MISSOURI GAMING COMMISSION

OPEN MEETING

March 28, 2018
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Open Meeting
Missouri Gaming Commission
3417 Knipp Drive
Jefferson City, Missouri
March 28, 2018

BEFORE: Herbert M. Kohn, Chairman
        Brian Jamison, Vice Chairman
        Thomas Neer, Commissioner
        Richard F. Lombardo, Commissioner
        Daniel P. Finney III, Commissioner

REPORTED BY:
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WHEREUPON, the open meeting began at 10:00 a.m.)

CHAIRMAN KOHN: Good morning. Call the meeting of the March 28, 2018 Missouri Gaming Commission meeting to order. Angie, please call the roll.

MS. FRANKS: Commissioner Finney?
COMMISSIONER FINNEY: Present.
MS. FRANKS: Commissioner Lombardo?
COMMISSIONER LOMBARDO: Present.
MS. FRANKS: Commissioner Neer?
COMMISSIONER NEER: Present.
MS. FRANKS: Commissioner Jamison?
COMMISSIONER JAMISON: Present.
MS. FRANKS: Chairman Kohn?
CHAIRMAN KOHN: Present. We have a quorum, ready to begin business, and we are going to begin with some presentations by Deputy Director Tim McGrail.

MR. MCGRAIL: Thank you, Mr. Chair. Good morning, everyone. We have three service awards this morning that we want to present to some of our outstanding employees. First one would be Angie Rinker-Lugo, if she'd come forward. Angie is a Senior Office Support Assistant at River City,
and she has five years of dedicated service to the Missouri Gaming Commission. So thank you, Angie.

(Applause.)

CHAIRMAN KOHN: Congratulations.

MR. McGRAIL: Next one is ten years of service, and that's Amber Connor. Amber, come up, please. Amber is our Executive Assistant at the Kansas City office. Again, she has ten years of dedicated service with the Commission.

(Applause.)

CHAIRMAN KOHN: Amber, we remember you showing us around the office when we were in Kansas City.

MS. CONNOR: I hope you enjoyed it.

MR. McGRAIL: The last one is Tara Nivens, if she'd come forward. Tara is an Administrative Assistant in our bingo section and also with the fantasy sports. Tara has 15 years of dedicated service with the Missouri Gaming Commission.

(Applause.)

MR. McGRAIL: The other presentation is we have the Employee of the Quarter. If Missy would come forward, please. Most of you are aware, you're familiar with the Missouri Gaming
Commission's Employee of the Quarter. Each quarter the Employee of the Quarter committee reviews the nominations submitted and votes on one outstanding employee. Employee of the Quarter gets an administrative day, a parking space reserved for them at the Jeff City office any time that you come. Most importantly, though, most importantly, lunch with the Executive Director. Choose wisely. The Hill. Go to The Hill.

The Employee of the Quarter is recognized for outstanding work in assisting gaming agents at the Hollywood Casino in Maryland Heights. Our Employee of the Quarter is Missy Smith. Missy provided valuable information during recent investigations, one where she was able to identify a suspect utilizing her previous law enforcement experience and skills, the other incident where she overheard radio traffic involving a disturbance and she was able to gather information that was useful to the agents.

These are just a couple of examples of how valuable Missy is in her role as Senior Office Support Assistant to the Hollywood Casino. Due to her quick thinking and actions, we commend Missy and congratulate her on being selected as the
Missouri Gaming Employee of the Quarter. Would you like to say a few words?

MS. SMITH: I had no idea I was getting this today, so I'm not prepared, but this is, as a lot of you know, a retirement job for me. I retired from St. Louis County after 30 years, and I really like it and I enjoy it, and I love being able to continue what I did there here. So thank you very much for the opportunity.

MR. McGRAIL: And Captain Plunkett, if he'd come forward, he has a couple of presentations.

CAPTAIN PLUNKETT: Could I get Sergeant Young and Corporal Howery to come up. Recently got a note from the Colonel. We typically try to recognize our employees for their years of service. In this particular instance, we've got two employees here that are enjoying their 25th year with the Missouri State Highway Patrol. As most of you know, it's hard to get employees to come in the door, much less stay for five or ten years. But we're very proud of the employees at the Missouri State Highway Patrol, both on the civilian and the member side.

And these guys, as you know, it's not
an easy job. They spent a lot of years out on the highway. Came over to the division. Both of these gentlemen have done a great job for us. Keith was just promoted the first of the month, and Kelley has been serving as the officer in charge of the boat there at Boonville.

So we're very pleased that you guys have been with us this long. We appreciate your service to the State of Missouri, the citizens that we proudly serve.

And part of what we do, we give a pin at the Patrol, shoulder patch as a -- supposed to be a diamond. I'm not sure if it's a real one, but it looks really pretty when you wear it on your lapel. I apologize I didn't wear mine today. I started to take one of these. But this is something we want you to wear. When somebody on the Patrol sees one of these, they know that person when they're out that that's a 25-year person with the Patrol. We think that's great. We want to thank both of you guys. Thank you very much.

(Applause.)

MR. McGRAIL: Mr. Chairman.

CHAIRMAN KOHN: Thank you very much.

We always enjoy hearing those presentations.
They're all well earned, and we appreciate all the
effort that goes into the work that results in
these awards being made.

We do have one more award to give out
today, one recognition to give out. And as you can
tell, we recognize and value the work of the staff.
We could not operate, the Commissioners could not
operate without the work the staff does day in and
day out, and we very much appreciate that.

Commissioners come and go. The staff
is here, and at the heart of the staff is a woman
who has now been here for 20 years since the --
almost from the beginning, and she is Angie Franks.
We could not work without her input on a monthly
basis and on a daily basis, both inside and
outside.

So rather than my trying to tell you,
Angie, what you mean to the Commission and to the
State of Missouri, what I'd like to do is read this
proclamation from the Governor of the State. So
would you come up here. Angie asked us to do this,
by the way. This is a last thing Angie wanted.

So here's the proclamation. Whereas,
the citizens of Missouri are greatly indebted to
the workers who maintain the day-to-day operations
of the state and implement the ideas embodied in
the State's Constitution and proposed by its
elected officials; and whereas, without the efforts
of Missouri employees, many crucial services
required by Missouri citizens would be impossible
to provide; and whereas, Missouri employees provide
quality services not because they seek recognition
for their efforts but because the service are
essential; and whereas, the State of Missouri has
benefited from the hard work and devotion of Angie
Franks; and whereas, Angie Franks has dedicated 20
years of commendable service to the citizens of
Missouri, I, therefore, Eric Greitens, Governor of
the State of Missouri, do hereby commend Angie
Franks for 20 years of dedicated service. Today
the people of Missouri say thank you for so many
years of capable public service. In testimony
whereof, et cetera, signed by the Governor and by
the Secretary of State.

Angie, I think this says it all, and
all we can do is give you our thanks as well.

(Appause.)

COMMISSIONER JAMISON: In my three-
plus years that I've been here, I've been in state
government for numerous years, and what I've
learned is you may have an executive director, and
this is no diminishing his responsibilities or his
talents, but there's always someone like Angie in
every state department that makes things roll and
operate, and Angie does that behind the scenes.
And we all recognize it from our angle, and we all
know the things that you do and other people don't
see, and we really truly appreciate it. Thanks.

CHAIRMAN KOHN: Okay. Angie, we got
that done. Okay. First item of business is the
consideration of the minutes from the February 28
meeting. Is there a motion to approve?

COMMISSIONER JAMISON: So moved.
COMMISSIONER NEER: Second.
CHAIRMAN KOHN: Angie.
MS. FRANKS: Commissioner Finney?
COMMISSIONER FINNEY: Approve.
MS. FRANKS: Commissioner Lombardo?
COMMISSIONER LOMBardo: Approved.
MS. FRANKS: Commissioner Neer?
COMMISSIONER NEER: Approved.
MS. FRANKS: Commissioner Jamison?
COMMISSIONER JAMISON: Approved.
MS. FRANKS: Chairman Kohn?
CHAIRMAN KOHN: Approved.
MS. FRANKS: By your vote, you've adopted the minutes of the February 28, 2018 meeting.

CHAIRMAN KOHN: Mr. Seibert.

MR. SEIBERT: First order of business, Mr. Chairman, is consideration of hearing officer recommendations. Mr. Bryan Wolford will present.

MR. WOLFORD: Good morning, Mr. Chairman, Commissioners, Mr. Director. For your consideration, the matter of Raymond Jean. It's Resolution No. 18-013. Mr. Jean is employed as a lead security officer at Argosy Casino.

On June 25, 2016, the Commission initiated an investigation into an unsecured cash box with two locks on it that was left on the casino floor. The investigation revealed that Mr. Jean, along with Security Officer Pettyjohn, were performing their end of shift count and sweep, security sweep of the count room, the main bank and also the man trap.

During this time, one of the main bank employees showed a broken security box to both security officers. The box was empty, but the locks on it -- the box itself was not functional
and it couldn't be used.

Mr. Pettyjohn picked up the broken cash box. He showed surveillance through the camera that it was empty and that the locks were broken, and they both proceeded with their sweep. The licensee, Mr. Jean, completed his sweep of the main bank area, and Pettyjohn was in the man trap checking the trash.

Mr. Jean left, and Mr. Pettyjohn then took the bag of trash and the cash box and exited the man trap into an unsecured area of the casino, basically the game floor. He set the box down, set the trash on top of it, and walked away. He did not notify the Commission at that time that there was an unsecured box and the proper procedures were not followed.

Their internal controls, particularly G, section 103, that states that locks for drop devices shall be maintained in a locked compartment in a secure location as identified in the internal controls. And the reason for this is if these locks are unsecured and a patron or somebody has access to them, they could get at any lock of the casino. So any locks that are unsecured would require that every lock in the casino thereafter be
changed.

At the hearing Mr. Jean testified that he went to the man trap of the main bank with Mr. Pettyjohn. He saw the cash box and was informed that it was broken. After performing his final security sweep and inspection of the counting room, he testified that he left and Mr. Pettyjohn remained.

The Commission's agent, Corporal Pitts, testified that Mr. Jean was responsible for the final sweep of the area and that he knew the locks on the box were broken after he left the area. He also reiterated that had the locks been taken off the property, then every lock on a casino cash box at that facility would need to be replaced.

However, upon cross-examination Corporal Pitts testified that Mr. Jean would not have known that the cash box and locks went outside of the man trap into the unsecured area.

Based on the evidence presented, the hearing officer finds that Mr. Jean did not violate Missouri gaming law and recommends that the one-day suspension proposed be vacated and set aside. Be happy to answer any questions.
CHAIRMAN KOHN: Any questions of Mr. Wolford? Is Mr. Jean here or a representative of Mr. Jean?

Okay. Is there a motion with respect to Resolution 18-013?

COMMISSIONER LOMBARDO: Motion to approve.

COMMISSIONER NEER: Second.

CHAIRMAN KOHN: Discussion on the motion?

COMMISSIONER JAMISON: I've got a question. Is the resolution to vacate the -- to vacate it? That's his recommendation?

MR. GREWACH: Correct.

COMMISSIONER JAMISON: And that is the resolution?

MR. GREWACH: The resolution is to affirm the hearing officer's recommendation. It would vacate the one-day suspension.

COMMISSIONER LOMBARDO: That was my understanding.

COMMISSIONER JAMISON: That was mine, too, but I just wanted to make sure.

CHAIRMAN KOHN: Any other discussion?

Angie.
MS. FRANKS: Commissioner Finney?
COMMISSIONER FINNEY: Approve.
MS. FRANKS: Commissioner Lombardo?
COMMISSIONER LOMBARDO: Approved.
MS. FRANKS: Commissioner Neer?
COMMISSIONER NEER: Approved.
MS. FRANKS: Commissioner Jamison?
COMMISSIONER JAMISON: Approved.
MS. FRANKS: Chairman Kohn?
CHAIRMAN KOHN: Approved.
MS. FRANKS: By your vote, you've adopted Resolution No. 18-013.
CHAIRMAN KOHN: Mr. Wolford.
MR. WOLFORD: Mr. Chairman, for your consideration, the matter of Zachary Merriman, Resolution No. 18-014. Mr. Merriman is employed at Harrah's. However, this incident occurred at Ameristar.
On January 5th, 2017, the Commission boat agent was notified by casino security of an intoxicated patron who was refusing to leave the casino. Mr. Merriman was that intoxicated patron. He was visibly intoxicated, showing obvious signs of intoxication, including bloodshot eyes, strong odor of alcohol, slurred speech and inability to
stand. The staff had requested that he leave the premises, but he refused.

The commission boat officer requested that he leave the premises, but again he refused. And this went on for about seven minutes. He was belligerent and uncooperative with both casino staff and with the commission agent, and he used profane language. When asked, he refused to provide his employer information as well.

Eventually he was taken into custody for trespassing, and during the course of the arrest, he did resist his lawful arrest by the commission boat agent. Trespass, of course, is a Missouri statutory misdemeanor where someone knowingly, in this case knowingly remains unlawfully upon a structure or real property. He was asked to leave, seven minutes he was asked to leave and he refused to do so. He did subsequently enter a guilty plea to the trespass charge.

As a licensee, even though he wasn't on the clock at his own facility, he did have a duty to follow Missouri gaming laws and regulations, including ensuring that intoxicated patrons were not on the gaming floor, and that includes himself as an intoxicated patron.
He also had the duty to follow the lawful directives of the commission boat agent, which he did not do. His stubborn refusal to leave the casino and to obey the lawful requests of casino staff and the boat agent resulted in his criminal trespass. At hearing he displayed no accountability for his conduct and instead he accused the Commission's boat agent of improper conduct.

The hearing officer finds that he is subject to discipline and recommends that the revocation be affirmed as proper and appropriate discipline.

CHAIRMAN KOHN: Questions of Mr. Wolford? Okay. Is Mr. Merriman here or a representative of Mr. Merriman?

All right. Is there a -- is there a motion with respect to Resolution 18-014?

COMMISSIONER JAMISON: Move for adoption.

COMMISSIONER FINNEY: Second.

CHAIRMAN KOHN: Discussion on the motion? Angie.

MS. FRANKS: Commissioner Finney?

COMMISSIONER FINNEY: Approve.
MS. FRANKS: Commissioner Lombardo?

COMMISSIONER LOMBARDO: Approved.

MS. FRANKS: Commissioner Neer?

COMMISSIONER NEER: Approved.

MS. FRANKS: Commissioner Jamison?

COMMISSIONER JAMISON: Approved.

MS. FRANKS: Chairman Kohn?

CHAIRMAN KOHN: Approved.

MS. FRANKS: By your vote, you've adopted Resolution No. 18-014.

CHAIRMAN KOHN: Mr. Wolford.

MR. WOLFORD: Mr. Chairman, for you consideration, the matter of Christopher Le, Resolution 18-015.

I will say at the start that this is a fairly fact-intensive presentation, and if at any time Commissioners have any questions, please stop me and I'll be happy to answer those.

Mr. Le is a shift manager at the Ameristar Casino. The incident occurred on February the 10th, 2017, and the Commission began an investigation into the incident on February 19, 2017. The Commission was investigating whether funds were improperly paid to patrons from the -- from the casino pot account.
So this involves a game of Dragon Mini Baccarat, and Mr. Caleb Scott was dealing at a table when he accidentally flipped over a card to one of the patrons, partially revealing it to where the patron, other patrons at the table could see what the card is. However, in the grand scheme of things, whether a card is revealed or not really has no bearing on the outcome of the game of Mini Baccarat.

The patron looked at his face-down card and then complained to the dealer that basically he wanted to call a misdeal on the incident. Upon further investigation, his face-down card was an ace. The partially revealed card was an ace. Two aces is not a good hand to have in Mini Baccarat. So you can see why the patron was wanting to do anything he could to get this hand nullified.

The dealer called supervisors over to the pit to investigate the incident. There were a total of three supervisors besides Mr. Le who responded. The first was Francisco Santiago. He listened to both sides and made the decision that the hand would be played out. The patron continued to complain, and supervisors Jason Cook and Donald
Bills showed up, and they gave the similar opinion that the hand should be played out. This is not -- this doesn't warrant a push in this case.

The patron then requested a higher supervisor to intervene because he wasn't getting the result that he believed he should have. Mr. Le was then called over to the table. Mr. Le began his investigation and declared that the hand would be a dummy hand, which means that the hand plays out but nothing wins and nothing loses. At the end of a dummy hand, all players receive their wagers back. At this point the wagers on the table amounted to approximately $1,500.

In Mr. Le's investigation, he was not aware of the fact that the patron had looked at his face-down card. He also failed to contact surveillance to see whether or not the patron had looked at the card. When Mr. Le made his decision, the only staff present were the dealer, Mr. Scott. The other supervisor, Mr. Bills, was standing by, and then Mr. Le was also there. Mr. Cook and Mr. Santiago had left.

COMMISSIONER JAMISON: I've got a question. Did the -- it's Mr. Le. Did Mr. Le know that the other three supervisors had already said
MR. WOLFORD: Yes, he did.

COMMISSIONER JAMISON: And when you said his investigation didn't determine that the card had been looked at, what investigation did he do if he didn't ask that question?

MR. WOLFORD: Mr. Le is here and I will defer that to him during his presentation. Based on the evidence presented at hearing, he talked to the patron and the dealer, Mr. Scott, to find out what happened.

When all of the supervisors were coming to this incident, they all looked at it with fresh eyes. That is, after Mr. Santiago left, Mr. Cook didn't go to Mr. Santiago and ask him what happened. He asked the patron, the table players and the dealer what happened.

COMMISSIONER JAMISON: Okay.

MR. WOLFORD: The reason this is before us is because the internal controls in D 2.01 states that chips may only be added or removed from the table inventory under some expressly stated circumstances, and essentially refunding the bets to players after a hand plays out would not qualify as one of those
circumstances.

And the purpose of that is, once the chips go into the table inventory, they're considered casino assets and they are subject to taxation under the gaming laws. And in this case the Commission was alleging that the wagers that were returned to the patrons were not properly counted in the table inventory and, therefore, the tax was not paid on those.

At the hearing Mr. Le testified that he called the hand a dummy hand before it was played out. He said he approached the table and announced nothing wins, nothing loses, and waved his hand over the table in a motion like this (indicating).

He did admit that he was unaware that the patron had looked at the face-down card, and he said that if he had known that, he would have let the hand play out.

COMMISSIONER LOMBARDO: Mr. Wolford, he declared it a dummy hand. Was that before or after he had received input from his supervisors?

MR. WOLFORD: I'm sorry. Mr. Le is the highest authority supervisor here, and he did not speak with the other supervisors in the chain.
He spoke --

COMMISSIONER LOMBARDO: Because I understood these other supervisors weighed in on it, Santiago and --

CHAIRMAN KOHN: They were under him.

COMMISSIONER LOMBARDO: They were under him?

MR. WOLFORD: Yes. They had all made the determination, and it kept escalating up the chain until the patron got to the highest up supervisor, which was Mr. Le.

COMMISSIONER LOMBARDO: Okay.

MR. WOLFORD: The Missouri commission agent, Master Sergeant Fitzgerald, testified that he believed that Mr. Le had not called the hand a dummy hand until after it had played out. He said that Mr. Le took these losing wagers and paid them back to the patrons. Again, that would negatively affect the table inventory and the taxation.

COMMISSIONER JAMISON: I have a question. Were any of the players at the table have winning hands?

MR. WOLFORD: I don't believe so.

COMMISSIONER JAMISON: So everybody at the table would have lost?
MR. WOLFORD: Correct. The boat agent also said that he didn't believe the dealer Scott's statement that nothing wins, nothing loses means that the hand was a push.

There was a surveillance video entered into evidence, and the hearing officer did examine the video actually in depth. At time stamp 4158 it shows Scott, the dealer, having a conversation with someone off camera in the area of where Mr. Le came from. And this is after Santiago had already left and Mr. Cook and Mr. Bills was standing back. Then you could see Mr. Le arriving on camera at time stamp 4210, and he gestures towards Scott with his hands. The only other casino employees at the table at that time were dealer Scott, Mr. Le, and then Mr. Bills was kind of standing between them.

At time stamp 4215, five seconds later, dealer Scott makes a waving gesture with both of his hands over the playing surface and begins to complete dealing the hands, and he deals the hands face up. It's interesting to note, in the rules of Mini Bacc, dummy hands can be played face up or face down. There's no requirement of preference either way.
At time stamp 4223, Mr. Le makes the same hand gesture over the table. The hand concludes 20 seconds later at 4243 with all the patrons receiving their wagers back from the table.

The statements of dealer Scott and supervisor Bills were also entered into evidence without objection. Dealer Scott states that Mr. Le did indeed call it a dummy hand, but he was not a hundred percent certain whether that occurred before or after the hand played out.

Supervisor Bills did state that the dummy hand was not called until after the hand played out. However, neither dealer Scott nor supervisor Bills were presented for hearing in order to examine and cross-examine their testimony.

So in this case, Mr. Le --

CHAIRMAN KOHN: Who makes those decisions whether or not any other witnesses appear?

MR. WOLFORD: Each side decides on what witnesses they choose to call.

CHAIRMAN KOHN: So the Gaming Commission chose not to have these other involved people testify?

MR. WOLFORD: Essentially neither the
Commission nor Mr. Le brought those parties to testify, correct.

COMMISSIONER JAMISON: But there were statements from them that were entered as evidence in this hearing?

MR. WOLFORD: That's correct. It was all part of the gaming report.

COMMISSIONER JAMISON: So there was a written statement testimony entered but not a cross-examination of that statement?

MR. WOLFORD: That's correct.

COMMISSIONER LOMBARDO: And because this is an administrative hearing, you can take that kind of evidence. It's not like a court of law where you have hearsay, correct?

MR. WOLFORD: Correct. However, I will note that, as the hearing officer, I give different weight to the evidence whenever the person making the statement's not available for cross-examination.

Mr. Le had became involved after all the other supervisors didn't give this patron the result he wanted. The party who actually reported this incident to the Commission was Supervisor Santiago, and he was not present at the table at
the time that Mr. Le made the decision to call the
hand a dummy hand. Mr. Le did say that his
subordinate supervisors were not happy with his
decision. They believed he made the wrong call in
that as well.

The surveillance video shows Mr. Le
and Mr. Scott both making the waving motion before
the hand is played out. Mr. Scott makes the
sweeping gesture over the table. It is worth
noting that the dealer, Mr. Scott, again placed the
hand with the cards face up, which is an option for
dummy hands.

Ultimately, Mr. Le made the incorrect
decision according to the rules of the game. He
should have made the hand play out, and the wagers
would have been lost and counted in the inventory
as casino assets and subject to tax.

He also didn't do a thorough
investigation in that he should have called
surveillance, he should have looked at the video,
he should have seen the card flip and the patron
look at his hidden card.

That's not why we're here today. The
issue is whether casino assets were improperly paid
out, that is whether losing wagers were improperly
paid out. And because the hand was called a dummy hand before it played out, the wagers on the table were not losing wagers. Under the rules of Mini Bacc, they go back to the patrons. Nothing wins. Nothing loses. They were never part of the table inventory to begin with. Therefore, there was no adverse impact on the casino's adjusted gross revenue in this instance, and Mr. Le didn't violate the mix.

Therefore, the hearing officer finds that Mr. Le committed no violation of law and recommends that the 30-day suspension be vacated and set aside.

COMMISSIONER JAMISON: I've got a -- I think this is a technical question. You say that he incorrectly called the dummy hand, and so that would infer to me that the dummy hand shouldn't have been called.

MR. WOLFORD: Correct.

COMMISSIONER JAMISON: If the dummy hand wouldn't have been called or shouldn't have been called, those assets would have been the casino's?

MR. WOLFORD: If the hand would have played out, they would have been casino assets.
COMMISSIONER JAMISON: If the correct decision was made, the hand would have played out and they would have been casino assets?

MR. WOLFORD: Correct.

COMMISSIONER JAMISON: So I guess I'm a little lost in this part that says he did the wrong thing, but since he did the wrong thing, he didn't do anything wrong.

MR. WOLFORD: He made an incorrect call, but --

COMMISSIONER JAMISON: That would be the wrong call.

MR. WOLFORD: We give these supervisors and dealers the ability to, as the games are playing out -- it's no different than calling a misdeal in another game. Umpires miss calls sometimes. Here Mr. Le missed the call.

I don't believe it rose to the level of violating what he was accused of violating, which is paying losing wagers back to the employees (sic), because they never hit the till. They're not losing wagers. They would have been had he made the right call, but in this case they were never losing wagers.

COMMISSIONER JAMISON: So your
reference in it that he inadvertently made the
wrong call, but there was information that he could
have obtained to make the right call but he failed
to do that?

MR. WOLFORD: That's correct.

COMMISSIONER JAMISON: So I guess I'm
having trouble getting the leap from there were
things that he could have done or should have done.
Would those have been things that were protocol?

MR. WOLFORD: He's not accused of
making the wrong call. He's accused of calling it
a dummy hand after the hand was played. That's the
factual allegations against him.

COMMISSIONER JAMISON: Okay.

MR. WOLFORD: And in this case I
found that he called the dummy hand before it was
played out. Therefore, they were never losing
wagers to begin with. So that's -- I'm not so much
hung up on did he blow the call or did he not blow
the call. It's the factual allegations against
him, that he called the dummy hand after the hand
was played out and the results were already
determined.

COMMISSIONER JAMISON: So you're
saying the fact that he called the dummy hand prior
to is the significant point in this?

MR. WOLFORD: Correct.

COMMISSIONER LOMBARDO: And there was conflicting testimony on that, but you've made the finding that he called the dummy hand before the hand played out?

MR. WOLFORD: That's correct. And I based my decision off of watching the security video and then comparing the other statements that were into evidence, and I could see in the video there are hand motions being done by Dealer Scott and by Mr. Le before the hand is played out.

COMMISSIONER LOMBARDO: So in your opinion, the surveillance video is the key piece of evidence and it breaks the tie between the conflicting testimony?

MR. WOLFORD: I believe so, yes.

CHAIRMAN Kohn: Any other questions of Mr. Wolford?

COMMISSIONER JAMISON: No, sir. I appreciate the explanation.

CHAIRMAN Kohn: Let me just make a statement about process here. We have another one coming up, another matter coming up, in fact it's the next one, where there's also a difference of
opinion between hearing examiner and the Commission's recommendation. I'm going to ask the Commissioners before we vote on either of these whether or not we want to go into closed session to discuss. So let's hold up -- we'll go ahead and finish up the Le matter now but not vote on it until after we have talked about the next one as well. So any other questions of Mr. Wolford?

Is Mr. Le here or a representative of Mr. Le?

MR. LE: Yes, sir.

CHAIRMAN KOHN: Mr. Le, did you want to make a statement, address the Commission? Please identify yourself for the record.

MR. LE: I'm Christopher Le. The reason I'm here, I just want to make sure that the call that I made is way before the hand was played out, so there's no win, no loss, before the hand was completely played out.

CHAIRMAN KOHN: One minute. Are there any questions of Mr. Le?

COMMISSIONER JAMISON: No, sir.

COMMISSIONER LOMBARDO: No.

CHAIRMAN KOHN: Thank you very much for coming down here this morning.
Ms. Kerr, do you have any statement for the Commission?

MS. KERR: Yes, I do. Thank you.

Good morning.

The Missouri Gaming Commission staff disagrees with the hearing officer's decision not to impose any discipline against Mr. Le's occupational gaming license. Our position is that Mr. Le did not meet his burden that no discipline should be assessed against his license and that a 30-day suspension should be imposed for those violations.

There's been a lot of discussion at the hearing and today and in the hearing officer's proposed order about when Mr. Le called the dummy hand. That issue is not relevant to the outcome of this case. What is relevant is that Mr. Le failed to follow the casino rules of the game.

For every table game we require that the rules of the game be filed with the Commission in the casino's internal controls or ICS, I-C-S. We also require the casino to conduct the game according to those rules. The rules of Mini Bacc, which are in your materials as well, or they're listed in the preliminary order, have no reference
to a dummy hand and no provision for procedural errors that would allow the dealer or manager to cancel or push bets already placed on the table. Nothing in the rules, no instructions by the Commission allow losing wagers to be refunded to players. Nothing in the rules of the game make mention of a dummy hand or what to do if there is a discrepancy or a procedural error.

The rules of Mini Bacc are relatively simple. The players place their bets on what hand they think will win before the cards are even dealt. They either put it on the player, the banker or a tie. It's important to note there's no strategy in Mini Bacc. Once the dealer starts dealing the cards, players make no decisions, make no actions.

The dealer deals the cards face down, but there are ways so that the players might be able to see the cards when they're dealt. But whether they see the cards or not, it doesn't have any effect on the outcome of the game.

Now, in this case the procedural error by this dealer was that the first card flipped up so that he could see the card. Like I said, that does not affect the outcome of the game.
because that outcome is determined as soon as they place their bets and the dealer starts dealing.

COMMISSIONER FINNEY: Can I ask a question?

MS. KERR: Yes.

COMMISSIONER FINNEY: Then why do they deal them down? Why not just deal them face up if it doesn't make a difference?

MS. KERR: They could deal them face up. I think it's just the way the game's played, superstitions, just...

COMMISSIONER FINNEY: Okay.

MS. KERR: The rules of the game don't -- it's just how they do it.

Now, when Mr. Le arrived at the table, all that was left to do was turn the cards over and see whether a third card needed to be dealt or not. Whether or not the third card needed to be dealt is predetermined by the rules of the game. Nobody makes a decision. You look at the rules of the game, and if there are a certain number of cards, the cards add up to a certain number, you draw a card. If they don't add up to a certain number, you don't draw a card. It's all determined by the rules of the game.
So, therefore, Mr. Le had no reason to call a dummy hand at any point in the game. It didn't matter if he called the dummy hand before the cards were dealt or after they were finished being dealt. He also had no reason to refund the players' wagers after the hand ended and they apparently lost.

As the hearing officer had said, once the bets were made, they were in the table bank and they shouldn't have been refunded out of that.

So now as background, and it's also outlined in the narrative, this case was preceded by a series of incidents in December of 2016 where Mini Bacc players were being refunded their losing wagers after they alleged procedural errors in the dealing of the game.

The casino officially received a notice of investigation in December 2016 notifying management of the problems and that refunding wagers from the table chip tray violated our regulations. They were also noted for violating the minimum internal controls and the casino internal controls in that notice of violation.

The casino was in discussions with the Commission during this investigation leading up
to that NOI being issued, and upon receiving the
notice of the violations in early December, the
casino met with MGC staff. And it is noteworthy to
note that in the original investigation there was
one incident that involved Mr. Le, and that was the
one on December 13th, 2016.

So prior to February when this
incident occurred, the casino table games personnel
were also coached on how to handle those issues at
Mini Bacc when the patrons complain about a
procedural error that doesn't affect the outcome.
And as a table game shift manager, Mr. Le was one
of those team members that was involved in what to
do when this happens.

So then this incident happened on
February 10th, 2017, and that was brought to the
investigator's attention. Lieutenant Fitzgerald
investigated what happened that evening and added
it to a supplement to his original investigative
report, and that's all in the Exhibit 3 that was
entered into evidence at the hearing.

He determined the dealer and the
other supervisors arriving at the table got it
right and Mr. Le got it wrong. Mr. Le indicated
during his interview with Lieutenant Fitzgerald and
in his testimony at the hearing that his decision at the game was based solely on customer service. That kind of decision pushing losing bets back when the players complain and there's no effect on the outcome based on customer service was the problem that the Commission discussed with the casino in December. That was the basis of that first NOI, and that resulted in the casino being disciplined.

But to the extent that the Commission finds that the timing of the called hand is determinative in this case, several facts in the record refute this. First of all, if Le had called the dummy hand before the hand played out, why not let the players take their bets back at that time? If it didn't matter, they could have the wagers back. It was a dummy hand. It didn't count. They get their wagers back. But that's not what happened.

In fact, if you -- the players were instructed to keep their -- keep their bets on the table. When one of the players went to grab his bet, he was waved off and he couldn't grab his bet until the hand was finished. So that is another thing that indicates that Mr. Le indicated, as
everybody else did, that the hand plays out.

So then after all the cards are turned over and the players saw that they all lost, the players -- the players became upset and complain again. And when it appears that their bets would be collected, everyone stops and looks at Mr. Le. The dealer, the players, all stop and look at Mr. Le to find out what to do next, and it's at that point that Mr. Le says go ahead, push the bets, give the wagers back.

And so if you -- based on the testimony and the video and the written evidence that's in the record, it indicates that Mr. Le waited until the hand was over before he pushed the bets, which was not according to the rules of the game and went back to the directive that they got that they shouldn't be refunding players' wagers out of the table bank tray.

So based on that, the MGC contends that Mr. Le's occupational license is subject to discipline. The staff recommended 30-day suspension. We ask that the Commission reject the hearing officer's proposed order and impose the recommended discipline of 30 days.

CHAIRMAN KOHN: Is there any
questions of Ms. Kerr?

COMMISSIONER JAMISON: I've got a couple questions. You're saying in the rules that there is no provision for waiving off of a hand if a card is -- if there's a procedural error?

MS. KERR: Correct. There's nothing in the rules of Mini Bacc that defines a dummy hand or that defines what a discrepancy in dealing would be or what to do if there is a discrepancy.

There's nothing in the rules that say that.

COMMISSIONER JAMISON: And is that because there's no outcome changes with the procedural error?

MS. KERR: I'm not --

COMMISSIONER JAMISON: I mean --

MS. KERR: -- sure if that's why, but the casinos are required to submit their rules of the game to the Commission for us to approve of before they play the game, and those are the rules that were submitted and approved.

COMMISSIONER JAMISON: Okay.

COMMISSIONER LOMBARDO: Which rule did he break? I mean, I know it's in the text here, but --

MS. KERR: Chapter C, minimum
internal controls of the Ameristar Casino. It's Chapter C, rules of the game for Mini Bacc. And then he also -- we also cited Chapter D for when he refunded the wagers back when the hand was over, but --

COMMISSIONER NEER: So it's more an issue of refunding the bets as opposed to the way he called the game?

MS. KERR: Well, it's both. I mean, he --

COMMISSIONER NEER: You said in the rules of Baccarat, there's no rule in there written that affects this specific action.

MS. KERR: Well, if there is no rule, he can't do it. So he did violate the rules of the game, and by violating the rules of the game, that is a violation of our rules.

COMMISSIONER LOMBARDO: There's a lot of material in here about what I would call some kind of greater investigation regarding paying back bets over what I'll call technical reasons.

MS. KERR: Right.

COMMISSIONER LOMBARDO: And I think you indicated that Mr. Le was involved on a previous matter, but I can't wade through all this
stuff and find out exactly what the previous matter was.

MS. KERR: It's in the narrative portion of Exhibit 3.

COMMISSIONER LOMBARDO: That was my mistake. I was reading through the previous material.

COMMISSIONER JAMISON: It's on page 110.

COMMISSIONER LOMBARDO: Thank you, Brian. There's only 188 pages.

COMMISSIONER JAMISON: I think it's 110 is the narrative report about the December.

COMMISSIONER LOMBARDO: So can you tell me specifically with regard to Mr. Le what the previous incident was?

MS. KERR: Yes. It's in the narrative portion of the gaming report. It's paragraph 6. And what happened is on that evening of December 13th, 2016, Mini Bacc table, the dealer failed to hand over a third card, banker card to the players prior to revealing his card. This was a procedural error in which the outcome was in no way affected. It didn't matter what that card was. And again, the refund was provided to the patron
from the table bank tray, negatively affecting the
AGR, for what was considered a customer service
issue and -- because the outcome was in no way
affected by the card or the timing of the reveal.

And that was -- that was the one in
which Mr. Le came in, was called in and provided --
refunded $2,200 in bets back to the three players.
And again, this incident occurred after the casino
personnel, director of regulatory compliance and
assistant general manager had met with the Gaming
Commission and discussed this problem that we saw.

It's our understanding that the
people, the employees on the floor knew that that
was the directive not to -- if they were going to
refund the wagers, they were supposed to do that
out of the cage, not out of the table bank tray,
because that -- refunding out of the table affected
AGR. Because as the hearing officer said, once
bets were made and accepted, that's -- that money
is taxed.

COMMISSIONER LOMBARDO: So there were
a lot of incidents, but a number of them did not
occur under Mr. Le's supervision?

MS. KERR: Correct.

COMMISSIONER LOMBARDO: And had there
been any other disciplinary proceedings brought against individuals other than Mr. Le over this general problem?

MS. KERR: No. Just Mr. Le was recommended 30 days suspension, and the casino was fined $30,000 plus the tax assessment, and that was approved in the January meeting. So the casino was disciplined, and then Mr. Le was recommended to be disciplined.

COMMISSIONER LOMBARDO: But no other individuals --

MS. KERR: Correct.

COMMISSIONER LOMBARDO: -- out of all these incidents?

MS. KERR: Correct. But this--

COMMISSIONER JAMISON: But this incident occurred a couple of months after the rash of incidents, correct? Am I reading that right?

MS. KERR: Right.

COMMISSIONER JAMISON: This one occurred in February, are we talking?

MS. KERR: February 27th.

COMMISSIONER JAMISON: February 27. And this narrative talks about incidents that occurred in November and December, correct?
MS. KERR: Correct. And so we thought that that issue had been resolved, and then in February 2017 we get notified of this other issue that Mr. Le was involved in that didn't comply with any -- what they were -- what the casino was originally issued an NOI for.

COMMISSIONER LOMBARDO: Is the staff making any allegation that this is in some way malicious or is this just a mistake?

MS. KERR: I don't know that it's malicious, but it's not -- I wouldn't say that it's a mistake. I mean, he knew that -- he knows the rules of the game. He knows he's supposed to follow the rules of the game. Nothing in the rules of the game allow for him to do what he did.

And he also knew that -- or had been advised that if he was going to make a customer service decision to refund their wagers, he should have done that from the cage or the cashier rather than from the table bank tray. So he knew that he wasn't supposed to do what he did and he did it anyway. I mean, I don't know that I call it malicious, but I wouldn't call it just a mistake, a missed call or anything like that either.

COMMISSIONER LOMBARDO: Well, we fine
people for mistakes all the time.

MS. KERR: This is true. I mean --

COMMISSIONER LOMBardo: So that may not be a determinative question.

MS. KERR: It is a mistake. It's not, you know, I missed the call.

CHAIRMAN KOHN: Any other questions for Ms. Kerr?

COMMISSIONER FINNEY: I have one.

Ms. Kerr, just so I understand, you're saying that the timing of the call is irrelevant?

MS. KERR: Correct.

COMMISSIONER FINNEY: And you also said that there's no -- there's nothing in the rules for what to do in a case of a procedural problem; is that accurate?

MS. KERR: Right. There's nothing listed in the rules to describe what a discrepancy is or a dealing, a misdeal, and there's nothing in the rules that say what to do if there is.

COMMISSIONER FINNEY: So does that mean that there would never be a procedural issue in this particular game, or does that just mean that the rules don't address what to do if there is a procedural issue? Because my question is, are we
saying that there could never be a procedural issue
and that's why the rules don't talk about it, or is
it that there may be a procedural issue and the
rules are deficient in the sense that they don't
say what to do in that particular case?

   MS. KERR: If I might ask Ed, if I
could.

   COMMISSIONER NEER: Let me clarify.
I think I had the same question. There's nothing
in the rules that indicates what to do when there
is a misdeal?

   MS. KERR: Correct. And they are
required by our CSRs to submit game rules that
include what to do if -- to describe a discrepancy
and what to do if there is a discrepancy, and those
are not submitted.

   COMMISSIONER JAMISON: But I kind of
get back to the point of your point is, if they
want to waive off the hand and provide customer
service, it needs to come out of their pot, not off
the table wagers, is what you're saying?

   MS. KERR: Correct.

   COMMISSIONER JAMISON: But you're not
opposed to providing the customer service and
giving the money back, it should just come out
after it's been counted and not just wiped off the

table?

MS. KERR: Correct.

COMMISSIONER NEER: Out of the cage

as opposed to off the table?

MS. KERR: Yes.

CHAIRMAN KOHN: Difference between

pretax and after-tax dollars?

MS. KERR: Correct.

CHAIRMAN KOHN: Any other questions

of Ms. Kerr? Mr. Wolford, do you have anything

else?

MR. WOLFORD: Yes.

CHAIRMAN KOHN: You looked like you

might.

MR. WOLFORD: Right. I think I want
to make it clear in the record that the MICS,

Chapter D specifically says table inventory.

Wagers on a table are not table inventory until

they're taken in as losing wagers. So in that

case, when you call the hand a dummy hand before

the hand is completed and dealt out, they never hit

the till. They never become taxable.

COMMISSIONER JAMISON: Okay. I've
got a question. You've referred to this dummy hand
as it's a legitimate thing to be able to do.

MR. WOLFORD: Yes.

COMMISSIONER JAMISON: Do you see in the rules where it's a legitimate thing to do to call a dummy hand?

MR. WOLFORD: I see a reference that dummy hand can be played face up or face down. Ms. Kerr is right in that there is no definition of what a dummy hand is, but if you say how it can be played, presumably it exists or otherwise I expect a lot more notices of investigation will be coming through this office shortly.

COMMISSIONER LOMBARDO: Is there a common meaning for a dummy hand in the industry?

MR. WOLFORD: Yes. That would be a push.

CHAIRMAN KOHN: Mr. Le, we have another question for you. Would you come back up, please?

MR. LE: Yes, sir.

COMMISSIONER JAMISON: My question would be, where do you feel that you draw the authority for the decision to declare a dummy hand?

MR. LE: On the Mini Bacc game, when the issue has happened, like a mistake happen, and
we call it dummy hand prior to finish the hand. So if I finish the hand, then I won't call it a dummy.
We play the way it is. But on Mini Bacc, the dummy hand is -- when you make the dummy hand, you have to make it before the hand was played out, whether you draw the card or not. On this case, we drew on each side, usually only four card, but on this particular hand we had to finish the hand. On this particular game, it's not like a blackjack game.
When you deal the game, whether -- after the dummy hand, they continue to play. Otherwise you kill the whole entire shoe.

COMMISSIONER JAMISON: So you're playing the dummy hand to make sure that the right number of cards is drawn out of the shoe so that the next hand is the right -- in the right sequence. I get that part of why you play out the dummy hand.

MR. LE: Right.

COMMISSIONER JAMISON: My question is kind of, after what occurred in December, and you're familiar with that in December of '16?

MR. LE: When she asked me at the hearing, at the -- in Kansas City, I told her I don't remember that.
COMMISSIONER JAMISON: You don't remember that? You don't remember anything about not taking money off the table and taking it out of the cage for customer service? You don't recall any of that information?

MR. LE: In the past -- we done that in the past, but after --

COMMISSIONER JAMISON: Done what?

MR. LE: Like we take the money and if something happen, we give them back whatever they have. But since they had a new e-mail coming out, a new rule coming out saying we cannot take the money out from the tray, refund it to the guest. We had to get the money from the cage to refund to the guest.

COMMISSIONER JAMISON: And when did that e-mail come out?

MR. LE: I think sometime in December.

COMMISSIONER JAMISON: Of '16?

MR. LE: Yeah.

COMMISSIONER JAMISON: So you were aware that you weren't supposed to take money off the table?

MR. LE: Right. But on this
particular hand on February the 17, because just
because the money never hit the tray, we made the
dummy hand way before the hand was played out. So
the money never hit the tray.

COMMISSIONER JAMISON: Well, let me
ask you a question about that. When you say the
money never hit the tray, can a player handle his
money after he puts it on the table?

MR. LE: No.

COMMISSIONER JAMISON: Whose money is
it at that point? Who controls the money until the
hand is finished?

MR. LEE: We control that.

COMMISSIONER JAMISON: So then you
have possession of that money at that time?

MR. LE: But the hand was not played
out.

COMMISSIONER JAMISON: I understand
that. The question is about who is the money --
Mr. Wolford is making the assertion that it's still
their money before it's drawn into the -- I'm just
telling you what Mr. Wolford is saying, that it is
never money that's entered into the casino. He's
saying it's money that's sitting on the table. So
his assertion is all money sitting on the table
still belongs to the bettor.

MR. LE: We don't --

COMMISSIONER JAMISON: But you don't feel that way because that bettor can't touch his money again, right?

MR. LE: Right. Once you put your money there, you can't touch it.

COMMISSIONER JAMISON: It's the casino's?

MR. LE: That's the casino's. You cannot touch it.

COMMISSIONER JAMISON: So there is a difference between Mr. Wolford saying it's not the casino's money and you saying it is the casino's money?

MR. LE: At this moment, before the hand would play out, there is nobody's money.

COMMISSIONER JAMISON: Well, it's somebody's money. It's not nobody's money.

MR. LE: I mean I can't take the money until --

COMMISSIONER JAMISON: The hand is played out, but you're not letting them do anything with that money?

MR. LE: Right.
COMMISSIONER JAMISON: So you control it?

MR. LE: Right.

CHAIRMAN KOHN: I think the key is the difference between control and possession. The casino controls it but not necessarily possesses it.

COMMISSIONER JAMISON: That's the question.

CHAIRMAN KOHN: That's what he's saying.

COMMISSIONER JAMISON: I get it. I'm done.

CHAIRMAN KOHN: I think we've done enough. I'm going to suggest that we hold up voting on Resolution 18-015 until we hear the next matter and decide whether or not we want to go into closed session to discuss the Le matter or the Benedick matter or both. So Mr. Wolford, we're ready for Benedick. Thank you, Mr. Le. That's all.

MR. WOLFORD: For your consideration, the matter of Amanda Benedick. It's Resolution No. 18-016.

Ms. Benedick serves as the Internal
Communications Manager for Pinnacle Entertainment.

This incident occurred on February the 10th, 2017 at River City Casino. On that date, the Commission's boat agent was contacted by surveillance about a casino employee in the back of the facility without displaying her casino access badge or her occupational gaming license.

The investigation revealed that at approximately 10:34 a.m. that morning, Internal Communications Specialist Jason Brendell (phonetic) let Ms. Benedick into the back of the casino facility through the doors by the main bank even though she did not have her access badge or her gaming license. A security officer saw her in the hallway later on without her badge and contacted surveillance, which contacted the Commission at that point.

She told the security officer initially that she left her badges in her office, although subsequently they were not located in her office and they were not located in her vehicle. She did call Mr. Brendell before she entered the casino at approximately 10:30 and told him that she didn't have her badges and asked him to let her into the building anyway, which he did.
Then after the investigation had begun, she texted Mr. Brendell and said, if asked, you can say you just happened to be coming out when I came in. Don’t want you to get in trouble for letting me in. She admitted to asking Mr. Brendell to let her in the building. She also admitted to asking Mr. Brendell to lie on her behalf.

She failed to disclose pertinent and truthful information at the outset and made inconsistent and misleading statements to the boat agents, Trooper Spoiler and Sergeant Hourihan during the investigation of the incident, although she did rather quickly change her tune and become truthful with the Commission.

At the hearing she admitted all the factual allegations against her and stated what she did was wrong. She stated that she had served a 30-day suspension from her employer, and her request was not that we find no violation occurred, but that the Commission reconsider its proposed suspension.

Of course, under the Code of State Regulations, at 11 45-4.410 all employees and occupational licensees while they’re on the facility on the clock have to have on their
possession displayed their casino-issued access badges, and she did not in this case.

So the hearing officer did find that a violation occurred and that Ms. Benedick is subject to discipline. She requested reconsideration of the preliminary order for 90 days. The hearing officer reviewed the violation reports from similar situations that were submitted in the packet and noted that in some of these cases licensees have received discipline for failure to present their ID badges ranging anywhere from a simple compliance directive all the way to revocation.

So I kind of had the whole scale here to look at and see through. So what I did was I weighed some aggravating and mitigating factors. Certainly as an aggravating factor she was not honest at the outset. She asked another employee basically to lie. However, that was rather short-lived, and when confronted by the boat officers, she quickly turned around and became truthful.

As a mitigating factor, she was truthful at hearing, and she had served 30 days suspension with her employer. She was very
cooperative. Therefore, the hearing officer did find that her conduct is serious and it does warrant discipline. However, I didn't believe that 90 days was appropriate under the circumstance, and would ask that the Commission vacate the 90 days and impose a 30-day suspension as proper and appropriate discipline.

CHAIRMAN KOHN: Mr. Wolford, how did the first 30-day suspension, was that by the casino?

MR. WOLFORD: Correct. That was leave without pay from her employer. Ms. Benedick is present, so she can explain that more.

CHAIRMAN KOHN: But we were not involved in that?

MR. WOLFORD: We weren't involved with that, and she wouldn't get credit for time served, so to speak.

COMMISSIONER LOMBARDO: That was my question, concurrent or consecutive.

MR. WOLFORD: Correct.

CHAIRMAN KOHN: Any other questions of this witness?

COMMISSIONER LOMBARDO: No. That got right to it.
CHAIRMAN Kohn: Any other questions for Mr. Wolford?

COMMISSIONER FINNEY: Just one. Mr. Wolford, you said she had a change of heart and started to be truthful. Was that because she was -- they had her anyway or was that because --

MR. WOLFORD: I think it's human instinct. We all want to try to cover our backs at the outset, but she did. And it was at the casino, at the interview with the trooper she started coming around at that point after she had initially lied.

COMMISSIONER FINNEY: That was after they let her know that they had the goods on her, so to speak, and then she comes around or was that -- do you see my question?

MR. WOLFORD: Yeah, I understand what you're saying. It was early in the process. I can't say for certain from my memory whether they showed the surveillance video and said, look, here he is letting you in, but it was early in the proceeding.

COMMISSIONER FINNEY: Thank you.

CHAIRMAN Kohn: Any other questions for Mr. Wolford?
Ms. Benedick is here?

MS. BENEDICK: Yes.

CHAIRMAN KOHN: Did you have anything you wanted to address the Commission with?

MS. BENEDICK: I would, please.

CHAIRMAN KOHN: Would you identify yourself for the record, please.

MS. BENEDICK: Yes. Amanda Benedick, Internal Communications Manager with Pinnacle Entertainment.

Good morning. I'm here for two reasons: One, to acknowledge the severity of my actions, and two, to personally apologize to the Commission, to Sergeant Hourihan and to my employers.

The incident in question, I was dishonest. I was trying to protect somebody who was also involved in this, and I stepped out of character and I lied, and I'm so ashamed of that action. I'm embarrassed by the time and energies that have been spent on this matter on my behalf. I truly wish I could step back and have followed Sergeant Hourihan's directive, given him my trust and been honest from the get go. We would not be here today. And for that I am truly sorry.
I do not feel this is indicative of my -- who I am and my personality. I understand the reflection it has on me, and I can assure you this is not behavior you will see again in the future. Thank you.

CHAIRMAN KOHN: Thank you, Ms. Benedick. Any questions?

COMMISSIONER LOMBARDO: You have a hand.


COMMISSIONER FINNEY: What do you think would be a fair disposition in this matter given your recent -- your testimony right now?

MS. BENEDICK: That's a good question. I feel the 30 days that I have served was time well spent reflecting on my actions and the decision I made. I can assure you it was punishment and realizing this will never be something I'll ever do again.

COMMISSIONER FINNEY: Thank you.

CHAIRMAN KOHN: Anything else for Ms. Benedick? We'll get to you in a second. Ms. Kerr, anything?

MS. KERR: Yes. I just want to make
a few points. Chairman, Commissioners.

Ms. Benedick was an upper level manager, and she lied to -- she lied to the security officer, surveillance at the casino, the surveillance or casino personnel, and she lied to the Missouri Gaming Commission.

Her initial statement to us was a lie. It was only after the initial -- after her written statement and after she was confronted with the fact that basically we know you lied to the surveillance personnel, we know you lied to security, you're lying to us now, that she turned around and admitted that she had been untruthful to the Gaming Commission.

She also -- at some point during the investigation she did -- she sent a text to her subordinate, the person that she had called earlier to let her in, and told him, if they ask, just say you let me in. So basically she -- not only did she -- was she untruthful to the Commission, she tried to get a subordinate to cover for her, to lie for her. He did not, and so he did not get any discipline.

But it's because of these facts that the Commission does not believe that the hearing
officer's proposed discipline is sufficient and that the Commission's recommendation of 90 days suspension should be upheld.

CHAIRMAN KOHN: Any questions of Ms. Kerr?

Okay. I assume you're Ms. Benedick's employer?

MR. WALKOFF: I am.

CHAIRMAN KOHN: You may come up.

MR. WALKOFF: Thank you. Thank you very much. My name is Neil Walkoff. I'm Executive Vice President of Operations. I'm based out of St. Louis. Previously I was General Manager of River City, and I began my career at Pinnacle of River City in 2010.

I've worked with Amanda for over seven years now, and there's no disputing that Amanda used very, very poor judgment. That's not under debate, and it's something that's unequivocal and we understand that. I can tell you that this is not indicative of Amanda's character. She very much cares about making the right decisions, and up until this incident she's always acted with the highest integrity, very much cares about people, very much cares about being truthful, but used
very, very poor judgment in this instance and clearly she understands that.

On behalf of Pinnacle and Amanda, we apologize to Sergeant Hourihan. We apologize to the Commission. As a matter of fact, we made the decision with Amanda to suspend her without pay for 30 days in July. Recognizing that this is something that's significant and fair, we think that -- we believe that the 30 days that she spent unpaid suspension is fair for this incident, knowing that she has no past behavior of this, and we have seen witness -- if we felt that she had -- if this character she indicative of her behavior, she would not be with our company.

We don't believe that, and we ask that the 30 days that she served without pay be seen as significant and fair and we would just ask for your consideration.

CHAIRMAN KOHN: Thank very much. Any questions?

Okay. I will now ask the Commissioners whether you wish to go into closed session to discuss these two matters.

COMMISSIONER JAMISON: I'll move that.
COMMISSIONER LOMBARDO: I'll second.

COMMISSIONER JAMISON: I move for a closed meeting under Sections 313.847, Revised Missouri Statutes, investigatory and application records, and 610.021, subparagraph 1, Revised Missouri Statutes, legal actions, and subparagraph 14, records protected from disclosure by law.

COMMISSIONER LOMBARDO: Second.

CHAIRMAN KOHN: Angie.

MS. FRANKS: Commissioner Finney?

COMMISSIONER FINNEY: Approve.

MS. FRANKS: Commissioner Lombardo?

COMMISSIONER LOMBARDO: Approved.

MS. FRANKS: Commissioner Neer?

COMMISSIONER NEER: Approved.

MS. FRANKS: Commissioner Jamison?

COMMISSIONER JAMISON: Approved.

MS. FRANKS: Chairman Kohn?

CHAIRMAN KOHN: Approved.

Let me say a couple things. One, we will go into closed session, obviously, and we will also try and make it as speedy as we can because we've already spent an hour on these two matters and we've got several more important issues to take up. However, if I were sitting out there, I'd be
thinking, especially in the Le matter, the casinos deal with millions of dollars a year. Why are you spending all this time over $1,500? And let me tell you that I think it's more important than just the $1,500. There's some principles involved here, which have far-reaching effect beyond this particular incident, even possibly resulting in some additional rules that we may want to think about.

So yes, it's a relatively minor in the overall scheme of things issue, but this and Ms. Benedick's issue are both important, and so we will take the time to consider them and come back and vote on both of these and then go on with the other items. Thank you.

(A CLOSED SESSION WAS HELD.)

CHAIRMAN KOHN: Okay. We will resume our open session. Is there a motion with respect to Resolution No. 18-015?

COMMISSIONER FINNEY: I move to approve the adoption of the resolution amended to ten days.

COMMISSIONER LOMBARDO: Second.

CHAIRMAN KOHN: Discussion on the motion? Angie.
MS. FRANKS: Commissioner Finney?

COMMISSIONER FINNEY: Approve.

MS. FRANKS: Commissioner Lombardo?

COMMISSIONER LOMBARDO: Approved.

MS. FRANKS: Commissioner Neer?

COMMISSIONER NEER: Approved.

MS. FRANKS: Commissioner Jamison?

COMMISSIONER JAMISON: Approved.

MS. FRANKS: Chairman Kohn?

CHAIRMAN KOHN: Approved.

MS. FRANKS: By your vote, you've adopted Resolution No. 18-015 amended to ten days.

CHAIRMAN KOHN: Is there a motion with respect to Resolution 18-016?

COMMISSIONER FINNEY: I move to approve the adoption of the hearing officer's recommendation.

CHAIRMAN KOHN: Is there a second?

COMMISSIONER JAMISON: Second.

CHAIRMAN KOHN: Discussion on the motion? Angie.

MS. FRANKS: Commissioner Finney?

COMMISSIONER FINNEY: Approve.

MS. FRANKS: Commissioner Lombardo?

COMMISSIONER LOMBARDO: Approved.
MS. FRANKS: Commissioner Neer?

COMMISSIONER NEER: No.

MS. FRANKS: Commissioner Jamison?

COMMISSIONER JAMISON: Approved.

MS. FRANKS: Chairman Kohn?

CHAIRMAN KOHN: Approved.

MS. FRANKS: By your vote, you've adopted Resolution No. 18-016

CHAIRMAN KOHN: Thank you.

Mr. Seibert.

MR. McGRAIL: The next item is consideration of relicensure of a Class A license, and Troy Stremming will be making the presentation.

CHAIRMAN KOHN: Troy thought he was going to spend several days in Jeff City, didn't you?

MR. STREMMING: As little bit of time over at the Capitol as I have to, I will say that.

Good morning, Mr. Chairman. Good morning, Commissioners, Executive Director. My name is Troy Stremming. I'm Executive Vice President Government Relations and Public Affairs for Pinnacle Entertainment. Happy to be here today to present on behalf of Pinnacle for our Class A license renewal.
I have some colleagues here with me today as well. I'd ask that they stand as I mention them. Neil Walkoff, who you met earlier, our Executive Vice President of Operations. Ward Shaw, who is Vice President and General Manager of our Ameristar Casino - St. Charles property. Chris Plant is our Vice President and General Manager of River City Casino. And Julie Allen is Director of Regulatory Compliance for Ameristar Casino - Kansas City.

I know that you received our packet of information answering the questions that you had asked for electronically, and we have that same presentation with me here. And I'll just go through it briefly, and if you have questions, you'd like me to stop, please let me know. Otherwise, at the end I'll answer any questions you might have. And I'll try to get through it pretty quickly. I know you've had it in advance.

Our first slide here just shows the spectrum of Pinnacle across the United States. We have now approximately 16,500 team members company-wide in ten states. When you look at each of those properties, the numbers really start to add up. We have approximately 16 restaurants, over
4,800 hotel rooms, 124 restaurants, and over 24,000 gaming devices across the U.S.

Our next slide just speaks to the historical financial performance that Pinnacle has had from 2008 to 2017, and you can see from these graphs that 1.6 billion or 175 percent net revenue growth over that period, 545 million or 347 percent of EBITDAR growth, and nearly 11 percent point improvement in margin. So the graph there, thanks to some of these gentlemen that are here in the audience, they're going the right direction.

This page just speaks a little bit to historical debt and the cost of borrowing of our company. You'll see since 2008 the cost of borrowing is down from 7.9 percent in 2008 to 4.7 percent in 2017, and along with that debt is -- has went down substantially as well. You'll see that we had a high of $4.4 billion in debt in 2013. That number is down now significantly to just over $800 million. And obviously the GLPI transaction where we spun off the real estate had a huge impact on debt as well as cost of borrowing.

This slide just speaks to the evolution of Pinnacle just over the last eight years or so. You can see -- I won't go through
each one of those bullet points, but there are a couple that are significant to Missouri. In 2010 we opened the River City Casino in St. Louis, and in 2013 the acquisition of Ameristar Casinos and the properties in Missouri made a significant impact on the evolution of the company. And during that time we've grown from 7 properties to 16, and $1.1 billion in net revenue to approximately 2.6 billion in 2017.

As you would imagine, when debt goes down and cost of borrowing goes down and those other numbers that I showed you, that the share price performance is very positive. Since the spinoff on April 28th that I just spoke about of 2016, Pinnacle Entertainment share price has increased by 176 percent. So it continues to be moving in the right direction, and we're very pleased with that.

Wanted to speak just a moment about the economic impact in Missouri, and this page has both the employee compensation as well as taxes and local impact. I'll just speak to the year 2017 here, the most recent. In fiscal year ended June 2017, Ameristar St. Charles, Ameristar Kansas City and River City generated $210 million in tax
revenue and city lease payments to the state and
the home dock cities and 120 -- almost $127 million
in total employee compensation. So those numbers
really do add up having three properties in the
state of Missouri.

We're very proud of the fact that
with those revenues and EBITDAR, we continue to
reinvest in the properties in Missouri. The
capital in Missouri over the last few years has
been significant. You can see that almost
$40 million of capital has been invested in
St. Charles over that three-year period since our
last licensure, $30 million of capital invested in
Kansas City, and 16 and a half million invested in
River City. And just depending on the three-year
cycle that we're looking at, those numbers could be
different between the properties.

A lot of that stuff is just
maintenance capital, in addition to some of these
pictures that I will show you here. The properties
that might be in a cycle where they have more
significant maintenance capital, the number might
be higher. I know, for example, St. Charles and
Kansas City have had some significant maintenance
issues over the last few years as well.
But the things that we like to show the pictures of are obviously the things that continue to grow our business and draw guests into our property. In River City, Cibare Italian Restaurant opened over the licensure period. It has been a huge asset. Our guests have really enjoyed it, and it really adds nice atmosphere to the entry of the River City property. Also at River City you have the Asian Gaming and Dining venue that is new.

Going to the next page, Asia is a restaurant that we have added at our St. Charles facility. It also has a gaming portion as well. In addition, in St. Charles we have a high limit slot area. I don't think you can see on the bottom of that page, but that's the Kansas City high limit slot area on the left and the high limit table area on the right.

Another question that's asked in our relicensing is regarding our MBE and WBE spend and participation. Instead of breaking it down year by year, what we've provided you is that participation from 2014 through 2017. And you'll see over that period that the three Pinnacle properties have spent nearly $100 million with minority and
women-owned vendors since our last licensure, which
represents about 28 percent or almost 29 percent of
our qualifying spend.

And that begs the question, what is
something that is qualifying spend, and things that
are qualifying are things that we can get from
multiple vendors. If there are single source
vendors, then obviously we don't look at that as a
qualifying spend and it's not included in those
numbers.

But we know that we can always do
better, and I know that the gentlemen that are here
today continue to work very hard to try to increase
those numbers over time.

Our team member demographics reflect
really what we -- what our property looks like
based on the location. I think that the
communities that we operate in, we do a very good
job. We have 3,619 team members in the state of
Missouri, and that work force is very diverse with
43.8 of the team members being minorities in 2017,
which is up just slightly, but it's a pretty steady
number over the last few years at the properties.
And that number actually, that 43.8 percent equates
to about 1,585 team members.
Next, we just put this in here from a compliance perspective. I think Julie Allen and her counterparts in the state do a great job of making sure that we're communicating with our team members. I know some of those things came up earlier today. It's something that we are constantly doing, and that goes from responsible gaming as you see on the left to key handling, staying out of the drop zone as you see on the right, or particularly even this time of year informing people that participating in March Madness brackets is not something that they can do if they're doing that more than just for fun and they're doing that with the opportunity to win money.

One of the last things we'll talk about is bringing our value of care to life. That is one of our -- one of the core values of our company is care, and coming with that is giving back to the community, being involved in the community.

In 2017 through our workplace giving campaign, our charitable contributions and the Pinnacle Foundation donations, over $1.7 million was given by Pinnacle Entertainment and its team
members. I think it's worth mentioning that in our workplace giving campaign, the team members in Missouri pledged over $370,000, which then Pinnacle matches 25 cents on the dollar toward that pledge. And on the lower right are just a list of some of the larger recipients of some of that total of $963,000 that was pledged.

And lastly, we'll just close with this. You know, it's more than just giving money. I'm very proud of the fact that all of our properties are very involved in communities. I think our leadership does a really good job. You see the different colored shirts, and based on the theme those change.

We do that not only just to build camaraderie with the team members and give them a free shirt, because they all like free shirts, but also so that we're seen in the community and people know that when they see those Pinnacle Care shirts, they know that our team members are out and making a difference.

So that concludes my formal remarks, and I'd be happy to answer any questions that any of you may have.

CHAIRMAN KOHN: Questions of
Mr. Stremming? Thank you very much.

MR. STREMMING: Thank you.

CHAIRMAN KOHN: Investigative report.

SERGEANT FINNEGAN: Good morning,

Mr. Chairman, Commissioners.

Missouri State Highway Patrol investigators conducted the relicensing investigation of one Class A licensee currently licensed in Missouri. This investigation 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 the company.

The results of this investigation were provided to the MGC staff for their review, and you possess a comprehensive summary report before you which outline our instigative findings.

The following Class A licensee is being presented for your consideration: Pinnacle Entertainment, Incorporated.

CHAIRMAN KOHN: Why don't you go ahead and give us all --

SERGEANT FINNEGAN: That's it.

MR. SEIBERT: The staff does
recommend approval.

CHAIRMAN KOHN: Is there a motion with respect to Resolution 18-017?

COMMISSIONER LOMBARDO: Motion to approve.

COMMISSIONER JAMISON: Second.

CHAIRMAN KOHN: Discussion on the motion? Angie.

MS. FRANKS: Commissioner Finney?

COMMISSIONER FINNEY: Approve.

MS. FRANKS: Commissioner Lombardo?

COMMISSIONER LOMBARDO: Approved.

MS. FRANKS: Commissioner Neer?

COMMISSIONER NEER: Approved.

MS. FRANKS: Commissioner Jamison?

COMMISSIONER JAMISON: Approved.

MS. FRANKS: Chairman Kohn?

CHAIRMAN KOHN: Approved.

MS. FRANKS: By your vote, you've adopted Resolution No. 18-017.

CHAIRMAN KOHN: Thank you.

Mr. Seibert.

MR. SEIBERT: Next order of business is consideration of licensure of key business entity. Sergeant Brian Holcomb will present.
SERGEANT HOLCOMB: Good morning,
Mr. Chairman, Commissioners.

Z Capital Affinity Owner, LLC is being presented for licensure as a key business entity associated with Affinity. Affinity Gaming is a Class A licensee and the parent company of two Class B licensees: HGI Mark Twain, LLC, which operates Mark Twain Casino; and HGI-St. Jo, LLC, which operates St. Jo Frontier Casino.

11 CSR 45-10.040 requires prior approval from the Commission for any sale that would constitute a change of control, which is defined in the rule as any acquisition of ownership that exceeds 25 percent.

On December 7, 2016, the Commission granted prior approval for a change of control in response to a joint petition filed by Z Capital Group, LLC and Affinity Gaming, wherein Z Capital Group would increase its ownership of Affinity Gaming from approximately 41 percent at the time of the petition to acquiring all outstanding shares of Affinity Gaming stock.

Z Capital Group completed the acquisition of Affinity Gaming on February 1, 2017, and placed the assets in a newly formed subsidiary
company named Z Capital Affinity Owner, LLC. Missouri state Highway Patrol and Missouri Gaming Commission investigators conducted an investigation of Z Capital Affinity Owner, LLC and examined the results of the completed acquisition. A summary of this investigation was provided to the Commission staff for their review, and investigators are present to answer any questions you may have.

CHAIRMAN KOHN: Any questions? Is there a motion with respect to Resolution 18-018?

COMMISSIONER JAMISON: Move for adoption.

COMMISSIONER FINNEY: Second.

CHAIRMAN KOHN: Discussion on the motion? Angie.

MS. FRANKS: Commissioner Finney?

COMMISSIONER FINNEY: Approve.

MS. FRANKS: Commissioner Lombardo?

COMMISSIONER LOMBARDO: Approved.

MS. FRANKS: Commissioner Neer?

COMMISSIONER NEER: Approved.

MS. FRANKS: Commissioner Jamison?

COMMISSIONER JAMISON: Approved.

MS. FRANKS: Chairman Kohn?
CHAIRMAN KOHN: Approved.

MS. FRANKS: By your vote, you've adopted Resolution No. 18-018.

CHAIRMAN KOHN: Thank you, Sergeant.

Mr. Seibert.

MR. SEIBERT: The next order of business is consideration of licensure of Level I and key applicants. Sergeant Brian Holcomb will present.

SERGEANT HOLCOMB: Thank you.

Missouri State Highway Patrol investigators, along with Missouri Gaming Commission financial investigators, conducted comprehensive background investigations on multiple key and Level I applicants. These 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: Keith W. Henson, Senior Vice President and General Manager at Ameristar Kansas City, LLC; Steven L. Golphenee, Director of Surveillance, Ameristar Casino St. Charles, LLC; Trevor J. Croker, Chief Executive
Officer, Aristocrat Leisure Limited; Karl O. Stingily III, Senior Vice President and Chief Audit Executive, Caesars Enterprises Services, LLC; Peter H. Broughton, Senior Vice President of Information Technology, Eldorado Resorts, Incorporated; Kathy M. Lowe, Surveillance Manager, IOC - Cape Girardeau, LLC; Sandra A. Bane, Director of Finance, IOC - Kansas City, Incorporated; Timothy J. Bollmann, Director of Operations, IOC - Kansas City, Incorporated; Joshua D. Thompson, Information Technology Manager, IOC - Kansas City, Incorporated; and David K. Schiele, Director of Surveillance, River City Casino, St. Louis.

The results of these investigations were provided to the Gaming Commission staff, and investigating officers are present to answer any questions you might have.

CHAIRMAN KOHN: Any questions of Sergeant Holcomb? Is there a motion with respect to Resolution 18-019?

COMMISSIONER NEER: Motion to approve.

COMMISSIONER LOMBARDO: Second.

CHAIRMAN KOHN: Discussion on the motion? Angie.
MS. FRANKS: Commissioner Finney?

COMMISSIONER FINNEY: Approve.

MS. FRANKS: Commissioner Lombardo?

COMMISSIONER LOMBARDO: Approved.

MS. FRANKS: Commissioner Neer?

COMMISSIONER NEER: Approved.

MS. FRANKS: Commissioner Jamison?

COMMISSIONER JAMISON: Approved.

MS. FRANKS: Chairman Kohn?

CHAIRMAN KOHN: Approved.

MS. FRANKS: By your vote, you've adopted Resolution No. 18-019.

CHAIRMAN KOHN: Thank you, Sergeant.

All right, Ed. You've got four minutes.

MR. GREWACH: Four minutes. All right. Glad to hear that. Under Tabs I, J, K and L, you'll see Final Orders of Rulemaking rescinding 124 rules. These final orders are a result of a review undertaking in compliance with the Governor's Executive Order 17-03 and state statute 536.175. The --

CHAIRMAN KOHN: And we'll discuss each one separately?

MR. GREWACH: Correct. I will go over the history of each one also.
CHAIRMAN KOHN: What we'll do is we'll have one vote on everything under I, J, K and L.

MR. GREWACH: We've received no written comments. If the Commission approves these final orders, they'll be effective on July 31st, 2010 (sic). And again, under I we have rescission of rules that overlap, duplicate or conflict with another statute or rule. Be happy to answer any questions.

CHAIRMAN KOHN: Any questions? Is there a motion with respect to -- there's no number on this either -- all the rules under Tab I?

COMMISSIONER JAMISON: I move for adoption of the rescission of rules and regulations that are listed under subsection I, VII(I).

CHAIRMAN KOHN: Is there a second?

COMMISSIONER FINNEY: Second.

CHAIRMAN KOHN: Discussion on the motion? Angie.

MS. FRANKS: Commissioner Finney?

COMMISSIONER FINNEY: Approve.

MS. FRANKS: Commissioner Lombardo?

COMMISSIONER LOMBARDO: Approved.

MS. FRANKS: Commissioner Neer?
COMMISSIONER NEER: Approved.

MS. FRANKS: Commissioner Jamison?

COMMISSIONER JAMISON: Approved.

MS. FRANKS: Chairman Kohn?

CHAIRMAN KOHN: Approved.

MS. FRANKS: By your vote, you've adopted the rescission of the rules and regulations under Tab I.

CHAIRMAN KOHN: Thank you. Ed, J.

MR. GREWACH: Tab J we have rescission of rules that are obsolete, unnecessary or not essential to the health, safety or welfare of Missouri residents. I'd be happy to answer any questions.

CHAIRMAN KOHN: Any questions of Ed under items under Section J? Is there a motion?

COMMISSIONER JAMISON: I move for the rescission of rules and regulations that are listed under Section J.

CHAIRMAN KOHN: Is there a second?

COMMISSIONER FINNEY: Second.

CHAIRMAN KOHN: Discussion on the motion? Angie.

MS. FRANKS: Commissioner Finney?

COMMISSIONER FINNEY: Approve.
MS. FRANKS: Commissioner Lombardo?

COMMISSIONER LOMBARDO: Approved.

MS. FRANKS: Commissioner Neer?

COMMISSIONER NEER: Approved.

MS. FRANKS: Commissioner Jamison?

COMMISSIONER JAMISON: Approved.

MS. FRANKS: Chairman Kohn?

CHAIRMAN KOHN: Approved.

MS. FRANKS: By your vote, you've adopted the rescission of the rules and regulations under Tab J.

CHAIRMAN KOHN: Ed, K.

MR. GREWACH: Under K we have rescission of rules for which the cost of the regulation outweigh their benefits.

CHAIRMAN KOHN: Is there a motion with respect to those rescission of rules and regulations under Section K?

COMMISSIONER NEER: Motion to approve the rescission of rules and regulations for which the cost of the regulation outweigh the benefits listed under K.

COMMISSIONER LOMBARDO: Second.

CHAIRMAN KOHN: Discussion? Angie.

MS. FRANKS: Commissioner Finney?
COMMISSIONER FINNEY: Approve.

MS. FRANKS: Commissioner Lombardo?

COMMISSIONER LOMBardo: Approved.

MS. FRANKS: Commissioner Neer?

COMMISSIONER NEER: Approved.

MS. FRANKS: Commissioner Jamison?

COMMISSIONER JAMISON: Approved.

MS. FRANKS: Chairman Kohn?

CHAIRMAN KOHN: Approved.

MS. FRANKS: By your vote, you've adopted the rescission of the rules and regulations under Tab K.

CHAIRMAN KOHN: L.

MR. GREWACH: Under L we have rescission of rules and regulations relating to horse racing.

CHAIRMAN KOHN: Is there a motion with respect to the rescission of rules and regulations listed in Section L?

COMMISSIONER JAMISON: I move for the rescission of rules and regulations under Section L.

COMMISSIONER FINNEY: Second.

CHAIRMAN KOHN: Discussion on the motion? Angie.
1  MS. FRANKS: Commissioner Finney?
2  COMMISSIONER FINNEY: Approve.
3  MS. FRANKS: Commissioner Lombardo?
4  COMMISSIONER LOMBARDO: Approved.
5  MS. FRANKS: Commissioner Neer?
6  COMMISSIONER NEER: Approved.
7  MS. FRANKS: Commissioner Jamison?
8  COMMISSIONER JAMISON: Approved.
9  MS. FRANKS: Chairman Kohn?
10 CHAIRMAN KOHN: Approved.
11 MS. FRANKS: By your vote, you've adopted the rescission of rules and regulations under Tab L.
12
13  CHAIRMAN KOHN: I can't help but comment on the huge number of rules that are no longer necessary. Is that -- anything you want to say about that? How did we get to this point?
14  MR. GREWACH: The review has really been very helpful. You'll see the bulk of them under horse racing, and the thing with the horse racing is it was legalized in 1986. There were one race each year in '86, '87, '88. Originally it was under Department of Revenue. They adopted these rules. There's been no races since then.
15
16  In the intervening 30 years, there's
no serving members of the Horse Racing Commission.

If someone wanted to start a horse racing enterprise, there's so many steps that would have to be done. You would have to -- the Governor would have to appoint members of the Horse Racing Commission.

We did leave in the rules the rules relating to application, so we could start the application and investigation process. But our view of that concurrently is you have 30-year-old rules that haven't been used. I'm sure technology from '86 till now has radically changed, and the rules we have really wouldn't be adequate.

So I think even if we didn't rescind them, you'd be looking at a complete rewrite of all of those. We would have to acquire personnel familiar with horse racing to guide us through that rulemaking process.

CHAIRMAN KOHN: You say most of these are with respect to horse racing. What percentage would you say?

MR. GREWACH: I think there are 90 out of the 124 that relate to horse racing.

CHAIRMAN KOHN: I think that concludes our open meeting. Ed, believe it or not,
you made it. Is there a motion to go into closed
session?

COMMISSIONER JAMISON: I move to go
into a closed meeting under Sections 313.847 and
313.945, Revised Missouri Statutes, investigatory,
proprietary and application records, and 610.021,
subparagraph 1, Revised Missouri Statutes, legal
actions, subparagraph 3 and subparagraph 13,
personnel, and subparagraph 14 records protected
from disclosure by law.

CHAIRMAN KOHN: Is there a second?

COMMISSIONER FINNEY: Second.

CHAIRMAN KOHN: Angie.

MS. FRANKS: Commissioner Finney?

COMMISSIONER FINNEY: Approve.

MS. FRANKS: Commissioner Lombardo?

COMMISSIONER LOMBARDO: Approved.

MS. FRANKS: Commissioner Neer?

COMMISSIONER NEER: Approved.

MS. FRANKS: Commissioner Jamison?

COMMISSIONER JAMISON: Approved.

MS. FRANKS: Chairman Kohn?

CHAIRMAN KOHN: Approved. We are
going to go into closed session. It's unlikely,
but we may come back out to reopen the open
session. If you care to, you're welcome to stay for that. It's unlikely. So thank you for coming and we'll see you next month. (WHEREUPON, the public session of the meeting concluded at 12:01 p.m.)
CERTIFICATE

STATE OF MISSOURI

COUNTY OF COLE

I, Kellene K. Feddersen, Certified Shorthand Reporter with the firm of Alaris Litigation Services, do hereby certify that I was personally present at the proceedings had in the above-entitled cause at the time and place set forth in the caption sheet thereof; that I then and there took down in Stenotype the proceedings had; and that the foregoing is a full, true and correct transcript of such Stenotype notes so made at such time and place.

Given at my office in the City of Jefferson, County of Cole, State of Missouri.

______________________________
Kellene K. Feddersen, RPR, CSR, CCR
The Missouri Gaming Commission (the “Commission”) went into open session at approximately 12:35 p.m. on March 28, 2018, at the Jefferson City office of the Missouri Gaming Commission.

Commissioner Jamison moved to adjourn the open session meeting. Commissioner Lombardo seconded the motion. After a roll call vote was taken, Finney – yes, Lombardo – yes, Neer – yes, Jamison – yes, and Kohn – yes, the motion was unanimously approved.

The meeting ended at 12:36 p.m.