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BEFORE THE MISSOURI GAMING COMMISSION
STATE OF MISSOURI

Meeting
April 24, 2013
10:00 a.m.
Central Office
3417 Knipp Drive
Jefferson City, Missouri

(Meeting start time: 10:00 a.m.)

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Meeting
April 24, 2013
10:00 a.m.
Central Office
3417 Knipp Drive
Jefferson City, Missouri

COMMISSIONERS PRESENT:
Dr. Barrett Hatches, Chairman
Suzanne Bocell Bradley
Darryl T. Jones
Jack L. Merritt
Diane C. Howard

REPORTED BY:
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P R O C E E D I N G S

CHAIRMAN HATCHES: Good morning.

Again, I'd like to ask all of you to remind you to turn your cell phones off. We had some really bad feedback. And turning them on silence doesn't help, so they really need to be off. Thank you.

Call the roll.

MS. FRANKS: Commissioner Howard.

COMMISSIONER HOWARD: Present.

MS. FRANKS: Commissioner Merritt.

COMMISSIONER MERRITT: Present.

MS. FRANKS: Commissioner Jones.

COMMISSIONER JONES: Present.

MS. FRANKS: Commissioner Bradley.

COMMISSIONER BRADLEY: Present.

MS. FRANKS: Chairman Hatches.

CHAIRMAN HATCHES: Here.

Thank you.

Mr. Stottlemyre.

EXECUTIVE DIRECTOR STOTTLEMYRE: The first item would be the Consideration of Minutes for March 27, 2013.

CHAIRMAN HATCHES: The Chair would entertain a motion.

COMMISSIONER BRADLEY: Motion to approve the

minutes of March 27, 2013.

COMMISSIONER JONES: Second.

CHAIRMAN HATCHES: Moved and seconded.

Any discussion?

Angie, would you call the roll, please.

MS. FRANKS: Commissioner Howard.

COMMISSIONER HOWARD: Approve.

MS. FRANKS: Commissioner Merritt.

COMMISSIONER MERRITT: I'll abstain since I wasn't here.

MS. FRANKS: Commissioner Jones.

COMMISSIONER JONES: Approve.

MS. FRANKS: Commissioner Bradley.

COMMISSIONER BRADLEY: Approve.

MS. FRANKS: Chairman Hatches.

CHAIRMAN HATCHES: Approve.

MS. FRANKS: By your vote you've adopted the minutes of the March 27, 2013 meeting.

CHAIRMAN HATCHES: Thank you.

EXECUTIVE DIRECTOR STOTTLEMYRE: Mr. Chairman, the next item on the agenda is Consideration of Hearing Officer Recommendations.

Mr. Stephen Stark will present.

CHAIRMAN HATCHES: Mr. Stark.

MR. STARK: Mr. Stottlemyre, are you ready?

EXECUTIVE DIRECTOR STOTTLEMYRE: Yes, sir.

MR. STARK: Good morning, Commissioners.

CHAIRMAN/COMMISSIONERS: Good morning.

MR. STARK: The first case on your agenda is Item B in the matter of Kee Hung.

Mr. Hung holds a Level I occupational license and is employed as a casino operations manager. This case is related to an internal control standard that requires a manager to be physically present in the casino pit where there are open tables, and that the particular internal control standard requires that that pit manager be physically present for at least 90 percent of their shift and solely dedicated to supervising activities at the open table games and activities within the pit.

On March 3, 2012 Mr. Hung was originally scheduled to be the pit manager at the casino pit in that another employee who was regularly scheduled was also scheduled to teach a training program for four hours that evening.

Mr. Hung did not appear for work that particular day of March 3rd due to sickness. Another employee stepped in and worked for an hour in the casino pit.

The other employee who was conducting the

training sessions in another room did appear from time to time during breaks during the training session to supervise the casino's pit. However, those three hours of intermittent supervision did not comport with the 90 percent rule of the internal control standard.

Mr. Hung being a Level I occupational licensee and basically the chief supervisor had a duty to assure compliance with this particular internal control standard, and my findings based on the hearing are that he failed to observe and comply with that particular regulation.

The Commission recommended a three-day suspension, and I would follow that recommendation as my recommendation as well.

CHAIRMAN HATCHES: Thank you.

Any questions from the Commissioners?

Is Mr. Hung here?

MR. STARK: I believe he is.

CHAIRMAN HATCHES: Would you like to speak?

MR. HUNG: Thank you, Commissioners.

I would just like to say that some of the facts in Mr. Stark's testimony are inaccurate. I was not scheduled to be the pit manager and I did not miss work due to illness as he stated. I was just off that day.

In addition, the ICs or MICs Chapter D-13.01 prevents me from being the actual pit manager on duty any time the six -- any time there's over six games open anyway. So even if I was at work, I wouldn't have been able to prevent that.

From the last hearing even Cheryl Alonzo alluded to that it's basically impossible to sit there and watch and regulate, you know, this MIC to audit, in her words, how much time a pit manager is spending in the pit.

So I would -- you know, that's all I have to say really.

CHAIRMAN HATCHES: Any questions from the Commission?

COMMISSIONER JONES: I have a question.

Well, Mr. Hung, if you weren't scheduled to be there, someone -- who was supposed to -- you know, was there someone else that was supposed to be there to have that responsibility?

Because you're saying that you weren't sick, you weren't scheduled to be there at all, and so I'm trying to figure out how you came into this mix if you weren't scheduled.

MR. HUNG: I did have a pit manager who was a day pit manager scheduled to work over his shift to

cover that extra time in the pit while Charles Gaillard was scheduled to teach the roulette class. For whatever reason he did not stay and I wasn't there to, you know, correct that.

COMMISSIONER MERRITT: A question.

I assume that you have a written schedule of where you know exactly when you're going to be at work and whoever is going to be at work?

MR. HUNG: Yes.

COMMISSIONER MERRITT: Did you present a copy of that at the hearing to show that you were scheduled off, that you were on leave, or whatever you call it, and not there that day?

MR. HUNG: I did not.

This case was brought up due to, you know, a complaint from an administrative assistant from the casino op's department that wasn't there, so it was all generated through hearsay or secondhand.

As stated in my testimony at my appeal hearing, she had a dislike for me because of things that happened. So the answer is no.

COMMISSIONER MERRITT: Is there a schedule?

MR. HUNG: There is a --

COMMISSIONER MERRITT: Is there a schedule that would show you were on leave that day?

MR. HUNG: Not for myself, no.

COMMISSIONER MERRITT: How do you know when to come to work?

MR. HUNG: I go to work and I stay until I'm needed in any position.

COMMISSIONER MERRITT: So you're there seven days a week?

MR. HUNG: If needed, yes.

COMMISSIONER HOWARD: Now, I don't recall, because this seems to be new and different from what happened in the testimony, but if I'm recalling -- I don't necessarily read all these transcripts with a finetooth comb, but if I'm recalling, I thought that the testimony at the hearing was that the gentleman who was teaching the class had a radio with him and by having a radio with him that was -- and was going in and out and checking and then also had a radio in case there was an emergency, that that was sufficient supervision.

Am I incorrect in my recollection that that was the position at the hearing, that the gentleman who was teaching the class was actually in a supervisory capacity?

MR. HUNG: That was Charles Gaillard's hearing. That wasn't for mine. The same situation, different --

COMMISSIONER HOWARD: Then I am recalling that that was the testimony in the same situation, that that was the position that the gentleman who was teaching the class --

MR. HUNG: Correct.

COMMISSIONER HOWARD: -- was the super-- was acting in the pit supervision.

COMMISSIONER BRADLEY: May I?

CHAIRMAN HATCHES: Yes.

COMMISSIONER BRADLEY: But what I see in the transcript also is that you did not bring in any documentation or anything about any of these schedules or just any documentation about anything. Is that correct?

MR. HUNG: No, I didn't.

To my appeal hearing?

COMMISSIONER BRADLEY: Right.

MR. HUNG: I did not.

COMMISSIONER BRADLEY: And why if you had -- this was an action against you. Why wouldn't you have brought some information to help the situation?

MR. HUNG: For me to generate documents it would have been false documents. You know, as I told Commissioner Merritt earlier, I don't have a schedule for myself that -- you know, or presented to me on a

weekly basis.

I have an understanding with my direct that I'm going to be there as needed. I work at least five days a week, ten hours a day, you know. I go home when my work is done.

COMMISSIONER JONES: But, Mr. Hung, the person that was scheduled to work that shift, he should have been on the schedule. Correct?

MR. HUNG: Yes, correct.

COMMISSIONER JONES: Okay. So you could have provided that document that stated or indicated that Mr. X or whoever was scheduled to work that particular shift while Mr. Gaillard was teaching the class?

MR. HUNG: For the pit managers. Yes, I do have schedules for the pit managers that were below me, and they did have that understanding. He was scheduled until six o'clock, which would have clearly put us in the 90 percent. He chose to take off at 5:00.

COMMISSIONER HOWARD: So you're saying that a gentleman was scheduled until 6:00 but left at 5:00?

MR. HUNG: Sure.

COMMISSIONER HOWARD: So there was someone -- because my understanding is the issue, am I correct, is from 4:00 to 8:00?

MR. HUNG: That's correct.

COMMISSIONER HOWARD: So there was someone who was scheduled from 4:00 to 6:00 --

MR. HUNG: Correct.

COMMISSIONER HOWARD: -- who left at 5:00?

MR. HUNG: And through our --

COMMISSIONER HOWARD: And then from 6:00 to 8:00?

MR. HUNG: From 6:00 to 8:00 we have an understanding and a clarification from our local boat sergeant that they do not count the 90 percent rule against breaks, break time and things like that, which leaves us an hour and 42 minutes where the instructor from the roulette class comes down and checks on the pit during that time to make up the half hour.

COMMISSIONER BRADLEY: May I ask?

CHAIRMAN HATCHES: Yes.

COMMISSIONER BRADLEY: And you are the actual supervisor. Is that correct?

MR. HUNG: Yes, of the pit managers.

COMMISSIONER BRADLEY: So it's your job to make sure that all of the -- the reason why this action was filed against you is that you are responsible for making sure that the supervision in the pit, the people are assigned and that it's done. Is that correct?

MR. HUNG: That's correct.

My only argument against that is that if for whatever reason somebody decides to leave their shift, I cannot be the one to fill in per MIC Chapter D-13.01, but the accountability is there, but the MICs prevent me from actually going into the shift and physically being that supervisor. For the accountability piece, you know, I'm held accountable for something that I can't perform.

CHAIRMAN HATCHES: Any other questions for Mr. Hung from the Commission?

A couple things.

Mr. Stark, do you have a response?

MR. STARK: I'm not understanding how Mr. Hung as the casino manager cannot serve as the pit manager.

The internal control standard says other than the casino operations manager acting as a pit manager. So the internal control standard seems to imply that the casino operations manager can act as a pit manager. So I'm not quite understanding why he himself could not serve in the capacity as a pit manager.

And then the internal control standard goes on further to say, solely dedicated to supervising activities. If you're teaching a class and merely have a radio, that doesn't in my opinion meet solely

dedicated to supervising the activities.

So the fact that Mr. Gaillard had a radio didn't cover the last two hours -- or the last three hours.

CHAIRMAN HATCHES: Anything else, Mr. Hung?

MR. HUNG: Yes.

I pointed that out to Mr. Stark at the appeal hearing that the presentation for DC-12-446 against -- excuse me -- 12-212 against myself, the table was left off of the MICS and the IC's in their presentation.

And it's clear in the table where it says seventh game or any time over the sixth game is open, casino operations acting as a pit manager, it clearly states it's not allowed.

So because that table is not in the presentation, Mr. Stark's presentation, he has no recollection of that I'm guessing.

CHAIRMAN HATCHES: Mr. Stark.

MR. STARK: Well, I don't think the evidence shows how many tables were actually open that night, so I guess, yeah, I did not give full consideration of the number of tables open that night, if that's the question.

CHAIRMAN HATCHES: Okay. Anything else, Mr. Hung?

MR. HUNG: No, Chairman.

CHAIRMAN HATCHES: Thank you.

Cheryl, Mr. Hung has got a couple things that maybe for the record you want to address. I think he referenced last meeting you saying that there is no way you could --

MS. ALONZO: Okay. Cheryl Alonzo, Missouri Gaming Commission.

What you asked me at the last Commission meeting -- I think it was Darryl asked me -- was do we audit for this? And we did.

And when the first rule came into effect, we did audit it, but it's extremely time consuming, because you literally have to watch a person from the time they report to work and report to the pit and write down every time they leave and every time they return and for our, you know, allotted hours to audit a casino, it wasn't a big bang for the time invested. You know, we didn't.

So it's very time consuming and we would rather audit other things, because we have to prioritize what we audit. So that is what I was saying at the last meeting.

CHAIRMAN HATCHES: Thank you.

Les.

MR. HAHN: Les Hahn with the Gaming Commission.

Just to clarify, Mr. Hung was correct in that the table out of Chapter D, Section 13.02 was not in the report summary. If there are more than six tables in play, then the person that supervises the pit managers cannot step down and act as the pit manager. So that was the point he was addressing in the other hearing.

However --

MS. ALONZO: As a part time.

MR. HAHN: As a part time, right.

MS. ALONZO: Not that you couldn't step down and just do that all shift, exactly.

MS. HAHN: Right.

CHAIRMAN HATCHES: Would you say that for the record again, please.

MR. HAHN: They had him on a call-back in the rule as the casino shift manager acting as a part-time table games manager. So stepping down for part of the shift to cover the duties, which is kind of the situation we have here.

But the reason that the Staff recommended action against Mr. Hung was because he was -- as Commissioner Bradley mentioned, he was responsible for ensuring that someone was there to do that pit manager

function, and it didn't happen because someone -- because the one that was normally assigned was off doing training.

And even with that two-hour gap that was left from six o'clock, if that person hadn't worked for the two hours, even with all of the breaks -- and we sat down and did the math, too, on the breaks and lunch and all that stuff, and the math just doesn't hold up. You end up being less than 90 percent of the time having someone physically present. Because being there by radio from another room just doesn't cover physical presence in the pit.

CHAIRMAN HATCHES: So the investigation shows that whether Mr. Hung -- he had responsibility to make sure it was covered and according to the reg that you just read, he could have stepped in but not part time?

MR. HAHN: He could have worked an entire shift in that position potentially.

CHAIRMAN HATCHES: Thank you.

COMMISSIONER JONES: Wait a minute, Les.

But did he not assure that somebody was supposed to be there? Because he had assigned -- I think there was a schedule. It's just that particular employee chose to leave early, you know, according to his testimony.

Mr. Hung just stated that he indicated that I have a schedule, it was supposed to be covered, and the person left early and he was off.

MR. HAHN: Yes, sir. And that schedule was never presented to the investigators at any point in time or during the hearing.

Also, the statement from that individual -- I forget the individual's name at this point. It's in the record somewhere.

Toby Ditterline. His statement to us was that he wasn't sure when he was supposed -- he was asked to stay over. He had other things to do at 5:00. He took the keys and gave them back to Mr. Gaillard.

So there was either a failure to schedule or a failure to communicate the expectations for Toby Ditterline. Either way that was on Mr. Hung. That was our position.

CHAIRMAN HATCHES: Thank you.

Any other questions from the Commission?

Okay. Chair would entertain a motion.

COMMISSIONER HOWARD: I'll move that we approve Resolution No. 13-036.

COMMISSIONER BRADLEY: Second.

CHAIRMAN HATCHES: Moved and seconded.

Any further discussion?

Angie, would you call the roll, please.

MS. FRANKS: Commissioner Howard.

COMMISSIONER HOWARD: Approve.

MS. FRANKS: Commissioner Merritt.

COMMISSIONER MERRITT: Approve.

MS. FRANKS: Commissioner Jones.

COMMISSIONER JONES: Not approve.

MS. FRANKS: Commissioner Bradley.

COMMISSIONER BRADLEY: Approve.

MS. FRANKS: Chairman Hatches.

CHAIRMAN HATCHES: Approve.

MS. FRANKS: By your vote you've adopted Resolution No. 13-036.

MR. STARK: Our next matter is Item C, Donald Robinson.

Mr. Robinson made application on September 8th, 2012 for a Level II occupational license. The application process has questions regarding past criminal acts.

Mr. Robinson responded that, yes, he did have several criminal offenses, including assault, stealing, drug possession.

The Gaming Commission conducted its investigation and found that Mr. Robinson failed to disclose a conviction -- or the fact that he pled guilty

to a felony, unlawful use of a weapon.

The failure to disclose and the fact that it was a plea to a felony resulting in conviction would preclude the Gaming Commission from issuing a license to Mr. Robinson. He did receive a denial, and that would be my recommendation, that the denial be upheld.

CHAIRMAN HATCHES: Is Mr. Robinson here?

Any questions from the Commissioners?

Then the Chair would entertain a motion.

COMMISSIONER MERRITT: Make a motion to approve Resolution No. 13-037.

COMMISSIONER JONES: Second.

CHAIRMAN HATCHES: Moved and seconded.

Any further discussion?

Angie, would you call the roll, please.

MS. FRANKS: Commissioner Howard.

COMMISSIONER HOWARD: Approve.

MS. FRANKS: Commissioner Merritt.

COMMISSIONER MERRITT: Approve.

MS. FRANKS: Commissioner Jones.

COMMISSIONER JONES: Approve.

MS. FRANKS: Commissioner Bradley.

COMMISSIONER BRADLEY: Approve.

MS. FRANKS: Chairman Hatches.

CHAIRMAN HATCHES: Approve.

MS. FRANKS: By your vote you've adopted Resolution No. 13-037.

MR. STARK: The next item, Letter D, DeAnna Davis.

Ms. Davis made application for a Level II occupational license. The application process asked for questions relative to past history of crimes. Ms. Davis responded yes, having disclosed a guilty plea to unlawful possession of a controlled substance.

The Commission conducted its investigation and found that Ms. Davis failed to disclose a couple other arrests, a July 2005 arrest for aggravated battery and a March 2011 arrest for distribution of a controlled substance.

Because of her failure to fully disclose all information required by the application, grounds exist to deny the license. That was the decision of the Commission, and that would be my recommendation as well.

CHAIRMAN HATCHES: Thank you.

Is Ms. Davis here?

Any questions from the Commissioners?

Chair would entertain a motion.

COMMISSIONER JONES: Move for approval of Resolution No. 13-038.

COMMISSIONER BRADLEY: Second.

CHAIRMAN HATCHES: Moved and seconded.

Any further discussion?

Angie, would you call the roll.

MS. FRANKS: Commissioner Howard.

COMMISSIONER HOWARD: Approve.

MS. FRANKS: Commissioner Merritt.

COMMISSIONER MERRITT: Approve.

MS. FRANKS: Commissioner Jones.

COMMISSIONER JONES: Approve.

MS. FRANKS: Commissioner Bradley.

COMMISSIONER BRADLEY: Approve.

MS. FRANKS: CHairman Hatches.

CHAIRMAN HATCHES: Approve.

MS. FRANKS: By your vote you've adopted Resolution No. 13-038.

MR. STARK: Our next case, letter E, Brent Whittington.

Mr. Whittington made application for a Level II occupational license. The question on the application required disclosure of all criminal past. Mr. Whittington replied yes, having guilty pleas of driving while intoxicated and trespassing.

The Gaming Commission conducted its investigation and further found that Mr. Whittington failed to disclose a conviction for shoplifting in 2007.

Because of his failure to fully disclose on the application his complete criminal history, grounds exist to deny him a license to work in the gaming industry, and that would be my recommendation as well.

CHAIRMAN HATCHES: Is Mr. Whittington here?

Any questions from the Commissioners?

Chair would entertain a motion.

COMMISSIONER BRADLEY: Motion to approve Resolution No. 13-039.

COMMISSIONER MERRITT: Second.

CHAIRMAN HATCHES: Moved and seconded.

Any further discussion?

Angie, would you call the roll, please.

MS. FRANKS: Commissioner Howard.

COMMISSIONER HOWARD: Approve.

MS. FRANKS: Commissioner Merritt.

COMMISSIONER MERRITT: Approve.

MS. FRANKS: Commissioner Jones.

COMMISSIONER JONES: Approve.

MS. FRANKS: Commissioner Bradley.

COMMISSIONER BRADLEY: Approve.

MS. FRANKS: Chairman Hatches.

CHAIRMAN HATCHES: Approve.

MS. FRANKS: By your vote you've adopted Resolution No. 13-039.

CHAIRMAN HATCHES: Thank you.

MR. STARK: The next item is letter F, Carole Sides.

Ms. Sides made application for a Level II occupational license. In the application question regarding criminal history she did disclose two prior criminal convictions, driving while under the influence on two occasions.

After the investigation by the Commission a criminal conviction for writing a bad check was discovered for Ms. Sides. Failing to fully disclose all her criminal past would be grounds for denial, and that would be my recommendation, that she be denied a license.

CHAIRMAN HATCHES: Is Ms. Sides here?

Any questions from the Commissioners?

Chair would entertain a motion.

COMMISSIONER JONES: Move for the acceptance of Resolution No. 13-040.

COMMISSIONER MERRITT: Second.

CHAIRMAN HATCHES: Okay. Any further discussion?

Angie, would you call the roll, please.

MS. FRANKS: Commissioner Howard.

COMMISSIONER HOWARD: Approve.

MS. FRANKS: Commissioner Merritt.

COMMISSIONER MERRITT: Approve.

MS. FRANKS: Commissioner Jones.

COMMISSIONER JONES: Approve.

MS. FRANKS: Commissioner Bradley.

COMMISSIONER BRADLEY: Approve.

MS. FRANKS: Chairman Hatches.

CHAIRMAN HATCHES: Approve.

MS. FRANKS: By your vote you've adopted Resolution No. 13-040.

MR. STARK: Our next case, letter G, Miranda Lenand.

Ms. Lenand made application for a Level II occupational license. In the application process she did disclose two prior criminal charges, tampering with stolen property and obstruction.

After the Commission conducted its investigation, another criminal activity was found, being an arrest for theft in 2003. Because of her failure to disclose this arrest grounds exist to deny her a license, and that would be my recommendation as well.

CHAIRMAN HATCHES: Is Ms. Lenand here?

Any questions from the Commissioners?

The Chair would entertain a motion.

COMMISSIONER HOWARD: I move for the approval of Resolution No. 13-041.

COMMISSIONER BRADLEY: Second.

CHAIRMAN HATCHES: Moved and seconded.

Any further discussion?

Angie, would you call the roll, please.

MS. FRANKS: Commissioner Howard.

COMMISSIONER HOWARD: Approve.

MS. FRANKS: Commissioner Merritt.

COMMISSIONER MERRITT: Approve.

MS. FRANKS: Commissioner Jones.

COMMISSIONER JONES: Approve.

MS. FRANKS: Commissioner Bradley.

COMMISSIONER BRADLEY: Approve.

MS. FRANKS: Chairman Hatches.

CHAIRMAN HATCHES: Approve.

MS. FRANKS: By your vote you've adopted Resolution No. 13-041.

MR. STARK: Our next item, letter H, Steven Jones.

Mr. Jones is a holder of a Level II occupational license, enabling him to be employed on a gambling boat.

This case involves the allegation that Mr. Jones wrote a check without sufficient funds and

secondly for his failure to report changes in information previously provided to the Commission.

The first item was a check that he wrote on April 18th, 2011. The facts indicated that he signed a blank check, gave it to his wife. His wife took the check to obtain registration for a new vehicle. The check was written to the Department of Revenue for over $1,000 to cover the sales tax and licensing fees for the new car.

The check was returned back to the Department of Revenue due to insufficient funds and then the Department of Revenue submitted it to the local prosecuting attorney to proceed with criminal charges.

Those criminal charges were made. Mr. Jones received a summons to appear in court. He initially appeared in court without a lawyer, pled not guilty originally. Then a month later he went back to court, again without a lawyer, and decided to plead guilty.

The guilty plea was to issuing a check with purpose to defraud knowingly that the check would not be paid. Part of the plea arrangement for pleading guilty was that he was to provide restitution and that the prosecuting attorney was to tell him what the amount was and the deadline for payment.

However, the court and the prosecuting

1 attorney never told Mr. Jones the specific dollar amount
2 to pay for restitution or the deadline for that payment.
3 The case lingered for a while, and then finally the
4 prosecuting attorney issued an arrest warrant for
5 violating his probation.
6 Mr. Jones at that time decided to hire a
7 lawyer and appeared in court, in which the attorney was
8 successful in obtaining an order to vacate the guilty
9 plea.
10 The guilty plea then was basically erased
11 from the record as not actually having occurred, in that
12 the order to vacate would set aside that guilty plea.
13 The arrangements were made for him to make restitution
14 and then the prosecuting attorney dismissed the case.
15 So the circuit court judge actually has
16 higher rank than myself with his decision to vacate that
17 guilty plea. There would be no basis in law to assert
18 discipline against Mr. Jones for that bad check.
19 He pled guilty but then reversed it with the
20 approval of the judge. It makes for kind of unique
21 facts, but I'm afraid that the legal basis for
22 discipline for writing the bad check does not exist any
23 longer.
24 With regard to the other issues, all these
25 events leading up to this vacating of the guilty plea

would have necessitated reporting to the Commission.

Mr. Jones should have reported to the Commission that he received a charge for writing a bad check. He pled guilty for writing the bad check. He was arrested for violating the probation and then also he admitted at the hearing that he had been driving and arrested for driving while suspended.

So on four different occasions there should have been a report to the Gaming Commission because of the material change in his application.

My recommendation is that the original recommendation of revocation is not appropriate in that the guilty plea no longer exists. However, for the four different occasions for having failed to report these different events would necessitate some type of discipline.

My recommendation is to have a 15-day suspension, basically adding up these four different nonreporting events to show basically the severity of multiple nonreporting events.

So my recommendation is against the Commission's recommendation of revocation and in place a 15-day suspension.

CHAIRMAN HATCHES: Thank you.

Is Mr. Jones here?

MR. JONES: Commissioners, Mr. Stark, I'm guessing I'm the last one on your list. Is that correct?

MR. STARK: Yes, that's correct.

COMMISSIONER JONES: My lawyer is actually running late. He was supposed to speak. So I guess I'll take over for him.

I guess since the judge actually dismissed the case, I'm not too concerned with that. It was an ex-wife, and it was actually a check that was left at the house after we were divorced. She used it without me knowing about it, so I had no idea what was going on. The account was being closed. That reopened the account and everything kind of fell apart from there.

Since that was dismissed, like I said, no issue with that.

As far as the 15-day suspension, this all started back on November 6 of last year. Since then I've been trying to get -- you know, trying to get this going. I believe they initially filed the wrong forms, the wrong DOLA forms, when I tried to transfer from Ameristar Casino to Hollywood Casino, so that made a delay initially.

And once they -- once that was corrected it took even longer to get the hearing set up, I guess with

Mr. Stark being busy around the holidays, and now we're here.

So my point being, the 15-day suspension, I think I've probably already served that, being six months without dealing and/or sufficient income, not knowing how long this was going to take from week to week.

Thank you.

CHAIRMAN HATCHES: Thank you.

Any questions for Mr. Jones?

COMMISSIONER MERRITT: I guess I'd have a question about the fact that you had no knowledge that you had a signed check left someplace, especially in the hands of your soon-to-be-ex-wife. That is poor judgment on yourself.

Did you just have a lot of signed checks laying around or are you saying that you had no knowledge that there was a signed check and that she had access to it?

MR. JONES: That's correct. It was a check that was left in a drawer. Any time I would go out or work, if my daughters were at home, my oldest watching my youngest, I would leave a check, sign it. If they want to order a pizza whatever, they would have the check to pay for the pizza.

It was just one that was left behind and apparently she found it in the drawer and that was that. So, yeah, not the best judgment, but unbeknownst to me it was there and I had no idea.

COMMISSIONER MERRITT: I guess that's really not in contention anyway since the charges were dismissed.

MR. JONES: A good question though.

COMMISSIONER MERRITT: I just found that being curious.

CHAIRMAN HATCHES: This is the first case I've seen where a judge sort of vacated a prior ruling.

COMMISSIONER HOWARD: I guess consistent with your not having a very good recollection, I looked at the area in the transcript in which you were questioned about, because one of the issues before us I think does have to do with the driving -- the issue of the suspended license and the vagueness about the suspended license.

And, you know, this may be a situation in which you don't have a good memory but, you know, I always think that people would recall significant things in their lives. And when you were questioned about the offense of your suspended license -- and I'm looking here at the transcript -- in fact, you say, I do vaguely

remember that, that you were arrested for driving with a suspended license.

MR. JONES: Yes. This all occurred right around the time that my wife at the time were going through a divorce, separated, divorcing.

I was not getting all of my mail. I had no idea that my license was even suspended or why it was suspended. It had to do with I believe the tags on my vehicle.

Apparently she had gotten a ticket for the tags on -- I guess my vehicle having tags that were expired. It was under my name, never got paid; therefore, my license got suspended.

COMMISSIONER HOWARD: The vehicle that you were driving?

MR. JONES: She was actually driving it but it was under my name and the tags were expired.

COMMISSIONER HOWARD: And so your driver's license was suspended?

MR. JONES: That is correct.

COMMISSIONER HOWARD: Because the vehicle that she was driving had --

MR. JONES: Yeah. I'm sorry. It was under my name.

COMMISSIONER HOWARD: That was registered to

you?

MR. JONES: Right.

COMMISSIONER HOWARD: So you said you vaguely remember that?

MR. JONES: Yes.

COMMISSIONER HOWARD: And the disposition of that?

MR. JONES: That has been taken care of since then.

COMMISSIONER HOWARD: And you reported that incident that --

MR. JONES: No, I did not.

CHAIRMAN HATCHES: Any other questions for Mr. Jones?

Thank you, Mr. Jones.

MR. JONES: Thank you.

CHAIRMAN HATCHES: Any questions for Mr. Stark?

COMMISSIONER BRADLEY: May I ask how the 15-day suspension would work? Is that from now in the future or has that already been assessed?

MR. STARK: I'm assuming the Commission has discretion. If they believe that the 15 days has already been served, I mean, I've seen that done before as well but --

MR. HUBER: I'm sorry.

CHAIRMAN HATCHES: Hold on.

Go ahead, Mr. Stark.

MR. STARK: My thought was that this would be a future suspension based on the evidence presented at the hearing and your decision if that's appropriate. So it would be a future suspension rather than a past suspension.

CHAIRMAN HATCHES: Okay.

MR. STARK: His employment with the particular casino really is not relevant to the decision on disciplining his license. So if the casino suspended him, that's something separate. I suppose the Commission could honor that suspension as if it's your own suspension, but my thought would be that this is a future suspension based on your order of today if that's your decision.

COMMISSIONER BRADLEY: I just didn't understand whether or not he'd been working. He has not been working?

MR. STARK: That's the inference I received also is that because of this action he was not able to work.

Apparently Mr. Jones was switching employment between one casino to another casino, and I'm assuming

the second casino decided to hold back on hiring pending this action. I don't know if I have that right or not, but that's the inference I was getting.

COMMISSIONER BRADLEY: Mr. Jones said that he had not been working for six months. Does that sound accurate? Is that correct?

MR. STARK: Well, let me see.

MR. HUBER: May I ask something?

CHAIRMAN HATCHES: No.

MR. HUBER: I'm the attorney for Mr. Jones.

CHAIRMAN HATCHES: Hold on just a second.

MR. STARK: What originally happened was that there was on November 6, 2012 disposition of occupational gaming license application.

So apparently what happened was the gaming agent thought that Mr. Jones was applying for a license when he transferred to the other casino. He already had an existing license from his previous work at the first casino.

So it was a little bit of a mistake that he was issued a denial of a license when he already had a license. So recognizing that mistake a preliminary order for discipline was issued soon thereafter.

So I don't know where the six months comes in. I guess November, December and four months of

April. That makes six months I guess.

CHAIRMAN HATCHES: Any other questions?

State your name, please.

MR. HUBER: Peter Huber. I'm the attorney for Mr. Jones.

I apologize. I just walked into the door. I asked Mr. Jones to ask for a re-call because I told him I was going to be late.

We pretty much were going to come in here and ask the Commission to go with Mr. Stark's recommendation; however, because Mr. Jones has been unemployed since November, we were asking to maybe -- if you impose some kind of sanctions, 15 days or what have you, to make it retroactively.

It's been almost six months where he has been unemployed. He hasn't received any employment, unemployment benefits because of the situation.

So he's pretty much been punished for almost six months without having any income and he would like to get back to work. So if the Commission would be so kind, if you impose a sanction, to make it retroactively.

CHAIRMAN HATCHES: Thank you.

COMMISSIONER MERRITT: That's the same thing we heard from Mr. Jones. He should have saved his money

on a lawyer.

MR. HUBER: And my time to come out here.

COMMISSIONER MERRITT: We may suspend you for being 40 minutes late.

MR. GREWACH: If I could address the Commission on just that point.

Really there isn't --

CHAIRMAN HATCHES: Can you identify yourself, please?

MR. GREWACH: Yes, Ed Grewach, General Counsel for the Commission.

There is no precedent for this because really the discipline doesn't exist until this resolution is passed. So the discipline would be from the time of the resolution forward.

And so we really -- you know, it would be unprecedented for us to say that we're going to give credit for a time period prior to the legal existence of the order of suspension. And as Mr. Stark pointed out, it is a suspension of the license for 15 days effective the day of the order.

CHAIRMAN HATCHES: Thank you.

Any other questions from the Commission?

COMMISSIONER BRADLEY: The question I have is what's the status of the license for what we do -- let's

say we approve this resolution. He will immediately -- he will keep -- he has his license.

MR. GREWACH: Correct. And he has throughout the hearing.

COMMISSIONER BRADLEY: He has for the last six months.

MR. GREWACH: Because with a Level II licensee, once they ask for a hearing, that stays or holds in abeyance the original preliminary order of discipline until we get to today.

Now, today if the Commission approves Mr. Stark's recommendation, he'll have then a 15-day -- he'll have his license but have a 15-day period of suspension to serve after that.

COMMISSIONER BRADLEY: Okay. But because to remind everyone, in the initial filing it was asking for the revocation and that's what stayed his license. That suspended his license.

MR. GREWACH: It would have if he had not asked for a hearing.

COMMISSIONER BRADLEY: Correct. That's my point.

MR. GREWACH: But when he asked for a hearing, that stayed that order of recommendation, so he had his license effectively from that date until --

COMMISSIONER BRADLEY: So if we approve this, this would release the stay and he'd have a license?

MR. GREWACH: He'd continue to have his license, correct.

COMMISSIONER HOWARD: I guess I was confused by the denial in November.

MR. GREWACH: What occurred is that he was transferring from Ameristar St. Charles to the Hollywood property.

He gave his two-weeks notice to the St. Charles property, and when -- and Brad Baker is here to give us more detail if you want more detail on exactly how it works.

As I understand, when someone is transferring from one property to another, we go through a procedure very similar to a new applicant coming in in terms of filling out the paperwork, running the criminal history.

So as you saw with all of the denials that happened today, you had a situation wherein that paperwork he filed for the transfer, he didn't disclose these.

So consistent with the way we treat a new applicant, then saying, okay, we have this paperwork, a request for transfer and nondisclosure, so we're going to issue a denial.

When it got here, we looked at it and realized, well, no. This is not a new hire. This is not a new licensee. This is a transfer. So that's when we initiated the preliminary resolution for discipline for which Mr. Jones requested the hearing.

So it was just that matter of the paperwork being so similar in a job transfer as it is for a new license application.

COMMISSIONER HOWARD: Was it communicated to the employer that he is licensed?

MR. GREWACH: Not to my knowledge.

This is Brad Baker, the investigator that worked on this matter.

MR. BAKER: Good morning.

The company would be aware that the subject had a Gaming Commission license when they scheduled them for their appointment.

CHAIRMAN HATCHES: Okay.

Any other questions?

COMMISSIONER BRADLEY: Well, obviously a 15-day suspension is certainly better than a revocation of license.

CHAIRMAN HATCHES: And if I understand you correct, Mr. Stark, this 15 days is a total for the four?

MR. STARK: Yes, Your Honor.

Actually what I did was do a calculation --

CHAIRMAN HATCHES: Make sure the record gets that. I should have wore my robe.

MR. STARK: A wig too.

CHAIRMAN HATCHES: Okay now. I'll hold you in contempt. Take him away, Counselor.

MR. STARK: I did a calculation based on the first violation one day, the next violation two days, the next one four days and the next one eight days, adding those up to 15 days, to recognize the fact that it's repeat violations.

CHAIRMAN HATCHES: Okay. Got you. Thank you.

Other questions from the Commission?

Thank you, sir. You may step down.

Then the Chair would entertain a motion.

COMMISSIONER BRADLEY: Motion to approve Resolution No. 13-042.

COMMISSIONER MERRITT: Second.

CHAIRMAN HATCHES: Moved and seconded.

Any further discussion?

Angie, would you call the roll, please.

MS. FRANKS: Commissioner Howard.

COMMISSIONER HOWARD: Approve.

MS. FRANKS: Commissioner Merritt.

COMMISSIONER MERRITT: Approve.

MS. FRANKS: Commissioner Jones.

COMMISSIONER JONES: Approve.

MS. FRANKS: Commissioner Bradley.

COMMISSIONER BRADLEY: Approve.

MS. FRANKS: Chairman Hatches.

CHAIRMAN HATCHES: Approve.

MS. FRANKS: By your vote you've adopted Resolution No. 13-042.

MR. STARK: That concludes those hearings. Thank you.

CHAIRMAN HATCHES: Thank you, Mr. Stark.

EXECUTIVE DIRECTOR STOTTLEMYRE: Mr. Chairman, the next item on the agenda is Consideration of Disciplinary Actions. Mr. Ed Grewach will present.

MR. GREWACH: Thank you, Mr. Chairman.

CHAIRMAN HATCHES: Whatever is your pleasure. It pays the same.

MR. GREWACH: With your permission I'd like to present both Items I and J together because they arise out of the same factual situation.

We have a regulation that is Section 10.030(1) which requires licensees to properly

report any facts which a licensee has reasonable grounds to believe indicate a violation of law, regulations or internal controls.

I just emphasize this language because as you see in the fact scenario, the exact language of the regulation does come into play here.

There was an individual. His name was Alonzo Pierre Warren and he worked at Lumiere, who is in Item I, as an executive host. He worked there from November of 2007 until May of 2011, at which point in time he voluntarily transferred to another Pinnacle property in Baton Rouge, Louisiana.

On February 14, 2012 Jeff Babinski, who is the Vice-President and General Manager of Lumiere, received a phone call from a patron indicating that Mr. Warren had accepted gifts from another patron, which violates Commission rules, and had assaulted another employee.

Instead of notifying the Missouri Gaming Commission Mr. Babinski contacted Walt Stowe. Mr. Stowe is the Vice-President of Compliance with Pinnacle Entertainment, which is the parent company of Lumiere and the company cited in Item J.

They set up a meeting with the patron which took place on February the 20th, 2012. The patron at

that meeting told them again that he knew that Warren had accepted money from another patron and physically assaulted a co-worker.

Again, instead of notifying MGC Mr. Stowe and Mr. Babinski made the decision to conduct an internal investigation to determine whether or not those facts were true before -- prior to reporting it.

They did conduct this investigation, which concluded and finished on March the 7th, 2012. As a result of their investigation they, in fact, determined that Mr. Warren had received gifts from a patron in violation of the rules and had physically assaulted another employee, and then terminated Mr. Warren from his employment in the casino in Baton Rouge, Louisiana.

The properties then did not -- Licensees I and J did not notify the Commission until April the 24th, 2012 of the complaint or of their action in terminating Mr. Warren.

Upon receiving that we conducted our own investigation, which was obviously hampered by the delay in the reporting. There were some employees who had moved away. Other individuals were not willing to cooperate.

In spite of that our investigator determined that Mr. Warren had received gifts from four different

patrons, including cash, clothes, gift cards and alcohol, and that he had physically assaulted a co-worker, another employee, on two different occasions, one on Lumiere premises in September of 2011 and the other at a Rams game in October 2011.

That employee did not press charges at the time of those incidents; however, at that point in time Mr. Warren was dating the victim's supervisor at Lumiere.

There were persons obviously at Lumiere who were aware of these incidents as they were happening and the persons at the property throughout the investigation -- internal investigation who were aware of or involved in that internal investigation were, as they indicated, Mr. Stowe, Mr. Babinski, Senior Vice-President and General Manager Neil Walkoff and Pinnacle's Executive Vice-President John Godfrey and Lumiere's Vice-President of Marketing Mr. Joseph Branchik.

As we do, as the Commission is aware, in our process, before we initiate this discipline we send out a 14-day letter indicating to them that this discipline is being considered.

The properties did respond to that 14-day letter. In their response they indicate several things.

One, that at the time they had the patron's complaint, both on the phone and when he came in for that interview, they really didn't feel they had any evidence to substantiate his complaints and they felt it was prudent to conduct their investigation first before they notified us of the incident.

That position overlooks the language of the rule, which is why I read it in detail, that it's not an obligation to report facts which give you reasonable grounds to believe the allegations but facts that give you reasonable grounds to believe indicate a violation.

So obviously a patron complaint at that point in time would be something in our position that would have to be reported to us.

Their second point in their response to the 14-day letter was that reporting it to us would give them some exposure for malicious prosecution if they reported allegations that later on turned out to be not true.

Our response to that is that it's not reporting to us whether or not the allegations are, in fact, true, just the fact that the allegations were made.

So the reporting to us would be a fact, true. We received a phone call from this patron on this day

and he said these things.

What that does for us then, that gives us the ability to concurrently, as soon as we receive that information, to immediately watch our investigation, instead of the time lag that occurred here in this.

They indicate, of course, there was -- from the patron's complaint or report there was a significant time lag between the time of the alleged incidents and the time of this reporting in the fact that the victim did not press charges at the time. And I think we've covered that, I guess, in our presentation of the facts as presented.

Further, in their response in their 14-- response to the 14-day letter, they felt that because they had taken action themselves and had done what they thought was a thorough approach to the problem, that they asked for the penalty to be reduced to $10,000 for Pinnacle and $5,000 for Lumiere.

It's the Staff's position and recommendation that given the high level of personnel that were involved and notified of this event and the fact that this was something not an oversight by one person but a systemic approach to this situation by the property, that our recommendation in Item I for Lumiere is a $25,000 fine and in Item J for Pinnacle is a $50,000

fine.

CHAIRMAN HATCHES: Any questions from the Commissioners?

Mr. Stottlemyre.

EXECUTIVE DIRECTOR STOTTLEMYRE: Staff recommends approval of DC-13-270 and DC-13-271.

COMMISSIONER MERRITT: Can we do that at one time?

EXECUTIVE DIRECTOR STOTTLEMYRE: As long as we read off both of the complaints.

CHAIRMAN HATCHES: Chair would entertain a motion.

COMMISSIONER JONES: Move for the approval of DC-13-270 and DC-13-271.

COMMISSIONER BRADLEY: Second.

CHAIRMAN HATCHES: Moved and seconded.

Any further discussion?

Angie, would you call the roll, please.

MS. FRANKS: Commissioner Howard.

COMMISSIONER HOWARD: Approve.

MS. FRANKS: Commissioner Merritt.

COMMISSIONER MERRITT: Approve.

MS. FRANKS: Commissioner Jones.

COMMISSIONER JONES: Approve.

MS. FRANKS: Commissioner Bradley.

COMMISSIONER BRADLEY: Approve.

MS. FRANKS: Chairman Hatches.

CHAIRMAN HATCHES: Approve.

MS. FRANKS: By your vote you've adopted DC-13-270 and DC-13-271.

CHAIRMAN HATCHES: Thank you.

MR. GREWACH: Under Tab K we have a preliminary order of discipline against Harrah's St. Louis Casino.

These were actually two separate incidents that occurred at approximately the same time. Because of that the DRB consolidated them for our consideration, and that's why they're presented to you in one resolution with two counts.

The first count involved a software for a game, Fire Ruby. That software was revoked on June the 5th, 2012. It should have been taken out of play on June the 6th, 2012.

On June 19th, 2012, though, our personnel found one game in play that still had that revoked software on Fire Ruby.

Count II involves an incident then on June 21st, 2012. At 12:30 a.m. that day there was a surveillance camera malfunction. It involved four recorders and thirty cameras. It resulted in 13 hours

of unrecorded time.

Our regulations both require that the surveillance system be maintained so that there is backup to ensure uninterrupted coverage in the event of any problem and requires immediate reporting, prompt reporting, to us of this incident.

However, the property's personnel did not notify us until 9:00 a.m. on that day, June 21st, 2012. And it's the DRB's recommendation for these two -- the combined fine for these two violations be $10,000.

CHAIRMAN HATCHES: Any questions from the Commissioners?

EXECUTIVE DIRECTOR STOTTLEMYRE: Mr. Chairman, Staff recommends approval of DC-13-272.

CHAIRMAN HATCHES: Chair would entertain a motion.

COMMISSIONER BRADLEY: Motion to approve DC-13-272.

COMMISSIONER MERRITT: Second.

CHAIRMAN HATCHES: Moved and seconded.

Any further discussion?

Angie, would you call the roll, please.

MS. FRANKS: Commissioner Howard.

COMMISSIONER HOWARD: Approve.

MS. FRANKS: Commissioner Merritt.

COMMISSIONER MERRITT: Approve.

MS. FRANKS: Commissioner Jones.

COMMISSIONER JONES: Approve.

MS. FRANKS: Commissioner Bradley.

COMMISSIONER BRADLEY: Approve.

MS. FRANKS: Chairman Hatches.

CHAIRMAN HATCHES: Approve.

MS. FRANKS: By your vote you've adopted DC-13-272.

CHAIRMAN HATCHES: Yes, sir.

MR. GREWACH: Tab L is against Argosy Riverside.

We have a rule that requires if any casino remove funds from a progressive slot machine, that they be placed in another progressive slot machine within 30 days of that removal.

On May 24, 2012 funds amounting to $1,241.31 were removed from a progressive slot machine. They were not put into another progressive unit until July 12, 2012, outside of that 30-day time period, and the recommendation is for a $10,000 fine.

CHAIRMAN HATCHES: Questions from the Commissioners?

Mr. Stottlemyre.

EXECUTIVE DIRECTOR STOTTLEMYRE: Staff

recommends approval of DC-13-273.

CHAIRMAN HATCHES: Chair would entertain a motion.

COMMISSIONER MERRITT: Move for the approval of DC-13-273.

COMMISSIONER JONES: Second.

CHAIRMAN HATCHES: Moved and seconded.

Any further discussion?

Angie, would you call the roll, please.

MS. FRANKS: Commissioner Howard.

COMMISSIONER HOWARD: Approve.

MS. FRANKS: Commissioner Merritt.

COMMISSIONER MERRITT: Approve.

MS. FRANKS: Commissioner Jones.

COMMISSIONER JONES: Approve.

MS. FRANKS: Commissioner Bradley.

COMMISSIONER BRADLEY: Approve.

MS. FRANKS: Chairman Hatches.

CHAIRMAN HATCHES: Approve.

MS. FRANKS: By your vote you've adopted DC-13-273.

CHAIRMAN HATCHES: Yes, sir.

MR. GREWACH: Tab M is a preliminary order of discipline directed to WMS Gaming, Incorporated, who is a supplier.

We have a rule that requires that -- it's 10.100(1)(A) -- that a licensee notify us within 15 days after they've become aware that they are the target of any investigation.

WMS was a target of an investigation and subsequently a discipline case in the state of Indiana by the Indiana Gaming Commission for improperly shipping and storing EGDs to an unapproved warehouse.

On January the 5th of 2012 the personnel from WMS met with members of the Indiana Gaming Commission to discuss the incident and further to discuss the potential for disciplinary action against WMS.

There were numerous meetings following up to that in the time period from January 6 to January 19. On the 19th it was determined that WMS would move the machines to an approved location.

A disciplinary action then followed which was resolved by a Consent Order between the parties on August the 2nd, 2012.

We were not notified of this Indiana investigation until February the 3rd, 2012, which was outside of the 15 days as required by the rule. We did, again, as is our practice, sent a 14-day letter to WMS.

They responded in that they did not believe that they were the target of the investigation and did

not believe their reporting requirement was triggered until they received an order from the Indiana Gaming Commission on the 19th to move those units and, therefore, felt that it was -- the discipline was inappropriate.

However, reviewing the matter in the Consent Agreement between WMS and the Indiana Gaming Commission, they specifically stated the facts I recited earlier, that on January 5th Commission staff met with the local counsel for WMS to discuss potential for disciplinary action for violation of the rules.

So it is the Staff's position that there was a violation and the recommended fine is $2,500.

CHAIRMAN HATCHES: Questions from the Commissioners?

EXECUTIVE DIRECTOR STOTTLEMYRE: Mr. Chairman, Staff recommends approval of DC-13-274.

CHAIRMAN HATCHES: Chair would entertain a motion.

COMMISSIONER HOWARD: I'll move for approval of DC-13-274.

COMMISSIONER BRADLEY: Second.

CHAIRMAN HATCHES: Moved and seconded.

Any further discussion?

Angie, call the roll, please.

MS. FRANKS: Commissioner Howard.

COMMISSIONER HOWARD: Approve.

MS. FRANKS: Commissioner Merritt.

COMMISSIONER MERRITT: Approve.

MS. FRANKS: Commissioner Jones.

COMMISSIONER JONES: Approve.

MS. FRANKS: Commissioner Bradley.

COMMISSIONER BRADLEY: Approve.

MS. FRANKS: Chairman Hatches.

CHAIRMAN HATCHES: Approve.

MS. FRANKS: By your vote you've adopted DC-13-274.

CHAIRMAN HATCHES: Thank you.

MR. GREWACH: Tab N is a preliminary order of discipline directed to Ameristar Casino St. Charles.

On August the 4th, 2012 two 17-year-old males entered the casino. One had a fake ID and one did not. They encountered a security officer before the turnstile. The security officer directed them to the turnstile but did not check their IDs. They walked through the turnstiles.

The three security officers there were busy with other duties and did not check the IDs of the two 17-year-olds as they entered.

They further when they were inside the casino

encountered a slot specialist. The slot specialist asked for IDs. The one 17-year-old with a fake ID showed it to the slot specialist. The other 17-year-old walked away from the area. And the slot specialist then showed the 17-year-old with the fake ID to the area where the table games were.

The 17-year-old without the fake ID was served a drink by a waitress who did not check his ID. The 17-year-old with the fake ID then played several hands of blackjack. The two of them were on the floor for approximately 30 minutes. And the recommended fine is $10,000.

CHAIRMAN HATCHES: Any questions from the Commission?

EXECUTIVE DIRECTOR STOTTLEMYRE: Mr. Chairman, Staff recommends approval of DC-13-275.

CHAIRMAN HATCHES: Chair will entertain a motion.

COMMISSIONER MERRITT: Move for the approval of Resolution DC-13-275.

COMMISSIONER JONES: Second.

CHAIRMAN HATCHES: Moved and seconded.

Any further discussion?

Angie, would you call the roll, please.

MS. FRANKS: Commissioner Howard.

COMMISSIONER HOWARD: Approve.

MS. FRANKS: Commissioner Merritt.

COMMISSIONER MERRITT: Approve.

MS. FRANKS: Commissioner Jones.

COMMISSIONER JONES: Approve.

MS. FRANKS: Commissioner Bradley.

COMMISSIONER BRADLEY: Approve.

MS. FRANKS: Chairman Hatches.

CHAIRMAN HATCHES: Approve.

MS. FRANKS: By your vote you've adopted DC-13-275.

EXECUTIVE DIRECTOR STOTTLEMYRE: The next item on the agenda is Consideration of Rules and Regulations, and Mr. Ed Grewach will present.

MR. GREWACH: Under Tab O, Item 1, these are both proposed rule amendments. Tab 1 deals with Chapter J of our Minimum Internal Control Standards. That chapter deals with admission.

This was a rewrite of the chapter. We added provisions that were specific to licensees who operate 24-hour gaming. We also set some standards for licensees who use electronic turnstiles to count admissions.

Under Tab O, Item 2, are amendments to Chapter R, which are forms. We deleted three forms that

are no longer used and we added a form for replacement deck log.

These, if approved by the Commission, will have a written comment period from June the 3rd until July the 3rd. Then there will be a public hearing on these items on July the 10th. And if it goes -- it's eventually approved according to schedule, we anticipate these rules being in effect on December 30th of this year.

CHAIRMAN HATCHES: Any questions?

EXECUTIVE DIRECTOR STOTTLEMYRE: Mr. Chairman, Staff recommends approval of 11 CSR 45-9.110 and 9.118.

CHAIRMAN HATCHES: Chair will entertain a motion.

COMMISSIONER JONES: Move for the approval of 11 CSR 45-9.110 and 9.118.

COMMISSIONER HOWARD: Second.

CHAIRMAN HATCHES: Moved and seconded.

Any further discussion?

Angie, would you call the roll, please.

MS. FRANKS: Commissioner Howard.

COMMISSIONER HOWARD: Approve.

MS. FRANKS: Commissioner Merritt.

COMMISSIONER MERRITT: Approve.

MS. FRANKS: Commissioner Jones.

COMMISSIONER JONES: Approve.

MS. FRANKS: Commissioner Bradley.

COMMISSIONER BRADLEY: Approve.

MS. FRANKS: Chairman Hatches.

CHAIRMAN HATCHES: Approve.

MS. FRANKS: By your vote you've adopted Proposed Amendments 11 CSR 45-9.110 and 9.118.

CHAIRMAN HATCHES: Thank you.

EXECUTIVE DIRECTOR STOTTLEMYRE: Mr. Chairman, the next item on the agenda is Consideration of Relicensure of Certain Supplier, and Sergeant Rod Land will present.

SERGEANT LAND: Mr. Chairman, Commissioners, Missouri State Highway Patrol investigators conducted the relicensing investigation of multiple supplier companies currently licensed in Missouri. These investigations consisted of jurisdictional inquiries, feedback from affected gaming company clients, a review of disciplinary actions, litigation and business credit profiles, as well as a review of the key persons associated with each company.

The results of these investigations were provided to the MGC staff for their review and you possess comprehensive summary reports before you which

outline our investigative findings for each company.

The following supplier companies are being presented for your consideration. Under Item P is Aristocrat Technologies, Incorporated.

EXECUTIVE DIRECTOR STOTTLEMYRE: And Staff recommends approval of Resolution No. 13-043.

CHAIRMAN HATCHES: Any questions?

Angie, call the roll.

I'm sorry.

COMMISSIONER MERRITT: Move to approve Resolution No. 13-043.

COMMISSIONER BRADLEY: Second.

CHAIRMAN HATCHES: Moved and seconded.

Any further discussion?

Angie.

MS. FRANKS: Commissioner Howard.

COMMISSIONER HOWARD: Approve.

MS. FRANKS: Commissioner Merritt.

COMMISSIONER MERRITT: Approve.

MS. FRANKS: Commissioner Jones.

COMMISSIONER JONES: Approve.

MS. FRANKS: Commissioner Bradley.

COMMISSIONER BRADLEY: Approve.

MS. FRANKS: Chairman Hatches.

CHAIRMAN HATCHES: Approve.

MS. FRANKS: By your vote you've adopted Resolution No. 13-043.

SERGEANT LAND: Under Item Q Elektroncek d.d.

EXECUTIVE DIRECTOR STOTTLEMYRE: Staff recommends approval of Resolution No. 13-044.

CHAIRMAN HATCHES: Chair would entertain a motion.

COMMISSIONER BRADLEY: Motion to approve Resolution 13-044.

COMMISSIONER HOWARD: Second.

CHAIRMAN HATCHES: Moved and seconded.

Any discussion?

Angie, call the roll, please.

MS. FRANKS: Commissioner Howard.

COMMISSIONER HOWARD: Approve.

MS. FRANKS: Commissioner Merritt.

COMMISSIONER MERRITT: Approve.

MS. FRANKS: Commissioner Jones.

COMMISSIONER JONES: Approve.

MS. FRANKS: Commissioner Bradley.

COMMISSIONER BRADLEY: Approve.

MS. FRANKS: Chairman Hatches.

CHAIRMAN HATCHES: Approve.

MS. FRANKS: By your vote you've adopted Resolution No. 13-044.

SERGEANT LAND: Under Tab R Interblock USA, L.C.

EXECUTIVE DIRECTOR STOTTLEMYRE: Staff recommends approval of Resolution No. 13-045.

CHAIRMAN HATCHES: Chair would entertain a motion.

COMMISSIONER JONES: Move for the approval of Resolution No. 13-045.

COMMISSIONER MERRITT: Second.

CHAIRMAN HATCHES: Moved and seconded.

Any further discussion?

Angie.

MS. FRANKS: Commissioner Howard.

COMMISSIONER HOWARD: Approve.

MS. FRANKS: Commissioner Merritt.

COMMISSIONER MERRITT: Approve.

MS. FRANKS: Commissioner Jones.

COMMISSIONER JONES: Approve.

MS. FRANKS: Commissioner Bradley.

COMMISSIONER BRADLEY: Approve.

MS. FRANKS: Chairman Hatches.

CHAIRMAN HATCHES: Approve.

MS. FRANKS: By your vote you've adopted Resolution No. 13-045.

SERGEANT LAND: Under Tab S NRT Technology

Corporation.

EXECUTIVE DIRECTOR STOTTLEMYRE: Staff recommends approval of Resolution No. 13-046.

CHAIRMAN HATCHES: Chair would entertain a motion.

COMMISSIONER BRADLEY: Move to approve Resolution 13-046.

COMMISSIONER MERRITT: Second.

CHAIRMAN HATCHES: Moved and seconded.

Any further discussion?

Angie, call the roll, please.

MS. FRANKS: Commissioner Howard.

COMMISSIONER HOWARD: Approve.

MS. FRANKS: Commissioner Merritt.

COMMISSIONER MERRITT: Approve.

MS. FRANKS: Commissioner Jones.

COMMISSIONER JONES: Approve.

MS. FRANKS: Commissioner Bradley.

COMMISSIONER BRADLEY: Approve.

MS. FRANKS: Chairman Hatches.

CHAIRMAN HATCHES: Approve.

MS. FRANKS: By your vote you've adopted Resolution 13-046.

EXECUTIVE DIRECTOR STOTTLEMYRE: Mr. Chairman, the next item on the agenda is

Consideration of Licensure of Level I and Key Applicants. Sergeant Rod Land will present.

SERGEANT LAND: Mr. Chairman and Commissioners, Missouri State Highway Patrol investigators, along with Gaming Commission financial investigators, conducted comprehensive background investigations on multiple Key and Level I applicants.

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

The following individuals are being presented for your consideration: Daniel L. Wilson, VP of Information Technology for Affinity Gaming; Lori I. Cook, Table Games Manager, Isle of Capri-Cape Girardeau; Joshua I. Ervin, Slot Department Manager, Isle of Capri-Cape Girardeau; Charles C. Wooldridge, Surveillance Manager, Isle of Capri-Cape Girardeau.

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

EXECUTIVE DIRECTOR STOTTLEMYRE: Mr. Chairman, Staff recommends approval of Resolution No. 13-047.

CHAIRMAN HATCHES: Chair would entertain a

motion.

COMMISSIONER MERRITT: Move for the approval of Resolution No. 13-047.

COMMISSIONER JONES: Second.

CHAIRMAN HATCHES: Moved and seconded.

Any further questions?

Angie, would you call the roll.

MS. FRANKS: Commissioner Howard.

COMMISSIONER HOWARD: Approve.

MS. FRANKS: Commissioner Merritt.

COMMISSIONER MERRITT: Approve.

MS. FRANKS: Commissioner Jones.

COMMISSIONER JONES: Approve.

MS. FRANKS: Commissioner Bradley.

COMMISSIONER BRADLEY: Approve.

MS. FRANKS: Chairman Hatches.

CHAIRMAN HATCHES: Approve.

MS. FRANKS: By your vote you've adopted Resolution No. 13-047.

SERGEANT LAND: Thank you.

EXECUTIVE DIRECTOR STOTTLEMYRE: Mr. Chairman, the next item on the agenda is consideration of Licensure of Institutional Investors. Martha LeMond will present.

MS. LEMOND: Mr. Chairman, Commissioners,

behind Tabs U and V are resolutions regarding waivers of licensure for institutional investors holding and/or requesting to hold publicly traded interests of up to 20 percent in gaming licensees.

These investigators have submitted requests for waivers to hold interests in these licensees in compliance with 11 CSR 45-4. The submitted waivers certify all holdings are for institutional investment purposes only, with no intent to be involved in the management or operation of the licensees.

Because the holdings made exceed the 10 percent threshold for which the executive director may grant a waiver, these resolutions are before the Commission today.

Resolution No. 13-048 is for TIAA-CREF Investment Management, LLC and Resolution No. 13-049 is for Teachers Advisors, Inc.

I'd be happy to answer any questions.

CHAIRMAN HATCHES: Any questions from the Commission?

COMMISSIONER MERRITT: Don't ask any questions and make her talk anymore.

EXECUTIVE DIRECTOR STOTTLEMYRE: Mr. Chairman, Staff recommends approval of Resolutions 13-048 and 13-049.

CHAIRMAN HATCHES: Chair will entertain a motion.

COMMISSIONER BRADLEY: Motion to approve Resolution No. 13-048 and Resolution No. 13-049.

COMMISSIONER JONES: Second.

CHAIRMAN HATCHES: Moved and seconded.

Any further discussion?

Angie.

MS. FRANKS: Commissioner Howard.

COMMISSIONER HOWARD: Approve.

MS. FRANKS: Commissioner Merritt.

COMMISSIONER MERRITT: Approve.

MS. FRANKS: Commissioner Jones.

COMMISSIONER JONES: Approve.

MS. FRANKS: Commissioner Bradley.

COMMISSIONER BRADLEY: Approve.

MS. FRANKS: Chairman Hatches.

CHAIRMAN HATCHES: Approve.

MS. FRANKS: By your vote you have adopted Resolution Nos. 13-048 and 13-049.

EXECUTIVE DIRECTOR STOTTLEMYRE: Mr. Chairman, the next item is motion to go into closed.

CHAIRMAN HATCHES: Okay. Do I hear a motion?

I don't think I'm going to go into closed. We just have to do it out here.

COMMISSIONER BRADLEY: I'll make a motion to move into closed meeting under Section 313.847, Investigatory, Proprietary and Application Records, and under Section 610.021, Subsection 8, Legal Actions, and Subsection 14, Records Protected from Disclosure by Law.

COMMISSIONER JONES: Second.

CHAIRMAN HATCHES: Moved and seconded.

Angie, call the roll.

MS. FRANKS: Commissioner Howard.

COMMISSIONER HOWARD: Approve.

MS. FRANKS: Commissioner Merritt.

COMMISSIONER MERRITT: Approve.

MS. FRANKS: Commissioner Jones.

COMMISSIONER JONES: Approve.

MS. FRANKS: Commissioner Bradley.

COMMISSIONER BRADLEY: Approve.

MS. FRANKS: Chairman Hatches.

CHAIRMAN HATCHES: Approve.

We'll go into closed session. Thank you all very much.

WHEREIN, the meeting went into closed session.

CERTIFICATE OF REPORTER

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
April 24, 2013

The Missouri Gaming Commission (the "Commission") went back into open session at approximately 1:10 p.m. on April 24, 2013, at the Missouri Gaming Commission's Jefferson City office.

The Commissioners discussed the issue of Occupational Licensees not appearing for their hearings and the time and cost associated with those matters. Staff informed the Commission that future staff meetings have been set to address that issue. Executive Director Roger Stottlemyre informed the Commission a tour of GEMACO on April 25, 2013 and invited any Commissioners to tour that facility. The Executive Director further informed the Commission that the May MGC meeting would take place at the North Kansas City, MO City Hall and discussed the potential for touring Casinos both the day before and the afternoon after the Commission meeting is concluded. The Executive Director informed the Commissioners that Diane Riddle was retiring Effective May 1. 2013. No motion, vote or action was taken on any of the above described issues.

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

The open session ended at 1:25 p.m.