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BEFORE THE MISSOURI GAMING COMMISSION

STATE OF MISSOURI

MEETING

MAY 30, 2012

9:00 a.m.

Central Office

3417 Knipp Drive

Jefferson City, Missouri

(Meeting start time: 9:00 a.m.)

	AGENDA	page
1		
2	I. Call to Order	5
3	II. Consideration of Minutes	
4	A. April 25, 2012	5
5	III. Consideration of Hearing Officer Recommendations	
6	B. Annette B. Gordon	
7	1. Resolution No. 12-040	11
8	C. Thomas Hopson	
9	1. Resolution No. 12-041	14
10	D. Ban Phan	
11	1. Resolution No. 12-042	16
12	E. Ashlei Webb	
13	1. Resolution No. 12-043	19
14	F. Jonta Jackson	
15	1. Resolution No. 12-044	20
16	G. Marcus A. Swepson	
17	1. Resolution No. 12-045	51
18	IV. Consideration of Relicensure of Suppliers	
19	H. Paltronics, Inc.	
20	1. Resolution No. 12-046	53
21	I. International Game Technology	
22	1. Resolution No. 12-047	55
23	J. JCM American Corporation	
24	1. Resolution No. 12-048	56
25	V. Consideration of Licensure of Level I/Key Applicants	
26	K. Resolution No. 12-049	57
27	VI. Consideration of Disciplinary Actions	
28	L. Ameristar Casino St. Charles, Inc.	
29	1. DC-12-223	59
30	M. Casino One Corporation	
31	1. DC-12-224	77
32	N. Casino One Corporation	
33	1. DC-12-225	80
34	O. Casino One Corporation	
35	1. DC-12-226	87
36	P. Harrah's Maryland Heights, LLC	
37	1. DC-12-227	91
38	Q. Harrah's North Kansas City, LLC	
39	1. DC-12-228	93
40		

	AGENDA (CONT'D)	page
1		
2	VI. Consideration of Disciplinary Actions (Cont'd)	
3	R. IOG-Caruthersville, LLC	
	1. DC-12-229	95
4	S. IOG-Caruthersville, LLC	
	1. DC-12-230	98
5	T. The Missouri Gaming Company	
	1. DC-12-231	104
6	VII. Consideration of Placement on Exclusion List	
7	U. Qiaobin Lin	
	1. Resolution No. 12-050	110
8	V. Robert H. Masters	
	1. Resolution No. 12-051	113
9	W. Bobby D. McClure	
	1. Resolution No. 12-052	114
10	X. John Morrison	
	1. Resolution No. 12-053	115
11	V. Harold A. Widener	
	1. Resolution No. 12-054	116
12	W. Wei Ying	
	1. Resolution No. 12-055	119
13		
14	VIII. Consideration of Waiver of Licensure	
15	For Institutional Investors	
16	AA. BlackRock, Inc.	
	1. Resolution No. 12-056	121
17		
18	BB. Fidelity Investments, Inc.	
	1. Resolution No. 12-057	122
19		
20	IX. Update on Legislation	124
21	X. Motion for Closed Meeting under	
22	Sections 313.847, Investigatory,	
23	Proprietary and Application Records	
24	and 610.021(1) Legal Actions,	
25	(3) Personnel and (14)	134

1                   BEFORE THE MISSOURI GAMING COMMISSION  
2                   STATE OF MISSOURI

3  
4                   MEETING

5                   MAY 30, 2012

6  
7  
8                   9:00 a.m.  
9                   Central Office  
10                  3417 Knipp Drive  
11                  Jefferson City, Missouri

12  
13                 COMMISSIONERS PRESENT:

14                         James L. Mathewson, Chairman  
15                         Suzanne Bocell Bradley  
16                         Darryl T. Jones  
17                         Barrett Hatches  
18                         Jack Merritt

19  
20                 REPORTED BY:

21                         Patricia A. Stewart, RMR, RPR, CCR 401  
22                         Midwest Litigation Services  
23                         711 North Eleventh Street  
24                         St. Louis, Missouri 63101  
25                         314-644-2191

## 1 P R O C E E D I N G S

2 CHAIRMAN MATHEWSON: Good morning everyone.  
3 We'll get started this morning on our agenda.

4 Good morning everyone. Nice to see everyone  
5 this morning on a beautiful day in Missouri. Evidently  
6 it rained last night. My car was wet. Did it rain? I  
7 thought it must have. I saw a lot of potholes and I  
8 wondered what was in them. I hadn't seen water in so  
9 long.

10 Okay. Would you call the roll.

11 MS. FRANKS: Commissioner Merritt.

12 COMMISSIONER MERRITT: Present.

13 MS. FRANKS: Commissioner Hatches.

14 COMMISSIONER HATCHES: Present.

15 MS. FRANKS: Commissioner Jones.

16 COMMISSIONER JONES: Present.

17 MS. FRANKS: Commissioner Bradley.

18 COMMISSIONER BRADLEY: Present.

19 MS. FRANKS: Chairman Mathewson.

20 CHAIRMAN MATHEWSON: Present.

21 We'll look at the consideration of the  
22 minutes, please, from April 25th, 2012.

23 Chair would like to accept a motion to  
24 approve those minutes as presented to all of us earlier.

25 COMMISSIONER BRADLEY: Motion to approve.

1 COMMISSIONER HATCHES: Second.

2 CHAIRMAN MATHEWSON: Any discussion?

3 Call the roll, Angie, 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 the

15 minutes of the April 25th, 2012 meeting.

16 CHAIRMAN MATHEWSON: Mr. Executive Director.

17 EXECUTIVE DIRECTOR STOTTLEMYRE:

18 Mr. Chairman, before we get started on the official

19 agenda, I'd like to mention that this is your last

20 meeting. I know we're having to drag you away. It's

21 been tough.

22 But first I just wanted to thank you for your

23 leadership. We've had a great time under your tenure

24 here and we've accomplished a lot.

25 You came on the Commission in 2009. I

1 believe it was about March. You became Chairman in May  
2 of 2009 after we had given you a couple months of  
3 runaround, actually took you clear down to  
4 Caruthersville for your first meeting just so you could  
5 see parts of the state that you'd never seen before.

6 CHAIRMAN MATHEWSON: Yes, it was an exciting  
7 trip.

8 EXECUTIVE DIRECTOR STOTTLEMYRE: Under your  
9 leadership we began and we searched for and we concluded  
10 the selection process for the 13th licensing.

11 It was a very open process. We made it  
12 through that process with, I thought, very few problems.  
13 And I think the way you handled our meetings and the way  
14 you wanted to hear anybody that had anything to say  
15 about the process, you wanted to listen to them, and we  
16 went around the state to accomplish that and that went  
17 very well.

18 We do have now the Isle of Capri in  
19 Cape Girardeau which will be opening in the last quarter  
20 of this year. They've made great progress down there.  
21 It's coming along very well, and we see no reason why  
22 that wouldn't happen during that time period.

23 You've also presided over several regulatory  
24 issues, such as changing our disassociated persons list.  
25 We have done work on the exclusion list also.

1                   Your tenure on the Commission has been one of  
2 action, and I can tell you right now we will miss your  
3 leadership and your good nature, and we just want you to  
4 have fun as you go forward. I know you'll miss the big  
5 paycheck that you've been getting from us.

6                   CHAIRMAN MATHEWSON: My wife and I will have  
7 to cut back on the groceries.

8                   EXECUTIVE DIRECTOR STOTTLEMYRE: But we do  
9 hope you can survive without that big check.

10                  CHAIRMAN MATHEWSON: I think maybe I can.

11                  EXECUTIVE DIRECTOR STOTTLEMYRE: In all  
12 seriousness we thank you for your leadership during your  
13 time here and we hate to see you go but wish you the  
14 best going forward.

15                  CHAIRMAN MATHEWSON: Thank you, Roger.

16                                You know, let me make a couple comments.

17                                Thank you, sir, very much.

18                                First of all, there isn't anyone that is  
19 placed in a Chair position or a leadership position that  
20 doesn't have to have, with any degree of success,  
21 No. 1, you have to have good, quality people serving on  
22 the Commission with you, and we have had that since day  
23 one and certainly we have it right here and right now.

24                                And all of you and the ones that came before  
25 you that I had the honor of serving with were dedicated

1 people, and it always -- and I make jokes about it, but,  
2 Roger, it is amazing to me how dedicated people can be  
3 for \$100 a month.

4           And there isn't anyone up here that is going  
5 to live on that \$100. It doesn't change your life one  
6 way or the other. That's why I can walk away because  
7 I'm not giving up anything, except being around all of  
8 you, which that's the big sacrifice.

9           And also I have been really pleased to have  
10 the honor of working with good, solid, dedicated people  
11 like you-all.

12           Thank you very much, the Commissioners, for  
13 your support and guidance and the way you've been doing  
14 the right thing, which I think we have done.

15           And then, Roger, let me step to you, sir.

16           I have commented to several people over this  
17 three years that I've had the honor of being the Chair  
18 of this Commission, that one of the key things that the  
19 Legislature did, which I was a part of at that time, was  
20 that we enlisted and drew the support from the Missouri  
21 Highway Patrol, and that has been there and been in  
22 place since day one.

23           And if there is one thing that you can look  
24 back on, in my opinion, and see that has made gaming in  
25 the state of Missouri successful and gaming in the state

1 of Missouri that is accepted is because of the Missouri  
2 Highway Patrol.

3           You guys, and you as former Superintendent  
4 and then you as our Executive Director and all of the  
5 staff and all of you folks that are here that are with  
6 the Patrol, God bless you, because you moved over to  
7 this step of your careers and you have brought light  
8 into everything we do.

9           Because we don't just sit up here and dream  
10 up things. I mean, it comes from you, because you do a  
11 thorough investigation of issues, and we'll deal with  
12 some of those here today that you've done.

13           And because of you, your enlightenment to us,  
14 then we make better decisions and it makes us look good,  
15 because of what you do. And I sincerely believe that  
16 you are -- and those that came before you here -- are  
17 the ones that have really made this work in the state of  
18 Missouri, and so I thank you for all of that.

19           And then all of the staff that works here,  
20 God, I'm going to miss you guys. I mean, you have  
21 become my friends, and I mean that sincerely. You will  
22 always be my friends, although I probably won't see you  
23 very often, but you will always be in my heart as a  
24 friend because of the kindness you've had to me, and I  
25 appreciate that very, very much.



1 alcoholic beverages gave his key to Ms. Gordon for his  
2 motor vehicle, enabling Ms. Gordon to access the  
3 alcoholic beverages. Ms. Gordon did retrieve from the  
4 vehicle two different twelve packs of beer for her own  
5 personal use.

6 The beer truck driver admitted that he had  
7 done this on several occasions before at the request of  
8 Ms. Gordon, giving Ms. Gordon free beer whenever he made  
9 deliveries to the casino.

10 Ms. Gordon at the hearing admitted that she  
11 was guilty of this. She did not realize that there was  
12 any, in effect, problem with her receiving free beer.

13 However, the Gaming Commission does have  
14 several regulations that address that particular type of  
15 conduct.

16 One regulation in particular says that no  
17 occupational licensee shall solicit any tip or gift from  
18 any player, patron or vendor where the occupational  
19 licensee is employed or working.

20 However, the casinos can have a policy or an  
21 internal control standard that does allow for the  
22 acceptance of gifts from suppliers of goods and  
23 services. So there is a general rule that allows gift  
24 giving, except for those licensees who are in  
25 surveillance and security personnel.

1           Ms. Gordon is in surveillance and security,  
2 so she was excepted from the ability to receive gifts  
3 from vendors.

4           Also there is a more specific regulation that  
5 the Commission has with regard to gift giving by a  
6 vendor of alcoholic beverages. Basically it's an  
7 absolute prohibition.

8           A licensee shall not accept directly or  
9 indirectly from any distiller, wholesaler, wine maker,  
10 brewer or its employees, officers or agents any loan or  
11 any gifts.

12           So the violation is clearly there.  
13 Ms. Gordon admitted that she had done this on several  
14 occasions, receiving free beer from a vendor of  
15 alcoholic beverages, and really she had no defense.

16           My recommendation was that it is appropriate  
17 to revoke her license to serve and be employed in the  
18 gaming industry.

19           CHAIRMAN MATHEWSON: Okay. Any questions of  
20 Steve at this time?

21           Is Ms. Gordon here?

22           No.

23           Okay. Chair would accept a motion to adopt  
24 Steve's recommendation.

25           COMMISSIONER MERRITT: I'd make a motion to

1 approve Resolution 12-040.

2 COMMISSIONER HATCHES: Second.

3 CHAIRMAN MATHEWSON: Any other discussion?

4 Call the roll, Angie, 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 12-040.

17 MR. STARK: Our next item, Letter C, Thomas

18 Hopson. Mr. Hopson was an applicant for a Level II

19 occupational license. The application process in the

20 written application form asked questions about past

21 criminal activity.

22 One question in particular dealt with being

23 arrested, and Mr. Hopson admitted that he was arrested

24 on a particular occasion in 1989. The application

25 process does provide adequate warning on several

1 different occasions of the need to fully disclose all  
2 past criminal arrests and any other criminal activity.

3           The Commission conducted its investigation  
4 and found that Mr. Hopson had been arrested on  
5 December 15th, 1987 for retail theft. This was not  
6 disclosed on Mr. Hopson's written application.

7           Mr. Hopson made a request for a hearing, but  
8 he did not show up, even though duly advised and  
9 informed of the date, place and time of his hearing.

10           His absence would indicate an admission of  
11 the allegation of his failure to disclose a past arrest,  
12 and the recommendation is to affirm the denial of  
13 granting a license to Mr. Hopson.

14           CHAIRMAN MATHEWSON: Any questions of Steve  
15 on Mr. Hopson?

16           Is Mr. Hopson here?

17           Okay. Chair would accept a motion to accept  
18 the recommendation of Steve.

19           COMMISSIONER HATCHES: Mr. Chairman, I move  
20 to accept Resolution 12-041.

21           COMMISSIONER MERRITT: Second.

22           CHAIRMAN MATHEWSON: Okay.

23           Call the roll, Angie, 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 12-041.

11 MR. STARK: Item Letter D, Ban Phan.

12 Mr. Phan made application for an occupational license.  
13 The application process required disclosure of all past  
14 criminal activities and arrests. On the question  
15 regarding whether you had been arrested previously,  
16 Mr. Phan answered that question no.

17 The investigation of the Commission's  
18 investigator found that Mr. Phan had been arrested for  
19 misdemeanor sexual conduct in the year 2000 and pled  
20 guilty to that charge as well later in the year of 2000.

21 At the hearing Mr. Phan did admit that he had  
22 forgotten about that particular criminal incident  
23 because it was such a long time ago.

24 The application process does provide plenty  
25 of opportunity for disclosure, with reminders and

1 written warnings. One unique aspect of this particular  
2 case is that Mr. Phan's native language is not English.  
3 He's originally from the country of Vietnam. And even  
4 at times at the hearing he had to stop us to define  
5 certain terms for him. So his English language is very  
6 limited.

7           However, the investigator for the Commission  
8 did testify and go into great detail that the Commission  
9 does have a standard practice, a standard procedure for  
10 their investigators to ensure that applicants have the  
11 ability to understand English.

12           Those questions during the interview process  
13 by the Commission's investigator was performed, and the  
14 conclusion was that Mr. Phan did indeed understand  
15 English during the application process.

16           If he did not understand adequately, the  
17 investigator would have required an interpreter, and  
18 apparently interpreters have been used in the past.

19           So the Commission does have the process of  
20 making sure that the English language is well understood  
21 during the application process.

22           So with that being understood, my conclusion  
23 was that Mr. Phan failed to disclose a past criminal act  
24 and it is appropriate to deny him his application for an  
25 occupational license.

1 CHAIRMAN MATHEWSON: Any questions of Steve?

2 COMMISSIONER MERRITT: It sounds like one of  
3 those deals where at first he had forgot it and then he  
4 didn't understand it because it was in English. So  
5 which one do you want to believe? It's kind of hard to  
6 believe either one of them.

7 CHAIRMAN MATHEWSON: Questionable.

8 Is Mr. Phan here?

9 Chair would accept a motion to adopt  
10 Resolution 12-042.

11 COMMISSIONER JONES: Move for the adoption of  
12 Resolution No. 12-042.

13 COMMISSIONER MERRITT: Second.

14 CHAIRMAN MATHEWSON: Any questions, comments,  
15 concerns?

16 Call the roll, Angie, 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. 12-042.

4                   MR. STARK: Our next case, Letter E, Ashlei  
5 Webb. Ms. Webb made application for an occupational  
6 license to work in the gaming industry. The application  
7 process requires disclosure of all past criminal events,  
8 including arrests.

9                   Ms. Webb stated in her written application  
10 that she had no history of any arrests or anything in  
11 her past. She made this application on April 28th,  
12 2011. On May 6, 2011, some eight days after her  
13 application, she was arrested for stealing.

14                   Then on May 9th, three days after she was  
15 arrested, she had an interview with the Commission's  
16 investigator informing her of the duty to disclose all  
17 past criminal history, and, again, she signed the  
18 statement that she had no past history.

19                   Remember, she was arrested three days  
20 earlier.

21                   So she continued to say she was not arrested  
22 or had any criminal history. October 7, 2011 she pled  
23 guilty to the crime of stealing.

24                   Based on that finding by the investigator  
25 during the process of investigating her background for

1 the application, the Commission appropriately -- and my  
2 recommendation would be that it is appropriate to deny  
3 Ms. Webb her application for an occupational license.

4 CHAIRMAN MATHEWSON: Any questions of Steve?  
5 Is Ms. Webb here?

6 Chair would accept a motion to adopt 12-043.

7 COMMISSIONER HATCHES: Move for acceptance of  
8 Resolution No. 12-043.

9 COMMISSIONER BRADLEY: Second.

10 CHAIRMAN MATHEWSON: Call the roll, Angie,  
11 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 MS. FRANKS: By your vote you've adopted  
23 Resolution No. 12-043.

24 MR. STARK: The next item, Letter F, Jonta  
25 Jackson. Ms. Jackson made an application for a license

1 to work in the gaming industry. The application process  
2 does require disclosure of past criminal events,  
3 including arrests.

4 Ms. Jackson did disclose four different  
5 criminal events on her application, including domestic  
6 violence, resisting arrest, obstruction and a violation  
7 of occupancy.

8 She was interviewed by the Commission's  
9 investigator and said there was nothing else to  
10 disclose. However, the investigation did reveal two  
11 other items on her criminal record: an arrest for  
12 burglary in 2001 and criminal damage to property in  
13 2003.

14 At the hearing she actually denied one of  
15 those, the arrest for burglary. With regard to the  
16 criminal damage to property, she said that that was her  
17 own property and that the case was dismissed, so she  
18 didn't think she had to disclose that since it was a  
19 mistaken arrest.

20 However, she did provide a document from the  
21 East St. Louis Police Department that actually confirmed  
22 these two arrests.

23 So with her evidence, with the Commission's  
24 evidence, it was clear that there were two arrests that  
25 she failed to disclose, and for that failure grounds

1 would exist to deny her a license, and that would be my  
2 recommendation as well.

3 CHAIRMAN MATHEWSON: Any questions of Steve?

4 Is Ms. Jackson here?

5 MS. JACKSON: Yes, sir.

6 CHAIRMAN MATHEWSON: Would you like to make a  
7 comment?

8 MS. JACKSON: Yes, sir.

9 CHAIRMAN MATHEWSON: Would you like to step  
10 forward to that microphone right there, if that's  
11 convenient for you.

12 Just pull it down. Thank you.

13 Proceed, please.

14 MS. JACKSON: First I would like to say good  
15 morning to all the Honorable Commissioners and Chairman  
16 Mathewson. I'm trying to contain my emotions.

17 My name is Jonta Jackson. I am a cocktail  
18 waitress at the Lumiere Casino. I absolutely love it.

19 I've made my share of mistakes. I've  
20 accepted all of the consequences for them. This felony  
21 burglary, I have never been arrested, convicted or have  
22 a record of a felony burglary from East St. Louis Police  
23 Department.

24 I obtained a letter, and I thought that was  
25 enough for Gaming. Well, they said the East St. Louis

1 Police Department was not credible, and this felony  
2 burglary was attached to my fingerprints.

3 I know my fingerprints are uniquely mine, but  
4 I know also there is room for human error, and that is  
5 what this is. I've never spent over 48 hours in a hold-  
6 over cell for a minor traffic violation.

7 I contacted the FBI at the Fairview Heights  
8 location in Illinois, and they transferred me to the  
9 Springfield office and stated to me that it's a special  
10 department that actually specializes in errors like this  
11 that occur.

12 I feel that I should not have to suffer  
13 losing my job because of human error that was not my  
14 mistake.

15 The arrest for criminal damage to property, I  
16 had just moved into a new unit and I locked the keys in  
17 the house, so I busted a window. And when the police  
18 came, my legs were hanging out the window, and they had  
19 to follow procedure and arrest me to verify that that  
20 was my property. And it was dismissed, and it was never  
21 a case against me.

22 I have traveled far to get here just to  
23 talk to you guys. This is a mistake. And if I was  
24 allowed -- I need more time, money and manpower to get  
25 this off of my record. I would have never knew this

1 existed if it wasn't for Gaming, so I appreciate that,  
2 because I need to get this off of my record completely.  
3 But I need more time, money and manpower; therefore, I  
4 need to work to save money enough to get a lawyer --  
5 this is what I've been told -- to get this completely  
6 expunged or refingerprinted or however it goes to get it  
7 off of my record.

8 But from the bottom of my heart this is not  
9 me, and that's why I'm here.

10 CHAIRMAN MATHEWSON: Did you show up at the  
11 hearing? You did, didn't you?

12 MR. STARK: Yes.

13 CHAIRMAN MATHEWSON: So in showing up  
14 there -- but you were representing yourself because you  
15 didn't have the money to hire a lawyer, I assume.

16 MS. JACKSON: No, sir.

17 CHAIRMAN MATHEWSON: Is that the case?

18 Okay. So there's more than one incident  
19 here. Okay?

20 MS. JACKSON: Yes.

21 CHAIRMAN MATHEWSON: So do I hear you saying  
22 that you deny all of those incidents as not being  
23 correct?

24 MS. JACKSON: The felony burglary is  
25 incorrect. I have never, ever had a felony on my

1 record, ever to my knowledge, until this was brought to  
2 my attention.

3           As soon as it was brought to my attention, I  
4 flew to the arresting agency, and I got a notarized  
5 letter that states, upon completing a criminal history  
6 search on Jonta Jackson, it states that Jackson was  
7 arrested on April 4th, 2001 for a felony burglary.  
8 However, a check of our East St. Louis files report  
9 cannot be located, and Jonta Jackson has not been  
10 convicted, has no record of a felony burglary.

11           And it also states, on February 12, 2003  
12 Jonta Jackson was arrested and released for criminal  
13 damage to property, and I gave that to them.

14           CHAIRMAN MATHEWSON: Did you have that  
15 information, ma'am, at the hearing?

16           MS. JACKSON: Yes.

17           CHAIRMAN MATHEWSON: You did.

18           Steve, did you get that at --

19           MR. STARK: Yes, I did. And I do have her  
20 letter as part of our exhibits here. So it was  
21 presented and made part of our --

22           CHAIRMAN MATHEWSON: I'm sorry. I hadn't  
23 gone far back enough to see it.

24           MR. STARK: Yeah.

25           CHAIRMAN MATHEWSON: So stay with me, ma'am,

1 just for a minute, please, and maybe one of the  
2 Commissioners has a question too.

3 But Steve walk me through. Did we have all  
4 of the information when you conducted the hearing,  
5 please, on her, including that letter?

6 That letter in your mind as the hearing  
7 officer, does that clear that question or does it not?

8 MR. STARK: Well, the letter itself says  
9 there was an arrest, so that's the basis for a failure  
10 to disclose. Ms. Jackson did not disclose the arrest.

11 There was no conviction. She was released.  
12 It was her own property, so no charges were filed. So  
13 she's correct in saying that.

14 But she was arrested, as she said the proper  
15 procedure for the police to arrest her to confirm  
16 ownership of the property, so an arrest did occur  
17 according to the FBI records, according to the East  
18 St. Louis records that Ms. Jackson presented.

19 The second item was the burglary, and it does  
20 say in here also that there was an arrest as well on  
21 April 4th, 2001, but there is no record of any report or  
22 charges or anything else following that arrest.

23 So the focus is not on the fact that there  
24 was any subsequent action to the arrest. The focus that  
25 I focused upon was the actual arrest, which is required

1 to be disclosed. So there were two arrests, which  
2 nothing happened because of those arrests, but they  
3 still happened as an arrest.

4 So the Commission has -- the regulation  
5 allows the Commission discretion whether to deny or not  
6 based upon failure to disclose. So that's still your  
7 discretion.

8 But the record reflected that there were two  
9 arrests not disclosed, even though no subsequent action  
10 occurred because of the arrests.

11 CHAIRMAN MATHEWSON: Steve, help me out,  
12 please. Are we on a fine line here at all?

13 I mean, it seems to me like what she is  
14 testifying, and you have that letter in your hand here,  
15 yes, she was arrested but no charges were ever followed  
16 through on. Is that right?

17 MR. STARK: That's correct, on two different  
18 occasions actually, yes.

19 CHAIRMAN MATHEWSON: So let me back up even  
20 further, please.

21 If she had stated that that was the case,  
22 however, nothing ever happened from there, would we be  
23 here today?

24 MR. STARK: No. If she disclosed the arrest,  
25 I don't think the Commission would have -- well, I mean,

1 again, that's discretionary.

2 CHAIRMAN MATHEWSON: I understand.

3 MR. STARK: But not for purposes of the  
4 failure to disclose. If she disclosed the arrest, we  
5 would not be here today, yes.

6 CHAIRMAN MATHEWSON: So what is before us is  
7 the fact that she didn't disclose those two acts?  
8 That's what our decision is going to be?

9 MR. STARK: Yes, those two interactions with  
10 the police in which she was actually arrested. And the  
11 disclosure forms in the application process provide  
12 information as to what an arrest is.

13 CHAIRMAN MATHEWSON: Okay.

14 MR. STARK: But I understand in Ms. Jackson's  
15 mind, since nothing happened it wouldn't count as an  
16 arrest, from her perspective. I understand that.

17 CHAIRMAN MATHEWSON: Are you still employed?

18 MS. JACKSON: Yes. I had to be at work  
19 today, but I took emergency PTO to be here.

20 CHAIRMAN MATHEWSON: So you're still working  
21 at Lumiere. Right?

22 MS. JACKSON: Yes, sir.

23 CHAIRMAN MATHEWSON: How long have you been  
24 there?

25 MS. JACKSON: I've been there six months.

1                   CHAIRMAN MATHEWSON: You made the comment --  
2 and then I'll turn it over to the rest of the  
3 Commissioners to ask questions. But you made the  
4 comment that you needed some more time. Tell me what  
5 that would do. I mean, help me understand that.

6                   MS. JACKSON: When I was -- I've been going  
7 back and forth to Gaming, and I always -- to the office,  
8 and I always talked to someone new. And they were  
9 stating to me that East St. Louis's letter was not good  
10 enough because the department is not credible, that it  
11 sucks -- excuse me -- the East St. Louis Police  
12 Department. So I need to go somewhere higher and get  
13 more proof.

14                   And that's what I was saying. If you guys  
15 needed more proof, I need more time and money, because I  
16 have to get a lawyer, I guess. I've never been through  
17 anything like this.

18                   CHAIRMAN MATHEWSON: I understand. I  
19 understand.

20                   Steve, in your opinion is the East St. Louis  
21 Police Department credible?

22                   MR. STARK: I accepted their letter as  
23 credible. I've actually not been there to experience  
24 their work.

25                   COMMISSIONER JONES: It's a department. It's

1 a good -- it's a police department. Now, they've had  
2 their challenges and everything else.

3           But, I mean, for a non, I guess, criminal  
4 agency to say something like is not credible, it's  
5 almost like hearsay. I don't think someone from -- you  
6 know, other than the information that they receive from  
7 the media, I don't think someone that is outside an  
8 agency, FBI, someone like that, has the knowledge to say  
9 they aren't credible. You may have one or two bad  
10 apples in there, I mean, but that's all police  
11 departments. I'm not going to say all but --

12           CHAIRMAN MATHEWSON: They have the power of  
13 arrest, don't they?

14           COMMISSIONER JONES: Yes, sir.

15           CHAIRMAN MATHEWSON: Okay. Other questions?

16           COMMISSIONER HATCHES: I think there are two  
17 things here that I'd like to just talk about a little  
18 bit.

19           First off, thank you so much for being here.

20           This case in my mind is like many of those  
21 cases that we've dealt with, where the person because of  
22 what happened at the arrest, after the arrest, certainly  
23 felt that there was no need to report that they were  
24 arrested because nothing happened or it went away or  
25 suspended sentence. You know, we've had lots of those

1 cases.

2           So I think what we're dealing with here today  
3 is the regulation that says that in your application  
4 you have to state whether or not you had ever been  
5 arrested. What happened after that arrest is not what  
6 we're questioning here. So that's one thing.

7           But I think from your perspective it  
8 certainly would help for you to know that that's what  
9 we're looking at here, not what happened afterwards, not  
10 that we're not going to consider that.

11           But the decision we have to make is based on  
12 the fact that the question when asked whether or not you  
13 were arrested was answered no. And I understand from  
14 your perspective you're saying no because nothing ever  
15 happened.

16           And so I just think we've dealt with a lot of  
17 these cases and we have good conversations around them,  
18 but every month we get another case like this and, you  
19 know, I don't know where the answer eventually lies.

20           But I just want to make sure you're clear  
21 that we're not discounting the fact that the actions  
22 after the arrest went away. The thing that we're  
23 looking at is that there was an arrest. As valid or  
24 invalid in your mind or processwise that it was, that's  
25 where we are. So I do appreciate you here.

1           And so the letter that you have that talks  
2 about the police department and whether or not they're  
3 credible enough to render these decisions of opinion  
4 still doesn't weigh against that initial action.

5           MS. JACKSON: Commissioner Hatches, I just  
6 wanted to state that I wasn't arrested twice. I was  
7 only held for the criminal damage to property.

8           On the felony burglary it states officer  
9 arrested me, but I was never arrested, never put in  
10 handcuffs, any of that. Never went to the police  
11 station, any of that. This is a complete error.

12           I was only held for my criminal damage to  
13 property, and the only reason why I eventually  
14 remembered that was because my daughter reminded me  
15 that, Mom, you were hanging out the window. We had just  
16 moved in our house.

17           But I understand what you guys mean by  
18 arrests. Arrest just means put in handcuffs and you're  
19 going and taken down to the station.

20           I was never arrested for this felony  
21 burglary. They said we couldn't enter anymore evidence,  
22 but I went all of the way to the state of Illinois, like  
23 the trooper building in Collegeville, and I had got a  
24 printout of everything that I was arrested for. The  
25 felony burglary is not even in there.

1           So this is coming from somewhere, and I want  
2 to get it corrected. I just don't want to lose my job  
3 in the meantime.

4           COMMISSIONER MERRITT: Well, there's a  
5 timeframe in between these. You're saying that the  
6 burglary -- isn't that in 2001?

7           MS. JACKSON: Yes.

8           COMMISSIONER MERRITT: And the criminal  
9 damage to property was in 2003?

10          MS. JACKSON: Yes, sir.

11          COMMISSIONER MERRITT: So you're saying --  
12 now, I guess for Mr. Stark.

13          Does the FBI records indicate that there was  
14 an arrest, the burglary arrest was in 2001?

15          MR. STARK: Actually I don't have that  
16 exhibit with me, but Mr. Grewach is handing me --

17          COMMISSIONER MERRITT: I thought you said  
18 their investigation revealed that?

19          MR. STARK: Correct.

20          Okay. United States Department of Justice,  
21 Federal Bureau of Investigation, arrested 4-8-2001,  
22 Police Department East St. Louis, charge one burglary.

23          Second event, arrested February 12, 2003,  
24 Police Department East St. Louis, charge one criminal  
25 damage to property.

1           So somehow the FBI was able to record those  
2 two events --

3           COMMISSIONER MERRITT: My point here is the  
4 FBI gets their data from fingerprints submitted to them,  
5 so that would indicate that you were fingerprinted in  
6 2001 in that burglary situation.

7           MS. JACKSON: No. I think my fingerprints  
8 have been in the system since 1998 when I experienced my  
9 first domestic --

10          COMMISSIONER MERRITT: The only way they  
11 create a record -- the best of my recollection from  
12 having dealt with a little bit of this, the only way  
13 they create a record is they receive a fingerprint card  
14 and it has on it what the charge is. And that charge on  
15 this card would have been burglary and the date and  
16 everything. So apparently -- I mean, they just don't  
17 make that stuff up and send it to the FBI.

18          MS. JACKSON: Yes. I contacted the FBI. I  
19 didn't know what to do. I contacted the FBI, and they  
20 advised me that errors happen on fingerprint cards. And  
21 I don't know how it happened, but it happened to me.

22          I've never -- I don't even know what a felony  
23 burglary is. I've never spent time in prison. The  
24 person that did this went to prison. I've never been to  
25 prison. I've never had anything -- I've spent 48 hours

1 in a hold-over cell for a traffic ticket and that's it.  
2 I don't know where this is coming from, but it's not me.

3 MR. GREWACH: Mr. Chairman, can I briefly  
4 just address the board from the Staff's point of view?

5 CHAIRMAN MATHEWSON: Sure.

6 MR. GREWACH: You know, as Commissioner  
7 Hatches has said before, you know, we've gone through  
8 this on prior occasions, and all of the various places,  
9 numerous places in the application process where the  
10 applicant is confronted with, you know, the need to  
11 disclose things even if you weren't charged, even if you  
12 weren't convicted, even if it was an SIS.

13 But I'd specifically like to address your  
14 attention to page 16 of the application, which is part  
15 of the packet, and it in paragraph 8 defines an arrest  
16 as any detaining, holding or taken into custody.

17 Then it goes down in instructions in one to  
18 say you have to report this even if you didn't commit  
19 the charges, even if they were dismissed or subsequently  
20 not filed.

21 Now, if you look at the transcript, as  
22 Ms. Jackson has done today, she indicated at page 28  
23 that she had forgot about the arrest, that she was  
24 arrested, and it also indicated that earlier in her  
25 testimony.

1           So you take out, you know, confusing about  
2 the burglary in '01, take that out. I mean, there is an  
3 admission of -- taking that for granted, an admission of  
4 the '03 property damage arrest and the nondisclosure of  
5 the '03 property damage arrest.

6           And has been said here before, it's been the  
7 Staff's consistent policy to issue a denial for  
8 nondisclosure of arrests.

9           CHAIRMAN MATHEWSON: Ms. Jackson, I hate  
10 these kinds of deals. Bless your heart. You know, you  
11 come all of the way down here and you're emotional, and  
12 I hate these kind of deals. You know, just so you know  
13 that.

14           Let me ask Ed or Steve one more question and  
15 then we'll move on. Okay?

16           This lady has asked for some more time to try  
17 to resolve this question, because I sincerely believe in  
18 her mind, bless her heart, she's not -- she feels ganged  
19 up on a little bit here, you know, I mean, that really  
20 she never was arrested, I mean, in her mind. Okay? So  
21 it's kind of hard to lie on an application if you don't  
22 believe something. Okay?

23           Now, help me out, Steve or Ed.

24           I mean, she's asked this Commission to give  
25 her a little more time on this. You know, personally I

1 don't have a problem with that, you know, I mean, if we  
2 think that it will resolve this question.

3           So if we just put this one on hold, No. 1, it  
4 gets me out of the way, which is what I'm looking for  
5 here, to be honest with you, because this is my last  
6 meeting, Lady, I want you to know, you know.

7           But do we gain anything? I mean, is the  
8 question still the fact that she may have not  
9 intentionally lied but the facts in the case indicate  
10 she did not -- she did not put something on that  
11 application?

12           MR. GREWACH: Correct.

13           MR. STARK: Ms. Jackson seem to be saying on  
14 one of those arrests it didn't occur, that there's a  
15 mistake on the record. I'm basing my decision upon the  
16 objective records of the FBI and the East St. Louis  
17 Police Department.

18           If that record is incorrect and proven to  
19 be incorrect -- apparently that's what Ms. Jackson wants  
20 to do is be able to hire a lawyer to make that  
21 correction -- then that would satisfy the fact that  
22 there was no arrest to even disclose.

23           However, the second arrest did occur. I  
24 think Ms. Jackson admits to that. She broke into her  
25 own apartment. Whether that's sufficient enough to call

1 an arrest, the police records seems to indicate that it  
2 is an arrest.

3           So it's your discretion, I guess, to  
4 determine whether that one particular event of breaking  
5 her own window constituted an arrest that she should  
6 have disclosed and does it indicate anything with regard  
7 to her suitability to serve as an employee of the gaming  
8 industry.

9           CHAIRMAN MATHEWSON: Help me out, Steve, out  
10 of my not understanding everything that can happen in  
11 law enforcement.

12           How would you ever -- how would you ever  
13 check that situation between the East St. Louis Police  
14 Department and the FBI?

15           Evidently the FBI is using what was provided  
16 by the East St. Louis Police Department. Is that  
17 correct?

18           MR. STARK: That's my understanding, that  
19 there would be actual fingerprints.

20           CHAIRMAN MATHEWSON: How would you ever check  
21 that? How would you ever -- I mean, she could go out  
22 and, you know, spend a couple months' salary for a  
23 lawyer, but how would you find this out, unless the  
24 East St. Louis Police Department just said, oops, I  
25 guess we messed up that, or something?

1           I mean, basically their letter is indicating  
2 that something is wrong here, you know. But how do you  
3 ever resolve it? I mean, this lady's life is in  
4 question here about her future as far as a job. I mean,  
5 I don't know how to correct it.

6           MR. STARK: I really don't know either.

7           CHAIRMAN MATHEWSON: Okay.

8           Jack.

9           COMMISSIONER MERRITT: For every arrest that  
10 is submitted to the Bureau for every fingerprint card  
11 that goes in to them, it will have that charge on it.  
12 If you're arrested -- I mean, if you're arrested on  
13 multiple charges at one time, you'll have one  
14 fingerprint card that goes in.

15           If two years pass, they will submit a card.  
16 It will be classified and then put in. And the FBI --  
17 or the fingerprint classification will be listed on the  
18 card and show -- I don't see it on here, but it will  
19 show that.

20           So it would be -- they would have totally  
21 misread those fingerprint cards and misclassified them  
22 for it to be someone else's.

23           CHAIRMAN MATHEWSON: How do you expunge it,  
24 Jack? I mean, if that's her --

25           MS. JACKSON: That's what I want to do

1 because --

2 CHAIRMAN MATHEWSON: How would you go about  
3 doing that?

4 COMMISSIONER MERRITT: There is no expunging  
5 it when there has not been an arrest or anything, is  
6 there?

7 COMMISSIONER BRADLEY: No.

8 COMMISSIONER MERRITT: There's not been any  
9 arrest or final adjudication. There is no expunging.

10 CHAIRMAN MATHEWSON: There isn't anything to  
11 expunge?

12 COMMISSIONER BRADLEY: Right.

13 CHAIRMAN MATHEWSON: Except for her life.

14 MS. JACKSON: My life.

15 COMMISSIONER MERRITT: It's going to show for  
16 law enforcement that she's had that arrest.

17 You know, anything in the world is possible,  
18 but rarely do they just generate something off a  
19 fingerprint card for the wrong individual. And I'm not  
20 saying that it can't be done.

21 Would AFIS have been working at that point in  
22 time, where they would have been computerized checks  
23 '03, '01, '03? I don't think so.

24 So there is an element of human error, could  
25 be a possibility, because it's classified. But it would

1 be a rarity because it goes by name, by date of birth,  
2 by fingerprint classification. There is, you know, kind  
3 of some backups.

4 COMMISSIONER JONES: But yet still the  
5 information that the FBI has is coming from the East  
6 St. Louis --

7 COMMISSIONER MERRITT: It's what they submit.

8 COMMISSIONER JONES: So the human error could  
9 have originated at the East St. Louis, Illinois  
10 Department of Police?

11 COMMISSIONER MERRITT: That's true.

12 COMMISSIONER BRADLEY: So she needs to go  
13 back to East St. Louis, probably get a lawyer in that  
14 area and talk to the Department.

15 COMMISSIONER MERRITT: Are you saying they  
16 don't have a record of any of this?

17 MS. JACKSON: Yeah. I went there and they  
18 said a check -- we were at the East St. Louis Police  
19 Department, revealed no burglary charges were issued by  
20 East St. Louis Police Department and I was never  
21 convicted. And Detective Marion Riddle stamped and  
22 signed it. I went there immediately after that, after  
23 they told me that I did a felony burglary. They said I  
24 was in prison.

25 I even tried to find the probation officer I

1 supposedly had. I was searching high and low, but it's  
2 just me.

3 COMMISSIONER MERRITT: I would suggest that  
4 someone as efficient as, like, Captain Geiger would go  
5 to East St. Louis and go through their files and see if  
6 there is some police reports and things like that  
7 dealing with this, because if there's police reports,  
8 then you can follow it up to the arrest reports.

9 CHAIRMAN MATHEWSON: Now I'm being serious.  
10 I was kind of getting --

11 COMMISSIONER MERRITT: I was too.

12 CHAIRMAN MATHEWSON: I know. And that's  
13 what -- I was looking for something like that, Jack.  
14 Thank you.

15 You know, what I'd like to do is just -- I'd  
16 like to put this off for -- until the next meeting.  
17 Okay?

18 MR. GREWACH: Actually, Mr. Chairman, that  
19 would be the July meeting. The June meeting is in  
20 Kansas City. Mr. Stark will not be attending that. He  
21 will be here in --

22 CHAIRMAN MATHEWSON: He don't know how to get  
23 to Kansas City?

24 MR. GREWACH: We don't pay him to do that.

25 CHAIRMAN MATHEWSON: All right. It's a

1 matter of mileage.

2 COMMISSIONER JONES: Wait a minute.

3 CHAIRMAN MATHEWSON: What in the hell are we  
4 doing here then?

5 COMMISSIONER JONES: Aren't we saving with  
6 his salary being gone? Can we afford to do that?

7 MR. GREWACH: I'm not sure that would cover  
8 Mr. Stark's trip.

9 CHAIRMAN MATHEWSON: What I'd like to do --  
10 and I've tried to -- we've all tried to work with you  
11 here because I know in your heart and in your mind you  
12 don't understand how in the world this could happen to  
13 you, you know.

14 MS. JACKSON: I don't.

15 CHAIRMAN MATHEWSON: In your mind you're a  
16 victim of what has happened here.

17 Unless the Commissioners would object, I'd  
18 sure like to put this off until the July meeting, give  
19 you some more time. Therefore, I assume she can keep  
20 her job until we take some action. Am I correct?

21 MR. GREWACH: Yes.

22 CHAIRMAN MATHEWSON: I mean, unless for some  
23 other reason they fire her or whatever. But if -- what  
24 happened?

25 MS. JACKSON: No. You said unless for some

1 other reason they fire her. No. I'm a great employee.

2 COMMISSIONER MERRITT: Would you entertain a  
3 motion?

4 CHAIRMAN MATHEWSON: I would.

5 COMMISSIONER MERRITT: I make a motion that  
6 we table Resolution No. 12-044 until someone at the  
7 Patrol can do a more thorough investigation on this. I  
8 don't know that we will have a different result on  
9 this --

10 CHAIRMAN MATHEWSON: I don't either.

11 COMMISSIONER MERRITT: -- but I appreciate  
12 her tenacity and her desire to work.

13 COMMISSIONER BRADLEY: Second.

14 CHAIRMAN MATHEWSON: Any discussion?

15 MR. HATCHES: Yes.

16 I just want as a matter of record that I  
17 support this motion for the same reason and certainly  
18 appreciate you coming here and giving us the  
19 information, but I also agree that it's going to be  
20 beneficial for you to understand the process that you  
21 are going through, whether it impacts the ultimate  
22 decision that we make based on the rules that we have to  
23 look at.

24 I'm not -- I certainly want to be clear that  
25 I'm not suggesting that that is going to have an impact,

1 but it is important -- with the questions that you have,  
2 it is important that you get that cleared up, and there  
3 is time to do that.

4 COMMISSIONER MERRITT: And by our actions in  
5 this manner, we might avoid her the expense of getting  
6 legal counsel and dealing with that issue if we resolve  
7 it ourselves.

8 CHAIRMAN MATHEWSON: I agree, Jack.

9 I would hope, Steve, that, you know, Roger,  
10 that somehow we can work not necessarily directly with  
11 her but to find out whether or not -- what's the  
12 question -- we know what the question is. What's the  
13 answer? You know, she doesn't know either.

14 And I hate to see her go out here and pay a  
15 thousand dollars or something to an attorney when I  
16 don't know what they're going to find that we can't  
17 find, you know.

18 And don't we have some responsibility to make  
19 sure that the decision that we give ultimately is in the  
20 benefit of not only the law but this lady?

21 EXECUTIVE DIRECTOR STOTTLEMYRE: Captain  
22 Geiger is here, and I know he'll assign an officer to go  
23 to St. Louis, and we'll check her files and see what we  
24 can come up with.

25 COMMISSIONER HATCHES: They're raising their

1 hands rights now, Captain.

2 CHAIRMAN MATHEWSON: They see how pretty you  
3 are and they want to be involved, that group back there.

4 COMMISSIONER MERRITT: Thank you.

5 CHAIRMAN MATHEWSON: At any rate we have a  
6 motion and a second.

7 Any further discussion?

8 Call the roll, please.

9 MS. FRANKS: Commissioner Merritt.

10 COMMISSIONER MERRITT: Approve.

11 MS. FRANKS: Commissioner Hatches.

12 COMMISSIONER HATCHES: Approve.

13 MS. FRANKS: Commissioner Jones.

14 COMMISSIONER JONES: Approve.

15 MS. FRANKS: Commissioner Bradley.

16 COMMISSIONER BRADLEY: Approve.

17 MS. FRANKS: Chairman Mathewson.

18 CHAIRMAN MATHEWSON: Approve.

19 MS. FRANKS: By your vote you've tabled the  
20 Jonta Jackson.

21 CHAIRMAN MATHEWSON: Be safe going home.

22 Thank you.

23 Good discussion, guys.

24 COMMISSIONER HATCHES: Might I ask Ed this  
25 question?

1                   CHAIRMAN MATHEWSON: Sure.

2                   COMMISSIONER HATCHES: I just think at some  
3 point -- and I heard what you said a few minutes ago,  
4 that there has been some consistency on this Commission  
5 in the support of the recommendations to always deny  
6 whenever it is a result of failure to declare an arrest.

7                   If that is indeed -- for lack of a better  
8 term, if that I understand is indeed policy, then at  
9 some point we ought to have a little bit more discussion  
10 about that.

11                   Because if that's the case, then what we do  
12 in these cases, you know, I'd like to consider just due  
13 process, because the conclusions have been drawn based  
14 on the investigation.

15                   MR. GREWACH: You know, the reasoning behind  
16 the requirement is that if we know about the arrest, we  
17 can then look into all of this information prior to  
18 making the decision on the license. So if you tell us  
19 where you were arrested, we can follow up and verify  
20 charges were never filed or what the facts of the case  
21 were.

22                   The most common defense we get to this when  
23 we find this is that was a long time ago. I forgot. Of  
24 course, my favorite defense is one applicant that came  
25 in and said, I've been arrested so many times it's

1 unreasonable for you to expect me to remember them all.

2           But when you get into that, so long ago, how  
3 long is so long ago? I mean, where do you make the  
4 cutoff? Do you say it's 10 years, 12 years, 14 years?

5           So for us it's been, you know, we thought for  
6 just, fair and consistent to just say if you don't  
7 disclose an arrest, that's the position we take.

8           The Commission always has the ability to do  
9 what they've done here today or vary from that in any  
10 particular set of facts, but from a staff point of view  
11 that's the way we approach it.

12           COMMISSIONER HATCHES: So the disclosing of  
13 an arrest does not mean you won't receive your license?

14           MR. GREWACH: Correct. As a matter of fact,  
15 it's just the opposite.

16           COMMISSIONER HATCHES: But not disclosing an  
17 arrest certainly means you will not be given a license?

18           CHAIRMAN MATHEWSON: That's right.

19           MR. GREWACH: I think Mr. Stark accurately  
20 answered that from the Staff's point of view, that if  
21 you disclose these and we look at them, they're not  
22 convictions, they're not pleas, but now we can look into  
23 the facts. Maybe there really was something there but  
24 the prosecutor just decided not to file it, or maybe  
25 there wasn't. You know, so disclosing the arrest allows

1 us to make that full investigation to make a decision.

2           So I would say in this particular applicant's  
3 case, if she disclosed these two, I don't think she  
4 would have had a problem being licensed at that point.

5           COMMISSIONER BRADLEY: The other thing is, we  
6 still have discretion, and we still have that. Even  
7 though there's a recommendation -- and I know the staff  
8 has a recommendation, don't disclose, boom, that's it.  
9 There is still -- I think that what we need to remember  
10 as a Commission, there is still discretion in there, and  
11 I think it may have made a difference as to what the  
12 true facts are in this particular case.

13           I don't know that. I was going to ask you  
14 that next and now it's been continued. But that is what  
15 we have to remember when we make that decision, and  
16 usually we follow what you do, but there have been times  
17 when there has been other outcomes.

18           COMMISSIONER MERRITT: And most of the time,  
19 most of these we've dealt with, have been pretty cut and  
20 dry. They just tried to mess with the system.

21           But I think with the situation that we've got  
22 with East St. Louis here, it looks kind of like it could  
23 be a goat roping and it isn't exactly right.

24           CHAIRMAN MATHEWSON: Okay. Good discussion,  
25 guys.

1           If you are a person, like I assume this young  
2 lady -- and we've seen them before -- that you don't  
3 understand the difference of what we just discussed here  
4 because you have no legal knowledge of what the hell are  
5 we talking about, you know.

6           And so that -- when you have a situation like  
7 this one and a few others, most of them they just got  
8 caught, okay, you know, and we deal with that.

9           You know, that's a tough call, because they  
10 don't know. You know, bless her heart. She said, if I  
11 had the money, I'd go hire a lawyer. I don't have any  
12 money, you know, and I'm sure that's probably right.  
13 Been there, felt that, know what that's like, you know.  
14 I wasn't trying to raise money to hire a lawyer, but  
15 I've been broke.

16           So at any rate. But it's a damn good  
17 discussion, and I want you guys to continue these kinds  
18 of discussions after I'm gone.

19           COMMISSIONER JONES: You know, and I just  
20 want to say, I somewhat understand her position on the  
21 other one. I mean, how can you arrest me for breaking  
22 into my own place? And even if they did detain me, I'm  
23 not arrested. This is my place. This is my place. I  
24 broke the window out.

25           And, you know, that's why I said I can

1 understand in her mind that it's not an arrest. It's  
2 not a detainment. You know, I didn't violate the  
3 application by not disclosing it because it was my  
4 place. It was my place. I had to get in. My keys were  
5 locked inside.

6 CHAIRMAN MATHEWSON: Okay. Moving right  
7 along.

8 MR. STARK: The next case is Marcus Swepson,  
9 and I understand there has been an agreement before  
10 today between the Commission and Mr. Swepson.

11 MR. GREWACH: Yes. What happened to  
12 Mr. Swepson's case, Mr. Swepson is also involved in  
13 nondisclosure of arrests, which he did not present any  
14 evidence of any expungement at the hearing Mr. Stark  
15 conducted. Mr. Stark filed his findings of fact and  
16 conclusions of law based upon the evidence that was  
17 presented.

18 About four or five weeks later then  
19 Mr. Swepson then sends us an order from the St. Clair  
20 County Court indicating that the records were expunged  
21 and the conviction was expunged and vacated on an  
22 earlier date.

23 So we are asking that that case also be  
24 tabled, that we remand it back to Mr. Stark. I've  
25 already provided him with those documents. I don't

1 think a second hearing will be necessary for Mr. Stark,  
2 but for him to consider those to see if that causes him  
3 to modify his prior findings.

4 And then if we could, put that on the July  
5 agenda, that Mr. Stark can present it then either the  
6 same as it is now or with an amendment.

7 CHAIRMAN MATHEWSON: So you're asking us to  
8 just table this at this time?

9 MR. GREWACH: Correct, yes.

10 CHAIRMAN MATHEWSON: Any Commissioner have a  
11 question on that?

12 Okay. Call the roll -- we need a motion.

13 COMMISSIONER BRADLEY: Motion to table.

14 COMMISSIONER JONES: Second.

15 CHAIRMAN MATHEWSON: Do you want a date  
16 specific on that?

17 MR. GREWACH: We'd like to put it on the July  
18 agenda because it's only --

19 COMMISSIONER BRADLEY: Motion to continue the  
20 matter to the July meeting of Resolution No. 12-045.

21 CHAIRMAN MATHEWSON: Call the roll, please.

22 MS. FRANKS: Commissioner Merritt.

23 COMMISSIONER MERRITT: Approve.

24 MS. FRANKS: Commissioner Hatches.

25 COMMISSIONER HATCHES: Approve.

1 MS. FRANKS: Commissioner Jones.

2 COMMISSIONER JONES: Approve.

3 MS. FRANKS: Commissioner Bradley.

4 COMMISSIONER BRADLEY: Approve.

5 MS. FRANKS: Chairman Mathewson.

6 CHAIRMAN MATHEWSON: Approve.

7 MS. FRANKS: By your vote you have tabled the  
8 Marcus Swepson matter until the July meeting.

9 MR. STARK: That concludes the cases I have.  
10 Thank you very much.

11 COMMISSIONER MERRITT: See you in July.

12 CHAIRMAN MATHEWSON: You did a good job,  
13 Steve.

14 Mr. Executive. God love you.

15 EXECUTIVE DIRECTOR STOTTLEMYRE: The next  
16 item on the agenda is Consideration of Relicensure of  
17 Suppliers, and Sergeant Jeff Smith will present.

18 CHAIRMAN MATHEWSON: Good morning, Sergeant.

19 SERGEANT SMITH: Good morning, Chairman,  
20 Commissioners.

21 CHAIRMAN MATHEWSON: Good morning.

22 COMMISSIONER JONES: Good morning.

23 SERGEANT SMITH: The Missouri State Highway  
24 Patrol investigators conducted the relicensing  
25 investigation of three supplier companies currently

1 licensed in Missouri.

2           These investigations consisted of  
3 jurisdictional inquiries, feedback from affected gaming  
4 company clients, a review of disciplinary actions,  
5 litigation and business credit profiles, as well as a  
6 review of the key persons associated with each company.

7           The results of these investigations were  
8 provided to the MGC staff for their review, and you  
9 possess summary reports before you which outline our  
10 investigative findings.

11           The following supplier companies are being  
12 presented for your consideration: Paltronics,  
13 Incorporated, Crystal Lake, Illinois.

14           EXECUTIVE DIRECTOR STOTTLEMYRE: Staff  
15 recommends approval of Resolution No. 12-046.

16           CHAIRMAN MATHEWSON: Any questions of the  
17 sergeant?

18           Chairman accepts a motion to adopt  
19 Resolution 046.

20           COMMISSIONER HATCHES: I move for adoption of  
21 Resolution No. 12-046.

22           COMMISSIONER BRADLEY: Second.

23           CHAIRMAN MATHEWSON: You guys harmonize  
24 pretty good.

25           Call the roll, 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 12-046.  
13 CHAIRMAN MATHEWSON: Sergeant.  
14 SERGEANT SMITH: IGT, Las Vegas, Nevada.  
15 EXECUTIVE DIRECTOR STOTTLEMYRE: Staff  
16 recommends approval of Resolution No. 12-047.  
17 CHAIRMAN MATHEWSON: Any questions of the  
18 sergeant on this one?  
19 Seeing none, Chair would accept a motion to  
20 adopt 12-047, please.  
21 COMMISSIONER JONES: I move for the adoption  
22 of Resolution No. 12-047.  
23 COMMISSIONER MERRITT: Second.  
24 CHAIRMAN MATHEWSON: Call the roll, 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 12-047.

12 CHAIRMAN MATHEWSON: Sergeant.

13 SERGEANT SMITH: JCM American Corporation,

14 Las Vegas, Nevada.

15 EXECUTIVE DIRECTOR STOTTLEMYRE: Staff

16 recommends approval of Resolution No. 12-048.

17 CHAIRMAN MATHEWSON: The Chair would accept a

18 motion to adopt Resolution 12-048.

19 COMMISSIONER MERRITT: I make a motion to

20 approve Resolution No. 12-048.

21 COMMISSIONER JONES: Second.

22 CHAIRMAN MATHEWSON: Call the roll, 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. 12-048.

10 EXECUTIVE DIRECTOR STOTTLEMYRE:

11 Mr. Chairman, the next item on the agenda is  
12 consideration of licensure of Level I and Key  
13 applicants. Sergeant Jeff Smith will present.

14 SERGEANT SMITH: Mr. Chairman and  
15 Commissioners, the Missouri State Highway Patrol  
16 investigators, along with Gaming Commission financial  
17 investigators, conducted comprehensive background  
18 investigations on multiple Key and Level I applicants.

19 The investigations included, but were not  
20 limited to, criminal, financial and general character  
21 inquiries, which were made in the jurisdictions where  
22 the applicants lived, worked and frequented.

23 The following individuals are being presented  
24 for your consideration: Justin P. Volk, Ameristar  
25 Casino Kansas City, Director of Security; John Chaszar,

1 Argosy Riverside Casino, Vice-President and General  
2 Manager; Gary DeWitt, Argosy Riverside Casino,  
3 Vice-President and Assistant General Manager; Lewis  
4 Flock, Aristocrat Leisure, Limited, Non-Executive  
5 Director; Matthew Heiskell, Harrah's Maryland Heights,  
6 Vice-President of Operations; Saul Reibstein, Penn  
7 National Gaming, Inc., Outside Director.

8           The results of these investigations were  
9 provided to the Gaming Commission staff for their  
10 review, and you have all related summary reports before  
11 you.

12           EXECUTIVE DIRECTOR STOTTLEMYRE: And Staff  
13 recommends approval of Resolution No. 12-049.

14           CHAIRMAN MATHEWSON: Any questions?

15           Chair would accept a motion on 12-049,  
16 please.

17           COMMISSIONER HATCHES: Move to accept  
18 Resolution No. 12-049.

19           COMMISSIONER BRADLEY: Second.

20           CHAIRMAN MATHEWSON: Any questions, comments,  
21 concerns?

22           Call the roll, 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. 12-049.

10 CHAIRMAN MATHEWSON: Okay. We're going to  
11 take a break.

12 (A RECESS WAS TAKEN.)

13 CHAIRMAN MATHEWSON: What is your challenge  
14 to this Commission at this moment?

15 EXECUTIVE DIRECTOR STOTTLEMYRE:

16 Mr. Chairman, the next item on the agenda is  
17 Consideration of Disciplinary Actions, and Mr. Ed  
18 Grewach will present these.

19 CHAIRMAN MATHEWSON: Good morning, Ed.

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

21 Item L involves Ameristar St. Charles. It's  
22 a case on December 5th, 2011 where two minors, 18 years  
23 old, entered the casino.

24 The security officer at the turnstile did not  
25 check their identification. They encountered a

1 bartender while they were there who did not check their  
2 investigation. They were on the floor for approximately  
3 one hour and played slot machines, and during that time  
4 period no one approached those two individuals. The  
5 staff is recommending a fine of \$5,000.

6 I might also point out as you go through  
7 these disciplines today, at the end of the resolution  
8 you'll see a sheet that Terri Hutchison prepared for us  
9 indicating what discipline was assessed against any  
10 Level IIs that were involved in the cases as per the  
11 Commission's request at the last meeting.

12 CHAIRMAN MATHEWSON: Thank you very much.

13 Any questions of Ed?

14 COMMISSIONER HATCHES: I do. I guess I could  
15 save this question until the end, but let's just ask it  
16 now and kind of deal with it as we go through.

17 We have quite a few of these underage  
18 drinking cases this month, and I just want to know from  
19 Staff's perspective, when you are investigating this and  
20 then the next step, recommending fines, do you take into  
21 consideration, like in this case, the number of  
22 employees that this person presented in front of and no  
23 actions were taken?

24 You know, if it's two versus five times or if  
25 they sat at the table and played or they played and they

1 also had liquor. Are those things considered as you go  
2 through?

3 MR. GREWACH: Absolutely. And, you know, I  
4 guess it's important to remember that this is the  
5 discipline review board that looks at them and not --  
6 maybe not every member puts the same weight on the same  
7 issue, but we look at all those things.

8 We look at the age of the participants. We  
9 look at whether or not the ID was actually checked, how  
10 many people they encountered, how long they were there,  
11 if they consumed alcohol while they were on. You know,  
12 all of those issues, you know, become important to us.

13 If it's a fake ID case, we look at how  
14 similar was it to the IDs that were presented, how  
15 careful were the people checking, and, again, were there  
16 people that didn't check.

17 And so all of those things we look at and  
18 discuss. We look at often the property's prior problems  
19 that they've had with minors. We take that all into  
20 account.

21 I can concede it's not an exact science. I  
22 mean, there is not a formula we can plug that into, but  
23 there all are issues that we consider.

24 COMMISSIONER HATCHES: On the cases of fake  
25 IDs, are there charges filed?

1           MR. GREWACH: We always refer those. We  
2 always arrest the person with -- and we arrest the  
3 minors as well. I mean, we forward that to the local  
4 prosecuting authorities.

5           Now, whether or not charges get filed, that's  
6 again at the prosecutor's discretion once they get to  
7 them. But we do act on it as law enforcement as a  
8 criminal case when -- every time we encounter those.

9           COMMISSIONER HATCHES: And as part of the  
10 information that you give us, is that arrest noted?

11          MR. GREWACH: It probably is not --

12          COMMISSIONER HATCHES: In some cases yes and  
13 in cases no?

14          MR. GREWACH: Probably not in the resolution  
15 itself. If you would look in the gaming report, which  
16 at this point in time is not in the record now.

17          If these would go up on appeal and would come  
18 back to you after the hearing officer reviewed them,  
19 then you'd see that -- you'd see that information in  
20 evidence that the arrest took place.

21          But the fact of the arrest I don't think  
22 you'll see in the resolution, and you also won't really  
23 see in either one of them, either the resolution or the  
24 gaming report, what the prosecutor's action was.

25          Because, again, when that is sent to them, that's in

1 their hands, and they don't always update us with that.

2 COMMISSIONER HATCHES: And I'm okay with that  
3 but just being notified that the person was arrested and  
4 charged with whatever the charge is.

5 MR. GREWACH: We can certainly add that or  
6 maybe even add that in the report that Terri Hutchison  
7 does.

8 COMMISSIONER HATCHES: I think it would be  
9 fine in the same report where you tell the resolution of  
10 those who were involved, you know, a three-day  
11 suspension, one day, if you also said there that because  
12 of whatever that person was arrested.

13 And again, what happened to them after arrest  
14 I know we don't have any control over, so I'm not as  
15 interested in knowing that. Because that just would be  
16 something extra to debate, and I'm not looking for that.

17 MR. GREWACH: Correct. And it would be an  
18 extra step for us. Because Terri can look off the  
19 gaming report and who was arrested, what they were --  
20 what charges were forwarded to the prosecutor and then,  
21 you know, from there we'd really have to, you know,  
22 follow up quite a bit to find out. Because sometimes  
23 the resolution is months and months after the charge has  
24 been sent. Sometimes not at all. We don't know if the  
25 prosecutor is never going to file them or just hasn't

1 gotten around to it.

2 Most of these cases as a misdemeanor, there  
3 is a one-year statute of limitations, so we, you know,  
4 just don't really know what --

5 COMMISSIONER HATCHES: And certainly if they  
6 were arrested in this case, I hope I'd see that if they  
7 made application to a license or something.

8 MR. GREWACH: Yes. Obviously if any of the  
9 licensees are arrested -- usually the person arrested is  
10 a minor that's on the floor. So that's the -- or the  
11 person with the fake ID, who typically aren't licensees.

12 COMMISSIONER HATCHES: I guess the last  
13 question for me is, do we know, for example, in the  
14 employee cases where they received suspension, whatever  
15 the discipline is with them, is that suspension plus  
16 some training? Do we know that?

17 You know, because some of these cases, it  
18 appears that these people don't even know that they  
19 should be looking for an ID. Because how can you not do  
20 that?

21 So, you know, part of what I'd like to make  
22 sure is occurring is that there is ongoing training, so  
23 we see fewer and fewer of these cases. But if you're  
24 given a day off or two days off and just come back to  
25 work after that and there is no training about how you

1 look for underage drinking, underage on the floor,  
2 whatever the process is, you know, they can -- you know,  
3 we'll see these cases again, maybe some of these same  
4 people.

5 MR. GREWACH: We don't do that on every case,  
6 although there are some casino fine cases you'll see  
7 where we cite failure to train as one of the grounds,  
8 you know, if there's a -- I think we had one case, as a  
9 matter of fact, against one property where there were  
10 50 people encountered that were minors and no one  
11 checked their ID.

12 In that case we said we have a training  
13 problem here, you know. So then we go in and we start  
14 out by looking at what records they have of the  
15 training, what their training consists of and, you know,  
16 obviously they can train them, but if it's not working,  
17 we need to, you know, look at modifying that.

18 But I can't say we do that in every case that  
19 comes through here. For example, where two persons  
20 encounter them, we probably wouldn't approach that as a  
21 lack -- failure-to-train-type case.

22 COMMISSIONER HATCHES: Well, we have a couple  
23 of cases, at least one case here, where there was at  
24 least three different dealers at a table. None of them  
25 asked to check the license. That's after -- that's

1 after they, you know, gained entry to the place. So at  
2 these four occasions, if not five, where that occurred.

3 And, you know, I don't know what -- at some  
4 point you have to say it's a training issue.

5 MR. GREWACH: We do. We don't have a  
6 cutoff -- we don't have a bright-line there, but we  
7 do -- at some point DRB comes to the conclusion that  
8 this is really a systemic problem, it's a training  
9 problem, and we approach the casino with that.

10 COMMISSIONER HATCHES: Thank you.

11 COMMISSIONER BRADLEY: With that in mind,  
12 what I was looking at -- this is on Ameristar  
13 St. Charles -- that's exactly what happened, it looks  
14 like, a year and a half ago, you know, where it was a  
15 training problem.

16 And, you know, do you consider that when  
17 you're assessing the \$5,000 fine? I mean, it looks like  
18 they put into place things.

19 I'm assuming you're going property by  
20 property? Because we don't want to generalize that  
21 all -- obviously all casinos aren't the same. But when  
22 you're going through recommending what to do, you know,  
23 to recommend the fine, do you look at the past history?

24 MR. GREWACH: We do. We look at past  
25 history. For that particular property, we do have a

1 time, you know, frame we look at. We don't look all of  
2 the way back to, you know, the beginning of our records,  
3 but we do --

4 COMMISSIONER BRADLEY: Just in the last few  
5 years, because obviously, you know, this might have been  
6 before your time, the time on this Commission.

7 This is a serious issue, the underage  
8 gambling, the admissions. I mean, you go through, you  
9 know, the equipment that has come in and this and that,  
10 and you need to keep -- you know, if you're under 21,  
11 you can't be on the gaming floor. You can't, you know,  
12 gamble and you can't -- you can't drink alcohol.

13 And I know that the property is doing --  
14 they've been working hard to do that. And, you know,  
15 every so often it's kind of like a roller coaster. We  
16 see the problem and we address it and then everybody  
17 gets some training, this and that.

18 And I think what I'm saying is, especially  
19 today when I see that there's a -- we see some issues  
20 coming back here, that maybe we need to be very alert  
21 and focused as to what is going on and remember what is  
22 in the past. And make sure if it's training, I don't  
23 know what we need to do as a Commission and what needs  
24 to be done, but obviously the employees need to be  
25 trained to take more action to stop these events from

1 occurring.

2 MR. GREWACH: Staff is in full agreement that  
3 it's a serious problem, and we're always hoping to get  
4 input from the Commission on the amount and level of the  
5 fines.

6 I mean, a lot of times those levels that we  
7 look at, we look historically. We don't have any matrix  
8 that we have. But what we do is we look historically,  
9 what's been the lowest, what's been the highest fine for  
10 this particular violation.

11 And we kind of look within that, try to place  
12 this case, you know, in comparison to -- for that  
13 example, one where somebody encountered 50 persons and  
14 none of whom checked their ID. Well, that goes up here,  
15 and someone in this case may go on the lower end.

16 So we do our best. Again, it's not an exact  
17 science, but we do our best to consider all of that.  
18 But I can tell you the staff does consider it a serious  
19 issue.

20 COMMISSIONER HATCHES: I think another  
21 comment I'd like to make consistent with that, Ed, is I  
22 want to be clear about the fact as a Commission we  
23 certainly respect the work that you and staff put into  
24 these cases and bring before us. That does not mean  
25 that we're going to rubber stamp everything that you

1 send before us.

2           And I think it is healthy to have these kind  
3 of discussions, you know, so you know. If we disagree  
4 with you, it's not because we don't respect the work  
5 that you've put in there. It's just that maybe we're  
6 looking at patterns a little bit differently than you  
7 are and want to do something, if we can, to stop these  
8 issues before we continue to see them down the road for  
9 the next six months, if there's a way to do that, not  
10 necessarily -- I guess not trying to be punitive to that  
11 point. But when you see these consistent patterns,  
12 something has to be done.

13           And so again I applaud the work of you and  
14 the team and the review board, but some of these things  
15 are really starting to look like the same, and we don't  
16 want to continue to get the same results.

17           MR. GREWACH: Yes.

18           CHAIRMAN MATHEWSON: Ed, as a followup to  
19 what both Commissioners have asked, to your knowledge,  
20 does every one of the twelve casinos have a type of  
21 bonus for the employees if they catch somebody on the  
22 floor underage and report it?

23           Some of them have, you know, \$50 or they  
24 get -- you know, for the employee that actually reports  
25 an underage. Or then if they -- I don't know -- one of

1    them -- I've forgotten now which one it was when we were  
2    touring, you know, and looking at the different  
3    operations, that one of them was if they had  
4    identified -- that employee had identified three people  
5    over a period of a month or something, then they got,  
6    like, \$100 or something.

7                    Do you know, are we still doing that sort of  
8    thing around, because we wouldn't have any way of  
9    knowing if that was happening or not?

10                   MR. GREWACH:  And, Mr. Chairman, I don't  
11    know.  I don't know if it is or isn't.  I could  
12    certainly find out and report back to the Commission.  
13    But as far as I know, we do not.

14                   I know the question came up at a prior  
15    meeting if we do anything positive for someone who self  
16    reports or who catches someone.  And basically at that  
17    point in time, you know, for the most part, that  
18    particular employee we take no action against.

19                   That's about as positive as we get, because  
20    we view it as their duty to do it and the property's  
21    duty to self report.

22                   And so, you know, if it's self-reporting or  
23    the person that catches -- somebody catches a minor on  
24    the floor.  They notify their superiors.  Their  
25    superiors notify us.  They could just as easily just

1 escort that person off the floor and try to hide it, but  
2 then the point is, we have a very serious problem with  
3 them then.

4                   So they have a duty to self report. They  
5 have a duty to catch these folks. It's annoying, I  
6 know. I think every property probably has some -- I  
7 hate to call it internal policy, because it's not one of  
8 the internal controls, but internal policy to say, well,  
9 if anybody looks under 30, you know, card them. And  
10 that's what we expect to be happening.

11                   It's annoying to the patrons, you know. I  
12 play four different table games and get carded every  
13 time. I go to the bar three times and get carded every  
14 time. Well, that's too bad. That's kind of our  
15 position as what we expect the properties to do.

16                   CHAIRMAN MATHEWSON: Okay. You know, maybe  
17 for the future, Roger, at some point we -- I think it  
18 would help the Commission if they knew that question.  
19 Okay? I mean, how difficult would it be to ask twelve  
20 casinos are you doing a bonus program for underage  
21 because we're seeing kind of an upkick here in these  
22 disciplinary actions and what actions are you taking  
23 in-house?

24                   I don't think that would be that offensive to  
25 ask that, because when we've been in the individual

1 casinos as a Commission, just doing walk-throughs and so  
2 forth, usually if they have something like that, they're  
3 bragging about it, you know, that we do have this in  
4 place and we believe it's working for us.

5           You know, because to me, from a business  
6 standpoint, if you're giving some kind of a bonus  
7 situation, although it may be minor, you know, 50 bucks  
8 or 100 bucks or whatever, it beats the hell out of a  
9 casino when we're going to fine them 5,000 if we catch  
10 them, you know, I mean. And besides, it looks better,  
11 you know, when they do it, you know, from the standpoint  
12 of it.

13           So I think maybe for the future -- let me ask  
14 the Commissioners. Would you like to see something like  
15 that, you know, so that you would at least have that  
16 report available on the fact that they do have a bonus  
17 program?

18           So it means to me at least that they're  
19 making an attempt to try to catch people.

20           COMMISSIONER JONES: I'm sorry, Roger.

21           But I had thought at one time that all of the  
22 boats were moving toward the system, that scanning  
23 system, where once you swiped, once you scanned that ID,  
24 the picture of that person and all of the vitals would  
25 come up on the screen, and that was a way to cut down on

1 the underage patrons from coming onto the boat.

2           And I thought everyone was moving towards  
3 that system, but now you're seeing a lot of these  
4 underage, you know, patrons coming on, and I don't know  
5 if they're using that type of system or what.

6           COMMISSIONER HATCHES: It looks like -- I  
7 think we have a case here where they used that system,  
8 and for whatever reason it didn't work and they allowed  
9 someone on.

10           MR. GREWACH: That's another case coming up,  
11 but in this particular case a security officer didn't  
12 even check.

13           COMMISSIONER HATCHES: But this point about  
14 having a system in place, we have a case today where the  
15 system was in place and for whatever reason the person  
16 was still allowed on. So, I mean, that's another issue  
17 with that.

18           CHAIRMAN MATHEWSON: Okay.

19           EXECUTIVE DIRECTOR STOTTLEMYRE:  
20 Mr. Chairman, we will check with each of the properties  
21 and ask them to give us a list of what they are doing to  
22 try to, you know, control the underage entries onto  
23 the -- onto the facilities. And rather than not just  
24 the bonus but anything that they're doing, as far as  
25 their training and everything -- every tool that they're

1 trying to use to do that. We'll try to get a list of  
2 that for the Commission.

3 CHAIRMAN MATHEWSON: And I think we should  
4 expand the request that I made of you to further -- the  
5 question is about using that scanning.

6 I think the first time I saw that was at  
7 Lumiere, I think.

8 COMMISSIONER JONES: Yeah, that was the first  
9 time I saw it.

10 CHAIRMAN MATHEWSON: Yeah, I believe when we  
11 visited there. You know, we need to know, have they  
12 implemented that sort of thing too. Maybe you had an  
13 exception here.

14 But overall I was impressed by that, you  
15 know, that, boy, that ought to catch some.

16 EXECUTIVE DIRECTOR STOTTLEMYRE: It catches a  
17 lot of them.

18 I know I was talking with Lumiere folks  
19 yesterday, and they was talking about how they had,  
20 like, 3 million folks go through their turnstiles, you  
21 know, I think in the last year and had, like, five  
22 underage that had been caught on the floor. So  
23 sometimes they slip through.

24 CHAIRMAN MATHEWSON: That's not very many,  
25 you know, out of that many people. You know, God, I'm

1 sorry they're only getting 3 million people in the  
2 casino. That really hurts me.

3 COMMISSIONER HATCHES: And that's just one  
4 casino.

5 CHAIRMAN MATHEWSON: Yeah, that's just one of  
6 them.

7 COMMISSIONER HATCHES: So, Roger, if you  
8 could, just give us some kind of matrix to show all the  
9 casinos and what they do trying to avoid underage --

10 EXECUTIVE DIRECTOR STOTTLEMYRE: We'll check  
11 with all of them and then have them list everything out  
12 that they're doing.

13 CHAIRMAN MATHEWSON: I think they would help  
14 in the future. At least we would know what they were  
15 doing as we look at these.

16 EXECUTIVE DIRECTOR STOTTLEMYRE: We'll do it.

17 CHAIRMAN MATHEWSON: Okay. Are we at C -- I  
18 think that's a C instead of a G -- DC-12-223?

19 Is that a C?

20 MS. FRANKS: It is a C.

21 EXECUTIVE DIRECTOR STOTTLEMYRE: They're all  
22 C's.

23 CHAIRMAN MATHEWSON: It has that little dash  
24 right above there.

25 COMMISSIONER HATCHES: That is disciplinary

1 complaints, so it makes it a DC.

2 COMMISSIONER JONES: I would like to make a  
3 comment on this particular case because it was troubling  
4 from the start of it, you know, where you had the  
5 security officer and from just the reading, it said it  
6 appeared that -- you know, that he saw these guys walk  
7 through and then later he gave them a nod.

8 So I guess sitting so close to Jack, I'm  
9 starting to think, well, maybe this is a pattern. Maybe  
10 this guy, the security officer, knows these two guys and  
11 that it's a pattern. They've been on this boat numerous  
12 occasions, and this is the first time they've been  
13 caught.

14 CHAIRMAN MATHEWSON: So I think what that  
15 tells us, watch for nods in the future. I can take that  
16 for a long ways, but I don't want to.

17 Okay. We had a good discussion.

18 Could the Chair have a motion, please, on  
19 DC-12-223.

20 COMMISSIONER HATCHES: Move for approval of  
21 DC-12-223.

22 COMMISSIONER MERRITT: Second.

23 CHAIRMAN MATHEWSON: Any discussion?

24 Call the roll, Angie, 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 approved  
11 DC-12-223.

12 CHAIRMAN MATHEWSON: Thank you.

13 Ed.

14 MR. GREWACH: Item M, Lumiere, and this is,  
15 as Commissioner Hatches has brought up, is the Veridox  
16 system.

17 It happened on January 21st, 2012. A minor  
18 came on the floor with a fake ID. The security officer  
19 scanned it twice through the Veridox system, and both  
20 times the Veridox system rejected it, and the security  
21 officer let the person in anyway.

22 He spent two hours on the gambling floor. He  
23 consumed no alcohol. He encountered a casino host and  
24 two dealers. Those three persons did not ID him.

25 The staff is recommending a fine of \$15,000.

1 And as pointed out, that this particular property has  
2 eleven priors dating back to March of 2010 for allowing  
3 minors on the floor.

4 COMMISSIONER HATCHES: On page 213, one of my  
5 concerns is the underage patron was escorted from the  
6 gaming floor, even using a false identification. It  
7 doesn't say arrested. It doesn't say anything was done  
8 here other than escorted from the floor.

9 MR. GREWACH: It typically would say that  
10 because they would be escorted from the floor and then  
11 taken to the gaming agent office, and that's where they  
12 would be processed and fingerprinted and the arrest  
13 report would have been done there, but I'll follow up  
14 and make sure that was the case here.

15 COMMISSIONER JONES: I think in one of these  
16 it says that.

17 COMMISSIONER HATCHES: Some of them give that  
18 indication.

19 One of them is where the guy jumped the wall,  
20 I think. He was arrested because he scaled the wall. I  
21 don't know whether it was one of these cases.

22 MR. GREWACH: Yeah, it is also on today, yes.

23 CHAIRMAN MATHEWSON: We don't want any wall  
24 jumping.

25 EXECUTIVE DIRECTOR STOTTLEMYRE: We'll make

1 sure that we get the arrest entered on here to show you.

2 COMMISSIONER HATCHES: Wherever it's  
3 appropriate to have. I'm not suggesting it's right  
4 there but someplace.

5 CHAIRMAN MATHEWSON: Okay. Any other  
6 discussion?

7 Chairman would accept a motion on DC-12-224,  
8 please.

9 COMMISSIONER JONES: Move for the acceptance  
10 of DC-12-224.

11 COMMISSIONER HATCHES: Second.

12 CHAIRMAN MATHEWSON: Call the roll, Angie,  
13 please.

14 MS. FRANKS: Commissioner Merritt.

15 COMMISSIONER MERRITT: Approve.

16 MS. FRANKS: Commissioner Hatches.

17 COMMISSIONER HATCHES: Approve.

18 MS. FRANKS: Commissioner Jones.

19 COMMISSIONER JONES: Approve.

20 MS. FRANKS: Commissioner Bradley.

21 COMMISSIONER BRADLEY: Approve.

22 MS. FRANKS: Chairman Mathewson.

23 CHAIRMAN MATHEWSON: Approve.

24 MS. FRANKS: By your vote you've adopted  
25 DC-12-224.

1                   CHAIRMAN MATHEWSON: Ed.

2                   MR. GREWACH: Before I move on I do want to  
3 mention, I did find out in the report that the charges  
4 were forwarded to St. Louis Circuit Attorneys Office for  
5 false ID, trespassing in the first degree and a person  
6 under the age of 21 making a wager on an excursion  
7 gambling boat.

8                   So that was, in fact, in this case. And as I  
9 said, it's typically our policy to do so, but we will  
10 get that included in the future.

11                  CHAIRMAN MATHEWSON: If the prosecutors would  
12 just do one of those once in a while, I think that would  
13 make a half of a difference, because they're not doing  
14 them. We've had that report time and time again.  
15 Because they don't mean anything to them, you know.

16                  Okay.

17                  MR. GREWACH: Item N, the City of St. Louis  
18 requires all its security officers to be licensed, and  
19 in turn our regulations require the licensees to comply  
20 with all City ordinances.

21                  This involves Lumiere on January 17th, 2012.  
22 It was disclosed to us that the security officer's  
23 license, St. Louis City license, had expired and she had  
24 been permitted to work following that expiration for  
25 15 days, from January 3rd to January 17th.

1                   This company has three prior incidents of  
2 this same nature, and the Staff is recommending a fine  
3 of \$25,000.

4                   COMMISSIONER HATCHES: It was a case, too,  
5 where the employee went to a supervisor and told the  
6 supervisor that her license had expired. It was not the  
7 supervisor telling the employee.

8                   MR. GREWACH: Correct.

9                   COMMISSIONER HATCHES: Which is a different  
10 issue as far as I'm concerned.

11                   MR. GREWACH: Yes.

12                   COMMISSIONER HATCHES: And the fact that  
13 they've had two other cases like this. So, you know,  
14 this is a training issue. It's something. Something  
15 more than a fine should go back to them.

16                   COMMISSIONER MERRITT: Do we have anybody  
17 from the casino here?

18                   CHAIRMAN MATHEWSON: We've got Mike Winter  
19 here. He represents all of them.

20                   You mean from Casino One?

21                   COMMISSIONER MERRITT: Yes.

22                   MR. GREWACH: I do want to point out, just as  
23 a general policy, we typically don't allow the licensees  
24 to respond at this point because this is really just the  
25 preliminary order. This is like the charge. This is

1 like the complaint or the information in a criminal case  
2 or a petition in a civil case, and then they have a  
3 chance to ask for a hearing and then all of the evidence  
4 comes out then.

5           And I guess our difficulty as the Staff, if  
6 the property starts responding here at this stage, then  
7 we have to respond to that, and you end up trying the  
8 case twice. We try it here in front of you at this  
9 initial stage and later on.

10           But if the Commission wants to hear from  
11 them, I certainly don't want to discourage that, other  
12 than point out the Staff's concerns, you know, about  
13 that.

14           COMMISSIONER MERRITT: I was just curious if  
15 they were concerned about hearing their name being  
16 called so much.

17           MR. GREWACH: We send them these beforehand.  
18 We fax these to them beforehand, so they know what the  
19 petition says and they know what's on the agenda.

20           COMMISSIONER JONES: Now, St. Louis is the  
21 only one that has that ordinance. Correct?

22           MR. GREWACH: To my knowledge, yes.

23           COMMISSIONER JONES: It seems like they  
24 should have a process where it's coming from someone at  
25 HR or something where all of the licensees are on a

1 list, and they should notify each one, you know, 30 days  
2 before it expires that your license is going to expire,  
3 some type of process where everyone would be on board on  
4 this, and they get that notification internally as  
5 opposed to, hey, one day they wake up and I've been  
6 working for 15 days without a valid license.

7 MR. GREWACH: I would tend to agree. It  
8 seems a fairly simple calendaring method to keep track  
9 of those dates.

10 COMMISSIONER BRADLEY: I have a question.

11 So how difficult is it to get the license?  
12 Who gets the City license?

13 MR. GREWACH: I do not know the process for  
14 that. I think the employee themselves has to apply for  
15 it, but I don't really know the process.

16 COMMISSIONER BRADLEY: So the burden would  
17 have been on the employee. The employee didn't have the  
18 license. Did she work after she told the supervisor she  
19 didn't have a license?

20 COMMISSIONER JONES: Yeah.

21 COMMISSIONER BRADLEY: I can't tell whether  
22 she worked in January but she said --

23 COMMISSIONER JONES: I think she worked  
24 January 17th.

25 COMMISSIONER BRADLEY: -- January 17th. She

1 worked 17 days. She worked in January. And then it  
2 doesn't sound to me like she worked after she told the  
3 supervisor.

4 My first reading sounded like it did, but  
5 when I looked at it again, basically her license had  
6 expired December 21st. Then finally on the 17th she  
7 told the supervisor, and then, you know, the facts are  
8 that she worked for 13 days in January with an expired  
9 license.

10 MR. GREWACH: But the information I have is  
11 that -- and this is the statement from the employee -- I  
12 discovered that my security license had expired on  
13 December 31st, 2011. I came to work and spoke with my  
14 supervisor about it.

15 And then she went in to get her -- I can tell  
16 you from this report it costs \$105 to renew it, but I  
17 think -- in any event, I don't really know the process,  
18 but it was my understanding in this case, and as the  
19 evidence will come out, you know, it may or may not be  
20 exactly, but it wasn't discovered, you know, by the  
21 property until the 17th, and the employee said she  
22 didn't realize it until the 17th that she had been.

23 COMMISSIONER BRADLEY: That would be  
24 interesting information, because I thought -- isn't the  
25 license with their ID?

1                   MR. GREWACH: See, this is a different  
2 license altogether, so this is their St. Louis City. So  
3 that would be different.

4                   COMMISSIONER BRADLEY: It depends who is  
5 responsible for that. But I know that she received --  
6 the property suspended her for three days. That's been  
7 done.

8                   MR. GREWACH: Yes.

9                   COMMISSIONER BRADLEY: I'm just looking for  
10 the liability of -- who has the liability.

11                   COMMISSIONER HATCHES: So the property really  
12 didn't discover this? The employee reported that their  
13 license had expired?

14                   MR. GREWACH: Correct. Right.

15                   COMMISSIONER BRADLEY: So that would be part  
16 of the problem too.

17                   COMMISSIONER HATCHES: That's my point. It's  
18 a little different.

19                   MR. GREWACH: Exactly.

20                   I guess Staff looks at it also it's -- the  
21 property should be -- should have knowledge of that  
22 date --

23                   COMMISSIONER BRADLEY: Yes.

24                   MR. GREWACH: -- as Commissioner Jones said,  
25 should have that -- a calendar should be taking care of

1 that.

2 But as you can see, there is discipline to  
3 both. There was discipline to the employee who allowed  
4 her license to expire and discipline to the casino and  
5 discipline to her supervisors as well for not keeping  
6 track of it.

7 CHAIRMAN MATHEWSON: Okay.

8 COMMISSIONER BRADLEY: Thank you.

9 CHAIRMAN MATHEWSON: Okay. Again, good  
10 discussion.

11 So do we have before us -- any other  
12 questions?

13 DC-12-227 -- isn't that the one we're on?

14 COMMISSIONER JONES: 225.

15 CHAIRMAN MATHEWSON: I thought we did that.

16 COMMISSIONER JONES: You're just in a hurry  
17 to leave.

18 CHAIRMAN MATHEWSON: Yeah. Let me out of  
19 here. Okay. No. I was kidding of course.

20 Okay. How about 225, someone want to make a  
21 motion on that? And then later I'll ask you for 226 or  
22 whatever.

23 COMMISSIONER MERRITT: I would make a motion  
24 to approve DC-12-225.

25 COMMISSIONER HATCHES: Second.

1 CHAIRMAN MATHEWSON: Okay. Any further  
2 discussion?  
3 Angie, call the roll, 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 DC-12-225.  
16 CHAIRMAN MATHEWSON: Moving on to 226.  
17 MR. GREWACH: And Item O, we are -- the Staff  
18 is going to request that that matter be sent back to DRB  
19 for review. This is a very complex set of facts  
20 involving some turnstiles and some malfunctions.  
21 And the Lumiere, you know, of course as you  
22 remember, although it's not required in the rules, once  
23 DRB decides to recommend a fine, we send a letter to the  
24 property asking for a response within 14 days.  
25 We got that in this case from Lumiere. They

1 responded. Their position was the turnstiles really  
2 didn't malfunction. They really did keep a count, but  
3 it just wasn't transmitted from the turnstiles to the  
4 computer.

5 Other issues in this very long -- this is the  
6 Reader's Digest version -- a very long, complex set of  
7 facts as to whether the turnstiles were improperly  
8 reopened after they were closed and should they have  
9 been reopened and were things reported timely to us.

10 As I prepared this case to present it and  
11 meeting with Jennifer Bruns and Cheryl Alonzo and going  
12 over the tax issues and the compliance issues on it, it  
13 became apparent to me that there really were some facts  
14 at DRB that we needed to look at before they determined,  
15 A, whether there's a violation and, B, whether the fine  
16 is really appropriate for the violation.

17 So the request I'd make of the Commission is  
18 to pass O, just table it, and DRB will consider it, and  
19 we'll put it back on a future agenda.

20 COMMISSIONER MERRITT: You really won't be  
21 tabling it. Aren't you just withdrawing it?

22 MR. GREWACH: I'll just withdraw it. That  
23 would be fine. I just didn't want to -- whatever the  
24 Commission's preference is, but it needs to go back to  
25 DRB. We need to look at some facts that we've uncovered

1 in preparing to present the case and then come back --

2 CHAIRMAN MATHEWSON: Is everybody okay with  
3 allowing Ed to just withdraw this one?

4 COMMISSIONER HATCHES: That's okay.

5 I have one recommendation when you bring it  
6 back. If you can present it a little bit differently  
7 so -- for me the confusion was turnstile one versus two  
8 and what the infractions were. So if you could present  
9 it a little bit different.

10 MR. GREWACH: I hope so, because I really had  
11 to diagram it out on a board myself to figure out  
12 different dates, different turnstiles, you know.

13 COMMISSIONER HATCHES: Maybe that diagram can  
14 be one of your exhibits. It would help.

15 MR. GREWACH: I'll bring it in.

16 COMMISSIONER HATCHES: I had a hard time  
17 following it.

18 MR. GREWACH: Absolutely, as did I. It was a  
19 very complex set of facts.

20 CHAIRMAN MATHEWSON: Okay. I don't know --  
21 for the record, we probably ought to vote to let him  
22 withdraw that so that it's clean. Is that --

23 MS. FRANKS: Sure.

24 CHAIRMAN MATHEWSON: I mean, I'd feel more  
25 comfortable about that.

1                   So someone give me a motion to allow this to  
2 be withdrawn at this time.

3                   Do you want a date certain or --

4                   MR. GREWACH: No. This way we'll just  
5 present it back to DRB, and we'll just put it on a  
6 future when DRB is finished.

7                   CHAIRMAN MATHEWSON: Will someone give me a  
8 motion allowing DC-12-226 --

9                   COMMISSIONER JONES: Motion to withdraw  
10 DC-12-226.

11                   COMMISSIONER HATCHES: Second.

12                   CHAIRMAN MATHEWSON: Angie, 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 withdrawn  
24 DC-12-226.

25                   CHAIRMAN MATHEWSON: Okay.

1                   MR. GREWACH: Item P happened at Harrah's  
2 Maryland Heights. On January 1st, 2012 a 19-year-old  
3 minor jumped over a wall to enter the casino. He played  
4 blackjack for 50 minutes, encountered two different  
5 dealers, neither of whom asked for his identification,  
6 and the Staff is recommending a fine of \$5,000.

7                   And I have pictures of the wall in case  
8 anyone is interested about it. The concept of jumping  
9 over a wall is a little foreign to me, so I had to  
10 really see the wall before I could figure it out.

11                  CHAIRMAN MATHEWSON: How tall was that wall,  
12 Ed?

13                  MR. GREWACH: I have that answer too.

14                  CHAIRMAN MATHEWSON: Why don't you share it  
15 with us.

16                  COMMISSIONER JONES: Let me see a picture.

17                  CHAIRMAN MATHEWSON: Four foot four or  
18 something like that?

19                  MR. GREWACH: The railing -- the wall is  
20 43 1/2 inches from the floor to the top of the wall, and  
21 then there's a railing of 28 1/2 inches above the top.

22                  So there's a flat service on the wall and  
23 then a railing that sticks up. So it's not a completely  
24 straight surface to jump over. You can jump onto the  
25 wall and then over.

1                   And I guess the reason I bring up all those  
2 foreign facts is that, you know, I think that came into  
3 play when you look at this. You have a structure here  
4 that permits entry somewhere other than the turnstile.

5                   COMMISSIONER HATCHES: Is this the first case  
6 of wall jumping we've had?

7                   MR. GREWACH: In this property. I think  
8 we've had some in some other properties, but I don't  
9 believe we've had one in this property before.

10                  COMMISSIONER JONES: That looks like the  
11 Olympic high jump. Did they try to enter --

12                  MR. GREWACH: He was 19 years old and I'm  
13 not.

14                  CHAIRMAN MATHEWSON: Kind of hard to relate,  
15 isn't it?

16                  MR. GREWACH: Yes, it is.

17                  CHAIRMAN MATHEWSON: I'd hurt myself  
18 seriously.

19                  COMMISSIONER MERRITT: Hook that up to  
20 electricity.

21                  MR. GREWACH: It would be landing more than  
22 the jump that would hurt.

23                  CHAIRMAN MATHEWSON: Okay. Any other  
24 questions of Ed?

25                  Chair would accept a motion on DC-12-227,

1 please.

2 COMMISSIONER BRADLEY: Motion to approve

3 DC-12-227.

4 COMMISSIONER HATCHES: Second.

5 CHAIRMAN MATHEWSON: Wall jumping.

6 Any other questions?

7 Angie, would you call the roll, please.

8 MS. FRANKS: Commissioner Merritt.

9 COMMISSIONER MERRITT: Approve.

10 MS. FRANKS: Commissioner Hatches.

11 COMMISSIONER HATCHES: Approve.

12 MS. FRANKS: Commissioner Jones.

13 COMMISSIONER JONES: Approve.

14 MS. FRANKS: Commissioner Bradley.

15 COMMISSIONER BRADLEY: Approve.

16 MS. FRANKS: Chairman Mathewson.

17 CHAIRMAN MATHEWSON: Approve.

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

19 DC-12-227.

20 CHAIRMAN MATHEWSON: Big Ed.

21 MR. GREWACH: Item Q, Harrah's North

22 Kansas City. This is in December of 2011.

23 We have a regulation that prohibits any

24 advertising for discount for liquor by a licensee.

25 And the property in this occasion participated in a

1 coupon for \$99 and you got a VIP nightclub package,  
2 express entry, private table and a bottle of liquor for  
3 four, up to a \$250 value. So it did amount to  
4 advertising liquor at a discount, and Staff is  
5 recommending a fine of \$10,000.

6 COMMISSIONER HATCHES: Not a bad deal though.

7 CHAIRMAN MATHEWSON: I was thinking the same  
8 thing. If a person wanted to hang out in the VooDoo  
9 Lounge for three or four hours there, at 99 bucks is a  
10 pretty good deal. I wouldn't have wanted to do that, of  
11 course.

12 Okay. Any questions about that?

13 Chair would accept a motion on 228, please.

14 COMMISSIONER HATCHES: Move for the approval  
15 of DC-12-228.

16 COMMISSIONER MERRITT: Second.

17 CHAIRMAN MATHEWSON: Call the roll, Angie,  
18 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-12-128.

6 CHAIRMAN MATHEWSON: Big Ed.

7 MR. GREWACH: Item R involves Isle of Capri  
8 Caruthersville. On December 24, 2011 there was an  
9 18-year-old minor that entered the Lone Wolf Bar.

10 The bar apparently had a practice of putting  
11 a wrist band on you if you were older or different wrist  
12 bands if you were over 21 and under 21.

13 The person putting on a wrist band did not  
14 check this 18-year-old's ID, put a wrist band on her.  
15 She had two drinks, was there for about an hour and a  
16 half. A portable breath test was administered to her,  
17 and she tested a .14. Due to that we are recommending a  
18 fine of \$5,000 in this case.

19 CHAIRMAN MATHEWSON: Any questions of Ed on  
20 this one?

21 COMMISSIONER HATCHES: Yeah. This one for me  
22 too is a little troubling. The fact that the security  
23 at the front checked one person but didn't check the  
24 other, put bands on their arms which says to everyone in  
25 the casino that they're old enough to drink, and they

1 finally stopped the one person.

2           And to me this is a much higher level than  
3 some of these earlier \$5,000 fine cases. Again, I'm  
4 careful about this because I don't want to sound like I  
5 don't respect the judgment of the team, but this one is  
6 just troubling to me at the \$5,000 level.

7           MR. GREWACH: My point of view, we would not  
8 interpret it as any disrespect because we're trying to  
9 bring levels of fines and offenses too. I mean, we  
10 don't want to bring anything to the Commission that the  
11 Commission thinks isn't worthy of formal discipline. We  
12 don't want to bring you fines that are too high, too  
13 low. We're really very interested in the Commission's  
14 input on where we are at with that.

15           And I think over the years the fines have  
16 gone up and down based on input from the Commission as  
17 to how they felt these should come in.

18           The obvious purpose of a fine is to deter  
19 this activity in the future and how much is effective to  
20 do that is a major issue and also being consistent  
21 among, you know, licensees. That's probably the two  
22 things we strive for is to try to, you know, come up  
23 with a fine that actually has some deterrent effect and  
24 treat all of the licensees consistently as we can given  
25 the fact that every set of facts is different. But,

1 you know, we do our best to try to be consistent with  
2 them.

3 COMMISSIONER HATCHES: In this case the other  
4 four kids who had wrist bands that allowed them to  
5 drink, at least two of them did.

6 MR. GREWACH: Yes.

7 COMMISSIONER HATCHES: All four of them could  
8 have but at least two of them did?

9 MR. GREWACH: That's my understanding, yes.

10 COMMISSIONER HATCHES: No further questions.

11 CHAIRMAN MATHEWSON: Okay. I was waiting on  
12 you.

13 Any other questions of Ed on this, on 229?

14 Seeing none, the Chair would accept a motion  
15 on 229, please.

16 COMMISSIONER JONES: I move for the adoption  
17 of DC-12-229.

18 COMMISSIONER BRADLEY: Second.

19 CHAIRMAN MATHEWSON: Thank you.

20 Call the roll, Angie, please.

21 MS. FRANKS: Commissioner Merritt.

22 COMMISSIONER MERRITT: Approve.

23 MS. FRANKS: Commissioner Hatches.

24 COMMISSIONER HATCHES: Approve with my noted  
25 comments.

1 MS. FRANKS: Commissioner Jones.

2 COMMISSIONER JONES: Approve.

3 MS. FRANKS: Commissioner Bradley.

4 COMMISSIONER BRADLEY: Approve.

5 MS. FRANKS: Chairman Mathewson.

6 CHAIRMAN MATHEWSON: Approve.

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

8 DC-12-229.

9 MR. GREWACH: Tab S is again at the Isle of  
10 Capri Caruthersville. It happened on January 29th,  
11 2012.

12 A 20-year-old male entered the casino. He  
13 was not checked at the turnstile. He was there for  
14 about an hour and a half. He played craps and slots.  
15 He consumed two alcohol beverages. He encountered a  
16 bartender, three dealers and one slot attendant, none of  
17 whom asked him for his identification, and the Staff is  
18 recommending a \$5,000 fine.

19 COMMISSIONER HATCHES: I'm going to push my  
20 button again and say the same thing.

21 You know, for me at least these three cases  
22 are not similar at all, other than the fact that they  
23 were underage, admitted and drinking. But the number of  
24 times that this has occurred, the number of -- you know,  
25 one case we have four kids, you know, we have two, and

1 we've given all the same fine. I'm just not supportive  
2 of that.

3 Even the facts are different and the number  
4 of people who were exposed potentially, you know. I'm  
5 just not comfortable with the same fine for them.

6 And I know, according to what you just said,  
7 that this is sort of where we start shaping the fine  
8 curve, if you will, and I just hope these comments start  
9 to get there.

10 MR. GREWACH: Yes.

11 COMMISSIONER HATCHES: I'm just not  
12 comfortable.

13 COMMISSIONER BRADLEY: My concern is that  
14 this was -- the last one we just assessed a fine on at  
15 the same property, which was December 23rd, 2011, and  
16 this one now before us was a little over a month later,  
17 January 29th, 2012.

18 It just reflects lack of training. And one  
19 thing, you have the same bartender, one of the same  
20 people on both occasions, not asking, you know, having  
21 people, you know, come forward.

22 I noticed on the first -- the last one that  
23 we cleared the bartender didn't receive any suspension  
24 at all, but on this one, I think -- and there were more  
25 people involved. If you look at this one, one, two,

1 seven people -- six employees were involved and received  
2 some kind of a suspension or whatever because of this.

3 But I agree that I think that this -- that  
4 perhaps using our discretion, I would make a motion, if  
5 we do, you know, at the end of this discussion or  
6 whatever, to add -- I don't know what -- but to increase  
7 the fine.

8 This is the second offense, too close, need  
9 training. I don't know what else they need, but these  
10 look like there are some issues going on that need to be  
11 addressed.

12 MR. GREWACH: And I don't disagree. I don't  
13 know that they were the same bartenders. One was a Lone  
14 Wolf Bar and one might have been on the casino floor.  
15 But in any event --

16 COMMISSIONER BRADLEY: It's the same name is  
17 the reason I picked that up.

18 MR. GREWACH: Well, the security  
19 supervisor --

20 COMMISSIONER MERRITT: In the second round  
21 issued and the first violation was the same bartender.

22 MR. GREWACH: Okay. Got you. Yes. So yes,  
23 you're correct.

24 COMMISSIONER HATCHES: Go ahead.

25 MR. GREWACH: But it is completely within the

1 Commission's discretion even at this stage to say, well,  
2 I want to make a preliminary order of discipline with a  
3 different fine, higher or lower than what the staff  
4 recommends.

5 And that, again, starts the whole process and  
6 then starts the availability of the licensee to request  
7 a hearing.

8 Now, if you go ahead and go with the  
9 Commission's -- or the Staff's recommended fine and the  
10 casino just pays it, that would be the end of the  
11 proceeding.

12 So if you want a higher fine, this would  
13 obviously be the time in the proceeding that you'd have  
14 to ask for it, and then they could request a hearing if  
15 they desire to contest that.

16 COMMISSIONER HATCHES: Again, there was six  
17 employees disciplined in this case?

18 MR. GREWACH: Yes.

19 COMMISSIONER HATCHES: And the casino was  
20 fined \$5,000?

21 MR. GREWACH: Yes.

22 COMMISSIONER BRADLEY: That's the  
23 recommendation, yes.

24 COMMISSIONER HATCHES: And if you are  
25 recommending a different number, whatever it is, I'll

1 support it. And vice versa. I would expect that  
2 certainly if I recommended a different number, there  
3 would be the same level of support for it.

4 COMMISSIONER BRADLEY: I'm just thinking.

5 CHAIRMAN MATHEWSON: We're not going to have  
6 this deal making up here among the Commissioners.

7 COMMISSIONER BRADLEY: I just wanted to have  
8 the discussion about, I think, obviously this concerns  
9 us, and I think these two cases are too close to -- too  
10 close in time, too similar in circumstances, that I  
11 think it would deserve a little bit higher fine to make  
12 our point.

13 CHAIRMAN MATHEWSON: Is there any further  
14 discussion on this subject?

15 The Chair would accept a motion on this  
16 subject, 12-230. Did you have one?

17 COMMISSIONER BRADLEY: Yes, sir.

18 CHAIRMAN MATHEWSON: Would you like to tell  
19 us what it is?

20 COMMISSIONER BRADLEY: I will make a motion  
21 to amend -- should that be my appropriate motion -- to  
22 amend DC-12-230 and to increase the fine proposed to  
23 \$10,000.

24 COMMISSIONER HATCHES: Second.

25 CHAIRMAN MATHEWSON: We have a motion and a

1 second.

2 Any further discussion?

3 Call the roll, Angie, 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: We need a motion to adopt.

15 COMMISSIONER BRADLEY: Motion to adopt

16 DC-12-230 as amended.

17 COMMISSIONER HATCHES: Second.

18 CHAIRMAN MATHEWSON: Any discussion?

19 Call the roll, Angie, please.

20 MS. FRANKS: Commissioner Merritt.

21 COMMISSIONER MERRITT: Approve.

22 MS. FRANKS: Commissioner Hatches.

23 COMMISSIONER HATCHES: Approve.

24 MS. FRANKS: Commissioner Jones.

25 COMMISSIONER JONES: Approve.

1 MS. FRANKS: Commissioner Bradley.

2 COMMISSIONER BRADLEY: Approve.

3 MS. FRANKS: Chairman Mathewson.

4 CHAIRMAN MATHEWSON: Approve.

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

6 DC-12-230 as amended.

7 CHAIRMAN MATHEWSON: Ed.

8 MR. GREWACH: Yes.

9 Item T involves Argosy. They were switching  
10 from an old to a new club program for the patrons, and  
11 we have a rule that requires for any promotion,  
12 promotional activity, that the property makes available  
13 to us and to the patrons immediately the rules of the  
14 promotion.

15 We received some patron complaints who were  
16 worried that their accrued points they had in the old  
17 program were going to disappear when it was  
18 transferred to the new program.

19 So we contacted the casino to ask for a set  
20 of the rules so we could review that and answer that  
21 question. We contacted their compliance manager on  
22 January 19th, 2012, and she indicated to us at that  
23 point in time she could not find them.

24 She provided to us on January 23rd, 2012 a  
25 copy of the card from the old promotion, which had a

1 disclaimer on there which indicated that the promotion  
2 could be changed or canceled at any time without notice.

3           The violation, the lack of compliance, was in  
4 not having those rules available to us and to the  
5 patrons at the time on January 19th that we requested,  
6 and the recommended fine is \$7,500.

7           CHAIRMAN MATHEWSON: Any questions of Ed?

8           I assume this was when they were  
9 transitioning from being just one casino to being two  
10 casinos, crossing the state line from each other, to put  
11 their programs together?

12           MR. GREWACH: That I don't know. I can tell  
13 you it went from the Argosy Players card to the Marquee  
14 Rewards Program.

15           CHAIRMAN MATHEWSON: That is what they  
16 promote now is the Marquee, because I see their TV ads  
17 and it just really makes me happy.

18           I don't like Kansas. I never did. Just a  
19 personal thought that I add. I don't care if you put  
20 that in there, Pat. I don't like Kansas. I'll fly over  
21 it but I won't drive through it.

22           All right. Any further discussions, either  
23 real or nonsense?

24           Chair would accept a motion on DC-12-231.

25           COMMISSIONER HATCHES: I move for approval of

1 DC-12-231.

2 COMMISSIONER JONES: Second.

3 CHAIRMAN MATHEWSON: Call the roll, 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 DC-12-231.

17 CHAIRMAN MATHEWSON: You know, before we move  
18 on to your next consideration there, Mr. Stottlemyre, we  
19 had a little discussion -- maybe it was just you and I.  
20 I don't remember now. Maybe it was Ed.

21 I have been interested in, what did Argosy  
22 people -- that's Penn National?

23 EXECUTIVE DIRECTOR STOTTLEMYRE: It's Penn  
24 National, yes, sir.

25 CHAIRMAN MATHEWSON: Does anyone know what

1 the deal was that the Kansas Legislature put together?

2 Is that something we can find out?

3 Because as I understand it, the State of  
4 Kansas owns that casino, or the license maybe.

5 EXECUTIVE DIRECTOR STOTTLEMYRE: Yes, sir.

6 CHAIRMAN MATHEWSON: And then they granted a  
7 license to Penn National as a management license. I  
8 mean, I'm speaking in broad terms here, but I don't know  
9 the proper term to use.

10 Does anyone know, I mean, what really  
11 happened there? Because that has really kind of  
12 fascinated me.

13 EXECUTIVE DIRECTOR STOTTLEMYRE: Penn won the  
14 bid to run the casino. There were other companies that  
15 bid also. In the State of Kansas, I believe it's under  
16 the Lottery Commission over there, made the decision on  
17 Penn National.

18 CHAIRMAN MATHEWSON: So how much are they  
19 paying into the State Fund? Do we have a clue?

20 Like ours is our Education Fund is, what,  
21 22 percent now after the last election. Right? Isn't  
22 that what it is?

23 MR. HENRICKSON: 21.

24 CHAIRMAN MATHEWSON: Oh. I thought it was 21  
25 to start with and now we moved it to 22. We didn't do

1 that?

2 What is it, Mike? It's 21?

3 MR. WINTER: Yes.

4 CHAIRMAN MATHEWSON: Okay. So we're paying  
5 21 percent on adjusted gross into the Education Fund.  
6 How much is Kansas off of that casino paying since they  
7 own it?

8 EXECUTIVE DIRECTOR STOTTLEMYRE: Alden says  
9 they're paying 22 percent.

10 CHAIRMAN MATHEWSON: They're paying  
11 22 percent?

12 MR. HENRICKSON: That's all I know is that  
13 it's 22 percent.

14 CHAIRMAN MATHEWSON: Okay. Are they funding  
15 the program by an admission fee like we do?

16 EXECUTIVE DIRECTOR STOTTLEMYRE: No, sir.  
17 They do not have an admission fee.

18 CHAIRMAN MATHEWSON: Okay. So actually --  
19 well, you know, I've always been a believer that you  
20 ought to know what your competition is, you know.

21 I mean, at least -- competition is not a bad  
22 thing to me, but you ought to know what it is, you know.  
23 And there isn't probably a darn thing we can do about it  
24 if we knew, but it just seemed to me like at some point  
25 we ought to know what -- if it was possible -- since

1 that is State involved, wouldn't that be public  
2 information?

3 EXECUTIVE DIRECTOR STOTTLEMYRE: Unless they  
4 had a statute that closed records, proprietary records.  
5 You know, I mean, we do. For example, there are certain  
6 records under 313 that we can keep closed. I don't know  
7 that that would be one of them.

8 I doubt that the percentage of tax they paid  
9 on the AGR would be closed. I imagine that would be an  
10 open record. But other parts of their deal, I don't --  
11 I couldn't speak to that, but we can certainly research  
12 that and find out.

13 CHAIRMAN MATHEWSON: Well, you know, I'm  
14 leaving, but, you know, that is still bugging me, you  
15 know, because I just wonder what our competition is  
16 doing there across the river. And we ought -- it seems  
17 to me like this Commission ought to have at least some  
18 idea of what is going on.

19 I mean, we see the reports and we know  
20 they're hurting themselves more than they are anybody  
21 else. Okay?

22 EXECUTIVE DIRECTOR STOTTLEMYRE: We know the  
23 numbers that they have each month. If that's what  
24 you're after, we do know that.

25 CHAIRMAN MATHEWSON: All right. Enough.

1           Okay. Next, please.

2           EXECUTIVE DIRECTOR STOTTLEMYRE: The next  
3 item on the agenda is Consideration of Placement on the  
4 Exclusion List, and Mr. Grewach will present.

5           MR. GREWACH: Thank you.

6           We have six of these on for this meeting.  
7 Just as a recap, there is five different things that get  
8 you on the exclusion list, a conviction of a felony  
9 involving more moral turpitude, conviction of a crime  
10 involving gaming, any violation of Chapter 313, any act  
11 that adversely affects public confidence or trust in  
12 gaming or having a reputation that does that.

13           So this first particular case involved an  
14 incident on December 20th, 2010 by a Qiaobin Linn. It  
15 occurred at the Mark Twain Casino in LaGrange, and he  
16 past posted a bet by playing blackjack.

17           And past posting is after the hand has  
18 already been played, when the dealer is not paying  
19 attention, you place a side bet or some other bet that  
20 you haven't placed before.

21           He was charged with that. The case got  
22 reduced to a misdemeanor, attempted stealing, pled  
23 guilty on February the 7th, 2011 and received a  
24 suspended imposition of sentence.

25           That's why when you look at our resolution,

1 we're basing the exclusion on that act of cheating which  
2 adversely affects public confidence in gaming and the  
3 fact that that act of cheating violates Section 313.830  
4 RSMo.

5 CHAIRMAN MATHEWSON: Any questions of Ed on  
6 050?

7 Chair would accept a motion, please.

8 COMMISSIONER MERRITT: I would move for the  
9 acceptance of Resolution No. 12-050.

10 COMMISSIONER JONES: Second.

11 CHAIRMAN MATHEWSON: Call the roll, 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. 12-050.

25 CHAIRMAN MATHEWSON: Ed, just refresh my

1 memory on these because we don't get these every  
2 meeting.

3 Are these people notified and when?

4 MR. GREWACH: After the fact.

5 CHAIRMAN MATHEWSON: After today --

6 MR. GREWACH: Correct.

7 CHAIRMAN MATHEWSON: -- they're notified?

8 Okay. All right.

9 MR. GREWACH: And the same thing. They have  
10 30 days to appeal that, and then we have a hearing just  
11 like we had the hearing on Level II licensees.

12 CHAIRMAN MATHEWSON: But only if they appeal;  
13 otherwise, it's done?

14 MR. GREWACH: 30 days after the Commission  
15 action -- or really 30 days after the certified mailing  
16 to them. Then their appeal time runs.

17 Different than the Level II licensees. They  
18 are excluded from the day you pass this resolution. So  
19 if they appeal it, the exclusion continues until the  
20 final hearing. So if the hearing officer or the  
21 Commission sets it aside and then they come back.

22 CHAIRMAN MATHEWSON: A good point.

23 MR. GREWACH: Level IIs retain their license  
24 until the hearing. So it's just the opposite way the  
25 two rules apply to those two, which people.

1 CHAIRMAN MATHEWSON: Okay. Good. Thank you.

2 Next.

3 MR. GREWACH: Tab V is Robert Masters. He  
4 was caught in February of 2011 at Ameristar Kansas City  
5 capping bets.

6 Again, capping bets is where you've already  
7 placed the bet, and after the hand is resolved, when the  
8 dealer is not looking, you put another chip or two on  
9 your bet, you know, when you know you've already won.

10 Again, was charged with stealing, Class A  
11 misdemeanor, pled guilty, Clay County Circuit Court,  
12 received an SIS.

13 So, again, this exclusion is based on that  
14 act of cheating and the violation of 313.830.

15 CHAIRMAN MATHEWSON: Any questions?

16 Chair would accept a motion on 051, please.

17 COMMISSIONER BRADLEY: Motion to approve  
18 Resolution No. 12-051.

19 COMMISSIONER MERRITT: Second.

20 CHAIRMAN MATHEWSON: Call the roll, 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. 12-051.

8 MR. GREWACH: Item W involves Bobby D.  
9 McClure. On October 22nd, 2005 he brought in  
10 counterfeit currency to Harrah's Maryland Heights. He  
11 had 14 counterfeit \$20 bills and two counterfeit \$10  
12 bills, so a total of \$400 of counterfeit currency.  
13 Presented it to the cage cashier. The cage cashier gave  
14 him three \$100 bills back.

15 He was caught, pled guilty to forgery and was  
16 sentenced to seven years in the Department of  
17 Corrections.

18 CHAIRMAN MATHEWSON: Wow.

19 Okay. Any questions?

20 Chair would accept a motion on 12-052,  
21 please.

22 COMMISSIONER HATCHES: I move for the  
23 acceptance of Resolution No. 12-052.

24 COMMISSIONER JONES: Second.

25 CHAIRMAN MATHEWSON: Call the roll, Angie,

1 please.

2 MS. FRANK: Commissioner Merritt.

3 COMMISSIONER MERRITT: Approve.

4 MS. FRANKS: Commissioner Hatches.

5 COMMISSIONER HATCHES: Approve.

6 MS. FRANKS: Commissioner Jones.

7 COMMISSIONER JONES: Approve.

8 MS. FRANKS: Commissioner Bradley.

9 COMMISSIONER BRADLEY: Approve.

10 MS. FRANKS: Chairman Mathewson.

11 CHAIRMAN MATHEWSON: Approve.

12 MS. FRANKS: By your vote you've adopted  
13 Resolution No. 12-052.

14 CHAIRMAN MATHEWSON: Big Ed.

15 MR. GREWACH: Item X involves John Morrison.

16 This again was at Mark Twain Casino. It happened on  
17 January 30th, 2011.

18 Mr. Morrison was playing craps. After the  
19 dice had been rolled, while the dealer was looking away,  
20 he put down a \$10 odds bet.

21 He was charged with cheating, again was  
22 reduced. He pled guilty to a misdemeanor stealing and  
23 received an SIS. And once again, this exclusion is  
24 based on that act of cheating and a violation of  
25 313.830.

1 CHAIRMAN MATHEWSON: Any questions?  
2 Chair would accept a motion on 12-053.  
3 COMMISSIONER JONES: I move for acceptance of  
4 Resolution No. 12-053.  
5 COMMISSIONER BRADLEY: Second.  
6 CHAIRMAN MATHEWSON: Call the roll, Angie,  
7 please.  
8 MS. FRANKS: Commissioner Merritt.  
9 COMMISSIONER MERRITT: Approve.  
10 MS. FRANKS: Commissioner Hatches.  
11 COMMISSIONER HATCHES: Approve.  
12 MS. FRANKS: Commissioner Jones.  
13 COMMISSIONER JONES: Approve.  
14 MS. FRANKS: Commissioner Bradley.  
15 COMMISSIONER BRADLEY: Approve.  
16 MS. FRANKS: Chairman Mathewson.  
17 CHAIRMAN MATHEWSON: Approve.  
18 MS. FRANKS: By your vote you've adopted  
19 Resolution No. 12-053.  
20 CHAIRMAN MATHEWSON: Big Ed.  
21 MR. GREWACH: Item Y is Harold Widener. This  
22 again occurred at Mark Twain Casino on February 5th,  
23 2011.  
24 Mr. Widener was playing craps, and he placed  
25 the bet down, some chips down, but he kept some chips in

1 his hand. And after the roll was made and he saw that  
2 he won, he placed his hands with the chips in it over  
3 his bet and then dropped some of those chips onto his  
4 bet to obviously increase his winnings.

5 He was charged again with cheating, reduced  
6 to misdemeanor stealing, in which he pled guilty,  
7 received an SIS.

8 And, again, the act of that cheating and the  
9 violation of 313.830 is the basis for that exclusion.

10 CHAIRMAN MATHEWSON: Obviously cheating  
11 doesn't amount to much if we give an SIS on every one of  
12 them.

13 MR. GREWACH: I have to say that, you know,  
14 Lewis County I know has had some differences, you know,  
15 over how the agreement was made from the beginning, but  
16 we get prosecution there.

17 I mean, you look at a lot of cases where  
18 nothing happens, and at least there is some action taken  
19 there by the -- by the Lewis County prosecutor in these  
20 cases.

21 It's not that unusual for a first offense to  
22 get amended down to a misdemeanor or get an SIS. So  
23 actually, Chairman, I'd say we're really very happy that  
24 he's pursuing those.

25 It makes these cases very clear-cut. We

1 don't have to go back and prove the person cheated.  
2 He's pled guilty to cheating, to stealing, so it makes  
3 it easy for us to take this step and put them on the  
4 exclusion list.

5           And the Staff, as we look at it, our  
6 philosophy, if somebody is cheating in a casino, they  
7 should be barred from all of the casinos.

8           Typically as a term of probation they're  
9 banned from the casinos during the two years they're on  
10 probation, but then this makes it a permanent exclusion.

11           CHAIRMAN MATHEWSON: Chair would accept a  
12 motion, please, on 12-054.

13           COMMISSIONER HATCHES: I move for acceptance  
14 of 12-054.

15           COMMISSIONER MERRITT: Second.

16           CHAIRMAN MATHEWSON: Call the roll, Angie,  
17 please.

18           MS. FRANKS: Commissioner Merritt.

19           COMMISSIONER MERRITT: Approve.

20           MS. FRANKS: Commissioner Hatches.

21           COMMISSIONER HATCHES: Approve.

22           MS. FRANKS: Commissioner Jones.

23           COMMISSIONER JONES: Approve.

24           MS. FRANKS: Commissioner Bradley.

25           COMMISSIONER BRADLEY: Approve.

1 MS. FRANKS: Chairman Mathewson.

2 CHAIRMAN MATHEWSON: Approve.

3 MS. FRANKS: By your vote you've adopted  
4 Resolution 12-054.

5 MR. GREWACH: And Item Z -- and I'm only  
6 stopping because I ran out of letters -- is the case --

7 CHAIRMAN MATHEWSON: You took my smart-aleck  
8 remark. I was just going to say, well, I'm glad we  
9 didn't have seven of these.

10 MR. GREWACH: I'm not responsible for double  
11 A and double B.

12 The exclusion case against Wei Ying at  
13 Harrah's North Kansas City, December 26, 2009.

14 Playing blackjack, he actually capped one bet  
15 and then pinched another, which is the opposite of  
16 capping. When you know you've lost, you pull a chip or  
17 two off the stack that you have bet.

18 And Clay County charged him with this,  
19 actually charged him with a violation of 313.830. He  
20 did plead guilty to that but received an SIS, two years  
21 probation.

22 So, once again, we're basing this exclusion  
23 on the act of cheating and the violation of 313.830.

24 CHAIRMAN MATHEWSON: Any questions for Ed?

25 Chair would accept a motion, please, on 055.

1                   COMMISSIONER BRADLEY: Motion to approve  
2 Resolution No. 12-055.

3                   COMMISSIONER JONES: Second.

4                   CHAIRMAN MATHEWSON: Call the roll, 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. 12-055.

18                  MR. GREWACH: Thank you.

19                  CHAIRMAN MATHEWSON: Thanks, Ed.

20                  EXECUTIVE DIRECTOR STOTTLEMYRE:  
21 Mr. Chairman, the next item on the agenda is the  
22 Consideration of Waiver of Licensure for Institutional  
23 Investors, and Jennifer Bruns will present.

24                  CHAIRMAN MATHEWSON: Well, good morning,  
25 Jennifer. Come on up here.

1 MS. BRUNS: Good morning, Mr. Chairman,  
2 Commissioners.

3 Behind Tabs AA and BB are resolutions  
4 regarding waivers of licensure for institutional  
5 investors holding and/or requesting to hold publicly  
6 traded interests up to 20 percent in gaming licensees.

7 These investors have submitted requests for  
8 waivers to hold interests in these licensees in  
9 compliance with 11 CSR 45-4.020. The submitted waivers  
10 certify all holdings are for institutional investment  
11 purposes only, with no intent to be involved in the  
12 management or operation of the licensees.

13 Because the holdings may exceed the  
14 10 percent threshold for which the Executive Director  
15 may grant a waiver, these resolutions are before the  
16 Commission today.

17 Resolution No. 12-056 is for BlackRock,  
18 Incorporated, and Resolution No. 12-057 is for Fidelity  
19 Investments.

20 CHAIRMAN MATHEWSON: What do you want to do,  
21 Roger? Do you want to do those separate or --

22 EXECUTIVE DIRECTOR STOTTLEMYRE: We'll do  
23 those separately. And Staff recommends approval of both  
24 of those.

25 CHAIRMAN MATHEWSON: Chair would accept a

1 motion, please, on 12-056, the BlackRock, Inc.

2 COMMISSIONER HATCHES: I move for acceptance  
3 of Resolution 12-056.

4 COMMISSIONER JONES: Second.

5 CHAIRMAN MATHEWSON: Call the roll, 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. 12-056.

18 CHAIRMAN MATHEWSON: Now the chair would  
19 accept a motion, please, on 12-057.

20 COMMISSIONER JONES: I move for the  
21 acceptance of Resolution 12-057.

22 COMMISSIONER BRADLEY: Second.

23 CHAIRMAN MATHEWSON: Call the roll, 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. 12-057.

12 CHAIRMAN MATHEWSON: Thank you.

13 MS. BRUNS: Thank you.

14 CHAIRMAN MATHEWSON: Roger, are you going to

15 give a full update on legislation?

16 EXECUTIVE DIRECTOR STOTTLEMYRE: If you want

17 us to touch on what we handed you there.

18 CHAIRMAN MATHEWSON: Yes.

19 Leann just gave me this.

20 Casino AGR on the Kansas Racing and Gaming

21 Commission is 22 percent, and the money goes to

22 infrastructure debt retirement. There is no admission

23 fees. There's legislation awaiting the Governor's

24 signature dedicating a portion of the AGR to Kansas

25 Public Employees Retirement System.

1           There's three State-run casinos and there's  
2 five Indians. Five Indian casinos, not just five  
3 Indians. Hell, they couldn't start a war with only  
4 five. And they're not State regulated, of course,  
5 because they're Indians.

6           So at any rate, thank you for getting that  
7 information for me. That's more than I've been able to  
8 find out in all of my dealings.

9           Now what are you going to do? Ed, are you  
10 going to do it?

11           MR. GREWACH: Just an update on some  
12 legislation that we were following during the session.

13           The first one is House Bill 1644. It  
14 extended the license renewal periods, extended it for A  
15 and B licensees from two years to four years, extended  
16 it for suppliers to two years and for occupational  
17 licensee for two years.

18           CHAIRMAN MATHEWSON: That's on the Governor's  
19 desk?

20           MR. GREWACH: Yes, it is.

21           CHAIRMAN MATHEWSON: We weren't invited to  
22 participate in that, were we? Did you testify to that?

23           EXECUTIVE DIRECTOR STOTTLEMYRE:  
24 Informational purposes only.

25           CHAIRMAN MATHEWSON: Okay. I don't have a

1 problem with that. That's one of the things you and I  
2 had discussed with all of the managers, you know, to try  
3 to -- in fact, I think we were going to look at even  
4 going further than that at a point.

5           Okay. What else do you have legislativewise  
6 there?

7           MR. GREWACH: We filed Senate Bill 469, which  
8 was a -- dealt with administrative rules statewide,  
9 state governmentwide, that requires a periodic review  
10 and reports relating to your rules, cover their  
11 necessity, whether they're obsolete, how they affect  
12 small businesses. So it incorporated that small  
13 business fairness report that we were making before into  
14 this.

15           It staggered every entities -- every State  
16 subdivision's requirement to report in -- our first  
17 report -- or our first review is scheduled to begin on  
18 July the 1st, 2017, and we're supposed to start a review  
19 every year after that, and then the result of our review  
20 is due before the beginning of that next fiscal year.

21           We really don't see this as a problem from  
22 our point of view because we're constantly in the  
23 process of reviewing rules, and we're a relatively new  
24 entity, new Commission, so as far as our rules being  
25 obsolete.

1           We picked up one or two in the course of, you  
2 know -- our ordinary rule will say regulations relating  
3 to coins, using coins. Well, we don't do that anymore.  
4 It's all tickets.

5           But just to let the Commission know, we're  
6 actually the third group. The first reviews begin for  
7 Titles 1 through 6 on July 1st, 2015, and they go by  
8 title after that.

9           So we will -- I've already spoken to some of  
10 the other general counsels about it, and I think we'll  
11 also have the opportunity to see other reports and have  
12 a little better idea how to frame ours when the time  
13 comes.

14           CHAIRMAN MATHEWSON: Okay. Good. Basically  
15 is that it, Ed?

16           MR. GREWACH: I've got one more, House  
17 Bill 1730. It really shifted the revenue for the -- you  
18 know, the excess of the admissions tax after the  
19 specific purposes was going to Early Childhood. That's  
20 now going to go to the Veterans Commission Capital  
21 Improvement Trust Fund.

22           And then Early Childhood, in place of those  
23 funds, will receive, according to legislation, at least  
24 \$35 million from the Master Settlement Agreement on the  
25 tobacco litigation. So it's just a change in the --

1           CHAIRMAN MATHEWSON: That tobacco litigation,  
2 was that a one-year deal or is that spread out over  
3 several years? Anyone know?

4           MR. GREWACH: I might refer to Alden on that.

5           MR. HENRICKSON: It was a large settlement,  
6 but they're using it as they go. So it's got more years  
7 to go with it yet. But it's not -- I don't think there  
8 is any dedicated amount each year. It's just however  
9 they break it up.

10          CHAIRMAN MATHEWSON: The only reason I ask  
11 that, Alden, you're shifting responsibility from one  
12 over here to another, you know, and I could go on and  
13 on, about, you know, how Early Childhood, which is a  
14 wonderful program, took that money away from Veterans  
15 and the Veterans said okay.

16           You don't want to do that. You don't want to  
17 do that. But they did it anyway. So they're now  
18 shifting back. I mean, you know, a lot of worthy  
19 causes. That's another one.

20           Okay.

21          MR. GREWACH: I don't have the bill number  
22 handy, but there was a bill discussing allowing the  
23 casinos to offer credit to its patrons, but that did not  
24 pass. So I've heard about it.

25          CHAIRMAN MATHEWSON: Let me just point that

1 out. That is so goofy. You know, that's a typical  
2 media deal that didn't say it the way it is.

3           When you sign a marker, that's a check. That  
4 is a check. In fact, I've had history of having those.  
5 And I brought some with me today because -- just  
6 quickly, and I've shown them to the Commission this  
7 morning because most of them are not goofy like me.  
8 They never saw one.

9           That is a marker. It is a check. Okay? And  
10 if I decline to come write a personal check to pay that,  
11 then they process it and send it through. Okay?

12           You have been preapproved to a limit in every  
13 casino that has ever been, that I've been to. Okay?  
14 You're approved to sign checks up to what amount,  
15 something. You choose it. They don't. You decide it.

16           And then when you sign this, this marker,  
17 then they're not loaning you a damn thing. They're  
18 accepting your check. And they will send it through if  
19 you don't give them a personal check or cash to offset  
20 what this marker says.

21           So, you know, I don't care if they ever pass  
22 it or not. I mean, I just -- you know, they weren't  
23 giving you credit. They were taking your check, you  
24 know, which they take mine on occasion. Don't you know?  
25 Okay.

1           MR. GREWACH: It would certainly present  
2 regulatory and audit complications to us, but we've  
3 already tried to look ahead a little bit, look at what  
4 other states do, how they regulate them.

5           And so we -- you know, if it does pass we'll  
6 be prepared to take those challenges on, but as of now  
7 it's not an issue as far --

8           CHAIRMAN MATHEWSON: The whole point of it  
9 was, as I understood it was, that it allowed --  
10 everybody has a different interpretation of what a high  
11 roller is, but it allowed them to get preapproved for a  
12 credit line after checking with your bank or your  
13 financial institution on whether or not you're a worthy  
14 credit risk, you know.

15           And then you can sign a marker rather than  
16 walking around with 15, \$20,000 in your pocket, which is  
17 not very smart to do.

18           So, you know, since -- every casino I've ever  
19 been in does it, you know. The reason why Missouri  
20 doesn't is because we have a provision in the law that  
21 says they can't extend credit. You know, maybe that's a  
22 good law. I don't know. So here is where we are.

23           Thanks, Ed.

24           MR. GREWACH: Thank you.

25           EXECUTIVE DIRECTOR STOTTLEMYRE: Time for

1 closure.

2 CHAIRMAN MATHEWSON: Okay. Can you turn --  
3 can you stop? Would you do that for me if he says it's  
4 okay? Would you do that, Pat?

5 THE COURT REPORTER: Yes.

6 (Chairman Mathewson told a story about  
7 freeing a bird from a bird house.)

8 CHAIRMAN MATHEWSON: All right. I've enjoyed  
9 the heck out of this, guys. God love you for letting me  
10 do it. Thank you all. Thank you all very, very much.  
11 I appreciate your friendship.

12 You know, we go through life, and the older  
13 you get the more you appreciate the friends you make  
14 along the way. And each time in your life you make a  
15 decision -- and I was happy as heck in high school, and  
16 I thought that was the greatest thing there ever was and  
17 I enjoyed it. I wasn't a great student, but I sure as  
18 hell enjoyed it.

19 And the same thing with the Army, in all  
20 places. When I was in the Army, I did the same thing,  
21 you know. I enjoyed it.

22 Fortunately, unlike my friend Roger  
23 Stottlemire, I was in a peace time, you know, so I  
24 stayed here, Fort Riley, Kansas and Fort Leonard Wood,  
25 Missouri, which was an exciting thing.

1                   But I made good friends there. Unfortunately  
2 that's been 40 years ago or something, and I've only  
3 seen one of them in all that time.

4                   Then I come back and I get in business, and I  
5 enjoy my business and I work hard and I, you know, try  
6 to make some money, and I make mistakes like everybody  
7 does, but it was good and I learned a lot.

8                   And then one goofy day some three friends of  
9 mine call me and said, go take a trip with us. And I  
10 said, where is it we're going? Because my steakhouse  
11 and lounge had just burned to the ground, and I had  
12 \$10,000 worth of insurance on a business that was making  
13 me 50,000, and this was back in the early '70s.

14                   So I was hurting, not knowing what to do from  
15 there, and these friends of mine -- I guess they were  
16 friends -- picked me up and came down and filed me for  
17 office in the Secretary of State's Office.

18                   And I said, what does that pay? And the  
19 clerk said, I think it's \$8,400 a year. And I said, you  
20 got to be kidding? I sell more whiskey than that in my  
21 bar. You've got to be kidding? Why would anybody want  
22 this dumb job?

23                   I did it and I won and then I won and then I  
24 won, you know. And I ran for the Senate in 1980 and I  
25 won. You know, it didn't pay anymore, although the

1 salary had gone from \$8,400 up to about \$15,000 at that  
2 point, so I really gained.

3           And I loved that place. I sincerely did love  
4 the Missouri Senate. It wasn't like it is now.  
5 Democrats and Republicans liked each other personally.  
6 And we made sure we did that. And we cared about each  
7 other, and we worried about the families of each other.  
8 It was a good time to be there, and I thank God every  
9 day that I had that opportunity.

10           Not like it is now where it's just crazy and  
11 Republicans fighting Republicans and Democrats just  
12 sitting there grinning, you know.

13           It's sad what's happened to it. I'm glad I'm  
14 not there, but I sure wasn't the day I left. And I  
15 cried all of the way home because I lost a part of my  
16 life. A big time.

17           And the Governor asked me to do this. Thank  
18 you to your friendship and how proud I am to serve with  
19 these Commissioners and you who make up this staff.

20           And I told a reporter this morning, there's  
21 no question in my mind but that this place will run very  
22 well without Jim Mathewson, because the ability is here  
23 to do it and the will is here to do it. You don't need  
24 me because everybody else is here and they do their  
25 part.

1                   And Roger Stottlemyre, you couldn't find a  
2 nicer human being to work, and Mr. Cripple in there,  
3 Bill. So this has been a good run.

4                   So I've had the opportunity to get to know  
5 all of you, and, again, I thank God for that opportunity  
6 because I've had opportunities, a lot of them. But they  
7 didn't just happen. You got to go out and seek them.

8                   So I have a good life. My wife's health is  
9 not good. Mine is, after five heart attacks a long time  
10 ago. I somehow made it out of that. There must have  
11 been a design there for me, wasn't there, that allowed  
12 me to do other things? And I'm still going to do other  
13 things. But I need to go because my wife isn't doing  
14 well, and I do need to spend more time there.

15                   So thank you very, very much for your  
16 friendship. Thank you for your dedication,  
17 Commissioners, and all of you employees. You're  
18 wonderful. I don't know how you can be any better.

19                   So God bless you all and thank you for  
20 letting me be a part of your life for three years.

21                   Thank you.

22                   (Applause.)

23                   CHAIRMAN MATHEWSON: Okay. I guess we need a  
24 motion. We need a motion -- you want to close this one  
25 or --

1 EXECUTIVE DIRECTOR STOTTLEMYRE: We need a  
2 motion to go to close.

3 COMMISSIONER HATCHES: I'd like to make a  
4 motion to close the meeting under Section 313.847,  
5 Investigatory, Proprietary and Application Records, and  
6 610.021, Section 1, Legal Actions, Section 3, Personnel  
7 and Section 14.

8 COMMISSIONER JONES: Second.

9 CHAIRMAN MATHEWSON: Call the roll, 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 WHEREIN, the Commission open meeting  
22 concluded.

23

24

25

CERTIFICATE OF REPORTER

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I, Patricia A. Stewart, RMR, RPR, CCR, a  
Certified Court Reporter in the State of Missouri, do  
hereby certify that the testimony that appears in the  
foregoing transcript was taken by me to the best of my  
ability and thereafter reduced to typewriting by me;  
that I am neither counsel for, related to, nor employed  
by any of the parties to the action in which this  
hearing was taken, and further that I am not a relative  
or employee of any attorney or counsel employed by the  
parties thereto, nor financially or otherwise interested  
in the outcome of the action.

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Patricia A. Stewart

CCR No. 401

**MISSOURI GAMING COMMISSION**  
**Second Open Session Minutes**  
**May 30, 2012**

The Missouri Gaming Commission (the “Commission”) went into open session at approximately 1 p.m. on May 30, 2012, at the Missouri Gaming Commission’s Jefferson City Office, Jefferson City, MO.

**Commissioner Jones moved to adjourn the open session meeting. Commissioner Bradley seconded the motion. After a roll call vote was taken, Merritt – yes, Hatches – yes, Jones – yes, Bradley – yes and Mathewson - yes, the motion passed unanimously.**

The open session ended at 1:01 p.m.