

IN THE MISSOURI GAMING COMMISSION

In Re:)
) DC 24-092
St. Louis Gaming Ventures, LLC)
d/b/a Hollywood Casino St. Louis)

PRELIMINARY ORDER FOR DISCIPLINARY ACTION

Comes now the Missouri Gaming Commission 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 a Class A gaming license to PENN Entertainment, Inc. to develop and operate Class B gaming licensees in the State of Missouri.
3. PENN Entertainment is the parent organization or controlling entity of St. Louis Gaming Ventures, LLC.
4. The Commission issued a Class B riverboat gambling license to St. Louis Gaming Ventures, LLC, to conduct games on and operate the excursion gambling boat known as Hollywood Casino St. Louis (the "Casino").
5. As the holder of a Class B license, St. Louis Gaming Ventures, LLC, d/b/a Hollywood Casino St. Louis, is subject to the provisions of Sections 313.800 to 313.850, RSMo, and the regulations promulgated thereunder by the Commission.

STATEMENT OF FACTS¹

6. On December 1, 2023, Trooper Curtis Schilling ("Tpr. Schilling"), of the Missouri State Highway Patrol Gaming Division, initiated a regulatory investigation after review of the turnstiles at the Casino revealed concerns regarding patron access to the gaming floor. Specifically, Trooper Barbara Collins ("Tpr. Collins"), also of the Missouri State Highway Patrol Gaming Division, conducted a review of the turnstiles for forty-eight hours from March 2, 2023, to March 4, 2023. The review showed that a total of eighteen (18) patrons were allowed entry through the turnstiles before being called back for identification. The Casino reported twenty-seven thousand one hundred seventy-three (27,173) admissions during this time period. Tpr. Collins advised the Security Manager that the placement of the turnstiles was putting security officers at a disadvantage in their attempts to perform their job duties.

¹ GR 20231217004

7. On March 11, 2023, the Casino General Manager stated in an email that they had reviewed the placement of the podiums and were looking at modifying them to minimize the recent issues. Also on March 11, 2023, Tpr. Collins initiated a separate investigation after a minor was discovered on the gaming floor. The investigation revealed that the minor entered the gaming floor when the security officer was distracted by another patron. The minor entered the gaming floor at the turnstile furthest from the security podium and used his phone to obscure his face from view. As part of her report into this incident, Tpr. Collins stated that she had addressed the positioning of the podiums previously because the positioning of the podiums affected the security officers ability to maintain control of who was entering the gaming floor.
8. On July 29, 2023, Tpr. Schilling initiated a review of the turnstiles after he witnessed a security officer allow a patron in a wheelchair through the Americans with Disabilities Act ("ADA") door. He then observed the security officer "correct" the patron turnstile count by walking through the turnstile three times. The review of surveillance footage showed that it was routine practice for security officers to "correct" ADA turnstile entries by walking through the turnstiles two or three times, while there were multiple times the security officer did not correct the patron count through any means. The investigation also revealed that one security officer in particular had violated different turnstile regulations 134 times. When Tpr. Schilling spoke to this security officer, he indicated he had been trained to also count the wheelchair as a patron by multiple people at the Casino.
9. On November 30, 2023, Tpr. Schilling initiated an investigation into a possible first-degree trespass after a minor was allowed on the casino floor prior to being contacted by security officers for identification verification. The security officer on duty was distracted by a discussion of the drop schedule with another employee. The minor entered the gaming floor in a group of people and then hid behind members of the group when the security officer called them back to check identifications.
10. On December 1, 2023, Tpr. Schilling observed instances of security officers allowing patrons to enter the gaming floor through the turnstiles before stopping them to check identification. He also observed several instances of patrons being allowed to enter the gaming floor through the turnstiles while the security officer at the podium was looking another direction. An audit of the turnstiles from November 1, 2023, to December 1, 2023, showed that there were forty-seven (47) patrons who gained entry through the turnstiles before being called back for identification checks. The Casino reported two hundred eighty-eight thousand nine hundred two (288,902) admissions during this time period.
11. A review of compliance directives ("CDs") from March 3, 2023, to December 3, 2023, showed that fifteen (15) compliance directives were issued to security officers for violations related to the turnstiles. During an interview with the Security Manager, he indicated he did not think turnstile placement was a problem but did note that he had received permission to lose two of the four turnstiles at each entry point which would minimize a patron's ability to enter without making contact with a security officer for the purposes of verifying the patron's age.

14. Title 11 CSR 45-9.060 states, in pertinent part, as follows:

(2) Failure to comply with the provisions of this chapter is an unsuitable method of operation.

(3) Violations of the minimum internal control standards [("MICS")] by a Class A or Class B licensee or an agent or employee of a Class A or Class B licensee are deemed to be unsuitable conduct for which the Class A or Class B licensee and/or its agent or employee is subject to administrative penalty pursuant to section 313.805(6), RSMo and 11 CSR 45-1 et seq., as amended from time-to-time. Any agent or employee of a Class A or Class B licensee that is involved in a violation of the minimum internal control standards may be subject to fine, discipline, or license revocation.

(4) Violations of the Class B licensee's control system by a Class A or Class B licensee or an agent or employee of the Class A or B licensee shall be prima facie evidence of unsuitable conduct for which the Class A or Class B licensee and/or its agents or employees may be subject to discipline pursuant to section 313.805(6), RSMo and 11 C.S.R. 45-1 et seq., as amended from time-to-time.

15. The Commission's MICS, Chapter A § 1.06 states, in pertinent part, as follows:

Class B Licensees shall provide all employees with training regarding the Missouri Riverboat Gambling Act, Missouri Gaming Commission Rules and Regulations, Missouri Gaming Commission Minimum Internal Control Standards, the Class B Licensee's Internal Control System and procedures in a brief outline or general description. Each employer shall ensure that employees, prior to performing the functions and duties of their jobs, are adequately trained as to the applicable statutes, regulations and internal controls that apply to their specific job functions. The Class B Licensee shall maintain a record of all mandatory training. A current copy of the Class B Licensee's entire Internal Control System shall be readily accessible to all employees.

16. The Casino's ICS, Chapter A § 1.06 states, in pertinent part, as follows:

Hollywood Casino St. Louis shall provide all employees with training regarding the Missouri Riverboat Gambling Act, Missouri Gaming Commission Rules and Regulations, Missouri Gaming Commission Minimum Internal Control Standards, Hollywood Casino St. Louis' Internal Control System and procedures in a brief outline or general description. Each employer shall ensure that employees, prior to performing the functions and duties of their jobs, are adequately trained as to the applicable statutes, regulations and internal controls that apply to their specific job functions. Hollywood Casino St. Louis shall maintain a record of all mandatory training. A current copy of Hollywood Casino St. Louis' entire Internal Control System shall be readily accessible to all employees.

17. The Commission's MICS, Chapter J § 1.08 states, in pertinent part, as follows:

Licensees using electronic turnstiles to count admissions shall apply the following standards:

* * *

(C) If ADA-compliant turnstiles are not available, a patron who is unable to enter/exit through the standard turnstiles shall be allowed entry/exit through the employee entrance or other means as approved by the Commission. The entry/exit count for this patron shall be accounted for by having an employee go through the turnstile.

18. The Casino's ICS, Chapter J § 1.08 states, in pertinent part, as follows:

Hollywood Casino St. Louis' electronic turnstiles shall apply the following standards:

* * *

If ADA-compliant turnstiles are not available, a patron who is unable to enter/exit through the standard turnstiles shall be allowed entry/exit through the employee entrance or other means as approved by the Commission. The entry/exit count for this patron shall be accounted for by having an employee go through the turnstile.

19. The Commission's MICS and the Casino's ICS, Chapter N § 4.01 states, in pertinent part, as follows:

Persons under 21 years of age shall not be permitted access to the casino floor or be allowed to place a wager.

20. The Commission's MICS and the Casino's ICS, Chapter N § 4.04 states, in pertinent part, as follows:

The enforcement of admission and gambling restrictions for persons under 21 years of age shall include, at a minimum, checking their government-issued photo identification.

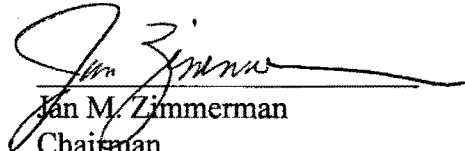
VIOLATIONS

21. The acts or omissions of employees or agents of the Casino, as described above, constitute a failure of the Casino to effectively train employees to adhere to the rules and regulations of the Commission or any federal, state, or local law or regulation, thereby violating the Commission's MICS and Casino's ICS, Chapter A, § 1.06, Chapter J, § 1.08, and Chapter N, §§ 4.01 and 4.04.

22. St. Louis Gaming Ventures, LLC, d/b/a Hollywood Casino St. Louis, is therefore subject to discipline for such violations pursuant to Sections 313.805 and 313.812.14(2), RSMo, and 11 CSR 45-9.060(2) and (3).

PENALTY PROPOSED

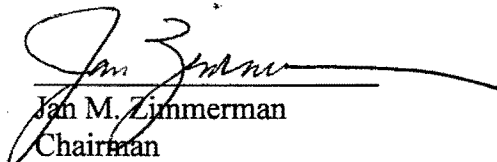
23. Under Section 313.805, RSMo, the Commission has the power to assess any appropriate administrative penalty against St. Louis Gaming Ventures, LLC, as the holder of a Class B license.
24. THEREFORE, it is proposed that the Commission fine St. Louis Gaming Ventures, LLC, d/b/a Hollywood Casino St. Louis, the amount of five thousand dollars (\$5,000.00) for the violations set forth herein.


Jan M. Zimmerman
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 4th day of December, 2024, to:

Michael Jerlecki, GM
Hollywood Casino St. Louis
777 Casino Center Drive
Maryland Heights, MO 63043


Jan M. Zimmerman
Chairman
Missouri Gaming Commission