

**IN THE MISSOURI GAMING COMMISSION**

In Re: )  
 ) DC-21-042  
Tropicana St. Louis, LLC )

**PRELIMINARY ORDER FOR DISCIPLINARY ACTION**

Comes now the Missouri Gaming Commission by and through counsel and acting in its official capacity pursuant to 11 CSR 45-13.050, and states as follows:

1. The Missouri Gaming Commission (the "Commission" or "MGC") is a state commission created under Chapter 313, RSMo, with jurisdiction over gaming activities, including riverboat gambling activities, in the State of Missouri.
2. The Commission issued Caesars Entertainment Inc., a Class A gaming license to develop and operate Class B gaming licenses in the State of Missouri.
3. Caesars Entertainment, Inc., is the parent organization or controlling entity of Tropicana St. Louis, LLC ("Company").
4. The Commission issued a Class B riverboat gambling license to the Company to conduct games on and operate the excursion gambling boat known as *Lumière Place Casino & Hotels* ("Casino").
5. As the holder of a Class B license, the Company is subject to the provisions of §§ 313.800 to 313.850, RSMo, and the regulations promulgated thereunder by the Commission.

**STATEMENT OF FACTS**<sup>1</sup>

6. On September 21, 2020, MGC was contacted by the Casino regarding a promotional give-away called "Fall into Free Play" that took place on September 19, 2020.
7. The rules of the game stated there would be 40 \$300 prizes and one \$10,000 grand prize awarded between 6:00 p.m. to 10:00 p.m. on that date.
8. However, at the end of the promotion period, \$2,400.00 in free play had not been awarded as advertised.
9. The \$2,400.00 in question was not awarded because alternate winners were not generated immediately after the original winners failed to claim prizes awarded to them.
10. The incident was discovered by casino employees near the end of the promotion. When the discrepancy was discovered, 13 \$300 prizes were outstanding, resulting in \$3,900 in un-awarded prizes. Employees generated 13 alternate names; however, only five of those patrons claimed their prize before 10:00 p.m., resulting in \$2,400 in un-awarded prizes.

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<sup>1</sup> GIR 20201001004

11. The individuals responsible for making sure the promotions ran in accordance with the published rules failed to promptly notify the MGC of the problem with the promotion on September 19, 2020. The MGC was not notified until September 21, 2020.

LAW

12. Section 313.805, RSMo, states, in pertinent part, as follows:

The commission shall have full jurisdiction over and shall supervise all gambling operations governed by sections 313.800 to 313.850. The commission shall have the following powers and shall promulgate rules and regulations to implement sections 313.800 to 313.850:

\* \* \*

- (5) To investigate alleged violations of sections 313.800 to 313.850 or the commission rules, orders, or final decisions;
- (6) To assess any appropriate administrative penalty against a licensee, including, but not limited to, suspension, revocation, and penalties of an amount as determined by the commission up to three times the highest daily amount of gross receipts derived from wagering on the gambling games, whether unauthorized or authorized, conducted during the previous twelve months as well as confiscation and forfeiture of all gambling game equipment used in the conduct of unauthorized gambling games. Forfeitures pursuant to this section shall be enforced as provided in sections 513.600 to 513.645;

\* \* \*

- (19) To take any other action as may be reasonable or appropriate to enforce sections 313.800 to 313.850 and the commission rules.

13. Section 313.812.14, RSMo, states, in pertinent part, as follows:

A holder of any license shall be subject to imposition of penalties, suspension or revocation of such license, or if the person is an applicant for licensure, the denial of the application, for any act or failure to act by himself or his agents or employees, that is injurious to the public health, safety, morals, good order and general welfare of the people of the state of Missouri, or that would discredit or tend to discredit the Missouri gaming industry or the state of Missouri unless the licensee proves by clear and convincing evidence that it is not guilty of such action. The commission shall take appropriate action against any licensee who violates the law or the rules and regulations of the commission. Without limiting other provisions of this subsection, the following acts or omissions may be grounds for such discipline.



- (1) Failing to comply with or make provision for compliance with sections 313.800 to 313.850, the rules and regulations of the commission or any federal, state or local law or regulations;
- (2) Failing to comply with any rule, order or ruling of the commission or its agents pertaining to gaming[.]

14. Title 11 CSR 45-5.181 states, in pertinent part, as follows:

- (1) For the purposes of this rule, the following words are defined as:

\* \* \*

- (D) Promotional game—a drawing, event, contest or game in which patrons of a Class B licensee may, without giving consideration, participate or compete for the chance to win a prize or prizes of different values;

\* \* \*

- (2) Class B licensees may provide promotional activities such as promotional giveaways, promotional coupons, promotional games, player reward programs or similar activities for patrons without the prior approval of the commission, provided the promotional activity is not structured or conducted in a manner that reflects negatively on the licensee, the commission, or the integrity of gaming in Missouri and complies with the following:

\* \* \*

- (B) The promotional activity shall comply with all applicable laws and regulations...;

\* \* \*

- (D) All prizes offered in the promotional activity shall be awarded according to the Class B licensee's rules governing the event[.]

15. Title 11 CSR 45.10.030 states, in pertinent part, as follows:

- (1) Licensees shall promptly report to the commission any facts which the licensee has reasonable grounds to believe indicate a violation of law (other than minor traffic violations), minimum internal control standard requirements or commission rule committed by licensees, their employees or others, including, without limitation, the performance of licensed activities different from those permitted under their license.

\* \* \*

- (7) All occupational licensees shall have a working knowledge of Chapter 313.800, RSMo et seq., *Code of State Regulations*, Title 11 Division 45, and the internal

controls of the Class A or B licensees for whom they are currently employed by as they pertain to the responsibilities and limitations of their job

**VIOLATIONS**

16. The acts or omissions of employees or agents of the Company, as described above, constitute a failure of the Company to promptly report a regulatory violation and to conduct its "Fall into Free Play" promotion in a manner that does not reflect negatively on the licensee, the commission, or the integrity of gaming in Missouri and complies with its promotional rules and applicable laws and regulations, thereby violating 11 CSR 45-5.181 and 11 CSR 45-10.030.
17. The Company is therefore subject to discipline for such violations pursuant to §§ 313.805(5), (6) and (19) and 313.812.14(1) and (2), RSMo.

**PENALTY PROPOSED**

18. Under § 313.805(6), RSMo, the Commission has the power to assess any appropriate administrative penalty against the Company as the holder of a Class B license.
19. THEREFORE, it is proposed that the Commission fine Tropicana St. Louis, LLC, the amount of \$2,500 for the violations set forth herein.

  
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Mike Leara  
Chairman  
Missouri Gaming Commission

**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that he caused a true and correct copy of the foregoing to be mailed, postage prepaid, this 26<sup>th</sup> of August, 2021, to:

Brian Marsh  
General Manager  
Lumière Place Casino & Hotels  
999 North Second  
St. Louis, MO 63102

  
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Mike Leara  
Chairman  
Missouri Gaming Commission