSON: For you guys that
13 didn't make that meeting, since you get \$100 a month, I'm
14 going to kick in a little bit to you because I know you
15 need it, being in the Christmas spirit.
16 COMMISSIONER MERRITT: Make Christmas a
17 whole lot better.
18 CHAIRMAN MATHEWSON: Yes, of course, it
19 will.
20 Okay. Mr. Director, God love you.
21 MR. STOTTLEMYRE: Item III on the agenda is
22 Consideration of Hearing Officer Recommendations and Mr. Ed
23 Grewach will present.
24 MR. GREWACH: I'd call on Mr. Stark to
25 present.

1 MR. STOTTLEMYRE: I'm sorry. I'm wanting to
2 get Ed up here sooner than he was supposed to.

3 CHAIRMAN MATHEWSON: Yeah. He has to stay
4 in his seat.

5 Good morning, sir.

6 HEARING OFFICER STARK: Good morning,
7 Commissioners. The first case we have is your Item B, in
8 the matter of Christopher Jameson. Mr. Jameson made
9 application to obtain a Level II occupational license on
10 January 2, 2010.

11 The application process requires the
12 complete disclosure of any past criminal activity,
13 including arrests, being detained, being charged, pleading
14 guilty to any criminal offense. Mr. Jameson in his written
15 response on his application did state, Yes, and disclosed
16 that he had the criminal offense of attempt auto theft in
17 Platte County, Missouri in August of 1993. He further
18 stated that the disposition of that particular offense was
19 suspended imposition of sentence with two years probation.

20 In response to the application, the
21 Commission conducted its standard investigation to
22 determine petitioner's suitability for employment in the
23 gaming industry. The Commission's investigator found the
24 court documents relative to that 1993 guilty plea to
25 attempt auto theft. The court documents stated that

1 petitioner appeared in the circuit court of Platte County,
2 Missouri in order to enter a guilty plea to the charge of
3 attempt to commit offense of stealing, a Class D felony.

4 The quote from the court record is that, The
5 Court finds that the defendant's plea of guilty is made
6 voluntarily, intelligently, and with a full understanding
7 of the charge and the consequences of his plea, and of his
8 rights attending a jury trial, and the effect of a plea of
9 guilty to those rights.

10 The Court further finds that there is a
11 factual basis for the plea. The Court therefore accepts
12 the defendant's plea of guilty to the charge of attempt to
13 commit the offense of stealing, a Class D felony, and finds
14 the defendant guilty of the charge beyond a reasonable
15 doubt.

16 The troubling aspect of this case is that
17 Mr. Jameson had previously been licensed by the Gaming
18 Commission, and actually worked in the Gaming Commission
19 from 1996 to 2007, more than 12 years, and all this time
20 was after his guilty plea to a felony.

21 And the history of that is that when he
22 first applied for a gaming license in 1996, he was
23 interviewed on February 27, 1996, by a Commission agent.
24 Mr. Jameson did disclose at that interview that he had a
25 felony stealing charge that was amended to an attempt to

1 steal, upon which he pleaded guilty. But after that
2 interview, in February of 1996, the Gaming Commission, with
3 knowledge of this guilty plea, still issued him a license.

4 In fact, later on, on May 20, 1996, the
5 Executive Director of the Commission issued a letter to the
6 petitioner granting the gaming license, stating, You are
7 hereby found suitable to hold and are hereby granted a
8 Level II occupational license, to hold the position of
9 dealer.

10 Now, that same letter does go on to continue
11 to say that, Your occupational license is also subject to
12 any penalty or to suspension or revocation based upon
13 subsequent investigative findings by the Commission,
14 regarding you or your application.

15 While Mr. Jameson was still licensed in
16 September of 2000, the year 2000, the Commission conducted
17 a license renewal review of Mr. Jameson in order to
18 determine his continued suitability to hold a license. The
19 record shows that the gaming agent, in September of 2000,
20 did discover that the petitioner pled guilty to the court
21 on October 28, 1993, to the charge of attempted stealing, a
22 Class D felony.

23 The record doesn't show any further action
24 other than continuing to have Mr. Jameson licensed, after
25 that review of September 2, 2000. His license was renewed.

1 And in the year 2007, Mr. Jameson left
2 employment with the gaming industry to start his own
3 business and allowed his license to lapse. So the most
4 recent application here on February 22 of 2010, where a
5 temporary license was issued, and the license actually
6 said, Temporary, on it. But, again, Mr. Jameson was able
7 to renew his license in February of 2011, and the word
8 "temporary" no longer showed up on his license that was
9 issued earlier this year.

10 Well, the court records clearly show that
11 Mr. Jameson knowingly pled guilty to facts that constituted
12 a Class D felony. The law mandates to the Commission that
13 anyone pleading guilty or being convicted of a felony
14 cannot be licensed; it's mandatory language. And that's
15 the reason for the proposed disposition of his application
16 now, is to deny him a license.

17 Mr. Jameson makes some pretty good arguments
18 at the hearing that we conducted in October. His first
19 argument was that he was not pleading to a conviction, but
20 rather since he knew that the result would be a suspended
21 imposition of sentence with two years probation, and that
22 he would not have a conviction, that, in fact, he was only
23 pleading to a charge of a criminal offense, not to a
24 conviction.

25 However, in reading the statute, when the

1 statute speaks of pleading guilty to a felony, the word
2 felony is without any type of modification. So it's not
3 pleading guilty to a charge or to a conviction, but rather
4 to a felony. So the distinction that Mr. Jameson is trying
5 to make, I did not find in the statute.

6 Next, Mr. Jameson argues that the statute
7 only applies to a person who does not hold a license. The
8 statute says, A license shall not be granted, with the
9 implication that a person is merely applying without a
10 license. And the argument goes is that since Mr. Jameson
11 already had a license way back, since 1996, he is merely,
12 in effect, renewing it, and he's already been granted a
13 license. And this statute about, A license shall not be
14 granted, doesn't apply to his situation.

15 However, I did not accept that argument in
16 that I think it's clear in the regulations that the
17 Commission has promulgated that the Commission does have
18 authority to preclude any individual with any criminal
19 history from gaining or even maintaining a license. So
20 even after you grant a license, authority still exists for
21 you, the Commission, to review that grant of license and
22 even attempt to discipline and revoke for any felony or
23 pleading guilty to a felony.

24 In this particular case, Mr. Jameson is
25 actually applying for a new license. He allowed his

1 license to expire, so we're really back in the position,
2 the Commission is, of the ability to grant or refuse to
3 grant a license. So I did not accept that argument.

4 Another basis that Mr. Jameson presented was
5 that since he had been licensed before, it would be clearly
6 unfair to now deny him a license in that he fully disclosed
7 his record, the Gaming Commission agents -- and more than
8 just one agent, several times -- were aware of his past
9 history and still continued to license him. So this
10 Doctrine of Estoppel, if you will, is the argument.

11 In looking at case law, it's very difficult
12 to rely upon Estoppel against the government, in effect.
13 And the case law speaks of balancing the needs of the
14 government to discharge its duties and to exercise its
15 police power. There is -- could be exceptional
16 circumstances of adverse consequences against an individual
17 when the government asserts its police power and its duties
18 to regulate.

19 But in this case the gaming industry is very
20 strictly regulated. And even when the regulator commits
21 mistakes, the public still expects that strict regulation
22 and remedial action. In reading the statutes and the
23 regulations, it's clear that the public policy of Missouri
24 is that persons who have pled guilty to a felony cannot be
25 employed in the gaming industry.

1 Now, petitioner -- or the licensee,
2 Mr. Jameson, has maintained an active license in the past,
3 but -- and he may have a reasonable expectation to continue
4 to have an active license, but in balancing the need to
5 regulate the authority of the Commission, my conclusion was
6 that the argument of Estoppel, having granted a license
7 before, should not serve as a basis to continue to license
8 Mr. Jameson.

9 So the other argument that Mr. Jameson used
10 the fact that his present license no longer has the term
11 "temporary" stamped on it. And my conclusion was that when
12 he was interviewed he did sign the disposition of
13 occupational gaming license knowing that action was pending
14 to deny him a license.

15 He requested a hearing, relative to the
16 denial of his license, and that he should've known that his
17 present licensing status was temporary. And, again, all
18 licensees are subject at any time to discipline anyway,
19 whether the license says temporary or is considered a
20 permanent license.

21 So my conclusion is that the Commission's
22 proposed disposition to deny licensure on February 16,
23 2010, should be affirmed as appropriate under law.

24 CHAIRMAN MATHEWSON: Any questions of Mr.
25 Stark?

1 COMMISSIONER JONES: I have a question.

2 CHAIRMAN MATHEWSON: Sure.

3 COMMISSIONER JONES: Mr. Stark, so had he
4 not had that temporary lapse in employment, he would still
5 have his license?

6 HEARING OFFICER STARK: Well, he would still
7 be subject to review, so I suppose the next Commission's
8 agent may have brought it to the attention to disciplinary
9 committee, but, yeah, he would've continued until somebody
10 brought it up again. Though there were past opportunities
11 that the Commission didn't catch and --

12 COMMISSIONER JONES: And the same regs
13 existed in '96 as they do today with no modification, as
14 far as the felony.

15 HEARING OFFICER STARK: Well, that's a
16 statute, so that statute's been on the books.

17 COMMISSIONER JONES: Yeah. Since the
18 beginning.

19 HEARING OFFICER STARK: Yeah.

20 COMMISSIONER JONES: There's no
21 modification.

22 HEARING OFFICER STARK: No. No. Same
23 statute.

24 CHAIRMAN MATHEWSON: Anything else?

25 COMMISSIONER JONES: No.

1 CHAIRMAN MATHEWSON: Okay. Thank you,
2 Commissioner. Is Mr. Jameson here?

3 MR. JAMESON: Yes, sir.

4 CHAIRMAN MATHEWSON: Would you like to say
5 something?

6 MR. JAMESON: Please.

7 CHAIRMAN MATHEWSON: Would you come up to
8 this microphone right here, sir, please. Take your pick.
9 You're welcome to use either one of them. Good morning,
10 sir.

11 MR. JAMESON: Good morning. As Mr. Stark
12 said, I've been employed since -- he said '96. It was
13 actually February of '95. At that time I disclosed the
14 facts in this case to the officer on duty. He asked me if
15 I would go to Platte County and get a copy of those
16 records. I, in turn, did so.

17 The following year when I applied for a
18 license the same thing applied. The officer asked if I
19 would go get a copy of those records. For whatever reason
20 they could not find them. I did so. In September of 2000,
21 the officer asked me once again if I would get copies of
22 those records. I did so.

23 They have known each and every time I have
24 applied for a license. They review you each and every
25 year. I have never once hid the fact of those charges in

1 Platte County. Even this time when I applied in
2 February -- or excuse me -- January of 2010, I disclosed
3 that to the gaming officer.

4 As Mr. Stark said, in '96, May of '96, the
5 Gaming Commission issued a letter stating that I had been
6 found suitable to hold a license in the state of Missouri.
7 No facts have changed since that date, since that letter
8 was issued. I don't understand how now they can go back
9 and say there's relative facts. The facts were there at
10 the time the letter was issued.

11 CHAIRMAN MATHEWSON: Questions of Mister --
12 were you finished on your comment?

13 MR. JAMESON: Yes, sir.

14 CHAIRMAN MATHEWSON: Questions of the
15 Commission to Mr. Jameson? Yeah. I'm sitting here
16 saying --

17 MR. JAMESON: You understand my frustration
18 though?

19 CHAIRMAN MATHEWSON: Yes, sir. Absolutely.
20 Yeah. And I think anyone would. I think what I want you
21 to do, please, is try to understand ours.

22 MR. JAMESON: I completely understand your
23 position.

24 CHAIRMAN MATHEWSON: You know, we -- we are
25 now caught in a situation where for whatever reason that we

1 don't know because none of us were on the Commission back
2 then, somehow that happened. Okay? And those different
3 events, as pointed out by Mr. Stark and by you,
4 Mr. Jameson.

5 Now we're caught in a situation where on a
6 renewal application, it was caught. Okay? And the hearing
7 was conducted. I hope you would agree it was a fair
8 hearing and you had an opportunity to --

9 MR. JAMESON: Absolutely.

10 CHAIRMAN MATHEWSON: -- express everything
11 that you believed to be correct, and you probably were.
12 Now we find ourselves in a situation where our staff that
13 we have to trust --

14 MR. JAMESON: Right.

15 CHAIRMAN MATHEWSON: -- has come before us
16 with a presentation on not allowing that.

17 MR. JAMESON: Right.

18 CHAIRMAN MATHEWSON: Now, so we are now in
19 a situation where do we want to support what happened by a
20 previous Commission or do we want to look at what the law
21 is, that's not changed, but it is presented to us now in
22 not approving your application.

23 MR. JAMESON: Right.

24 CHAIRMAN MATHEWSON: Okay.

25 MR. JAMESON: I've had review each and every

1 year since 1995. For whatever reason -- I don't know if
2 somebody was not doing their job properly or they just
3 overlooked it or whatever the case may be, but they had the
4 opportunity each and every year since 1995 to say something
5 in regards to the conviction in '93.

6 CHAIRMAN MATHEWSON: So presently you're
7 not working in a casino.

8 MR. JAMESON: That is incorrect.

9 CHAIRMAN MATHEWSON: You are?

10 MR. JAMESON: Yes, sir.

11 CHAIRMAN MATHEWSON: You're working today?

12 MR. JAMESON: Not today. I'm scheduled to
13 work Saturday.

14 CHAIRMAN MATHEWSON: No. I meant -- I
15 mean, this year you're working.

16 MR. JAMESON: Yes, sir. I worked Sunday.

17 CHAIRMAN MATHEWSON: Yeah. Yeah. I could
18 tell you weren't working today. Bless your heart. I'm
19 kind of kidding with you too --

20 MR. JAMESON: I understand.

21 CHAIRMAN MATHEWSON: -- lighten it up a
22 little bit.

23 MR. JAMESON: I understand.

24 CHAIRMAN MATHEWSON: Okay? Yeah. Well, we
25 have us a little situation here, don't we? Jack?

1 COMMISSIONER MERRITT: This is --

2 MR. JAMESON: As a matter of fact, like I

3 said, I worked Saturday and Sunday.

4 CHAIRMAN MATHEWSON: Okay.

5 COMMISSIONER MERRITT: This is right up

6 close to real confused goat roping.

7 CHAIRMAN MATHEWSON: Yes, it is. Yes, it

8 certainly is.

9 COMMISSIONER MERRITT: Did the same agent do

10 these backgrounds? Is there anybody that knows that?

11 MR. JAMESON: No, sir.

12 COMMISSIONER MERRITT: Separate agent every

13 time?

14 MR. JAMESON: Yes, sir.

15 MR. GREWACH: If I could address the

16 Commission too, your Honor?

17 CHAIRMAN MATHEWSON: Okay. Thank you for

18 your Honor. I always wanted somebody --

19 MR. GREWACH: One judge at least on the

20 panel, so I have to --

21 CHAIRMAN MATHEWSON: Thank you.

22 MR. GREWACH: It is the Staff's position to

23 agree with the Hearing Officer's recommendation. You know,

24 for all that happened before, I think it's just clear to us

25 that the licensing that happened before was in violation of

1 the statute. So it's impossible for us as a staff to look
2 at this new application now and say, Yes, go ahead and
3 violate the statute again. You know, whatever happened in
4 the past happened.

5 And this application is prohibited -- this
6 license is prohibited by the statute and we would ask the
7 Commission to uphold the Hearing Officer's recommendation.

8 COMMISSIONER HATCHES: Mr. Chairman, just --
9 you know, we're not being asked here to go back to all
10 those previous years and make any decision or any rulings
11 based on what happened or what did not happen then.
12 Understanding from the file and the Staff recommendations
13 that there obviously were several oversights in the past.
14 And we were not here. There's nothing -- we're not charged
15 with the responsibility of going back and looking at that
16 today.

17 What we're looking at today -- I just want
18 to be clear. What we're looking at today is an application
19 for licensing today that according to statutes very clearly
20 says as a Commission we cannot uphold. It has nothing to
21 do with what happened in the past.

22 MR. GREWACH: That's correct. That's
23 correct. That's the Staff's position.

24 COMMISSIONER HATCHES: We're not ruling
25 on -- okay.

1 CHAIRMAN MATHEWSON: I think that's a good
2 point, Barrett, I think, because -- yes. I mean, I agree
3 with exactly what you said because it -- from our position
4 here, it would seem to me today this is like a brand new
5 hire, that a person had never worked in a casino before,
6 and they are now applying to work in a casino, and we're
7 reviewing the information that is before us as it relates
8 to that.

9 You have something to say.

10 COMMISSIONER BRADLEY: Yes.

11 CHAIRMAN MATHEWSON: Please.

12 COMMISSIONER BRADLEY: I do. And I hope --
13 Mr. Jameson, I hope you understand, as we have struggled
14 with this. I personally have struggled with this. I was a
15 municipal judge for over 20 years, so I understand your
16 frustration and the issues.

17 And I have -- and I have to follow -- as a
18 Commissioner, we must follow the law, must follow the
19 statute. I understand the SIS. I understand your position
20 of -- that you thought by your plea, by your agreement,
21 that with the suspended imposition of sentence that this
22 would not -- you know, I'm not putting words in your mouth,
23 but I've read the transcript and everything that went on.
24 You know, I don't -- you know, I know you thought, Hey, I
25 was open, and obviously an SIS is different than an actual

1 pleading guilty to a felony. I know that you feel that
2 there's a major difference there.

3 And unfortunately, the law, as we read the
4 statute and we are bound to be -- to strictly read it and
5 to apply it. And it clearly says, If you've ever pled
6 guilty. You know, I'm sure you probably know it by memory
7 here, but, If you've ever pled guilty to or have been
8 convicted of a felony. Pled guilty to a felony are the key
9 words.

10 We don't have any discretion. I wish we
11 did. I wish we did. But I hope you understand that. It
12 sounds like you've been a -- were a great worker for many,
13 many years, but in this request for renewal, I just -- you
14 need to understand where we sit.

15 MR. JAMESON: I do understand.

16 COMMISSIONER BRADLEY: Sometimes we have to
17 make decisions --

18 MR. JAMESON: I do.

19 Commissioner Bradley: -- that we don't
20 like. Okay.

21 CHAIRMAN MATHEWSON: Anyone else have a
22 comment or question? Mr. Jameson, do you have anything
23 else to say to us, sir?

24 MR. JAMESON: The law --

25 CHAIRMAN MATHEWSON: Why don't you move

1 over here so we can hear you and we're recording this, so
2 we --

3 MR. JAMESON: The law always evolves. It's
4 not the same today as it was yesterday. It is an evolving
5 process, is it not?

6 CHAIRMAN MATHEWSON: Sorry. Say it again,
7 please.

8 MR. JAMESON: The law is an evolving
9 process. It changes from day to day.

10 CHAIRMAN MATHEWSON: Not on --

11 COMMISSIONER MERRITT: This law hasn't
12 changed.

13 CHAIRMAN MATHEWSON: This one hasn't
14 changed.

15 MR. JAMESON: I understand that. Since '94?

16 CHAIRMAN MATHEWSON: Oh, I don't know when
17 the last time was, to be honest with you. But let me say
18 this: This -- there is -- I've only been on here now for
19 about two and a half years. Okay? Yeah. About two and a
20 half years. I can tell you that there is not a meeting
21 that we've held where we don't run into this SIS problem.

22 It just happens every meeting, where
23 someone, a person like you, Mr. Jameson, was told by an
24 attorney or you were led to believe or whatever, that that
25 waived the problem when you had an SIS. And the bottom

1 line, as this good lawyer pointed out, it really doesn't,
2 you know. And so consequently, in the two and a half years
3 that I've had the opportunity to serve as Chair, we have
4 had to go this way every time, even though there is just --
5 it is frustrating as heck to us. And, you know, all I can
6 do is tell you, sir, we have to go by what the law says.

7 MR. JAMESON: Yeah. And as Mr. Jones said,
8 had the license never expired --

9 CHAIRMAN MATHEWSON: Yeah. You'd still be
10 there. Yeah. That's a fact. The problem is --

11 MR. JAMESON: So when a license came up for
12 renewal each year, would this not have been covered then?
13 Would I not be here? If not today --

14 COMMISSIONER MERRITT: It should've been.

15 COMMISSIONER BRADLEY: Well, but that also
16 could've made some legal issues. It might have been a
17 revocation. And this is new; this would be a denial.
18 Right?

19 COMMISSIONER MERRITT: Uh-huh.

20 MR. GREWACH: Yes. I think --

21 COMMISSIONER BRADLEY: Right. Right. This
22 would be -- this is -- this -- on the recommendation in
23 front of us is that this be a denial. This is not a
24 revocation. So I suppose what we could say is, if the law
25 changes, somebody gets in there and changes that statute

1 and that is changed and the law is different for us to
2 follow, then you could reapply, if, in fact, that were to
3 be changed so -- you know, to -- to change the situation.

4 MR. JAMESON: Okay.

5 COMMISSIONER BRADLEY: Okay?

6 MR. JAMESON: They said that this was a new
7 license. Correct? And with a new license, you would get a
8 new number. Correct?

9 COMMISSIONER BRADLEY: A what?

10 MR. JAMESON: A new gaming number? Each
11 applicant is given a number of his or her license.

12 CHAIRMAN MATHEWSON: I'm going to be honest
13 with you, I'm going to refer to somebody. Is that right?
14 I never applied for a gaming license, so I don't know.

15 MR. GREWACH: I don't know the mechanics of
16 that. Mr. Greeno may give an answer to that, but I'm not
17 sure it would have any bearing, the number, on his
18 eligibility under the statute.

19 MR. JAMESON: It was just a relicense. I
20 was given the exact same number in 2010 as I was given in
21 1995, so they did not open a brand new case. It's not --
22 it's just a renewal. I have the same number: 10344.

23 CHAIRMAN MATHEWSON: Do you understand the
24 question, Clarence?

25 MR. GREENO: Yes, I do.

1 CHAIRMAN MATHEWSON: I'll be honest with
2 you. I don't. I --

3 MR. GREENO: Mr. Chairman, if I may, when a
4 person initially applies, okay, they are given an applicant
5 number. They are given a file. Okay? And that file
6 number -- and if they've ever been issued a license, that
7 license number will stay with them in perpetuity. Okay?
8 Even though it may expire, lapse, and then when they come
9 back and are processed, if they are found suitable, they
10 are given that same license number. Or if they are issued
11 a temporary license, it will be that same license number.

12 COMMISSIONER BRADLEY: So it just identifies
13 the person, the applicant.

14 MR. GREENO: Yes, ma'am.

15 COMMISSIONER BRADLEY: Okay.

16 CHAIRMAN MATHEWSON: Does that answer what
17 you asked, Mr. Jameson?

18 MR. JAMESON: Yes and no.

19 CHAIRMAN MATHEWSON: Okay.

20 MR. JAMESON: In '95 -- or excuse me, '96, I
21 was given a permanent license because I was found suitable
22 to hold a license. No facts have changed since that date.
23 I should still be found suitable to hold a license in
24 2011 -- or 2010. No facts have changed. As it relates to
25 that letter, they did not open a new file.

1 COMMISSIONER BRADLEY: I understand what
2 you're saying, but as Commissioner Hatches also said, the
3 past is not what is before us now. It doesn't matter what
4 happened before. It's what the application is before us
5 today. We are -- by law, we must follow the law, and we
6 are mandated to follow the law the way it is.

7 So it doesn't matter -- I understand what
8 your argument is. And I read the full transcript. I read
9 all -- you know, we all did. I've heard what's gone on
10 and, you know, we've listened to the recommendations. But,
11 you know, we've already heard that argument. And I
12 understand your frustration, but --

13 MR. JAMESON: Right. And it's the exact
14 same license though, exact same file. They did not have to
15 open another file.

16 CHAIRMAN MATHEWSON: Okay. Any other
17 questions for Mr. Jameson?

18 (No response.)

19 CHAIRMAN MATHEWSON: Thank you for being
20 here.

21 COMMISSIONER BRADLEY: Thank you.

22 MR. JAMESON: Thank you very much.

23 CHAIRMAN MATHEWSON: Thank you, sir.

24 COMMISSIONER MERRITT: With Commissioner
25 Bradley and Hatches' comments there, I would move to

1 approve Resolution No. 11-076.

2 COMMISSIONER HATCHES: Second.

3 CHAIRMAN MATHEWSON: Call the role, Angie,
4 please.

5 MS. FRANKS: Commissioner Merritt?

6 COMMISSIONER MERRITT: Approve.

7 MS. FRANKS: Commissioner Hatches?

8 COMMISSIONER HATCHES: Approve.

9 MS. FRANKS: Commissioner Jones?

10 COMMISSIONER JONES: Approve.

11 MS. FRANKS: Commissioner Bradley?

12 COMMISSIONER BRADLEY: Approve.

13 MS. FRANKS: Chairman Mathewson?

14 CHAIRMAN MATHEWSON: Approve.

15 MS. FRANKS: By your vote you've adopted
16 Resolution No. 11-076.

17 CHAIRMAN MATHEWSON: Thank you. Okay. We
18 need to move on. I apologize.

19 HEARING OFFICER STARK: Commissioners, the
20 next item is letter C, Susan Daugherty. Ms. Daugherty
21 applied for a Level II occupational license on June 8,
22 2011. The application process requires the disclosure of
23 any past criminal activity, including arrests, being
24 detained, any guilty pleas. On that question Ms. Daugherty
25 replied, No.

1 She was interviewed, given several different
2 forms that identified the necessity of making full
3 disclosure, and defining what arrest, detained, pleading
4 guilty are. In spite of those warnings, she still
5 maintained her answer as no.

6 The Commission conducted its investigation
7 to determine her suitability and the investigation revealed
8 that she did fail to disclose on her application two
9 arrests: One arrest in the year 2001 for alleged
10 possession of drug paraphernalia and an arrest on March 7,
11 2011 for alleged possession of marijuana.

12 At the hearing the applicant admitted that
13 she forgot about the arrest in 2001, admitting that it did
14 occur. As to the arrest in 2011, which occurred just three
15 months prior to her application, she argued that she was
16 not taken to jail, therefore she was not really arrested.

17 However, the application, the disclosures on
18 the applications, the different forms, and the interview
19 with the gaming agent does indicate that going to jail is
20 not necessary to constitute an arrest.

21 Then Ms. Daugherty made the argument that
22 one of the forms that she signed said that she was merely
23 required to provide accurate information to the best of her
24 knowledge. My finding was that her definition of arrest
25 does not comport with providing information to the best of

1 your knowledge. She had plenty of descriptions as to what
2 an arrest was and she should've disclosed these two
3 arrests: The one she forgot and the one she had three
4 months before her application.

5 So my recommendation is that the denial of
6 the application for a gaming license that the Commission
7 has proposed is appropriate and should be affirmed.

8 CHAIRMAN MATHEWSON: Any questions?

9 (No response.)

10 CHAIRMAN MATHEWSON: Is Ms. Daugherty here?

11 (No response.)

12 CHAIRMAN MATHEWSON: Chair would accept a
13 motion on 11-077.

14 COMMISSIONER HATCHES: Move for approval of
15 Resolution No. 11-077.

16 COMMISSIONER BRADLEY: Second.

17 CHAIRMAN MATHEWSON: Any discussion?

18 (No response.)

19 CHAIRMAN MATHEWSON: Call the role, Angie,
20 please.

21 MS. FRANKS: Commissioner Merritt?

22 COMMISSIONER MERRITT: Approve.

23 MS. FRANKS: Commissioner Hatches?

24 COMMISSIONER HATCHES: Approve.

25 MS. FRANKS: Commissioner Jones?

1 COMMISSIONER JONES: Approve.

2 MS. FRANKS: Commissioner Bradley?

3 COMMISSIONER BRADLEY: Approve.

4 MS. FRANKS: Chairman Mathewson?

5 CHAIRMAN MATHEWSON: Approve.

6 MS. FRANKS: By your vote you've adopted
7 Resolution No. 11-077.

8 HEARING OFFICER STARK: Our next case is
9 Item D, Scott Lyons. Mr. Lyons made an application for a
10 Level II occupational license on June 22, 2011. The
11 application process requires complete disclosure of any
12 past criminal activity, including arrests, detaining,
13 pleading guilty. And the application does provide adequate
14 description as to what any past criminal activity might be
15 including.

16 Mr. Lyons gave his answer to that question
17 about past criminal history as, No. However, he did write
18 down that there was a 2004 offense of disorderly conduct in
19 Chicago, but that he was not charged. That's the only
20 thing he wrote upon the application.

21 The Commission conducted its investigation
22 and the Commission learned that Mr. Lyons had been arrested
23 on two occasions: Once in Chicago for a March 30, 1998,
24 alleged criminal trespass, and a second arrest on July 21,
25 2006, for possession of drugs.

1 At the hearing Mr. Lyons indicated that
2 since he didn't get convicted, he didn't think that had
3 anything to do with his eligibility for a gaming license.
4 He said he tried to get records from the Chicago Police
5 Department, but they were nonresponsive. So since he
6 didn't have the information, he was not able to disclose
7 it.

8 As an applicant he had the duty to fully
9 disclose from his own memory or from getting his own
10 records, and not being able to have the Chicago Police
11 Department cooperate with him would not be a basis for
12 proving his suitability. He had, again, enough information
13 in the application process to realize the need to disclose.

14 And my conclusion was that it is
15 appropriate, based on the failure to disclose these two
16 arrests, that authority exists for the Commission to deny
17 his application, and that decision should be affirmed.

18 CHAIRMAN MATHEWSON: Thank you. Any
19 questions on that?

20 (No response.)

21 CHAIRMAN MATHEWSON: Is Mr. Lyons here?

22 (No response.)

23 CHAIRMAN MATHEWSON: No?

24 MR. GREWACH: Mr. Chairman, I might mention
25 that --

1 CHAIRMAN MATHEWSON: Oh, excuse me.

2 MR. GREWACH: -- yesterday afternoon I
3 received a call and a fax transmission from an attorney
4 named Michael Calvin in St. Louis, entering his appearance
5 for Mr. Lyons and requesting a continuance.

6 I spoke to Mr. Calvin about that and after
7 conversations with Mr. Stottlemyre, we indicated to
8 Mr. Calvin that Staff would not be in a position to consent
9 to a continuance in that Mr. Stark was here, the transcript
10 was in the packet, and this entry was coming in the day --
11 the afternoon before the morning of the hearing.

12 But I did want to make the Commission aware
13 of that, unless the Commission had other feelings
14 concerning his request for a continuance.

15 CHAIRMAN MATHEWSON: Okay. Thank you.
16 Chair would accept a motion on Resolution 078.

17 COMMISSIONER BRADLEY: Well, let me ask you
18 first --

19 CHAIRMAN MATHEWSON: Okay.

20 COMMISSIONER BRADLEY: I mean, let's talk
21 about the fact that if someone -- if an attorney has, you
22 know, entered appearance, if someone wants to have a right
23 to have someone here to represent them, I mean, is there
24 any problem with us continuing it for 30 days?

25 CHAIRMAN MATHEWSON: I would tell you that

1 I believe that has happened, I don't know, since I've been
2 here, two or three times or more, where someone, an
3 attorney will call in the day before -- we even had one, as
4 I remember, Roger, where the person called that morning at
5 8:30 or something, an attorney did, trying to -- you know,
6 I guess -- I guess if it was important to me, I would've
7 had legal council on board before the day before. You
8 know, but I -- you know, I'm open to listen to whatever
9 you want to say.

10 COMMISSIONER BRADLEY: It's just that I
11 don't recall any other situation where we had -- I didn't
12 know if that would be any reason whether we should allow it
13 or not allow it. I want to know -- what does anybody else
14 think?

15 COMMISSIONER MERRITT: The decisions we've
16 looked at this morning, I don't see how we could change
17 from -- if he had an attorney here or not with what --
18 following the facts of the law.

19 CHAIRMAN MATHEWSON: I mean, my feeling is
20 that I would think that could -- I'm not saying in this
21 case it is, but it could be used as a ploy to just defer
22 off, you know, and they defer off again, and so forth,
23 and --

24 COMMISSIONER BRADLEY: Okay. There has been
25 a full hearing.

1 no one responded.

2 COMMISSIONER BRADLEY: Okay.

3 CHAIRMAN MATHEWSON: Okay. Chair would
4 accept a motion on 11-078.

5 COMMISSIONER JONES: Move for the acceptance
6 of Resolution No. 11-078.

7 COMMISSIONER MERRITT: Second.

8 CHAIRMAN MATHEWSON: Any further
9 discussion?

10 (No response.)

11 CHAIRMAN MATHEWSON: Call the role, Angie,
12 please.

13 MS. FRANKS: Commissioner Merritt?

14 COMMISSIONER MERRITT: Approve.

15 MS. FRANKS: Commissioner Hatches?

16 COMMISSIONER HATCHES: Approve.

17 MS. FRANKS: Commissioner Jones?

18 COMMISSIONER JONES: Approve.

19 MS. FRANKS: Commissioner Bradley?

20 COMMISSIONER BRADLEY: Approve.

21 MS. FRANKS: Chairman Mathewson?

22 CHAIRMAN MATHEWSON: Approve.

23 MS. FRANKS: By your vote you've adopted
24 Resolution No. 11-078.

25 HEARING OFFICER STARK: Our next case is

1 letter E, Roderick Roy. Mr. Roy made application on
2 June 9, 2011, for a Level II occupational license. The
3 application process requires a complete disclosure of any
4 past criminal history, including being detained or
5 arrested.

6 Mr. Roy gave answers of, Yes, identifying
7 four different offenses, in his application. At the end of
8 the application, it does say, I have nothing else to
9 declare on this question, with Mr. Roy signing that
10 statement saying he has nothing else to disclose.

11 The Commission conducted its investigation
12 and learned that there were eight other arrests that were
13 not disclosed. Those arrests related to theft by taking,
14 tampering with utility services, possession of marijuana,
15 criminal trespass.

16 The failure to disclose those eight
17 different arrests generated the Commission's proposed
18 denial of application. A hearing was conducted after the
19 request of Mr. Roy, on October 6, 2011. Mr. Roy did not
20 show up even though being duly served with paperwork
21 indicating the date, place, and time for his hearing.

22 The Commission has a regulation that
23 indicates a failure to appear at your own hearing would
24 constitute an admission of the allegations as made. And I
25 conducted a hearing anyway to get on record as to what the

1 facts were as presented by the Commission.

2 And the failure to disclose the full
3 criminal arrest record would constitute grounds to deny the
4 license; and my recommendation would be to affirm the
5 decision to deny Mr. Roy an occupational license.

6 CHAIRMAN MATHEWSON: Any questions?

7 COMMISSIONER MERRITT: The only comment I'd
8 have: He may not have been able to make that meeting
9 because he was incarcerated someplace, looking at his
10 criminal record.

11 CHAIRMAN MATHEWSON: Yeah. Are you
12 suggesting that in the case someone doesn't show up, we
13 ought to call all the jail to see if they're there? Is
14 that what you're -- okay. I didn't know what you wanted to
15 do there.

16 Is Mr. Roy here?

17 (No response.)

18 CHAIRMAN MATHEWSON: He might still be. I
19 mean, whatever. Okay. Chair would accept a motion on
20 11-079, please.

21 COMMISSIONER BRADLEY: Motion --

22 COMMISSIONER MERRITT: Motion -- excuse me.

23 COMMISSIONER BRADLEY: You go right ahead.

24 COMMISSIONER MERRITT: Motion to approve

25 11-079.

1 COMMISSIONER BRADLEY: Second.

2 CHAIRMAN MATHEWSON: Call the role, Angie,
3 please.

4 MS. FRANKS: Commissioner Merritt?

5 COMMISSIONER MERRITT: Approve.

6 MS. FRANKS: Commissioner Hatches?

7 COMMISSIONER HATCHES: Approve.

8 MS. FRANKS: Commissioner Jones?

9 COMMISSIONER JONES: Approve.

10 MS. FRANKS: Commissioner Bradley?

11 COMMISSIONER BRADLEY: Approve.

12 MS. FRANKS: Chairman Mathewson?

13 CHAIRMAN MATHEWSON: Approve.

14 MS. FRANKS: By your vote you've adopted
15 Resolution No. 11-079.

16 HEARING OFFICER STARK: Our next case is
17 Item F, John Renteria. Mr. Renteria is a holder of a Level
18 II occupational license granted by the Gaming Commission.
19 He is employed in the St. Louis area at a gambling boat.

20 The factual basis for the proposed
21 discipline is that on the evening and early morning of --
22 let's see. The evening of May 22, 2010, early morning of
23 May 23, 2010, petitioner, along with some friends, was
24 present at a bar on the property of the River City Casino.
25 This particular bar was actually not located on the casino

1 gaming floor, but was part of the casino complex.

2 At the beginning of that evening,
3 Mr. Renteria offered his credit card to the bartender at
4 the bar to start a tab to pay for his drinks and the drinks
5 of his friends. At the bar there was a live band playing
6 music, and the band would play songs upon request from the
7 audience.

8 At approximately 12:50 a.m. on May 23rd, a
9 member of Mr. Renteria's group had requested a song, but
10 the band leader rejected playing that song based upon the
11 inadequacy of the gratuity or the tip that the friend
12 offered.

13 For some reason the band leader, without any
14 provocation that I could see, approached the licensee,
15 Mr. Renteria, came off the band stage, walked about 30 feet
16 to Mr. Renteria, and started expressing obscenities
17 directly at Mr. Renteria. Mr. Renteria responded in kind
18 with his obscenities, standing up.

19 And immediately the waitresses intervened,
20 but Mr. Renteria resisted any attempt to be held back,
21 pushing one of the waitresses aside to approach the band
22 leader. Additional persuasion from his friends was able
23 to, in effect, stop Mr. Renteria from actually touching the
24 band leader and was able to escort him off the casino
25 property.

1 Mr. Renteria was near the exit door when a
2 few employees of the bar came out into the hallway and
3 Mr. Renteria then returned to speak with the employees.
4 The employee of the bar informed Mr. Renteria that he was
5 being observed by surveillance cameras. And Mr. Renteria
6 said he understood that casinos had cameras.

7 Then Mr. Renteria went out the exit door and
8 into the outside area, whereupon he received a phone call
9 on his cell phone from his friends back at the bar who
10 stated that his credit card had been declined, and that the
11 bar employees were holding the friends until the charges
12 were actually paid.

13 Mr. Renteria actually had some cash in his
14 pocket. He had another friend outside there with him, who
15 agreed to re-enter the bar with the cash to pay the tab
16 that Mr. Renteria had run up while drinking at the bar.

17 Then Mr. Renteria proceeded to the parking
18 lot, whereupon a Missouri State Highway Patrolman, as agent
19 for the Commission, approached Mr. Renteria asking him to
20 stop due to an investigation. Mr. Renteria continued to
21 walk away from the casino to the parking lot, ignoring the
22 commands of the gaming agent. The gaming agent then took
23 his taser gun to stop Mr. Renteria, handcuffed Mr.
24 Renteria, and escorted Mr. Renteria back into the casino to
25 the Gaming Commission office.

1 The Gaming Commission officer applied to the
2 St. Louis County Prosecuting Attorney's office for warrants
3 against the petitioner for three criminal counts:

4 Resisting arrest, detention, or stop; secondly, peace
5 disturbance; thirdly, assault, third degree. The St. Louis
6 County Prosecuting Attorney's office did file with the
7 court against Mr. Renteria the criminal charges of
8 interference with law enforcement, peace disturbance, and
9 assault.

10 Mr. Renteria was able to work out a plea
11 bargain with the St. Louis County Prosecuting Attorney's
12 office to amend the charge of interference with a police
13 officer to a charge of littering, to which Mr. Renteria
14 pled guilty, and the other two charges, peace disturbance
15 and assault, were nolle prosecuted.

16 Based on those facts, the Commission Staff
17 had recommended revocation of Mr. Renteria's license.
18 Mr. Renteria did not admit or plead guilty or was convicted
19 of any of the actions on that early morning of May 23rd, as
20 alleged by the Commission as grounds for discipline.
21 However, my finding is that his behavior did not fully
22 comport with the standards of full compliance with the
23 laws.

24 There is a section in the statutes that
25 requires the Commission to determine whether any act of a

1 licensee might discredit or tend to discredit the Missouri
2 gaming industry. Mr. Renteria obviously is allowed to
3 visit casinos in his individual capacity, but the acts of a
4 licensee, whether performed in his capacity on the job or
5 as an individual, still renders authority for the
6 Commission to take action if such activity discredits or
7 tends to discredit the gaming industry.

8 So his acts of creating a disturbance
9 reflect poorly upon a licensee who is supposed to be under
10 supervision of the Commission. He was willing, obviously,
11 to enter into a physical altercation as a means to defend
12 himself against verbal assaults, but his lack of being able
13 to appropriately respond, in my opinion, showed an act of
14 discredit to the gaming industry.

15 When he was asked to leave the bar, he still
16 continued to escalate the possible confrontation. He
17 refused to leave when asked. Even though he pushed aside
18 the waitress, apparently the prosecuting attorney didn't
19 see that as a criminal assault, but still such act of
20 pushing away the waitress would seem to be an act that
21 discredits the gaming industry.

22 Later, after exiting the casino, he did take
23 appropriate action to ensure that his billing statement
24 with the bar was taken care of, so he did provide for
25 payment for his drinks. However, his further behavior of

1 not responding to the gaming agent further reflects poorly
2 upon him as a licensee.

3 He claimed at the hearing that the gaming
4 officer did not identify himself as a highway patrolman or
5 as a gaming agent, thinking that he was just a stranger
6 trying to cause further trouble. The testimony of the
7 gaming agent was in conflict. The gaming agent said he
8 clearly identified himself as a gaming agent, wanting to
9 conduct an investigation, and needed to detain Mr. Renteria
10 to further that investigation.

11 It was my conclusion that Mr. Renteria was
12 not justified in not stopping for the gaming agent. The
13 facts are that he was just leaving the bar after a possible
14 confrontation with another person. He had been informed
15 that he was being observed by surveillance cameras. He
16 already knew that he had an unpaid bill at the bar.

17 These -- and furthermore, I found the Gaming
18 Commission agent to be credible in his statement that he
19 did identify himself to Mr. Renteria in order to stop him.
20 So Mr. Renteria's lack of cooperation to the request of a
21 gaming agent further shows a disrespect and disregard to
22 the regulatory authority of the Commission.

23 Based on all these facts, my conclusion is
24 that grounds do exist to discipline Mr. Renteria for his
25 acts, although not deemed to be criminal, still showed

1 disregard for the Gaming Commission and tend to discredit
2 the gaming industry.

3 Now, the proposed discipline of revocation
4 is very harsh. Mr. Renteria argues that is, indeed, too
5 severe for his acts. However, the law does provide
6 revocation as a basis for a penalty, so authority does
7 exist for the Commission to conduct a revocation in this
8 case.

9 The evidence at the hearing was strong
10 enough to support such revocation, and my recommendation
11 would be that revocation is reasonable and should be
12 affirmed as the discipline in this matter.

13 CHAIRMAN MATHEWSON: Any questions?

14 (No response.)

15 CHAIRMAN MATHEWSON: Is Mr. Renteria here?
16 Okay. Come forward, sir. Say your name again, sir, for
17 the record, please.

18 MR. CARNES: Thomas Carnes, C-a-r-n-e-s. I
19 was Mr. Renteria's attorney at the hearing Mr. Stark
20 conducted.

21 CHAIRMAN MATHEWSON: Okay. Thank you, sir;
22 proceed.

23 MR. CARNES: There's not a dispute as to the
24 facts that Mr. Stark presents, but the emphasis, I think,
25 is important here. Mr. Renteria is a dealer, a table

1 dealer: Blackjack, craps, such things. He works at the
2 Harrah's Casino -- is his job.

3 On the incident in question, it was a day
4 off. He was in civilian clothes at the River City Casino.
5 Nobody knew who he was. Nobody knew that he held a gaming
6 license. He was just, as far as the public was concerned,
7 a civilian who was at the bar. He was at the bar with
8 friends, starting from about nine o'clock, probably had
9 been drinking until about one o'clock in the morning. I
10 think they were intoxicated.

11 As Mr. Stark said, Mr. Renteria was sitting
12 at the bar with a friend, and a band member, who was about
13 as far away as the Executive Director, came across the
14 floor to Mr. Renteria, instigating the conflict. No one
15 has been able to say why -- and the band member is seen on
16 video shouting obscenities and vulgarities at Mr. Renteria.

17 Mr. Renteria stood up from his seat and, Oh,
18 you're going to yell at me, I'm going to yell at you, and
19 there was a verbal altercation. The waitresses came over
20 trying to calm people down. And it's one of those
21 things -- excuse me -- you know, F you, No, F you, type of
22 thing.

23 And the waitress is about six inches shorter
24 than Mr. Renteria, so there's a little bit of pointing over
25 her shoulders as she is leading him towards the exit, and

1 he goes. No physical altercation. No assault. The
2 waitress had to take an unruly customer out of the bar, but
3 it was understandable. He was provoked. He did not -- he
4 was not the aggressor. He didn't instigate anything.

5 And he left the bar and he headed towards
6 the exit doors of the casino. The bar's not inside the
7 gaming floor. It's outside the gaming floor in the
8 concourse area. He gets out: No trouble, no more
9 swearing, no more waiting around, no more attempt to go
10 back in, leaving the casino.

11 Employees come out and they get his
12 attention. He -- instead of going out the door where he
13 was headed, he's called, he comes back, What is it? Well,
14 you're on surveillance cameras. He says, I know. I'm in a
15 casino; everything's on surveillance cameras. They didn't
16 try to detain him. They didn't tell him to stay. He did
17 the responsible thing. He removed himself from the scene
18 of the conflict. He went outside.

19 At that point he gets the call from his
20 friends inside saying, Hey, your credit card has been
21 dishonored. He pulls cash out. He sees a friend's going
22 in. He says, Could you go by the bar and pay my tab, gives
23 him the cash. Guy goes in and pays it.

24 He's out and he's trying -- he's trying to
25 wait for a friend to come out and give him a ride. He's

1 approached by a gaming agent. Mr. Renteria has no
2 recollection that the plainclothes trooper is a gaming
3 agent, identified himself. I'm not going to dispute -- the
4 gaming agent said he did. Mr. Renteria's probably
5 intoxicated and a little bit upset by what happened.

6 But no fighting, no trying to run away.
7 Just the -- being approached by the agent saying, Hey, I'm
8 out of there; I don't want any trouble. I don't want
9 anything to do with it. You have to come with me. You
10 have to come with me. I don't want to go back inside. I
11 don't want to be in trouble. You have to come with me. I
12 don't want to go back inside. (Indicating.) Boom. Tasers
13 him in the parking lot. Picks him up, handcuffs him --
14 fully cooperative -- walks him through the casino. Doesn't
15 try to kick; doesn't try to get away.

16 Inside the casino one of the officers felt
17 it appropriate to run him into a wall inside of taking him
18 into a doorway. Doesn't fight -- has a big mark on his
19 face from being run into a wall -- sits meekly, and that's
20 it.

21 Never had any problems before with the
22 Commission; never had any law enforcement problems. Okay?
23 Overcharged: The St. Louis County -- actually, this was in
24 the St. Louis County municipal court, not the circuit
25 court. So it wasn't St. Louis County prosecutor. It was

1 the St. Louis County counselor, but it's the same thing.

2 The prosecuting attorney looked at the dvds,
3 the tapes, and said, It's the most ridiculous thing I've
4 ever seen that he's charged with this. Gave him a
5 littering violation, an ordinance violation; nolle pros-ed
6 all the other cases, and that was the end of it as far as
7 the prosecutor's concerned.

8 And I bring the thought to you this way:
9 If, at the time this had all happened, Mr. Renteria had not
10 been employed with a gaming license, all of this happened,
11 if he were to come and file and application for a gaming
12 license, this wouldn't be disqualifying. He would be
13 eligible to get a gaming license.

14 It seems to me overly harsh to say his
15 conduct arises to revocation of a license. I don't dispute
16 that Mr. Stark says you have authority to do it.
17 Certainly, you have authority to do it. I would say that
18 the mitigating circumstances are present here that
19 Mr. Renteria didn't start the dispute in the bar, he was
20 basically being assaulted by a band member for no reason.
21 He didn't get into a physical altercation. He left the
22 premises. He removed himself from the scene of potential
23 conflict.

24 Although it's true that you can discipline
25 someone off duty for bringing discredit upon the gaming

1 industry, take into account that this wasn't a case where
2 it happened at his casino, Harrah's, where he worked and
3 people knew him. He wasn't wearing a uniform. He
4 certainly wasn't wearing his tag.

5 Those type of things I would say should be
6 dealt -- if he had been at his own casino in uniform, just
7 gotten off the clock, gone to a bar, gotten drunk, and this
8 happened, I think you would treat it harsher than a person
9 who's off duty at a casino where no one knows him and no
10 one's in the gaming -- no one knows he's in the gaming
11 industry.

12 What it boils down to is the discipline to
13 be imposed in this case is a matter of discretion. And I
14 think discretion in this action, you would weigh such
15 factors as: Was he the aggressor, was he wearing the
16 uniform, was he publicly known to be -- having a gaming
17 license? In which cases you would treat the punishment
18 more harshly than if those factors were not present, and
19 they weren't present in this case.

20 I think it's reasonable to have a lesser
21 sanction, and what we would propose, what we would ask for
22 would be a suspension, from one to five days. No prior
23 history, no one knowing that he worked for the Commission,
24 until he was arrested by the gaming agent. When the gaming
25 agent went outside and tasered him, the gaming agent didn't

1 know that he had a gaming license. He just thought it was
2 a customer.

3 I think those factors should mitigate the
4 punishment in this case. And while it's certainly true, I
5 believe, that the Commission has authority to revoke his
6 license, I'd say considering the level of culpability, the
7 actual things that happened, the disposition of this in the
8 courts, that it is an appropriate, reasonable, and
9 sufficient sanction in this case to enter a suspension
10 against Mr. Renteria from one to five days.

11 That's what we would ask for the Commission:
12 To adopt the findings of facts and conclusions of law of
13 Mr. Stark, but to reject his recommendation and to enter,
14 instead of revocation, a suspension of between one and five
15 days.

16 CHAIRMAN MATHEWSON: Any questions?

17 COMMISSIONER MERRITT: Yeah, I do.

18 CHAIRMAN MATHEWSON: Jump in, boss.

19 COMMISSIONER MERRITT: Is Corporal Warren,
20 would he possibly be available?

21 MR. STOTTLEMYRE: I'm sorry. Is he here?
22 He is not.

23 COMMISSIONER MERRITT: Well, I think the
24 explanation that Mr. Carnes about the fact that run up and
25 tased him, I think probably the record would reflect

1 something a little different than that. And like a thin
2 pancake, there's always two sides to a story. And I think
3 that probably there was more resistance because I don't
4 think that corporal would've just run out and tased him.

5 MR. CARNES: Oh, I'm not saying, He ran out
6 and tased him. There was noncompliance by Mr. Renteria.
7 This is on camera.

8 COMMISSIONER MERRITT: I think in the
9 reports it reflects he grabbed his arms, and so I would say
10 there was probably resistance on the part of Mr. Renteria.

11 MR. CARNES: Not the pushing, punching,
12 shoving kind. But the hold the arm, Let go of me, type of
13 resistance (indicating), yes.

14 COMMISSIONER MERRITT: Now, it does reflect
15 he would have an arrest now; is that correct?

16 MR. CARNES: He was arrested. That's
17 correct.

18 CHAIRMAN MATHEWSON: But it was reduced --

19 MR. CARNES: To a littering -- an ordinance
20 violation for littering.

21 CHAIRMAN MATHEWSON: -- to a littering
22 charge, which would not be --

23 MR. CARNES: Not disqualifying.

24 CHAIRMAN MATHEWSON: Yeah. Would not
25 disqualify him.

1 MR. CARNES: He would have to disclose the
2 arrest and give the court papers to show the disposition of
3 the arrest, but it was an ordinance violation for
4 littering. Everything else was nolle pros-ed. Not even --
5 they didn't even make him pay court costs.

6 CHAIRMAN MATHEWSON: Jack, I want to jump
7 in, but --

8 COMMISSIONER MERRITT: Go ahead.

9 CHAIRMAN MATHEWSON: -- I did want to ask
10 you, sir, did you represent him before the city prosecutor
11 on that charge?

12 MR. CARNES: The St. Louis County
13 prosecutor, yes, I did.

14 CHAIRMAN MATHEWSON: Or whichever it was.

15 MR. CARNES: I did.

16 CHAIRMAN MATHEWSON: You did.

17 MR. CARNES: And I provided the county
18 counselor with the dvds, showing the whole incident.

19 CHAIRMAN MATHEWSON: He ought to keep you
20 handy. I think you cut a heck of a deal there. I haven't
21 seen the tapes.

22 MR. CARNES: I don't think it was
23 extraordinary legal work. I think it was the county
24 counselor looking at the tapes and making an appropriate
25 decision.

1 CHAIRMAN MATHEWSON: Okay. Yeah. When you
2 can take what has been explained to us and reduce that to
3 throwing some trash on the parking lot, that's a pretty
4 good move, you know.

5 COMMISSIONER MERRITT: Uh-huh.

6 MR. CARNES: I appreciate the compliment,
7 but I think --

8 CHAIRMAN MATHEWSON: It is a compliment.

9 MR. CARNES: -- but I think the county
10 counselor did it based on the evidence.

11 CHAIRMAN MATHEWSON: You know, I don't ever
12 want to be in that situation, but I'll call you, just so
13 you know.

14 Other questions of the counselor?

15 COMMISSIONER BRADLEY: How long has Mr.
16 Renteria worked with the casino? How long has he had a
17 license, approximately?

18 MR. CARNES: I believe it's five to six
19 years. I don't have the exact date, so please don't hold
20 me to that.

21 COMMISSIONER BRADLEY: And you're saying
22 during that time there were no discipline actions, no
23 suspensions --

24 MR. CARNES: None.

25 COMMISSIONER BRADLEY: -- and no other

1 legal --

2 MR. CARNES: No arrests.

3 COMMISSIONER BRADLEY: No arrests.

4 COMMISSIONER JONES: His license was issued
5 in 2004.

6 MR. CARNES: Seven years.

7 COMMISSIONER BRADLEY: Seven years.

8 COMMISSIONER JONES: Yeah.

9 CHAIRMAN MATHEWSON: Go ahead. I'm sorry.
10 I was going to ask a legal question.

11 COMMISSIONER BRADLEY: No. Go ahead and ask
12 your legal question. I was going to have a question of Ed.

13 CHAIRMAN MATHEWSON: Ed -- I'd rather ask
14 our legal counsel, if you don't mind. No. Stay where you
15 are, sir. I'm not asking you to leave. I just want to ask
16 a question.

17 Let me make sure I understand our situation
18 here. If we support Mr. Stark's position on not
19 renewing --

20 MR. CARNES: It's actually not a not
21 renewal; it's a revocation.

22 CHAIRMAN MATHEWSON: Okay. Revocation,
23 then when can he reapply?

24 MR. GREWACH: He cannot. He's revoked.

25 CHAIRMAN MATHEWSON: That's it. Period.

1 MR. GREWACH: Yes.

2 CHAIRMAN MATHEWSON: Infinitum. Okay. I
3 thought there was a period of time that when there's no
4 criminal charge that a person could reapply.

5 MR. GREWACH: There's certain disqualifying
6 crimes for an occupational licensee, and if someone applied
7 and was denied the license because that was on their
8 record -- and the rule says, If you have any of these
9 crimes -- any of these convictions within five years of
10 your application, you're disqualified. So if someone has
11 one of those disqualifying crimes on their record and they
12 are denied because of that, they could come back outside of
13 the five-year time period. But here we'd have a case where
14 a license would be revoked.

15 CHAIRMAN MATHEWSON: Okay.

16 MR. GREWACH: A final order.

17 CHAIRMAN MATHEWSON: Final order. Okay.

18 COMMISSIONER BRADLEY: What would be our
19 other options --

20 MR. GREWACH: Actually --

21 COMMISSIONER BRADLEY: -- short of
22 revocation?

23 MR. GREWACH: You have the full range of
24 doing nothing to suspending him for some time period. It's
25 really -- I have to agree with Mr. Carnes: It is at the

1 Commission's discretion.

2 If I could sort of follow up on that and
3 probably give the Staff's perspective on it, I do think
4 that there is a little more serious event that occurred in
5 the parking garage. When you read the narrative of Trooper
6 Warren, he approached the licensee and asked to talk to him
7 and the licensee walked away. The trooper then followed
8 him and grabbed his arm, trying to get him to stop so he
9 could talk to him. Then the licensee pulled his arm away.
10 Then the decision was made by Trooper Warren to place him
11 under arrest, and it was two separate attempts to handcuff
12 him, and both times the subject resisted by pulling his arm
13 away before the taser was deployed.

14 Now, two things I probably want to say from
15 a legal standpoint. One is, the decision should really be
16 based on the record. And what the St. Louis County
17 prosecutor might have said, you know, in another setting,
18 really isn't part of this record. What the motivation
19 behind the St. Louis County prosecutor reducing this really
20 would be speculation as to why a prosecutor makes those
21 types of decisions.

22 But I don't know that I agree with
23 Mr. Carnes that this wouldn't be a disqualifying event, and
24 I think this goes back into our rationale in being harsh on
25 nondisclosures. Because if he would've -- you know, if he

1 would not get revoked as a condition of this, and would
2 apply somewhere else, he would have to report this arrest,
3 and that would give the investigators the opportunity to
4 gather all the facts of the arrest.

5 Now, the rules say that you can discipline
6 them, including revocation, on two different grounds under
7 313.812, which you'll see in the Conclusions of Law, for
8 violation of any law. Now, it doesn't mean conviction.
9 You know, I mean, I think you could come to the conclusion
10 that a crime was committed there.

11 The second thing is the broad ability to
12 deny or revoke a license for actions that discredit or tend
13 to discredit the Missouri gaming industry. So I think you
14 look at those two standards and the Commission really would
15 have that full level of discretion to do nothing, revoke,
16 or suspend for any time in between those.

17 CHAIRMAN MATHEWSON: Any questions of Ed?

18 (No response.)

19 CHAIRMAN MATHEWSON: Do you have any --

20 MR. CARNES: I would disagree with his
21 characterization that you can find a violation of law when
22 the charges were nolle pros-ed. Also, I'd say that the
23 trooper's written report is subject to review. It was not
24 entered into evidence at the hearing. We did watch the
25 video tape, watch the actions.

1 COMMISSIONER BRADLEY: I have not seen the
2 video tape. Do we need --

3 MR. CARNES: Arguing around the edges, when,
4 basically, Commissioners, I'd say it's a matter of
5 discretion with you. A guy, off duty, at a different
6 casino, civilian clothes, gets drunk, has minimal run-in
7 and gets arrested.

8 I think this is a -- and I'm not just asking
9 for an admonition or a -- an admonition or a warning. I'm
10 just saying a suspension, one to five days, would be
11 reasonable and sufficient, considering the gravity of the
12 actions, the mitigating circumstances that it wasn't his
13 fault, and it would be appropriate under the circumstances.
14 Again, we'd ask for a one- to five-day suspension, and we
15 think that would be appropriate.

16 COMMISSIONER BRADLEY: Mr. Chairman, may
17 I --

18 CHAIRMAN MATHEWSON: Yes.

19 COMMISSIONER BRADLEY: -- make a motion? I
20 have not had -- I've been off the Commission for couple of
21 months. I have not had the opportunity to look at the
22 video tapes, and I believe -- I think this is a very
23 harsh -- it's a recommendation for a very harsh fine --
24 sentence -- harsh action to take, and I think that we
25 should carefully consider what we do, and if we make that

1 decision, to make sure -- because I read all this
2 information, but I've not seen the video tape.

3 And I'd like to make a motion that we set
4 this over for 30 days in order to -- any of the
5 Commissioners that have -- would like to see the video tape
6 and to review -- and also to review the law as to what
7 else -- what consideration we might want to make. So I
8 guess my motion is, set it over for 30 days to give us more
9 time to make -- to get that information.

10 CHAIRMAN MATHEWSON: Okay. So until the
11 next meeting, which would be in January, whatever the date
12 of that is. Is that your motion?

13 COMMISSIONER BRADLEY: That's my motion.

14 CHAIRMAN MATHEWSON: Okay. And let me just
15 make sure before I accept your motion that -- can those
16 tapes be made available to us?

17 MR. STOTTLEMYRE: Yes, sir. We do have
18 those available and we'll make them available to the
19 Commission.

20 CHAIRMAN MATHEWSON: Okay.

21 MR. CARNES: I have them on disc here. I
22 can hand it to you now, Mr. Chairman.

23 MR. STOTTLEMYRE: We'll provide you the
24 disc.

25 CHAIRMAN MATHEWSON: You're trying to be

1 too helpful, counselor. We'll get them. Thank you.

2 Okay. We have a motion before us.

3 Everybody understand the motion: Delay until the next
4 January meeting?

5 (No response.)

6 CHAIRMAN MATHEWSON: Is there a second to
7 that motion?

8 COMMISSIONER HATCHES: Second.

9 CHAIRMAN MATHEWSON: Okay. Any discussion?

10 MR. GREWACH: Mr. Carnes, I think, was going
11 to ask permission to check --

12 MR. CARNES: May I have permission to check
13 my calendar, Mr. Chairman, to check my availability for the
14 January date?

15 CHAIRMAN MATHEWSON: I don't know that
16 we're as concerned about yours as ours --

17 MR. CARNES: I understand that.

18 CHAIRMAN MATHEWSON: -- to be fair. Okay?
19 Because we only meet once a month and so we'll have to set
20 that at that time. And please make yourself available if
21 you'd like to. Okay?

22 MR. CARNES: Well, what I'm suggesting, if I
23 can check my calendar now, if it's available, it's not a
24 problem. If I have a conflict, a trial or something
25 scheduled, I would ask that instead of the January meeting,

1 you put it on the February meeting.

2 CHAIRMAN MATHEWSON: I didn't want that.

3 MR. CARNES: I understand.

4 CHAIRMAN MATHEWSON: You know, we need to
5 deal with this and I think to give you a 30-day exception
6 under these circumstances -- I'll support her motion, the
7 lady's motion. Okay? But I think we need to move forward.

8 Angie, can you tell us what the date would
9 be for the January meeting? Have we set that yet?

10 MS. FRANKS: January 25th.

11 CHAIRMAN MATHEWSON: January the 25th.

12 Okay? Sure appreciate it if you'd like to come. If not,
13 we'll make a decision with or without you, sir.

14 Okay. We have a motion pending with a
15 second. Any further discussion?

16 (No response.)

17 CHAIRMAN MATHEWSON: Call the role, Angie,
18 on the motion, please.

19 MS. FRANKS: Commissioner Merritt?

20 COMMISSIONER MERRITT: I do not approve.

21 MS. FRANKS: Commissioner Hatches?

22 COMMISSIONER HATCHES: The motion. Approve.

23 MS. FRANKS: Commissioner Jones?

24 COMMISSIONER JONES: Approve.

25 MS. FRANKS: Commissioner Bradley?

1 COMMISSIONER BRADLEY: Approve.

2 MS. FRANKS: Chairman Mathewson?

3 CHAIRMAN MATHEWSON: Approve.

4 MS. FRANKS: By your vote you have set this
5 case aside for 30 days or until the next meeting, which is
6 January 25th.

7 CHAIRMAN MATHEWSON: Okay.

8 MR. CARNES: Thank you, Mr. Chairman.

9 CHAIRMAN MATHEWSON: Okay. Thank you, sir.
10 Thank you for being here. Okay, sir.

11 HEARING OFFICER STARK: That was our last
12 case for me. Thank you very much.

13 CHAIRMAN MATHEWSON: We've had enough of
14 you anyway, so --

15 HEARING OFFICER STARK: Yeah. Probably so.

16 CHAIRMAN MATHEWSON: Never have enough of
17 you. Thank you very much.

18 Mr. Director, God love you.

19 MR. STOTTLEMYRE: Mr. Chairman, Item IV
20 [sic] on the agenda is Consideration of Disciplinary
21 Actions, and Mr. Ed Grewach will present.

22 MR. GREWACH: Could we possibly take a short
23 break before we --

24 CHAIRMAN MATHEWSON: We need the short
25 break. Yes, we do.

1 (Off the record.)

2 CHAIRMAN MATHEWSON: Okay. Okay, ole
3 outstanding, counselor.

4 MR. GREWACH: Thank you, Mr. Chairman.

5 CHAIRMAN MATHEWSON: If we can get the
6 director to quit talking, we can move forward here. He's
7 over there visiting. Okay.

8 MR. GREWACH: He's my boss, so I wasn't
9 going to --

10 CHAIRMAN MATHEWSON: I understand. He's
11 mine too.

12 MR. GREWACH: Behind Tab G is a preliminary
13 order of discipline against Harrah's North Kansas City.
14 This involves allowing a minor on the floor. It involves a
15 19-year-old male. He was not carded at the turnstiles when
16 he came in. He had contact with four other employees, two
17 dealers and two cashiers, prior to being identified as a
18 minor. He spent an hour and 40 minutes on the floor,
19 gambling at various locations, but did not consume any
20 alcohol. And the Staff is recommending a fine of \$5,000.

21 CHAIRMAN MATHEWSON: Any questions on this,
22 of Ed?

23 (No response.)

24 CHAIRMAN MATHEWSON: Okay. Chair would
25 accept a motion on DG-11-359.

1 COMMISSIONER HATCHES: Move for approval of
2 DC-11-359.

3 CHAIRMAN MATHEWSON: DC, I'm sorry.

4 COMMISSIONER JONES: Second.

5 CHAIRMAN MATHEWSON: I got to get me some
6 glasses.

7 Okay. Any discussion?

8 (No response.)

9 CHAIRMAN MATHEWSON: Call the role, Angie,
10 please.

11 MS. FRANKS: Commissioner Merritt?

12 COMMISSIONER MERRITT: Approve.

13 MS. FRANKS: Commissioner Hatches?

14 COMMISSIONER HATCHES: Approve.

15 MS. FRANKS: Commissioner Jones?

16 COMMISSIONER JONES: Approve.

17 MS. FRANKS: Commissioner Bradley?

18 COMMISSIONER BRADLEY: Approve.

19 MS. FRANKS: Chairman Mathewson?

20 CHAIRMAN MATHEWSON: Approve.

21 MS. FRANKS: By your vote you've adopted
22 DC-11-359.

23 MR. GREWACH: Under Tab H we have a
24 preliminary order of discipline directed to Isle of Capri
25 Boonville. It also involves a minor on the floor. In this

1 case a 20-year-old female. There were two security guards
2 at the turnstile, and neither one of them checked her ID.
3 She either played or sat at two different tables before she
4 was identified as a minor. She was on the floor for
5 approximately one hour and consumed no alcohol.

6 In this case the Staff is also recommending
7 a fine of \$5,000.

8 CHAIRMAN MATHEWSON: Any discussion? Any
9 questions?

10 (No response.)

11 CHAIRMAN MATHEWSON: Chair would accept a
12 motion on DC-11-360, please.

13 COMMISSIONER BRADLEY: Motion to approve
14 DC-11-360.

15 COMMISSIONER HATCHES: Second.

16 CHAIRMAN MATHEWSON: Any discussion?

17 (No response.)

18 CHAIRMAN MATHEWSON: Call the role, please.

19 MS. FRANKS: Commissioner Merritt?

20 COMMISSIONER MERRITT: Approve.

21 MS. FRANKS: Commissioner Hatches?

22 COMMISSIONER HATCHES: Approve.

23 MS. FRANKS: Commissioner Jones?

24 COMMISSIONER JONES: Approve.

25 MS. FRANKS: Commissioner Bradley?

1 COMMISSIONER BRADLEY: Approve.

2 MS. FRANKS: Chairman Mathewson?

3 CHAIRMAN MATHEWSON: Approve.

4 MS. FRANKS: By your vote you've adopted
5 DC-11-360.

6 CHAIRMAN MATHEWSON: Next, Ed.

7 MR. GREWACH: Item I on the agenda, IGT,
8 we're going to pass that to the January meeting.

9 CHAIRMAN MATHEWSON: Okay.

10 MR. GREWACH: And Item J, Bally
11 Technologies, this is a preliminary order of discipline.
12 This case arises out of certain activity in the state of
13 Alabama. Alabama, like most states, has a general
14 prohibition against gambling, and then creates certain
15 exceptions to that.

16 Now, in Alabama's case the exception was
17 that on a county-by-county basis the state constitution
18 could be amended to allow bingo in that particular county.
19 Now, you know, not every constitutional amendment therefore
20 was the same exact language. There is different language
21 from county to county.

22 The regulatory authority for bingo, if it
23 was adopted in a county, if the constitution was amended,
24 was local. Either the county commission of that county or
25 the sheriff of that county would be the regulator.

1 Once those constitutional amendments passed,
2 the industry there grew very rapidly and began to involve
3 electronic machines that were being used and represented to
4 be used as playing bingo. And to give you some scope of
5 that, there was one hall that had as many as 6,400 machines
6 in it, advertised as a bingo parlor. It really made it the
7 sixth largest casino in the United States in terms of
8 electronic gaming devices on the floor.

9 These devices had the look and sound of slot
10 machines. They really physically, from the exterior,
11 resembled that. Because of that, the Governor -- it came
12 to the Governor's attention, that he perceived a problem
13 there.

14 And that gets us into the count specifically
15 against Bally Technologies, Incorporated in this case. If
16 you look at Paragraphs 22 and 23, under the Proposed Order
17 of Discipline, it gives you some time frames when things
18 need to be disclosed. Under 22, if there's a change in
19 information that's material, it has to be updated within
20 30 days of that event taking place. If there's a change in
21 the application information that's not material, it has to
22 be disclosed during the next license renewal period.

23 So as we go through the counts and you see
24 an event, you know, that's -- in some points that the
25 analysis we make, Is that a material change? Now, a

1 material change is somewhat broadly defined as, Any change
2 that might affect the suitability of a licensee. So,
3 again, as events occur there's a trigger if they would've
4 been included on the application under Paragraph 22, which
5 is 45-10.0201, there's some time limits for those
6 applications.

7 In Paragraph 23 you'll see the text of
8 45-10.101. Now, that's a more strict reporting requirement
9 that within 15 days of a licensee having notice that
10 they've received a subpoena or is the target of a
11 regulatory, administrative, or prosecutorial agency, or any
12 of their agents and/or associates are -- have been
13 subpoenaed or are a target of an investigation, triggers
14 that reporting requirement.

15 Starting then with Count 1, we have three
16 letters that the Governor of Alabama, Bob Riley, sent to
17 Bally. It was clear in the letters that he sent that he
18 was forming a task force intent to enforce Alabama's law on
19 illegal gambling. The letters encouraged the company to
20 immediately remove their machines and warned that their
21 machines may be seized. They also implicated that they
22 might be subject to an ongoing criminal investigation.

23 These letters were not disclosed to us. By
24 rule, as we just reviewed, they should've been disclosed
25 within 15 days, and were not disclosed within that time

1 period. As a matter of fact, we obtained these letters
2 from the Governor's office on December 15, 2010.

3 The count -- and please feel free, as to the
4 Commission's preference, if you want to ask questions as we
5 go or at the end. It's completely -- just let me know if I
6 skip over anything.

7 Count 2 deals with a March 19, 2009, search
8 warrant that the Governor's task force obtained against the
9 White Hall Entertainment Center. That was a facility that
10 had 950 machines in total; 110 of which were Bally
11 machines. The task force seized a total of 105 machines;
12 40 of which were Bally machines.

13 Bally, as a matter of fact, at some point in
14 time in this case, intervened in the case, claiming, you
15 know, some right to intervene legally in this dispute. And
16 they did not report it on their 2009 or 2010 license
17 application, period.

18 I might also point out that there's a spot
19 on the application that requires you to list any litigation
20 relating to your products. So it's not limited to, Are you
21 a party to the case? You have to disclose any case you're
22 a party to, or any litigation that relates to your
23 products.

24 So having that question on the application,
25 that's an application on the licensee, in a case such as

1 White Hall here, to then update that because this is
2 litigation relating to its products. And then, of course,
3 subsequently they did enter and were a party eventually in
4 the case.

5 Count 3 relates to a January 6, 2010, task
6 force search warrant that was obtained against the Country
7 Crossing facility. This is a facility that had a total of
8 1,700 machines; 450 of them were Bally machines. The local
9 attorneys there somehow received a temporary restraining
10 order to prevent the search warrant from being exercised.

11 That, of course, was then appealed to the
12 Supreme Court, who vacated that TRO, saying that, you know,
13 You cannot in a civil matter issue a temporary restraining
14 order to stop a criminal proceeding, which the Supreme
15 Court perceived the execution of the search warrant to be.

16 Then, on January 29, 2010, after that had
17 taken place, the task force then attempted an additional
18 raid. I'd point out here that Will Summerville represented
19 Country Crossing in this case, and Mr. Summerville was at
20 the same time period representing Bally in other matters.
21 Although he indicates he was not representing Bally in this
22 particular litigation.

23 The facility heard somehow about the raid
24 coming, locked its doors, and closed down. And that was
25 the end of that matter because they could not -- they just

1 shut the facility down in response to that -- the existence
2 of that search warrant. Again, this was not listed in the
3 2010 renewal that Bally filed with the Commission.

4 Going to Count 4, Count 4 involves a
5 January 29, 2010, Governor's task force raid on Victory
6 Land. Now, this was the biggest of the facilities. It had
7 6,400 electronic games; 674 of which were Bally's. Once
8 again, the local judge issued a temporary restraining
9 order, a TRO, to stop the search warrant from being
10 executed. That went up to the Supreme Court. They vacated
11 the TRO.

12 Bally machines, again, were -- this was
13 litigation that related to those machines, and they, again,
14 did not -- they failed to report that in the 2010 renewal
15 application that Bally filed with that.

16 Now, Count 5 deals with the same event, the
17 same task force raid. At the time the local judge entered
18 the temporary restraining order, he had several conditions
19 in there. He ordered the parties and their associates to
20 maintain the status quo, and to preserve and not destroy
21 any evidence. In the course of our investigation, we found
22 that Bally performed a RAM clear on four of the computer
23 machines that were there at that facility, during a time
24 frame that that TRO was in effect.

25 Count 6 deals with events in Greene County.

1 The sheriff had passed away and the coroner -- as was there
2 structure in succession, the coroner was appointed as
3 acting sheriff, to serve as sheriff due to that passing of
4 his predecessor. As sheriff the coroner went to the
5 facility there in Greene County. He saw 825 machines; 503
6 of those were Bally machines.

7 It was the opinion of the sheriff that those
8 were illegal gambling devices. He then applied for a
9 search warrant on June 4th, which was granted. And the
10 order specifically directed the sheriff to seize one Bally
11 machine and one of each from the other manufacturers who
12 were present there at that facility.

13 This was then a -- was not reported to us
14 within 30 days of the issuance of the search warrant, and
15 therefore I feel that that is a violation of their
16 reporting requirement.

17 Count 7 deals with the events in Walker
18 County. Now, this was a declaratory judgment case brought
19 to determine whether or not these machines were legal bingo
20 machines. There were some Bally manufactured machines at
21 that facility. Certain information obtained by our
22 investigators indicated that the Bally sales personnel were
23 aware of the fact that there were Bally machines there,
24 although they disavowed ownership of those. But they were
25 familiar with the fact that there were Bally machines

1 there.

2 Therefore we allege that there was
3 litigation involving their products. However, this
4 litigation was not disclosed in either the 2009 or 2010
5 renewal applications filed.

6 The Count 8 deals with a warning letter that
7 was sent by the Colorado Division of Gaming. The warning
8 letter alleged a violation on the part of Bally for not
9 informing Colorado of the White Hall raid. This letter was
10 not disclosed to us, and as a matter of fact, we obtained
11 it directly from Colorado in a request we sent on
12 September 29, 2010.

13 I might note that Bally has made the
14 argument that since it was just a warning letter, it was
15 not something that was necessary to report. However,
16 again, two things: If you look at the regulation itself,
17 if you're the target of an investigation, it triggers the
18 reporting requirement.

19 And the warning letter itself begins with,
20 This letter is to notify you of a violation of the Colorado
21 Limited Gambling Act of 1991, so -- and it was sent to them
22 by an investigator, so they were clearly, you know, at that
23 point in time, even though no formal action was taken
24 against Bally arising out of that failure to report, they
25 were the target of an investigation and did not report that

1 to us at that time.

2 Count 9 relates to a specific request that
3 was made by our investigators on September 29, 2010. We
4 wanted to receive any e-mails that related to the Alabama
5 gambling issues. And then we didn't receive any in
6 response to that. We did receive compliance committee
7 minutes from Bally.

8 In reviewing those minutes, our
9 investigators found an entry on October 27, 2010, which
10 said that 50 e-mails relating to this issue were sent to
11 the Nevada Gaming Control Board as a disclosure, but they
12 were not given to us. And the -- and as you see in
13 Paragraph 21, a separate regulation requires that
14 information requested shall be produced by the licensee
15 within seven days of the request that was made.

16 Count 10 refers to a point in time where
17 certain federal indictments were entered against certain
18 individuals who were involved in Alabama gambling disputes,
19 circumstances, however you would want to phrase it. So our
20 investigators then sent -- immediately sent a document
21 request to Bally's to ask if any of them or their
22 associates had received any subpoenas relative to these
23 indictments -- or proceedings relative to these
24 indictments. Bally's response was, they were not aware of
25 any of their associates or personnel that had received

1 those subpoenas.

2 Further investigation though -- our
3 investigators independently discovered that on April 22,
4 2010, Bally's lobbyist, Michael Sullivan, appeared in
5 response to an FBI subpoena, and that was not, again,
6 reported to us within 7 days or the 15 days required under
7 the two separate regulations there.

8 The last count deals with a request that our
9 investigations sent for e-mails relating to this action.
10 Initially, Bally asserted that 487 of these e-mails were
11 privileged. When asked for more clarification on the
12 grounds for the privilege, they then sent us 25 items that,
13 although they involved attorneys, dealt with social plans,
14 plans not relating to, you know, any litigation.

15 We really at this point, because we haven't
16 gone through a formal proceeding, can't tell you whether
17 they're right or wrong on their assertion of the balance of
18 those documents as privileged. But we have this count here
19 because we'd like to have the opportunity to discover facts
20 to determine if, in fact, those really were privileged
21 documents.

22 The recommendation of the Staff is for a
23 fine of \$600,000.

24 CHAIRMAN MATHEWSON: Quick comment, MR.

25 GREWACH: First of all, I mean, this has been a laborious

1 task. It's gone on for a long time, and your presentation
2 on it and the information that we've been able to look at
3 certainly indicates that our investigation staff did a heck
4 of a job on this. I mean, this is one of those things that
5 they had to really dig and travel and so forth to bring
6 this all out.

7 So I want to compliment them and,
8 Mr. Director, and our past legal staff, as well as you,
9 sir. You-all did a heck of a job on this case.

10 Any comments?

11 COMMISSIONER HATCHES: Yeah, Mr. Chair. I
12 only would like to echo what you just said. This is
13 certainly one of the most intensive investigation cases
14 that I've witnessed since I've been on this Commission.
15 And I, too, want to say that the Staff did a wonderful job,
16 and I really appreciate it. And it makes sitting down,
17 going through these cases a lot easier to do when you get
18 the kind of background information that you guys have
19 provided. So I really say thank you.

20 CHAIRMAN MATHEWSON: Any other comments or
21 thoughts?

22 (No response.)

23 CHAIRMAN MATHEWSON: Okay. The Chair would
24 accept a motion on the recommendation on DC-11-371.

25 COMMISSIONER JONES: Move for the acceptance

1 of DC-11-371.

2 COMMISSIONER HATCHES: Second.

3 CHAIRMAN MATHEWSON: Any other comments?

4 (No response.)

5 CHAIRMAN MATHEWSON: Call the role, Angie,
6 please.

7 MS. FRANKS: Commissioner Merritt?

8 COMMISSIONER MERRITT: Approve.

9 MS. FRANKS: Commissioner Hatches?

10 COMMISSIONER HATCHES: Approve.

11 MS. FRANKS: Commissioner Jones?

12 COMMISSIONER JONES: Approve.

13 MS. FRANKS: Commissioner Bradley?

14 COMMISSIONER BRADLEY: Approve.

15 MS. FRANKS: Chairman Mathewson?

16 CHAIRMAN MATHEWSON: Approve.

17 MS. FRANKS: By your vote you've adopted

18 DC-11-371.

19 CHAIRMAN MATHEWSON: Okay. Next.

20 MR. GREWACH: Relating to Item K on the
21 agenda, the applicant DP3 Massage has withdrawn its
22 application and, so therefore we're passing that. There's
23 no action to be taken on that.

24 CHAIRMAN MATHEWSON: Okay.

25 MR. STOTTLEMYRE: Mr. Chairman, the next

1 item on the agenda, Item VI is Consideration of Relicensure
2 of Suppliers, and Lieutenant Rex Scism will present.

3 CHAIRMAN MATHEWSON: Morning, sir.

4 LIEUTENANT SCISM: Good morning,
5 Mr. Chairman, Commissioners.

6 CHAIRMAN MATHEWSON: God love you.
7 Proceed, Rex, please.

8 LIEUTENANT SCISM: Thank you. Missouri
9 State Highway Patrol investigators conducted the
10 relicensing investigation of three supplier companies
11 currently licensed in Missouri. The investigations
12 consisted of jurisdictional inquiries, feedback from
13 affected gaming company clients, a review of disciplinary
14 actions, litigation, and business credit profiles, as well
15 as a review of the key person associated with each company.
16 The results of these investigations were provided to the
17 MGC Staff for their review, and you possess summary reports
18 before you which outline our investigative findings.

19 The following supplier companies are being
20 presented for your consideration. There's three of them
21 this morning. The first is ACS, formerly Atlantic City
22 Coin & Slot Service Company, of Pleasantville, New Jersey.

23 CHAIRMAN MATHEWSON: Any questions of Rex
24 on 11-082?

25 MR. STOTTLEMYRE: Yes, sir. Staff

1 recommends approval of 11-082.

2 CHAIRMAN MATHEWSON: Okay. Thank you. Any
3 comments, questions, concerns?

4 (No response.)

5 CHAIRMAN MATHEWSON: Chair would accept a
6 motion on the adoption of the recommendation on 11-082,
7 please.

8 COMMISSIONER HATCHES: Move for adoption of
9 Resolution No. 11-082.

10 COMMISSIONER BRADLEY: Second.

11 CHAIRMAN MATHEWSON: Further discussion?

12 (No response.)

13 CHAIRMAN MATHEWSON: Call the role, Angie,
14 please.

15 MS. FRANKS: Commissioner Merritt?

16 COMMISSIONER MERRITT: Approve.

17 MS. FRANKS: Commissioner Hatches?

18 COMMISSIONER HATCHES: Approve.

19 MS. FRANKS: Commissioner Jones?

20 COMMISSIONER JONES: Approve.

21 MS. FRANKS: Commissioner Bradley?

22 COMMISSIONER BRADLEY: Approve.

23 MS. FRANKS: Chairman Mathewson?

24 CHAIRMAN MATHEWSON: Approve.

25 MS. FRANKS: By your vote you've adopted

1 Resolution No. 11-082.

2 LIEUTENANT SCISM: And the second one for
3 your consideration: Lightning Slot Machines, LLC, formerly
4 Lightning Poker, Incorporated, of Boothwyn, Pennsylvania.

5 CHAIRMAN MATHEWSON: Any questions? I
6 assume you do --

7 MR. STOTTLEMYRE: Staff recommends approval.

8 CHAIRMAN MATHEWSON: Thank you. Chair
9 would accept a motion on 11-083, please.

10 COMMISSIONER MERRITT: Make a motion to
11 approve 11-083.

12 COMMISSIONER JONES: Second.

13 CHAIRMAN MATHEWSON: Any discussion?

14 (No response.)

15 CHAIRMAN MATHEWSON: Call the role, Angie,
16 please.

17 MS. FRANKS: Commissioner Merritt?

18 COMMISSIONER MERRITT: Approve.

19 MS. FRANKS: Commissioner Hatches?

20 COMMISSIONER HATCHES: Approve.

21 MS. FRANKS: Commissioner Jones?

22 COMMISSIONER JONES: Approve.

23 MS. FRANKS: Commissioner Bradley?

24 COMMISSIONER BRADLEY: Approve.

25 MS. FRANKS: Chairman Mathewson?

1 CHAIRMAN MATHEWSON: Approve.

2 MS. FRANKS: By your vote you've adopted
3 Resolution No. 11-083.

4 LIEUTENANT SCISM: And then, finally, Gaming
5 Laboratories International, Incorporated, of Lakewood, New
6 Jersey.

7 MR. STOTTLEMYRE: Staff recommends approval.

8 CHAIRMAN MATHEWSON: Thank you. Any
9 questions?

10 (No response.)

11 CHAIRMAN MATHEWSON: Chair would accept a
12 motion, please, on 11-084.

13 COMMISSIONER HATCHES: Move for approval of
14 Resolution No. 11-084.

15 COMMISSIONER JONES: Second.

16 CHAIRMAN MATHEWSON: Call the role, please.

17 MS. FRANKS: Commissioner Merritt?

18 COMMISSIONER MERRITT: Approve.

19 MS. FRANKS: Commissioner Hatches?

20 COMMISSIONER HATCHES: Approve.

21 MS. FRANKS: Commissioner Jones?

22 COMMISSIONER JONES: Approve.

23 MS. FRANKS: Commissioner Bradley?

24 COMMISSIONER BRADLEY: Approve.

25 MS. FRANKS: Chairman Mathewson?

1 CHAIRMAN MATHEWSON: Approve.

2 MS. FRANKS: By your vote you've adopted
3 Resolution No. 11-084.

4 MR. STOTTLEMYRE: Mr. Chairman, Item VII on
5 the agenda is Consideration of Licensure of Certain
6 Suppliers and Corporal Jeff Meyers will present.

7 CHAIRMAN MATHEWSON: Wouldn't that be VIII?
8 I believe it's VIII, Rog.

9 MR. STOTTLEMYRE: It is VIII.

10 CHAIRMAN MATHEWSON: Not that it makes any
11 difference as long it's on the same page.

12 Good morning, sir.

13 CORPORAL MEYERS: Good morning,
14 Mr. Chairman, Commissioners.

15 CHAIRMAN MATHEWSON: Proceed, please.

16 CORPORAL MEYERS: You'll notice under Tab O,
17 there are two resolutions for one company, House Advantage,
18 LLC, which I'll refer to hereafter as House Advantage. In
19 the second resolution, for the key person, Jon Wolfe, who's
20 the president and managing member of House Advantage.

21 On May 2, 2011, House Advantage made application to
22 the Missouri Gaming Commission for a supplier license. The
23 company also submitted an application for its key person,
24 Mr. Wolfe. The Missouri State Highway investigators, along
25 with Gaming Commission financial investigators, conducted

1 background investigations on House Advantage and Mr. Wolfe.

2 The investigation included, but was not
3 limited to, criminal, civil, financial, and general
4 character inquiries of Mr. Wolfe, through the federal,
5 state, and local court entities, as well as a comprehensive
6 financial analysis of the company. November 2011 an
7 investigative summary was submitted to the Missouri Gaming
8 Commission Staff, and a copy of that comprehensive summary
9 has been provided for your review. Thank you.

10 CHAIRMAN MATHEWSON: Roger.

11 MR. STOTTLEMYRE: Next item on the agenda --
12 oh, I'm sorry. The House Advantage, Resolution No. 11-085,
13 recommend approval.

14 CHAIRMAN MATHEWSON: Thank you. Any
15 discussion, questions?

16 (No response.)

17 CHAIRMAN MATHEWSON: Chair would accept a
18 motion on adoption of 085, please.

19 COMMISSIONER BRADLEY: Motion to approve
20 Commission Resolution No. 11-085.

21 COMMISSIONER HATCHES: Second.

22 CHAIRMAN MATHEWSON: Any discussion?

23 (No response.)

24 CHAIRMAN MATHEWSON: Call the role, Angie,
25 please.

1 MS. FRANKS: Commissioner Merritt?

2 COMMISSIONER MERRITT: Approve.

3 MS. FRANKS: Commissioner Hatches?

4 COMMISSIONER HATCHES: Approve.

5 MS. FRANKS: Commissioner Jones?

6 COMMISSIONER JONES: Approve.

7 MS. FRANKS: Commissioner Bradley?

8 COMMISSIONER BRADLEY: Approve.

9 MS. FRANKS: Chairman Mathewson?

10 CHAIRMAN MATHEWSON: Approve.

11 MS. FRANKS: By your vote you've adopted

12 Resolution No. 11-085.

13 MR. STOTTLEMYRE: And we also recommend

14 approval on 11-086.

15 CHAIRMAN MATHEWSON: Chair would accept a

16 motion on adoption of 11-086, please.

17 COMMISSIONER JONES: Move for the acceptance

18 of Resolution No. 11-086.

19 COMMISSIONER MERRITT: Second.

20 CHAIRMAN MATHEWSON: Any discussion?

21 (No response.)

22 CHAIRMAN MATHEWSON: Call the role, Angie,

23 please.

24 MS. FRANKS: Commissioner Merritt?

25 COMMISSIONER MERRITT: Approve.

1 MS. FRANKS: Commissioner Hatches?

2 COMMISSIONER HATCHES: Approve.

3 MS. FRANKS: Commissioner Jones?

4 COMMISSIONER JONES: Approve.

5 MS. FRANKS: Commissioner Bradley?

6 COMMISSIONER BRADLEY: Approve.

7 MS. FRANKS: Chairman Mathewson?

8 CHAIRMAN MATHEWSON: Approve.

9 MS. FRANKS: By your vote you've adopted
10 Resolution No. 11-086.

11 MR. STOTTLEMYRE: The next item on the
12 agenda is Consideration of Licensure of Level I and Key
13 Applicants, and Lieutenant Rex Scism will present.

14 LIETENANT SCISM: Hello again.

15 CHAIRMAN MATHEWSON: You are back again.
16 God love you, son. Proceed, please.

17 LIETENANT SCISM: Missouri State Highway
18 Patrol investigators, along with Gaming Commission
19 financial investigators, conducted comprehensive background
20 investigations on multiple key and Level I applicants. The
21 investigations included, but were not limited to, criminal,
22 financial, and general character inquiries, which were made
23 in the jurisdictions where the applicants lived, worked,
24 and frequented.

25 The following individuals are being

1 presented for your consideration this morning: First is
2 John C. Krabeiel, CFO and Treasurer, Affinity Gaming, LLC;
3 Mark H. Rubinstein, Senior VP, General Counsel, and
4 Secretary for Affinity Gaming, LLC; David B. Sambur,
5 Director for Caesars Entertainment; Jimlong Wang, Director
6 for Caesars Entertainment; Douglas C. Lang, Director and
7 Casino Services, Harrah's Maryland Heights; Paget L. Alves,
8 Independent Director for IGT, Incorporated; Kee Lok Hung,
9 Casino Operations Manager for IOC-Kansas City,
10 Incorporated; Neil E. Walkoff, Senior VP and General
11 Manager, Lumiere Place/River City Casinos; and finally,
12 Eileen F. Raney, Outside Director for Shuffle Master,
13 Incorporated.

14 The results of these investigations were
15 provided to the Gaming Commission Staff for their review,
16 and you have all related summary reports before you.

17 MR. STOTTLEMYRE: Staff recommends approval,
18 sir.

19 CHAIRMAN MATHEWSON: Okay. Which one am I
20 on here?

21 MR. STOTTLEMYRE: Resolution 11-087.

22 CHAIRMAN MATHEWSON: I marked that off just
23 because I knew you'd make such an outstanding presentation.

24 Okay. Any discussion?

25 (No response.)

1 CHAIRMAN MATHEWSON: Chair would accept a
2 motion on 11-087, please.

3 COMMISSIONER HATCHES: Move for approval of
4 Resolution No. 11-087.

5 COMMISSIONER BRADLEY: Second.

6 CHAIRMAN MATHEWSON: Any discussion?

7 (No response.)

8 CHAIRMAN MATHEWSON: Call the role, Angie,
9 please.

10 MS. FRANKS: Commissioner Merritt?

11 COMMISSIONER MERRITT: Approve.

12 MS. FRANKS: Commissioner Hatches?

13 COMMISSIONER HATCHES: Approve.

14 MS. FRANKS: Commissioner Jones?

15 COMMISSIONER JONES: Approve.

16 MS. FRANKS: Commissioner Bradley?

17 COMMISSIONER BRADLEY: Approve.

18 MS. FRANKS: Chairman Mathewson?

19 CHAIRMAN MATHEWSON: Approve.

20 MS. FRANKS: By your vote you've adopted
21 Resolution No. 11-087.

22 CHAIRMAN MATHEWSON: Hi there.

23 MR. GREENO: Hello, Mr. Chairman.

24 MR. STOTTLEMYRE: Next item on the agenda is
25 Consideration of Waiver of Licensure for Institutional

1 Investors, and Clarence Greeno will present.

2 MR. GREENO: Mr. Chairman, Commissioners,
3 behind Tabs Q, R, and S are three resolutions regarding
4 waiver of licensure for institutional investors holding
5 and/or requesting to hold publicly traded interest up to
6 20 percent in gaming licensees.

7 Each investor had submitted a request for
8 waiver to hold interest in these licensees, in compliance
9 with 11 CSR 45-4.020. The submitted waivers certify all
10 holdings are for institutional investment purposes only,
11 with no intent to be involved in the management or
12 operation of the licensees.

13 Because the holdings may exceed the
14 10 percent threshold for which the Executive Director may
15 grant waiver, these resolutions are before the Commission
16 today. The first resolution, No. 11-088, is for Janus
17 Capital Management, LLC, which presently has holdings in
18 WMS Industries, Incorporated. The second resolution, No.
19 11-089, is for the Vanguard Group, Incorporated, which
20 presently has holdings in Pinnacle Entertainment, Inc. and
21 Shuffle Master Gaming, Inc.

22 The third resolution, 11-090, is for Eagle
23 Asset Management, Incorporated, which is applying for
24 renewal of its existing waiver. While Eagle Asset
25 Management presently has holdings in Shuffle Master Gaming,

1 Pinnacle Entertainment, and Bally Technologies, only their
2 holding in Shuffle Master are at a level requiring waiver
3 or licensure. However, as an investment enterprise, Eagle
4 Asset Management desires to ensure their ability to invest
5 in Missouri licensed gaming entities is available as
6 dictated by the market.

7 I'd be happy to answer any question you
8 might have.

9 CHAIRMAN MATHEWSON: Any questions of
10 Clarence on any one of these three?

11 (No response.)

12 CHAIRMAN MATHEWSON: If not --

13 MR. STOTTLEMYRE: I believe we do have to
14 vote on these separately, and we recommend approval of
15 Resolution 11-088.

16 CHAIRMAN MATHEWSON: Chair would accept a
17 motion on adoption of 11-088.

18 COMMISSIONER JONES: Move for the adoption
19 of Resolution No. 11-088.

20 COMMISSIONER BRADLEY: Second.

21 CHAIRMAN MATHEWSON: Any discussion?

22 (No response.)

23 CHAIRMAN MATHEWSON: Call the role, Angie,
24 please.

25 MS. FRANKS: Commissioner Merritt?

1 COMMISSIONER MERRITT: Approve.

2 MS. FRANKS: Commissioner Hatches?

3 COMMISSIONER HATCHES: Approve.

4 MS. FRANKS: Commissioner Jones?

5 COMMISSIONER JONES: Approve.

6 MS. FRANKS: Commissioner Bradley?

7 COMMISSIONER BRADLEY: Approve.

8 MS. FRANKS: Chairman Mathewson?

9 CHAIRMAN MATHEWSON: Approve.

10 MS. FRANKS: By your vote you've adopted
11 Resolution No. 11-088.

12 MR. STOTTLEMYRE: Staff recommends approval
13 of Resolution No. 11-089.

14 CHAIRMAN MATHEWSON: Any discussion?

15 (No response.)

16 CHAIRMAN MATHEWSON: Chair would accept a
17 motion on 089, please.

18 COMMISSIONER JONES: Move for the adoption
19 of Resolution No. 11-089.

20 COMMISSIONER HATCHES: Second.

21 CHAIRMAN MATHEWSON: Any discussion?

22 (No response.)

23 CHAIRMAN MATHEWSON: Call the role, Angie,
24 please.

25 MS. FRANKS: Commissioner Merritt?

1 COMMISSIONER MERRITT: Approve.

2 MS. FRANKS: Commissioner Hatches?

3 COMMISSIONER HATCHES: Approve.

4 MS. FRANKS: Commissioner Jones?

5 COMMISSIONER JONES: Approve.

6 MS. FRANKS: Commissioner Bradley?

7 COMMISSIONER BRADLEY: Approve.

8 MS. FRANKS: Chairman Mathewson?

9 CHAIRMAN MATHEWSON: Approve.

10 MS. FRANKS: By your vote you've adopted
11 Resolution No. 11-089.

12 MR. STOTTLEMYRE: Staff recommends approval
13 of Resolution No. 11-090.

14 CHAIRMAN MATHEWSON: Any discussion?

15 (No response.)

16 CHAIRMAN MATHEWSON: Chair would accept a
17 motion on 11-090, please. Thanks, Clarence.

18 COMMISSIONER JONES: Move for the adoption
19 of Resolution No. 11-090.

20 COMMISSIONER MERRITT: Second.

21 CHAIRMAN MATHEWSON: Call the role, Angie,
22 please.

23 MS. FRANKS: Commissioner Merritt?

24 COMMISSIONER MERRITT: Approve.

25 MS. FRANKS: Commissioner Hatches?

1 COMMISSIONER HATCHES: Approve.

2 MS. FRANKS: Commissioner Jones?

3 COMMISSIONER JONES: Approve.

4 MS. FRANKS: Commissioner Bradley?

5 COMMISSIONER BRADLEY: Approve.

6 MS. FRANKS: Chairman Mathewson?

7 CHAIRMAN MATHEWSON: Approve.

8 MS. FRANKS: By your vote you've adopted
9 Resolution No. 11-090.

10 CHAIRMAN MATHEWSON: Okay. You guys be
11 careful about this next one.

12 MR. STOTTLEMYRE: Next item on the agenda is
13 the Delegation of Authority for the Chairman. Mr. Ed
14 Grewach will present.

15 CHAIRMAN MATHEWSON: Make me look good, Ed.

16 MR. GREWACH: I'll do my best.

17 COMMISSIONER HATCHES: You got three
18 minutes.

19 MR. GREWACH: The regulation that's cited,
20 1.0204, gives the Commission the authority to delegate to
21 the chairman the limited authority to extend any existing
22 license for up to 60 days. Now, the rule also provides
23 that this has to be renewed annually. You know, if you
24 give him permission, it's only good for this next year. As
25 drafted you can see this resolution would expire on

1 December 1, 2012.

2 Now, when the Chairman does that, then at
3 the next regularly scheduled Commission meeting, the
4 Commission can affirm that action or terminate that
5 extension at that point in time. But that's where you see
6 the language in the second to last paragraph, Procedures
7 for ratification of any exercise of the authority granted.
8 And that's what that is. So the chairman could do it, if
9 you grant him that authority, and then at the next regular
10 scheduled Commission meeting, then you have the right to
11 veto that decision or affirm that decision.

12 CHAIRMAN MATHEWSON: Did I have that
13 authority in 2010?

14 MR. STOTTLEMYRE: Yes, sir.

15 MR. GREWACH: Yes.

16 CHAIRMAN MATHEWSON: I just wanted to make
17 sure I did because I didn't use it.

18 COMMISSIONER HATCHES: It doesn't carry over
19 though.

20 CHAIRMAN MATHEWSON: It didn't carry over.
21 Okay. Thank you. Okay. What are you going to do now?

22 MR. STOTTLEMYRE: Staff recommends approval
23 of 11-091.

24 CHAIRMAN MATHEWSON: Hope so. Any
25 discussion that really would relate to this subject?

1 (No response.)

2 CHAIRMAN MATHEWSON: If not, chair would
3 accept a motion on adoption of 11-091.

4 COMMISSIONER BRADLEY: Motion to approve
5 Commission Resolution No. 11-091.

6 CHAIRMAN MATHEWSON: Thank you.

7 COMMISSIONER JONES: Second.

8 CHAIRMAN MATHEWSON: Thank you. Call the
9 role, please.

10 MS. FRANKS: Commissioner Merritt?

11 COMMISSIONER MERRITT: Approve.

12 MS. FRANKS: Commissioner Hatches?

13 COMMISSIONER HATCHES: Approve.

14 MS. FRANKS: Commissioner Jones?

15 COMMISSIONER JONES: Approve.

16 MS. FRANKS: Commissioner Bradley?

17 COMMISSIONER BRADLEY: Approve.

18 MS. FRANKS: Chairman Mathewson?

19 CHAIRMAN MATHEWSON: Approve.

20 MS. FRANKS: By your vote you've adopted
21 Resolution No. 11-091.

22 CHAIRMAN MATHEWSON: Thank you all for your
23 faith.

24 COMMISSIONER HATCHES: Merry Christmas.

25 CHAIRMAN MATHEWSON: I guess that's all I'm

1 going to get too, isn't it? Okay. Roger?

2 MR. STOTTLEMYRE: The next item on the
3 agenda is Consideration of Rules and Regulations, and
4 Mr. Ed Grewach will present.

5 MR. GREWACH: Under Tab U we have a proposed
6 amendment. It's an amendment to the minimum internal
7 control standards in Chapter R. Chapter R is a chapter
8 where you'll see the forms that are required for specific
9 situations and actions by the licensees.

10 These changes were made and prompted by
11 changes in other chapters. You know, for example, we're
12 now allowing wire transfers of funds, so now we have to
13 develop minimum internal control standards that relate to
14 that. So all these changes really are tied to other rule
15 changes that have been enacted or proposed by the
16 Commission.

17 CHAIRMAN MATHEWSON: Okay. I assume we
18 probably have to vote those one at a time, don't we?

19 MR. GREWACH: Well, I know we can --

20 COMMISSIONER JONES: It's just one.

21 MR. STOTTLEMYRE: On the Proposed
22 Amendments, there is just one, and you can vote on that and
23 we'll do the Final Orders.

24 CHAIRMAN MATHEWSON: Oh, there's just one
25 on that one. The next one is a whole list of them.

1 MR. STOTTLEMYRE: Yes. And we can vote on
2 all of those at the same time.

3 CHAIRMAN MATHEWSON: We can?

4 MR. STOTTLEMYRE: Yes, sir.

5 CHAIRMAN MATHEWSON: Okay. Any questions
6 of Ed on the proposed amendment?

7 (No response.)

8 COMMISSIONER HATCHES: I move for approval
9 of --

10 CHAIRMAN MATHEWSON: Whatever it is.

11 COMMISSIONER HATCHES: -- 11 CSR 45-9.188.

12 CHAIRMAN MATHEWSON: That was good.

13 COMMISSIONER JONES: Second.

14 CHAIRMAN MATHEWSON: Okay.

15 COMMISSIONER HATCHES: I knew that education
16 would come in handy. Took a long time to kick in.

17 CHAIRMAN MATHEWSON: Yeah. Call the role,
18 please, Angie.

19 MS. FRANKS: Commissioner Merritt?

20 COMMISSIONER MERRITT: Approve.

21 MS. FRANKS: Commissioner Hatches?

22 COMMISSIONER HATCHES: Approve.

23 MS. FRANKS: Commissioner Jones?

24 COMMISSIONER JONES: Approve.

25 MS. FRANKS: Commissioner Bradley?

1 COMMISSIONER BRADLEY: Approve.

2 MS. FRANKS: Chairman Mathewson?

3 CHAIRMAN MATHEWSON: Approve.

4 MS. FRANKS: By your vote you've adopted
5 Proposed Amendment 11 CSR 45-9.118.

6 MR. GREWACH: Mr. Chairman, under Tab V, our
7 Final Orders of Rulemaking, I might mention, just for
8 information, that they're 11 of them. Some of these may
9 prompt some prolonged discussion and questions, so I didn't
10 know if the Chair wanted to begin this now or to break for
11 lunch and take it up after lunch. I just wanted to give
12 that information, that this section could take some time.

13 CHAIRMAN MATHEWSON: Why don't we -- if
14 it's okay with the other Commissioners, I'd like to go
15 ahead and go now, unless we get hung up, say, in 30 minutes
16 or something, why, then maybe we'd take a break. Is that
17 okay with everyone?

18 COMMISSIONER HATCHES: Yes, sir. Let's get
19 it done.

20 CHAIRMAN MATHEWSON: Let's go ahead then.
21 Thank you, Ed, for the offer. Let's go ahead and get
22 started, please.

23 MR. GREWACH: Yes. The first item, the
24 first rule, which is 5.200 involves progressive slot
25 machines, and the language was adopted to clarify when

1 progressive slot machines had to be reconciled.

2 Now, these are all orders that have already
3 gone through the initial presentation to the Commission,
4 gone through the public hearing and public comment period,
5 and are now here for final adoption. And then, for those
6 of you familiar with the rulemaking process, then it goes
7 to the Joint Committee on Administrative Rules, for a
8 certain time period, for their review, and then to the
9 Secretary of State for publication. But these -- this
10 point in the process would be the last act of the
11 Commission to adopt these rules.

12 So there was a public hearing held on this
13 particular amendment, and there was no comment at the
14 public hearing and no written comments were received.

15 CHAIRMAN MATHEWSON: Okay. And, again, we
16 need to take these one at a time? Or we can vote them
17 all -- we go through them and then vote them all in a
18 package?

19 MR. STOTTLEMYRE: We can vote them all in a
20 package.

21 CHAIRMAN MATHEWSON: Okay. All right. Any
22 questions of Ed on No. 1, 5.200?

23 (No response.)

24 CHAIRMAN MATHEWSON: Okay. Proceed, Ed,
25 please.

1 MR. GREWACH: Then the next item, 7.160,
2 related to emergency medical technicians. It changed the
3 standard to require a first responder, an emergency medical
4 system first responder. That's defined as someone who has
5 basic lifesaving and first aid training.

6 The rule prior to the change required an EMT
7 on duty, and there was a feeling that that rule was proper
8 to be changed because the EMT rule, of course, was adopted
9 at the point in time where there was a belief that all the
10 casinos would be boats that would be floating, and
11 therefore would have more need for an EMT on board.

12 By adopting this standard, you have someone
13 there who has trained as a first responder to stabilize the
14 situation until an EMT or some higher level of medical help
15 arrives.

16 CHAIRMAN MATHEWSON: Ed, is this -- isn't
17 this a situation where we were getting reports, had been
18 for some time, where people, just general public, were
19 coming off the street into the casino for medical services
20 rather than going to an emergency room or something?

21 MR. GREWACH: I'd probably have to call
22 on --

23 CHAIRMAN MATHEWSON: That's okay. That's
24 okay. But I'm pretty sure that's what we --

25 MR. STOTTLEMYRE: We have had that happen.

1 CHAIRMAN MATHEWSON: We've had that
2 happen --

3 MR. STOTTLEMYRE: We have had that happen.

4 CHAIRMAN MATHEWSON: -- where they knew
5 there was someone in there in the casino, so they were just
6 showing up and asking for medical assistance, you know,
7 rather than going to an emergency room, which would take
8 seven hours or whatever.

9 Okay. Any questions or concern about No. 2?

10 (No response.)

11 CHAIRMAN MATHEWSON: Okay. Move on, Ed,
12 please.

13 MR. GREWACH: Yes. The third rule is 9.114;
14 it's, again, a minimum internal control standard. It
15 requires the security director, that the organizational
16 chart require him to report directly to the general
17 manager.

18 CHAIRMAN MATHEWSON: Any questions?

19 (No response.)

20 CHAIRMAN MATHEWSON: Move it on, Ed,
21 please.

22 MR. GREWACH: Now we get to the
23 disassociated persons list. I would probably like to start
24 off by saying that, you know, when we took a look at this
25 program, we really had two goals in mind. The first was to

1 create an option for someone on the list to be able to get
2 off the list after a certain point in time. And the second
3 was to simplify the application process.

4 We were pioneers, you know, Missouri, in
5 creating this program. Twelve other states after us have.
6 All but three of us --

7 COMMISSIONER JONES: You missed one.

8 MR. GREWACH: I missed one?

9 CHAIRMAN MATHEWSON: You missed 4, Ed.

10 COMMISSIONER JONES: Yes, sir.

11 MR. GREWACH: Oh, well, that's -- I'm going
12 to get back to that though. This is really my lead into 4.

13 CHAIRMAN MATHEWSON: Oh, okay.

14 COMMISSIONER JONES: Good set up.

15 CHAIRMAN MATHEWSON: I mean, when you're
16 going somewhere, son, you ought to tell us where you're
17 going.

18 MR. GREWACH: It was on Page 2, Chairman.

19 COMMISSIONER HATCHES: We just want to be
20 with you, Ed.

21 CHAIRMAN MATHEWSON: Moving right along.

22 MR. GREWACH: Having said that, probably the
23 easiest way to approach this is to go directly to 17.060,
24 because that is the change, the new regulation that was
25 adopted to create the mechanism for people to go off after

1 that five years on the program. And the reason I do that
2 is, when I go back to 4 and come down on the other ones,
3 almost everything else were just housekeeping, clarifying
4 different rules so the language would mesh between the two
5 rules that you have. So I wanted to go first to 17.060.

6 As I indicated, you know, this really brings
7 us in line with most of the other states that have a DAP
8 program. It also, conceptually to us, when you look at it,
9 is a voluntary program. It's voluntary to get on. We
10 don't require any medical certification that you're -- that
11 you are a problem gambler. We take your word for it. You
12 say, Yes, I want on.

13 So this then, after that five-year period,
14 give the authority to the person that's on the list to say,
15 Now I don't think I need that protection anymore. And,
16 again, when you think of other programs, you know, AA,
17 Gamblers Anonymous, if you check yourself into some
18 substance treatment center, you can check yourself out.

19 So the idea, again, is it's a voluntary
20 program to get in and a voluntary program to get out of.
21 The other states, as I mentioned, that came after us, for
22 the most part, did create some shorter term to get out.

23 The research has indicated a couple things
24 that we've looked at when we looked at this problem. One
25 is, having the ability to get off at a certain date in the

1 future encourages more people to get on. When you're
2 facing lifetime or don't sign up, you know, a lot of people
3 choose the don't sign up. But if I think, Okay, I'm on; if
4 I don't think I need this after five years, I can get off,
5 it's going to encourage more people to seek that help.

6 The second thing in the research that we
7 found was that the program is really most effective
8 up-front. You know, in the first part, when they're first
9 on the list, that's when the deterrent is most effective.
10 As years go on, it becomes less and less effective as it
11 goes.

12 Now, we did have, of course, requested
13 public comment. We received 13 letters from the general
14 public expressing support for the rule. We received one
15 written comment from the general public who we opposed to
16 the rule and didn't think it was in the best interest of
17 the person on the list to give them that option to get off.

18 We then received a letter -- and we set off
19 the two from legislators separately -- from Senator Lembke,
20 who said he strongly disagreed with the rule, had a concern
21 that it would have adverse effects on the persons on their
22 list and their families. We then also have a similar
23 letter from Representative Kratky, with her concerns.

24 In both those cases, the Staff drafted a
25 letter for the Chairman's signature to the Senator and to

1 the Representative, explaining our rationale. And after
2 having sent that, we heard no further response from either
3 one of those two persons.

4 We had a public hearing in which two people
5 came. One of them spoke. He was on the list and he
6 indicated that he, you know, was in favor, obviously, of
7 the change. When he signed up, he was having a difficult
8 time in his life. He felt at this point in time he didn't
9 need it.

10 When we read a lot of the comments in favor
11 of giving the option to get off, there were really some
12 fairly compelling stories. I mean, there were people that
13 were going through a divorce or some other personal problem
14 at the time, that felt they needed it at the time they
15 signed up. Now, being older and those crises having past,
16 then they felt like they were in a position now to be able
17 to go.

18 But they found themselves sometimes, being
19 on the list, and they're married and they have in-laws and
20 family members who enjoy going to the casino, and they have
21 to stay home. And, you know, from their perspective, it's,
22 I signed up on this thing, and I needed it then; I don't
23 need it now. And that's basically what kind of common
24 thread through those letters is, why they support the
25 option to get off.

1 entertain -- because I was going to say, if I could kind
2 of --

3 CHAIRMAN MATHEWSON: I thought you had
4 finished.

5 MR. GREWACH: -- jump ahead with your
6 prompt --

7 CHAIRMAN MATHEWSON: I thought you'd
8 finished there, Ed. I --

9 MR. GREWACH: Oh, that's okay. But I just
10 want to say that 070 is different in that that creates a
11 mechanism for you, once you take yourself off the list, you
12 can then reapply for the list. But if you do that, you're
13 on for life. There's no second chance of getting off. So
14 that's -- 070 is actually a new provision.

15 Everything else, you know, from Paragraph 4
16 on down through 11, the rest of them are all just, as I
17 said, housekeeping changes. Just to make sure if we had a
18 provision in one section on application saying that, you
19 know, your application was for life and couldn't get off,
20 we had to change that language to match 060. But here
21 weren't any substantive changes in any of the other ones,
22 other than the adoption of 060 and 070.

23 CHAIRMAN MATHEWSON: Okay. Now, we have --
24 as a Commission, we, along with your and Staff's support,
25 you know, we have had a lot of discussions about this whole

1 issue, have we not?

2 MR. GREWACH: Yes.

3 CHAIRMAN MATHEWSON: I mean, we have talked
4 it a lot, to reach this point today when we now have it
5 before us as a Commission. Help my memory with it though,
6 Ed. We have presently a little over 16,000 people that are
7 on there voluntarily; no one put them on there.

8 MR. GREWACH: 16,148.

9 CHAIRMAN MATHEWSON: 16,148, okay. Now, if
10 we adopt this package that all ties together, are they
11 automatically off then?

12 MR. GREWACH: No. Two things --

13 CHAIRMAN MATHEWSON: They still have to
14 apply --

15 MR. GREWACH: Right.

16 CHAIRMAN MATHEWSON: -- to get off.

17 MR. GREWACH: Two things I might --

18 CHAIRMAN MATHEWSON: Okay. That's what I
19 wanted to clarify. Okay. And so help me out. If I'm on
20 that list, and I go into casino X, Y, or Z, whichever
21 one -- it doesn't make any difference -- and they check me,
22 or I tell them, you know, I'm on that, but I want to come
23 off, okay, I want to take myself off. I volunteer to come
24 on, now I want to volunteer to come off, can they do it
25 then? Fill out the paper, which surely isn't very

1 complicated, and then go on the casino as someone who is
2 not on that list anymore?

3 MR. GREWACH: I don't believe so. I believe
4 that -- it's a one-page application to get off, but it
5 still needs to be processed to make sure that
6 everything's --

7 CHAIRMAN MATHEWSON: Who's doing the
8 processing, Ed?

9 MR. GREWACH: I believe that would be our
10 Jefferson City office here, the personnel here would
11 review --

12 CHAIRMAN MATHEWSON: Okay. So there's
13 going to be a time lapse from -- so to answer my question
14 specifically, no, they can't do it that way. Right?

15 MR. GREWACH: Right.

16 CHAIRMAN MATHEWSON: Okay. All right. So
17 then, a person would then have to apply and they could
18 contact this office and we would send them that
19 application; is that correct?

20 MR. GREWACH: Correct.

21 CHAIRMAN MATHEWSON: Or they could go to
22 any casino and get that, or could they not?

23 MR. GREWACH: Yes.

24 CHAIRMAN MATHEWSON: Yes, they can. Okay.
25 Okay. So then, they would fill out that application to

1 remove themselves from it voluntarily, and then give me a
2 time frame, Roger, or someone, just rough. I'm not going
3 to hold you exactly to it, but are we talking three months,
4 six months, or a week?

5 MR. STOTTLEMYRE: I would say --

6 CHAIRMAN MATHEWSON: Do we know?

7 MR. STOTTLEMYRE: Well, hope to be able to
8 get a reply back to them within the month. I can't say it
9 would happen much sooner than that.

10 CHAIRMAN MATHEWSON: Well, we haven't had
11 it before us yet, so we have no background to find out.
12 Right?

13 MR. STOTTLEMYRE: There is going to be some
14 processing --

15 CHAIRMAN MATHEWSON: We won't know until --

16 MR. STOTTLEMYRE: -- time. It also depends
17 upon the number of requests we get, as we get them, and
18 we're just not sure yet how long a time it will take, but
19 we're hoping to have them back within a month.

20 CHAIRMAN MATHEWSON: Okay. So if we take
21 action today to allow a person to come off, now walk me
22 through to the next step, Ed, please. So now I want -- I
23 am now -- I have filled out the application to remove
24 myself voluntarily, which I put myself on voluntarily -- I
25 keep emphasizing that because I think that's important

1 about this whole program. No one forced anyone to do
2 anything. Or certainly we didn't, as a Gaming Commission.
3 So now I am off, period. Okay? When my application is
4 approved by our Staff here, now I'm off. My name's been
5 removed; is that correct?

6 MR. GREWACH: That's correct.

7 CHAIRMAN MATHEWSON: Okay. Now, oops, six
8 months from now, I probably ought to go back on. Now, with
9 what we have before us, we are now going to take that
10 second step. If I go apply, voluntarily, to go back on the
11 list, then that will be five years --

12 MR. STOTTLEMYRE: No.

13 CHAIRMAN MATHEWSON: It will be what?

14 MR. GREWACH: Lifetime.

15 CHAIRMAN MATHEWSON: We're back to lifetime
16 again?

17 MR. GREWACH: Right. You have a right --
18 and let me mention a couple things before I forget. The
19 rulemaking process, if vote in favor of this, it really
20 won't become effective until the end of March of 2012.

21 CHAIRMAN MATHEWSON: Okay.

22 MR. GREWACH: But then after that, if you --
23 so let's just take that as an example. So on April 4th,
24 someone comes in and says, I want off; here's my one-page
25 application.

1 CHAIRMAN MATHEWSON: Okay.

2 MR. GREWACH: Basically, the analysis at a
3 staff level then is, have they been on five years? You
4 know, do we have the correct information? And then we can
5 send them a letter confirming the fact that they're now off
6 the list. Then, in August of 2012, they change their mind
7 and say, Gosh, you know, I really shouldn't have ever taken
8 my name off, and then they get back on. Now, in our
9 computer system, they're going to be flagged as being a
10 lifetime member.

11 So then if in November they want to change
12 their mind once again and get off, they could come and file
13 an application to get off, but our computer records would
14 catch the fact that they are now a lifetime member. So you
15 can get off anytime, five years after you apply, but if you
16 get off and back on, you're done. We can't --

17 CHAIRMAN MATHEWSON: Okay.

18 MR. GREWACH: We're not --

19 CHAIRMAN MATHEWSON: That's the five years.

20 MR. GREWACH: That's the five years.

21 CHAIRMAN MATHEWSON: Okay. I didn't
22 remember how that worked. Okay. Other questions of Ed on
23 this? Roger? Excuse me. Go ahead.

24 COMMISSIONER BRADLEY: Well, would you
25 remind me too, on the application to be removed from the

1 list, then that form is similar to the form which they
2 actually put themselves on the list to begin with; is that
3 right?

4 MR. GREWACH: It's a lot shorter. It's a
5 one-page document. We managed to shorten the application
6 to three pages. It was considerably longer before. But
7 you want more information when they're getting on because
8 if you get into an issue of somebody saying, That wasn't
9 me; that was my brother, Bob, you know, we have -- you
10 know, we have the identifying information. We have a
11 photograph. We have -- you know, we have things we can use
12 to refute that, you know.

13 Say, Hey, I never signed that document, and
14 we have it signed in front of one of our gaming agents, so
15 we have a live witness to the fact that John Jones here,
16 you know, on February 2nd, signed up to be on the list.

17 But to get off, we don't have to worry about
18 that identifying information as much. They have to, you
19 know, go ahead and, of course, obviously, have their Social
20 Security number, date of birth, other identifying
21 information. Send it to us, we'll match it up with what's
22 in our system and then it'll be a simpler matter to get off
23 than it would be to get on.

24 COMMISSIONER BRADLEY: Is it an automatic --
25 if they have been on the list for five years, is there any

1 discretion? It's just automatic?

2 MR. GREWACH: It's automatic.

3 COMMISSIONER BRADLEY: You ask to get off,
4 you're off if you've already been on it for five years.

5 MR. GREWACH: The only two people we would
6 say no to under these rules is someone who hasn't yet been
7 on it for five years or someone who got off and back on.
8 Those are the two classes of people who we would deny.

9 COMMISSIONER BRADLEY: They don't have to
10 bring any other information of -- that they've -- a
11 doctor's note or something like that?

12 MR. GREWACH: (Shook head.)

13 COMMISSIONER BRADLEY: Okay. Okay.

14 CHAIRMAN MATHEWSON: Other questions of Ed?

15 MR. STOTTLEMYRE: I think it's important for
16 the Commission to know also that there can be casino
17 companies that will not take these people off of their
18 banned list.

19 CHAIRMAN MATHEWSON: Okay. We're not
20 requiring them to. Is that your point?

21 MR. STOTTLEMYRE: That is correct.

22 CHAIRMAN MATHEWSON: Okay.

23 MR. STOTTLEMYRE: They will be off of our
24 DAP list, if they apply and do that, but there are casinos
25 that probably will not allow them back on the casino. And

1 they have to let us know whether they will or whether they
2 won't so that we can, in turn, when we take the people off
3 of our -- off of the DAP list that we have, can let them
4 know, You cannot go to these casinos, and maybe have a list
5 of the ones that they can go to.

6 CHAIRMAN MATHEWSON: Roger, can the casino
7 pick and choose? That seems like the key there. In other
8 words, if they -- if the casino chooses -- well, you
9 understand my question.

10 MR. STOTTLEMYRE: Yes, sir, I do. And it's
11 not a pick and choose thing. You either accept the fact
12 that they're removed from the DAP list as a casino or you
13 are not going to allow them back on.

14 CHAIRMAN MATHEWSON: Okay. Because bottom
15 line is, they have the right to refuse that person as a
16 person if they choose to, don't they?

17 MR. STOTTLEMYRE: Yes, sir. That's correct.

18 CHAIRMAN MATHEWSON: So there's no reason
19 for them to pick and choose.

20 MR. STOTTLEMYRE: That's correct.

21 CHAIRMAN MATHEWSON: I mean, I would hope
22 that was right.

23 MR. STOTTLEMYRE: Yes, sir.

24 CHAIRMAN MATHEWSON: Okay. Okay. Other
25 questions of Ed about this?

1 (No response.)

2 CHAIRMAN MATHEWSON: Did you have something
3 else as a follow-up to what you were saying?

4 MR. GREWACH: No. I really think that
5 covered it. I mean, I'm happy to answer any other
6 questions that you have. The other provisions, as I
7 mentioned, the Item No. 4, which is just a change in our
8 minimum internal control standards, and all the other
9 regulations are just housekeeping to make sure that
10 everything is consistent, the language consistent
11 throughout the entire Chapter 17, that creates this right
12 for removal from the list.

13 And as Mr. Stottlemire said, you know, we
14 are requiring every property to tell us in advance -- you
15 know, tell us when the rule becomes effective what their
16 policy is. You know, so it's a yes or no. Yes, we are
17 going to let people on, or, No, we're not. And as a
18 private business, if they exercise that right to not, you
19 know, that's their thing there and not ours.

20 CHAIRMAN MATHEWSON: Okay.

21 MR. GREWACH: The thing about the DAP list
22 under the statute is, if you're on the list and you enter a
23 casino, you're guilty of trespassing. It's really just a
24 two-element crime. You're on the list and you entered the
25 casino.

1 If the casino wants to bar somebody for
2 getting in a fight in the bar, for, you know, whatever,
3 causing a disruption somewhere, you know, for whatever
4 other reason they have, that's their burden and that's
5 their case. I mean, they've got to go through a regular
6 trespass case, which would be actual notice to the person
7 that they're not entitled to be there and, you know, all
8 the other elements of a trespass.

9 But the significance of us changing the DAP
10 rules are, if you're on the DAP list and go onto a casino,
11 you've committed a trespass. You know, if you're -- if the
12 casino thinks they've evicted you, but maybe they
13 haven't -- maybe they didn't get notice served on you,
14 maybe they served it on somebody else, maybe you're not the
15 same person -- doesn't -- there's all kinds of issues that
16 come up that are really just between the patron and the
17 casino.

18 But our role here is to say, you know,
19 you're either on the DAP list or you're not, and that
20 determines whether or not we intervene and arrest the
21 people for trespass.

22 CHAIRMAN MATHEWSON: Okay. Good
23 explanation, Ed. Any other questions?

24 (No response.)

25 CHAIRMAN MATHEWSON: Roger?

1 MR. STOTTLEMYRE: Staff recommends approval
2 of the Final Orders of Rulemaking.

3 CHAIRMAN MATHEWSON: Okay. Any further
4 discussion?

5 (No response.)

6 CHAIRMAN MATHEWSON: We will start, I
7 guess, CSR 45-5.200 and go down the list all in one vote.
8 Everybody understand that? You okay with it?

9 (No response.)

10 MR. STOTTLEMYRE: Angie will name all of
11 those CSRs.

12 CHAIRMAN MATHEWSON: And she's perfectly
13 capable of taking charge of that. I know she is. Okay.
14 Chair would accept a motion to accept the full list,
15 without going through them one at a time.

16 COMMISSIONER HATCHES: I move for approval
17 on the Final Orders of Rulemaking.

18 CHAIRMAN MATHEWSON: Very good. Is there a
19 second?

20 COMMISSIONER MERRITT: Second.

21 CHAIRMAN MATHEWSON: Any further
22 discussion?

23 (No response.)

24 CHAIRMAN MATHEWSON: Call the role, Angie,
25 please.

1 MS. FRANKS: Commissioner Merritt?

2 COMMISSIONER MERRITT: Approve.

3 MS. FRANKS: Commissioner Hatches?

4 COMMISSIONER HATCHES: Approve.

5 MS. FRANKS: Commissioner Jones?

6 COMMISSIONER JONES: Approve.

7 MS. FRANKS: Commissioner Bradley?

8 COMMISSIONER BRADLEY: Approve.

9 MS. FRANKS: Chairman Mathewson?

10 CHAIRMAN MATHEWSON: Approve.

11 MS. FRANKS: By your vote you've adopted the

12 Final Orders of Rulemaking: 11 CSR 45-5.200, 7.160, 9.114,

13 9.117, 17.010, 17.020, 17.030, 17.040, 17.050, 17.060, and

14 17.070.

15 CHAIRMAN MATHEWSON: Very good. Thank you

16 all very much. This has been a long run of discussion.

17 COMMISSIONER HATCHES: Thanks, Ed.

18 MR. GREWACH: Thank you.

19 CHAIRMAN MATHEWSON: You've been in and out

20 of this Commission two or three times in this discussion.

21 Bless your heart.

22 Okay, Roger.

23 MR. STOTTLEMYRE: Mr. Chairman, the next

24 item is Consideration of Relicensure of Bingo Manufacturers

25 and Suppliers; Sergeant Mike Finnegan will present.

1 CHAIRMAN MATHEWSON: Good afternoon, Mike.

2 SERGAENT FINNEGAN: Good afternoon, sir.

3 Chairman and Commissioners, today I'm presenting several
4 companies for relicensure as suppliers or manufacturers of
5 bingo products in the state of Missouri. All bingo
6 supplier and manufacturers licenses are issued for a
7 calendar year and expire on December 31st of each year.

8 Early this year Staff set a five-year
9 reinvestigation schedule for each licensed Missouri
10 supplier and manufacturer to ensure continued suitability
11 to hold such license. As a part of the reinvestigation,
12 each company is required to submit a complete and new
13 application and a full reinvestigation of the company's
14 suitability is conducted.

15 This year the background investigation team
16 conducted a complete suitability investigation Fortunet,
17 Incorporated, including, but not limited to, review of the
18 company profile, facilities inspection, customer and
19 product lists, federal and state tax checks, employee and
20 department policy review, security protocols, shipping
21 procedures, gaming license checks, disciplinary action
22 checks, litigation, business credit profile, financial
23 analysis, as well as various criminal and financial
24 background checks on each company's key persons.

25 The relicensure of the remaining

1 manufacturers and suppliers includes, but it not limited
2 to, federal and state tax checks, customer and product
3 lists, corporate organization, and gaming license checks.

4 You may notice one of the companies
5 mentioned holds a dual license. The primary difference
6 between the relicensing of a manufacturer and supplier is a
7 bond requirement, which is incumbent upon the supplier, as
8 they are responsible for paying tax on items sold.

9 The following two companies have applied for
10 relicensure of their supplier's license: All American
11 Bingo and MMG, doing business as, Bingo Supply Center.

12 CHAIRMAN MATHEWSON: Good. How many bingo
13 licenses do we have now, Mike?

14 SERGEANT FINNEGAN: Approximately 350.

15 CHAIRMAN MATHEWSON: About 350? Is that --
16 we hardly ever hear anything about bingo here as a
17 Commission. Is that growing?

18 SERGEANT FINNEGAN: No, sir. It's --

19 CHAIRMAN MATHEWSON: Falling off, isn't it?

20 SERGEANT FINNEGAN: -- declining. It's
21 declining.

22 CHAIRMAN MATHEWSON: Yeah. And would you
23 credit that to the fact of the casinos or lottery or a
24 combination of all the other things, or just people don't
25 like to get together like they used to?

1 SERGEANT FINNEGAN: I just think that a lot
2 of the older people that played are dying off.

3 CHAIRMAN MATHEWSON: Yeah. Yeah. You
4 know, Mike, I wish you hadn't said that that way.

5 SERGEANT FNNEGAN: It is what it is.

6 CHAIRMAN MATHEWSON: I'm looking around,
7 and, hell, I think I'm the oldest person in this room.

8 COMMISSIONER HATCHES: No more bingo for you
9 then. Your bingo days are just about numbered --

10 CHAIRMAN MATHEWSON: My bingo days are --

11 COMMISSIONER HATCHES: -- according to Mike.

12 CHAIRMAN MATHEWSON: Okay. Thank you very
13 much for your support.

14 COMMISSIONER HATCHES: You hit your last
15 jackpot.

16 CHAIRMAN MATHEWSON: Okay. Roger, please.
17 Move us back to business here.

18 MR. STOTTLEMYRE: Staff recommends approval
19 of Resolution 11-004-B.

20 CHAIRMAN MATHEWSON: Any further questions?

21 (No response.)

22 CHAIRMAN MATHEWSON: Chair would accept a
23 motion to adopt Resolution 11-004-B, please.

24 COMMISSIONER HATCHES: Move to adopt
25 Resolution No. 11-004-B.

1 COMMISSIONER JONES: Second.

2 CHAIRMAN MATHEWSON: Any discussion?

3 (No response.)

4 CHAIRMAN MATHEWSON: Call the role, Angie,
5 please.

6 MS. FRANKS: Commissioner Merritt?

7 COMMISSIONER MERRITT: Approve.

8 MS. FRANKS: Commissioner Hatches?

9 COMMISSIONER HATCHES: Approve.

10 MS. FRANKS: Commissioner Jones?

11 COMMISSIONER JONES: Approve.

12 MS. FRANKS: Commissioner Bradley?

13 COMMISSIONER BRADLEY: Approve.

14 MS. FRANKS: Chairman Mathewson?

15 CHAIRMAN MATHEWSON: Approve.

16 MS. FRANKS: By your vote you've adopted
17 Resolution No. 11-004-B.

18 CHAIRMAN MATHEWSON: Now the question
19 before us would be, Chair would accept a motion on
20 11-005-B, please.

21 COMMISSIONER JONES: Move for the acceptance
22 of Resolution No. 11-005-B.

23 COMMISSIONER HATCHES: Second.

24 CHAIRMAN MATHEWSON: Any discussion?

25 (No response.)

1 CHAIRMAN MATHEWSON: Call the role, Angie,
2 please.

3 MS. FRANKS: Commissioner Merritt?

4 COMMISSIONER MERRITT: Approve.

5 MS. FRANKS: Commissioner Hatches?

6 COMMISSIONER HATCHES: Approve.

7 MS. FRANKS: Commissioner Jones?

8 COMMISSIONER JONES: Approve.

9 MS. FRANKS: Commissioner Bradley?

10 COMMISSIONER BRADLEY: Approve.

11 MS. FRANKS: Chairman Mathewson?

12 CHAIRMAN MATHEWSON: Approve.

13 MS. FRANKS: By your vote you've adopted
14 Resolution No. 11-005-B.

15 CHAIRMAN MATHEWSON: Okay, Roger?

16 MR. STOTTLEMYRE: At this time Mr. Mike
17 Winter will make a presentation for the Missouri Gaming
18 Association.

19 CHAIRMAN MATHEWSON: Would Mr. Mike Winter
20 come forward, please.

21 MR. WINTER: More than happy to,
22 Mr. Chairman. Thank you for giving me a few minutes to
23 address the Commission this morning about a number of
24 issues that are important to the industry, and some things
25 that we'd like to bring you up to speed on, some things

1 that we're thinking about.

2 Before I get into the specific comments that
3 I'd like to make, I wanted to thank the Chairman and Roger
4 for the opportunity to hear directly from the general
5 managers recently. I think it was a good dialogue that we
6 were able to have back and forth, so there's a very good
7 understanding of the issues of importance to the general
8 managers, as well as the issues that are important from the
9 Commission's perspective.

10 And I know it was a good dialogue because I
11 participated in all those meetings, and hopefully that's
12 something that can continue in the future, to have that
13 dialogue back and forth as much as we can on an regular
14 basis moving forward.

15 CHAIRMAN MATHEWSON: I appreciate that. We
16 have supplied the Commission members with a copy, as an
17 overview, not everything, but as an overview of what we
18 discussed, Mike. And thank you for being there and your
19 time. And, you know, that was kind of a long day, but I
20 really felt like it was worth that. And I hope -- and
21 Roger and I have discussed that. I hope that future Chairs
22 will want to do that same thing.

23 MR. WINTER: Yeah. And we would urge for
24 that to continue as well.

25 What I did want to spend a few minutes today

1 discussing with you, the American Gaming Association's
2 recent document that got released in October. The title of
3 it is Improving Gaming Regulation, and it has ten
4 recommendations for streamlining processes while continuing
5 to maintain integrity in the gaming regulation.

6 Hopefully each of you received a copy of the
7 document. And I'm not planning on going through all of
8 those ten recommendations with you today, but I do want to
9 bring several of those to your attention that we are
10 looking at seriously, and then others that we would like to
11 have some discussions with the Commission on possibly
12 making some recommendations and some changes moving
13 forward.

14 Let me say at the outset, the industry
15 understands the importance of regulation, but we do think
16 it's also important to look at the statutes, the rules, the
17 internal controls that are presently in place to see if
18 there's changes that need to be made. And there were
19 several of those that were brought to light in the AGA
20 document.

21 We are planning -- the industry is planning
22 to ask the legislature to look at several changes in the
23 statutes. Two of those deal with licensing. As you know,
24 you see the licensees come before you every two years to be
25 relicensed. It's a cumbersome process and a time-consuming

1 process, not only for the industry to prepare the boxes of
2 documents that are submitted, but for also the Staff to go
3 through those documents as they do for every relicense.

4 Given that fact and that we have to maintain
5 suitability standards on an ongoing basis, we think there
6 is some merit in looking at an extension in the time frame
7 of what the licenses are approved for. The AGA
8 recommendation is to move to five years, and that's what we
9 will be asking the general assembly to consider doing is to
10 move the license renewal to a five-year period.

11 Along those same lines, you know, you see a
12 lot of license extensions or approvals that come before the
13 Commission for Level I's and key persons. We're also going
14 to ask for an extension in the time frame for those
15 renewals as well. Right now they're renewed annually, and
16 we have not had the discussion internally and have a
17 specific recommendation today, but we will be looking at
18 and making a request to extend that license term beyond the
19 annual renewal.

20 The last statutory change that we're going
21 to be seeking is really not related to the AGA documents,
22 but an issue that the Commission has dealt a lot with and
23 one that the industry also has spent considerable amount of
24 time and energy over the years, and that's minors on the
25 casino floor.

1 We're continuing to make it a priority to
2 prevent minors from getting on the floor. However, you
3 know, there are always going to be exceptions, and we're
4 going to possibly make a mistake or someone's going to have
5 fake identification and get on the floor.

6 What we're going to ask is the law be
7 changed and make it very clear that it's illegal for minors
8 to attempt to enter the casino floor. Right now the
9 statute deals with minors using false identification to
10 gain access to the floor, and we think we need to modify
11 the statute to make it very clear that if a minor attempts
12 to enter or does enter the casino floor, that they can be
13 disciplined. And we would probably look at using the same
14 penalties that are presently in place for those violations,
15 moving forward.

16 When you look at the AGA document, you're
17 also going to see that there are a number of
18 recommendations that don't require statutory changes, but
19 can be addressed by regulatory change.

20 One of those is the adoption of what is
21 referred to as multijurisdictional disclosure form. That
22 document was developed a number of years ago and is used in
23 a number of jurisdictions around the country. We think it
24 makes sense for those individuals who file documents in
25 multiple jurisdictions to utilize those forms. It helps to

1 streamline the process and it is standardized and accepted
2 around a number of jurisdictions in the country. So we
3 would like to see Missouri consider using and adopting that
4 form, moving forward.

5 On a lot of occasions, the industry has
6 worked with the Staff when rules or internal controls are
7 being considered and brought before you-all for
8 consideration and adoption. We've been able to provide our
9 input as those have been developed in some instances, and
10 we appreciate that opportunity. I think it's helpful for
11 us to hear the Staff perspective, but it's also helpful for
12 the Staff to hear our compliance officer's perspective on
13 the depth of how far reaching some of these internal
14 control and rule changes are.

15 One of the AGA recommendations dealt with
16 the prescriptive nature of the internal controls we have
17 here in Missouri. And before the actions you took just a
18 few minutes ago, if you look at how broadly and how many
19 regulations and internal controls are currently in place,
20 before the adoptions this morning, there were approximately
21 140 pages of rules and an additional 229 pages of internal
22 controls that the industry must adhere to to operate in
23 Missouri. And I think by anyone's review and count that
24 this would be a significant amount of regulation for any
25 industry to comply with.

1 MGC Staff, I know spends an enormous amount
2 of staff time and hours developing the internal controls.
3 We, in turn, spend as much time reviewing them and
4 responding to the proposed changes, developing the
5 processes that we have to have internally to adhere to
6 them, and then making sure that the internal controls are
7 followed once they're in place.

8 Rather than trying to continue to update the
9 internal controls to meet the technology changes, or
10 attempting to draft internal controls that address every
11 possible situation, we think it may be appropriate to take a
12 step back and see if there's a better way that this can be
13 done and still ensure the same level of regulatory
14 compliance or confidence in the industry that exists today.
15 And we know that there have been several states who have
16 already looked at doing this and have moved forward in that
17 direction.

18 What we would like to suggest is we'd like
19 to meet with Roger to see if there are practices that are
20 used in other gaming jurisdictions around the country that
21 Missouri could explore to use to regulate the industry,
22 which will continue to provide a sound and fair regulatory
23 frame work. We're anxious to have that discussion, and
24 hope we can begin to look at a couple of the areas that
25 I've mentioned in my remarks today, in the very near

1 future.

2 And that, Mr. Chairman, are just some of the
3 comments we wanted to make today. And, again, I appreciate
4 the opportunity to have a few minutes on the agenda today.

5 CHAIRMAN MATHEWSON: Questions of Mr.
6 Winter?

7 COMMISSIONER MERRITT: I would have a
8 comment. I wonder if the action or inaction of Bally that
9 we discussed here today could be a detriment in arguing the
10 point of lifting any restrictions or the requirements, or
11 extending the licensing period. So I don't know because
12 they -- you know, they very well could been kicked out of
13 the state for what they did.

14 MR. WINTER: And I'm not well versed on the
15 depth of what you-all did with Bally's. But I think the
16 rule and your normal disciplinary process is working by
17 adopting the preliminary disciplinary order, and you'll
18 hear from them, I assume, after they exhaust their appeals
19 or whatever they have available to them.

20 CHAIRMAN MATHEWSON: Other questions of
21 Mike?

22 (No response.)

23 CHAIRMAN MATHEWSON: Mike, just a quick
24 comment: That document that we use, Roger and I and Angie,
25 and you had before us as we met with the directors of each

1 one of the casinos, you know, that's worth reading, you
2 know. And that's what you're basing a lot of your thoughts
3 on. That shows every state, what they do about certain
4 things.

5 And, you know, as we look at that and review
6 that, I'm not suggesting that any one of those we ought to
7 change. What I'm suggesting is that we don't have the
8 magic answer to it. There's other states that believe they
9 do too, you know. And so I thought that was very well done
10 and, you know, it's not -- it doesn't go on -- it isn't a
11 volume; it's a little booklet about that big (indicating).

12 MR. WINTER: No. I think that's what the
13 document tried to do. It tried to point out a limited
14 number of instances, and they pulled experts in the field
15 together from within the industry and outside the industry
16 to look at those issues. And it think highlight some of
17 those to generate some additional conversation.

18 CHAIRMAN MATHEWSON: One other quick
19 thought, Mike, and I'll let you go. You know, I was a
20 little surprised that you-all -- because this came up at
21 that meeting with the casino managers, but that not
22 allowing people to have line of credit in Missouri doesn't
23 seem to be that big an issue to the casinos. I just wonder
24 why it isn't. I mean, that would be big in Las Vegas or
25 anyplace else.

1 MR. WINTER: No. I think the industry
2 supports that issue, Mr. Chairman. What I tried to do was
3 limit kind of the focus of my comments more on what the AGA
4 recommendations were. But, yeah, the --

5 CHAIRMAN MATHEWSON: Okay. The support --

6 MR. WINTER: -- industry does -- yes, we do.

7 CHAIRMAN MATHEWSON: They would support
8 changing it, right, so there could be?

9 MR. WINTER: Yeah. There's a -- we cannot
10 allow credit in Missouri right now.

11 CHAIRMAN MATHEWSON: Yeah. And which -- I
12 can't -- you know, I have a problem understanding why
13 anybody wouldn't want to do that. I mean, that doesn't
14 cost anybody anything except the dummy that's going to
15 spend it, you know.

16 And that usually is someone from out of
17 state. It isn't someone in state because they can drive to
18 Boonville with 5,000 in their pocket or 10,000 or whatever
19 they wanted to. But if you're coming from out of state,
20 you darn near have to get a line of credit, you know, if
21 you're going to gamble.

22 MR. WINTER: If we're able to bring in more
23 patrons from out of other places from Missouri, from other
24 locations, that's one of the questions that are asked.

25 CHAIRMAN MATHEWSON: Which was your goal in

1 trying to get rid of the cap, you know, was to start
2 bringing in more people. And that's not something we can
3 change, and I apologize for even bringing it up. But it
4 just is so obvious to me that that's something that you-all
5 would want to change. But you're going to have to do it
6 legislatively. I mean, we can't change the law.

7 MR. WINTER: That's correct.

8 CHAIRMAN MATHEWSON: So, okay. Thank you.
9 Any other comments to Mike?

10 (No response.)

11 CHAIRMAN MATHEWSON: Thank you.

12 MR. WINTER: Thank you.

13 CHAIRMAN MATHEWSON: Okay, there ole new
14 business type person.

15 MR. STOTTLEMYRE: Mr. Chairman, we have no
16 new business or old business.

17 CHAIRMAN MATHEWSON: Okay. How about any
18 old business there, boss?

19 MR. STOTTLEMYRE: No old business, no sir.

20 CHAIRMAN MATHEWSON: What have you guys
21 been doing, which is my usual comment about that.

22 Let me, before we accept a motion to go into
23 closed session, thank you all for being here. And since I
24 have presents for all of you, but I won't be here for
25 Christmas to give them to you, I just wanted to say Merry

1 Christmas and happy holidays to everyone. Enjoy your
2 family and love them and try not to gamble too much.

3 Okay. I'll accept a motion to go into
4 closed session.

5 COMMISSIONER HATCHES: I'd like to make a
6 motion for closed meeting under Section 313.847,
7 Investigatory, Proprietary and Application Records and
8 610.021, Section 14.

9 COMMISSIONER BRADLEY: Second.

10 CHAIRMAN MATHEWSON: We have a motion and
11 second. Call the role, Angie, please.

12 MS. FRANKS: Commissioner Merritt?

13 COMMISSIONER MERRITT: Approve.

14 MS. FRANKS: Commissioner Hatches?

15 COMMISSIONER HATCHES: Approve.

16 MS. FRANKS: Commissioner Jones?

17 COMMISSIONER JONES: Approve.

18 MS. FRANKS: Commissioner Bradley?

19 COMMISSIONER BRADLEY: Approve.

20 MS. FRANKS: Chairman Mathewson?

21 CHAIRMAN MATHEWSON: Approve.

22 (Off the record.)

23

24

25

1 CERTIFICATE OF REPORTER

2
3 I, Kristy B. Bradshaw, CCR within the State
4 of Missouri, do hereby certify that the foregoing meeting
5 was taken by me; that the testimony of said meeting was
6 taken by me to the best of my ability and thereafter
7 reduced to typewriting under my direction; that I am
8 neither counsel for, related to, nor employed by any of
9 the parties to the action in which this meeting was taken,
10 and further, that I am not a relative or employee of any
11 attorney or counsel employed by the parties thereto, nor
12 financially or otherwise interested in the outcome of the
13 action.

14
15
16 _____
17 Kristy B. Bradshaw, CCR
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MISSOURI GAMING COMMISSION
Third Open Session Minutes
December 7, 2011

The Missouri Gaming Commission (the "Commission") went into open session at approximately 2:27 p.m. on December 7, 2011, at the Missouri Gaming Commission's Jefferson City Office, Jefferson City, MO.

Commissioner Merritt moved to adjourn the open session meeting. Commissioner Hatches seconded the motion. After a roll call vote was taken, the motion passed unanimously.

The open session ended at 2:28 p.m.