

IN THE MISSOURI GAMING COMMISSION

In Re:)
) DC-14-310
Casino One Corporation)

PRELIMINARY ORDER FOR DISCIPLINARY ACTION

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

1. The Missouri Gaming Commission (the "Commission") or ("MGC") is a state commission created under Chapter 313, RSMo 2000,¹ with jurisdiction over gaming activities, including riverboat gambling activities, in the State of Missouri.
2. The Commission issued Pinnacle Entertainment, Inc., a Class A gaming license to develop and operate Class B gaming licenses in the State of Missouri.
3. Pinnacle Entertainment, Inc., was, at the time of the incident described below, the parent organization or controlling entity of Casino One Corporation.
4. The Commission issued a Class B riverboat gambling license to Casino One Corporation ("Company"), to conduct games on and operate the excursion gambling boat known as *Lumiere Place Casino* ("Casino").
5. As the holder of a Class B license, the Company is subject to the provisions of §§ 313.800 to 313.850, RSMo, and the regulations promulgated thereunder by the Commission.

STATEMENT OF FACTS²

6. On November 25, 2012, two Security Officers employed by the Casino allowed four underage patrons, ages 18, 19, 19, and 20, onto the gaming floor after they presented false identification ("ID").
7. The underage patrons gambled at table games, where the dealers failed to check their ID to verify that the patrons were at least 21 years of age.
8. The underage patrons were on the gaming floor approximately 20 minutes.
9. The underage patrons were subsequently arrested on November 25, 2012, and charged with "Present false identification to gain entry to gambling boat" and "Minor visibly intoxicated /

¹ All statutory references are to RSMo 2000, unless otherwise specified

² 20121129007

blood alcohol content more than .02% - 1st offense.” One of the underage patrons was also charged with “Purchase / attempt to purchase or possession of liquor by minor – 1st offense.”

LAW

10. Under § 313.805(6), RSMo, the Commission may assess any appropriate administrative penalty against a licensee, including but not limited to, suspension, revocation or penalties of an amount determined by the Commission.

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

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

(1) Failing to comply with or make provision for compliance with sections 313.800 to 313.850, the rules and regulations of the commission or any federal, state or local law or regulations;

(2) Failing to comply with any rule, order or ruling of the commission or its agents pertaining to gaming; and

12. Section 313.817.4, RSMo, forbids anyone under the age of 21 from making “a wager on an excursion gambling boat and” and from being “in the area of the excursion boat where gambling is being conducted.”

13. Section 313.830, RSMo, states, in pertinent part, as follows:

2. A person is guilty of a class B misdemeanor for the first offense and a class A misdemeanor for the second and subsequent offenses for any of the following:

(1) Permitting a person under the age of twenty-one to make a wager while on an excursion gambling boat;

(2) Making or attempting to make a wager while on an excursion gambling boat when such person is under the age of twenty-one years; or

(3) Aiding a person who is under the age of twenty-one in entering an excursion gambling boat or in making or attempting to make a wager while on an excursion gambling boat.

14. Section 311.325.1, RSMo, states, in pertinent part, as follows:

Any person under the age of twenty-one years, who purchases or attempts to purchase, or has in his or her possession, any intoxicating liquor as defined in section 311.020 or who is visibly in an intoxicated condition as defined in section 577.001, or has a detectable blood alcohol content of more than two-hundredths of one percent or more by weight of alcohol in such person's blood is guilty of a misdemeanor.

15. Both Commission's Minimum Control Standards ("MICS") and the Casino's System of Internal Controls ("ICS"), Chapter N, § 4.01 forbid anyone under 21 years of age from gaining access to the casino floor and being allowed to place a wager.

16. Both MICS and the Casino's ICS, Chapter N, § 4.04 state that "The enforcement of admission and gambling restrictions for persons under 21 years of age shall include, at a minimum, checking their government-issued photo identification."

17. MICS, Chapter N, § 4.05 states as follows:

The Internal Control System shall contain detailed procedures for control over the following situations and activities, including who participates in each activity, their duties and responsibilities, forms completed, signatory responsibilities, and all applicable controls for the following:

- (A) enforcement of admissions and gambling restrictions for visibly intoxicated persons;
- (B) employee access to controlled areas;
- (C) lost employee access badges and gaming licenses;
- (D) issuance and return of temporary badges; and
- (E) trespassing, including Disassociated Persons and Excluded Persons.

18. The Casino's ICS, Chapter N, § 4.05 states, in pertinent part, as follows:

The Internal Control System shall contain detailed procedures for control over the following situations and activities, including who participates in each activity, their duties and responsibilities, forms completed, signatory responsibilities, and all applicable controls for the following:

- (A) enforcement of admissions and gambling restrictions for visibly intoxicated persons: Signage conveying the legal gambling age of 21 will be conspicuously posted by all casino entrances. Security officers shall request identification from guests who appear to be under the age of twenty-one who wish to enter the casino. Continuous additional enforcement on the casino floor will be conducted by Lumière Place to verify the age of our guests. Guests on the casino floor who are found to be under the age of twenty-one will be escorted from the gaming area. The on duty Missouri Gaming Commission agent will be notified and an

incident report will be prepared. Security officers will accumulate numbers for the activity that occurred during their shift. These numbers will be recorded on the Underage/Alcohol Related Patron Ejection Report (Form R-18) and signed by the Security Supervisor or above on duty (the form is not distributed on a daily basis). A monthly Underage/Alcohol Related Patron Ejection Report will be filed with the Missouri Gaming Commission indicating the number of guests who have been checked for proper identification and the number of underage persons attempting to enter the casino with invalid identification. Additionally, Security officers stationed at the turnstile entrances to the casino are responsible for checking for any persons who appear to be intoxicated. Such individuals are prevented from entering the casino[.]

VIOLATIONS

19. The actions or omissions of employees or agents of the Company as described above allowed visibly intoxicated underage patrons entry into the Casino and access to the gaming floor, thereby violating §§ 311.325, 313.817, and 313.830, RSMo, MICS, Chapter N, §§ 4.01, 4.04, and 4.05, and the Casino's ICS, Chapter N, §§ 4.01, 4.04, and 4.05.
20. The Company is therefore subject to discipline for such violations pursuant to §§ 313.805(6) and 314.812.14(1) and (2), RSMo.

PENALTY PROPOSED

21. Under § 313.805(6), RSMo, the Commission has the power to assess any appropriate administrative penalty against the Company, as the holder of a Class B license.
22. THEREFORE, it is proposed that the Commission fine Casino One Corporation, the amount of \$10,000 for the violations set forth herein.

Darryl T. Jones
Vice-Chairman
Missouri Gaming Commission

CERTIFICATE OF SERVICE

The undersigned hereby certifies that he caused a true and correct copy of the foregoing to be mailed, postage prepaid, this ____ day of August, 2014, to:

Jeffrey A. Babinski
Vice President & General Manager
Lumière Place Casino
999 North Second
St. Louis, MO 63102

Darryl T. Jones
Vice-Chairman
Missouri Gaming Commission