

1 BEFORE THE MISSOURI GAMING COMMISSION

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HEARING

6

AT MISSOURI GAMING COMMISSION

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3417 KNIPP DRIVE

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JEFFERSON CITY, MISSOURI 65102

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DATE TAKEN: AUGUST 25, 2021

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STATE TIME: 9:30 a.m.

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1 CHAIRMAN LEARA: We will call the August
2 25th meeting of the Missouri Gaming Commission to
3 order. Angie, please call the roll.

4 MS. FRANKS: Chairman Leara?

5 CHAIRMAN LEARA: Present.

6 MS. FRANKS: Commissioner Conway?

7 COMMISSIONER CONWAY: Present.

8 MS. FRANKS: Commissioner Hane?

9 COMMISSIONER HANE: Present.

10 MS. FRANKS: Commissioner Zimmerman?

11 COMMISSIONER ZIMMERMAN: Present.

12 CHAIRMAN LEARA: Next item on the agenda
13 is the adoption of the agenda. And I move for the
14 adoption and ask for a second.

15 COMMISSIONER ZIMMERMAN: Second.

16 CHAIRMAN LEARA: We have a second from
17 Madam Zimmerman. Any discussion? Seeing none,
18 Angie, call the roll.

19 MS. FRANKS: Chairman Leara?

20 CHAIRMAN LEARA: Approved.

21 MS. FRANKS: Commissioner Conway?

22 COMMISSIONER CONWAY: Approved.

23 MS. FRANKS: Commissioner Hane?

24 COMMISSIONER HANE: Approved.

25 MS. FRANKS: Commissioner Zimmerman?

1 COMMISSIONER ZIMMERMAN: Approved.

2 MS. FRANKS: By your vote, you've adopted
3 the agenda.

4 CHAIRMAN LEARA: Next item on the agenda
5 is consideration of minutes from June 30, 2021. I
6 move for the adoption -- or the approval of the
7 minutes. Is there a second?

8 COMMISSIONER CONWAY: Second.

9 CHAIRMAN LEARA: Any discussion on the
10 minutes?

11 COMMISSIONER ZIMMERMAN: Mr. Chairman?

12 CHAIRMAN LEARA: Yes?

13 COMMISSIONER ZIMMERMAN: I would like to
14 abstain since I wasn't present.

15 CHAIRMAN LEARA: No problem. We would
16 agree with them. That's fine. Any other
17 discussion? Seeing none, Angie, call the roll.

18 MS. FRANKS: Chairman Leara?

19 CHAIRMAN LEARA: Approved.

20 MS. FRANKS: Commissioner Conway?

21 COMMISSIONER CONWAY: Approved.

22 MS. FRANKS: Commissioner Hane?

23 COMMISSIONER HANE: Approved.

24 MS. FRANKS: By your vote, you've adopted
25 the minutes of the June 30, 2021 meeting.

1 CHAIRMAN LEARA: Next item on the agenda,
2 consideration of hearing officer recommendations.
3 Mr. Grewach, you have the floor.

4 MR. GREWACH: Thank you, Mr. Chairman,
5 Commissioners. What we have under Tabs B, C, and D
6 are hearing officer recommendations. Ordinarily the
7 hearing officer himself would come and present these
8 to you. Unfortunately, Mr. Brian Wolford, our
9 hearing officer, is ill and not able to attend this
10 meeting, so I will be presenting these items.

11 Under Tab B, we have a request from
12 Anthony Calandro to be removed from the Involuntary
13 Exclusion List. On March 29, 2017, the Commission
14 placed Mr. Calandro on the Involuntary Exclusion
15 List based on his conviction for healthcare fraud
16 for submitting false claims relative to his
17 chiropractic practice and for mail fraud for
18 stealing money from his practice's pension plan and
19 a state criminal charge of stealing for stealing
20 from his homeowners association.

21 Those crimes, according to 15.030, are
22 grounds for placement and that the rule allows us to
23 place a person on the Involuntary Exclusion List if
24 they've committed a felony involving moral
25 turpitude -- convicted of.

1 Mr. Calandro appealed his placement on
2 the list in April of 2017. His objection to his
3 placement on the list was denied at the 2017
4 meeting. By September 14, 2020, Mr. Calandro had
5 finished his prison sentence and completed his
6 parole.

7 On September 21, 2020, he was caught
8 gambling at the Hollywood Casino using his wife's
9 player card. He told the officer he encountered
10 that he believed that since he was off probation,
11 that he could go back to gambling.

12 Now, Rule 15.050 allows that anybody on
13 the Exclusion List at any time can file a request to
14 be removed from that list, which is the request
15 that's before you today by Mr. Calandro. He filed
16 that request on November 16, 2020.

17 Hearing Officer Wolford held a hearing,
18 drafted findings of facts and conclusions of law
19 which are before you, along with the transcript of
20 the hearing and the exhibits. In Mr. Wolford's
21 proposed findings and order, he finds that the --
22 Mr. Calandro still owes several hundred thousand
23 dollars of restitution. His original restitution
24 order was for \$966,000.

25 As you'll see in Mr. Wolford's order,

1 he's only having an automatic deduction of \$367 a
2 month from his social security and Mr. Calandro
3 presented that he paid \$500 whenever he could toward
4 that amount of restitution.

5 The hearing officer's recommendation is
6 that Mr. Calandro's request for his name to be
7 removed from the Involuntary Exclusion List be
8 denied.

9 CHAIRMAN LEARA: Any questions for
10 Mr. Grewach? I have one. As reading this -- in
11 reading this, it came to mind, why is the Gaming
12 Commission involved? Well, it does appear somewhere
13 in our background information that a casino was
14 involved at some point in this withdrawal of funds
15 or something of that nature. Is that correct?

16 MR. GREWACH: That's correct. If you go
17 back to the earlier hearing, there was evidence that
18 he used some of this money that he stole to gamble
19 at casinos. If you read the rule broadly, any
20 felony involving moral turpitude could put you on a
21 list, but we always look for a case that has some
22 nexus to gambling. Either it's a gambling offense
23 or in a lot of these cases where there's
24 embezzlement and we have evidence that the
25 perpetrator used the funds for gambling purposes,

1 then we bring it before you as an exclusion.

2 CHAIRMAN LEARA: Thank you. Any
3 questions for Mr. Grewach? Mr. Conway?

4 COMMISSIONER CONWAY: Thank you,
5 Mr. Chair. It could have slipped past me in the
6 deposition, but if he thought he was eligible to go
7 to a casino and game because his probation was
8 completed, did he give any substantial reason why he
9 was using his wife's card?

10 MR. GREWACH: He made a statement to
11 Sergeant Johnson at the time he was encountered that
12 he knew he could not get his own playing card, which
13 obviously seems inconsistent with his statement that
14 he believed he could do that. You'll find that in
15 the transcript on Page 22.

16 COMMISSIONER CONWAY: Okay. Thank you.

17 CHAIRMAN LEARA: Any other questions?

18 MR. GREWACH: And I do not believe
19 Mr. Calandro is here.

20 CHAIRMAN LEARA: Would that be normal
21 course to allow him?

22 MR. GREWACH: Yes. For any of these
23 hearing officer cases, the applicant does have the
24 opportunity to make an argument to the Commission.

25 CHAIRMAN LEARA: So we'll state that

1 Mr. Calandro is not in the building. Any further
2 discussion? Seeing none, I will move for the
3 approval of Resolution No. 21-037, ask for a second.

4 COMMISSIONER CONWAY: Second.

5 CHAIRMAN LEARA: Second, Mr. Conway. Any
6 further discussion? Seeing none, Angie, call the
7 roll.

8 MS. FRANKS: Chairman Leara?

9 CHAIRMAN LEARA: Approved.

10 MS. FRANKS: Commissioner Conway?

11 COMMISSIONER CONWAY: Approved.

12 MS. FRANKS: Commissioner Hane?

13 COMMISSIONER HANE: Approved.

14 MS. FRANKS: Commissioner Zimmerman?

15 COMMISSIONER ZIMMERMAN: Approved.

16 MS. FRANKS: By your vote, you've adopted
17 Resolution No. 21-037.

18 CHAIRMAN LEARA: Next case, Mr. Grewach.

19 MR. GREWACH: Under Tab C, we have a
20 request for a hearing by Zachary Russell from a
21 Preliminary Order of Discipline that recommended
22 revocation of his gaming license. Mr. Russell was
23 working as a table game dealer at Harrah's North
24 Kansas City. A small bag of cocaine was found on
25 the floor at the table where Mr. Russell had been

1 dealing. Mr. Russell denied that the cocaine was
2 his.

3 In reviewing the evidence and the
4 surveillance video, the hearing officer Wolford came
5 to the conclusion that the bag was not present
6 before Mr. Russell started working at the table and
7 was -- matter of fact, he could see it in front of
8 the table before Mr. Russell started working and
9 therefore the hearing officer's conclusion was,
10 Mr. Russell could not have been in possession of
11 that cocaine. The hearing officer recommended that
12 the Preliminary Order of Discipline recommending
13 revocation of license be vacated and set aside.

14 CHAIRMAN LEARA: Questions for
15 Mr. Grewach? Seeing none, I will move for the
16 approval of Resolution No. 21-038. Is there a
17 second?

18 COMMISSIONER ZIMMERMAN: Second.

19 CHAIRMAN LEARA: Second, Madam Zimmerman.
20 Any other discussion? Seeing none, Angie, please
21 call the roll.

22 MS. FRANKS: Chairman Leara?

23 CHAIRMAN LEARA: Approved.

24 MS. FRANKS: Commissioner Conway?

25 COMMISSIONER CONWAY: Approved.

1 MS. FRANKS: Commissioner Hane?

2 COMMISSIONER HANE: Approved.

3 MS. FRANKS: Commissioner Zimmerman?

4 COMMISSIONER ZIMMERMAN: Approved.

5 MS. FRANKS: By your vote, you've adopted
6 Resolution No. 21-038.

7 CHAIRMAN LEARA: Next case, Mr. Grewach.

8 MR. GREWACH: Under Tab D, we have a
9 request from Alfred Brown to be removed from the
10 Involuntary Exclusion List. The Commission placed
11 Mr. Brown on the list based on his April 27, 2016
12 conviction for filing false tax returns. He, in
13 that case, received one year prison, supervised
14 release, and was ordered to pay restitution in the
15 sum of --

16 COMMISSIONER HANE: \$99,000.

17 MR. GREWACH: -- \$99,000. Thank you. I
18 didn't have it in my notes, but I appreciate that,
19 Commissioner Hane. On March 12, 2021, Mr. Brown
20 filed this application to have his name removed from
21 the list. Mr. Brown failed to appear at his
22 hearing.

23 Mr. Wolford, in his findings, does note
24 that in the request for the hearing, Mr. Brown
25 alleged that he falsified the tax returns because he

1 needed extra money for a family emergency. And
2 Mr. Wolford therefore recommended that Mr. Brown's
3 request for removal from the Involuntary Exclusion
4 List be denied.

5 CHAIRMAN LEARA: Question.

6 MR. GREWACH: Sure.

7 CHAIRMAN LEARA: How is this relevant to
8 a casino?

9 MR. GREWACH: Again, in the earlier
10 evidence we had some indication that he used some
11 money for gambling purposes.

12 CHAIRMAN LEARA: Do you have anything?

13 COMMISSIONER CONWAY: I guess his claim
14 was that the false submission of tax was because of
15 a family emergency or --

16 MR. GREWACH: That's all we could
17 determine from his one-page request for a hearing.
18 Since there wasn't a hearing, there wasn't the
19 opportunity to question him further on that
20 assertion.

21 CHAIRMAN LEARA: I would entertain his
22 thoughts on that if he felt the need to appear.
23 He's not here, is he --

24 MR. GREWACH: No.

25 CHAIRMAN LEARA: -- Mr. Brown? No?

1 MR. GREWACH: Mr. Brown is not present.

2 CHAIRMAN LEARA: Any other questions for
3 Mr. Grewach? I'm sure there are a lot of convicted
4 felons that go to casinos, is the point that I'm
5 making. And I don't believe they should be
6 prohibited from doing that. But, once again, I'm
7 trying to figure out -- what was the involvement
8 with the gaming industry that he appears on this
9 list?

10 MR. GREWACH: Again, from the original
11 file, he just made statements that he used some of
12 that money for gambling purposes. That's the only
13 nexus between this offense. But you're perfectly
14 right, Mr. Chairman. If we took every person
15 convicted of a felony involving moral turpitude and
16 placed them on this list, the list would probably --

17 CHAIRMAN LEARA: I don't want to be going
18 down that path, but -- Mr. Conway?

19 COMMISSIONER CONWAY: Did he stipulate
20 that the money that he used going to the casino was
21 at a casino within Missouri?

22 MR. GREWACH: I would have to go back and
23 get that original file, Commissioner Conway, to
24 answer that question.

25 COMMISSIONER CONWAY: Well, I agree with

1 the chairman. I think if he appeared for the -- if
2 he was here to answer questions, I would be much
3 more agreeable to listening to his remarks, but --

4 CHAIRMAN LEARA: And he'd been given that
5 opportunity, right? Was that in writing, that he --

6 MR. GREWACH: That is correct.

7 CHAIRMAN LEARA: -- had the ability to
8 speak? Okay.

9 MR. GREWACH: He received a notice both
10 for the original hearing before Mr. Wolford and the
11 notice of this hearing here today.

12 CHAIRMAN LEARA: Is this final at this
13 point or would he have another opportunity?

14 MR. GREWACH: He would have another
15 opportunity. That rule as it's written just says
16 anyone on the list can file a request to remove his
17 name from the list. It doesn't give any limitations
18 on the number of attempts. It doesn't give any
19 timeframe between attempts.

20 CHAIRMAN LEARA: Okay.

21 MR. GREWACH: It simply says that.

22 CHAIRMAN LEARA: Thank you. I will move
23 for the approval of Resolution No. 21-039 and look
24 for a second.

25 COMMISSIONER HANE: Second.

1 CHAIRMAN LEARA: Second, Mr. Hane. Any
2 other discussion? Seeing none, Angie, please call
3 the roll.

4 MS. FRANKS: Chairman Leara?

5 CHAIRMAN LEARA: Approved.

6 MS. FRANKS: Commissioner Conway?

7 COMMISSIONER CONWAY: Approved.

8 MS. FRANKS: Commissioner Hane?

9 COMMISSIONER HANE: Approved.

10 MS. FRANKS: Commissioner Zimmerman?

11 COMMISSIONER ZIMMERMAN: Approved.

12 MS. FRANKS: By your vote, you've adopted
13 Resolution No. 21-039.

14 CHAIRMAN LEARA: Thank you.

15 MR. GREWACH: Thank you.

16 CHAIRMAN LEARA: Next item on the agenda
17 is relicensure of certain suppliers. Sergeant
18 Holcomb, you have the floor when you're ready.

19 MR. HOLCOMB: Good morning, Mr. Chairman,
20 Commissioners. Missouri State Highway Patrol
21 officers and Missouri Gaming Commission financial
22 investigators conducted a supplier license renewal
23 investigation for the purpose of assisting the
24 Commission in determining the continued suitability
25 of the United States Playing Card Company.

1 This investigation consisted of, but was
2 not limited to, a financial review, feedback from
3 Missouri casino operators, jurisdictional inquiries
4 and a review of disciplinary actions, litigations, a
5 business credit profile, and the key persons
6 associated with the company.

7 The results of the investigation were
8 provided to the Missouri Gaming Commission staff for
9 their review. I'd be happy to answer any questions
10 you might have.

11 CHAIRMAN LEARA: Any questions for the
12 sergeant? Okay. Seeing none, I will move for the
13 approval of Resolution No. 21-040. Is there a
14 second?

15 COMMISSIONER CONWAY: Second.

16 CHAIRMAN LEARA: Second, Mr. Conway. Any
17 other discussion? Seeing none, Angie?

18 MS. FRANKS: Chairman Leara?

19 CHAIRMAN LEARA: Approved.

20 MS. FRANKS: Commissioner Conway?

21 COMMISSIONER CONWAY: Approved.

22 MS. FRANKS: Commissioner Hane?

23 COMMISSIONER HANE: Approved.

24 MS. FRANKS: Commissioner Zimmerman?

25 COMMISSIONER ZIMMERMAN: Approved.

1 MS. FRANKS: By your vote, you've adopted
2 Resolution No. 21-040.

3 CHAIRMAN LEARA: Next item on the agenda,
4 consideration of licensure of Level 1/key. Sergeant
5 Seaton, you have the floor when you're ready.

6 MR. SEATON: Mr. Chairman and
7 Commissioners, good morning. Missouri State Highway
8 Patrol investigators and Missouri Gaming Commission
9 financial investigators conducted comprehensive
10 background investigations on key and Level 1
11 applicants.

12 The investigations included, but were not
13 limited to, civil, criminal, financial, and general
14 character inquiries that were made in the
15 jurisdictions where the applicants have lived,
16 worked, and frequented.

17 The following applicants are being
18 presented for your consideration: Jack A. Markell,
19 Scientific Games Corporation, Independent Director;
20 Cheyne Dante Miller-Hockel, St. Jo Frontier Casino,
21 Surveillance Manager.

22 Investigative findings were provided to
23 the Missouri Gaming Commission staff for their
24 review and investigators are available to answer any
25 questions you might have. Thank you.

1 CHAIRMAN LEARA: Any questions for the
2 sergeant? Seeing none, I will move for the approval
3 of Resolution No. 21-041 and look for a second.

4 COMMISSIONER ZIMMERMAN: Second.

5 CHAIRMAN LEARA: Second, Madam Zimmerman.
6 No other discussion. Angie, please call the roll.

7 MS. FRANKS: Chairman Leara?

8 CHAIRMAN LEARA: Approved.

9 MS. FRANKS: Commissioner Conway?

10 COMMISSIONER CONWAY: Approved.

11 MS. FRANKS: Commissioner Hane?

12 COMMISSIONER HANE: Approved.

13 MS. FRANKS: Commissioner Zimmerman?

14 COMMISSIONER ZIMMERMAN: Approved.

15 MS. FRANKS: By your vote, you've adopted
16 Resolution No. 21-041.

17 CHAIRMAN LEARA: Next item on the agenda
18 relicensure of key persons. Sergeant Holcomb?

19 MR. HOLCOMB: Thank you, Mr. Chairman.

20 Missouri Highway Patrol investigators conducted
21 background investigation updates on Key Person
22 License renewals.

23 The investigations included, but were not
24 limited to, civil, criminal, and general character
25 inquiries made in the jurisdictions where the

1 applicants live, work, and frequent.

2 The following renewals are being
3 presented for your consideration: Peter Michael
4 Carlino, president, chief executive officer and
5 chairman of Gaming & Leisure Properties,
6 Incorporated; Richard Patrick Garza, secretary and
7 shareholder, Genesis Gaming Solutions, Incorporated;
8 Samuel Lawrence Levy, chief executive officer,
9 Ainsworth Game Technology Limited; Richard Matthew
10 Primus, senior vice president and chief information
11 officer, Penn National Gaming, Incorporated; Lyle
12 Walker Randolph, managing director and general
13 manager, Century Casino Cape Girardeau; Alton Eric
14 Schoppe, director and shareholder, Genesis Gaming
15 Solutions, Incorporated; Andrei Alfonso Scrivens,
16 chief financial officer, Affinity Gaming; Christian
17 Daniel Stuart, senior vice president of business
18 development, Caesars Entertainment, Inc.; Stephen
19 Harrell Capp, executive vice president and chief
20 financial officer, Bally's Corporation; Heather Jane
21 McGregor, independent director, International Game
22 Technology, PLC; Nicole Leigh Solaita, vice
23 president of internal audit, Caesars Entertainment,
24 Incorporated; and Maria Therese Vullo, director,
25 Scientific Games Corporation.

1 Investigative findings were provided to
2 the Missouri Gaming staff for their review and
3 investigators are available to answer any questions
4 you might have.

5 CHAIRMAN LEARA: Did you do all of those
6 background? Did you?

7 MR. HOLCOMB: I did not.

8 CHAIRMAN LEARA: I saw you on the first
9 one. That's why.

10 MR. HOLCOMB: I did a few of them and
11 Sergeant Colson did a few. And then Corporal Howery,
12 who retired, he did the rest.

13 CHAIRMAN LEARA: And those are renewals,
14 so they've been through the initial before?

15 MR. HOLCOMB: Correct.

16 CHAIRMAN LEARA: Okay. Any questions for
17 the sergeant? Jan?

18 COMMISSIONER ZIMMERMAN: I actually do
19 have a question about the DUI on -- and I will
20 mispronounce her name -- Mrs. Solaita. Those
21 charges are still pending. Any information about
22 when the outcome of those charges might be?

23 MR. HOLCOMB: I don't have that
24 information with me, but we will certainly be
25 watching that case. And depending on how it's pled

1 out and what she's found guilty of, if there is a
2 licensing issue, then we would report that to the
3 Commission staff.

4 COMMISSIONER ZIMMERMAN: Thank you,
5 Sergeant.

6 MR. HOLCOMB: You bet.

7 CHAIRMAN LEARA: Any other questions for
8 the sergeant? Seeing none, I will move for approval
9 of Resolution No. 21-042 and ask for a second.

10 COMMISSIONER HANE: Second.

11 CHAIRMAN LEARA: Second, Mr. Hane. Any
12 other discussion? Seeing none, Angie, please call
13 the roll.

14 MS. FRANKS: Chairman Leara?

15 CHAIRMAN LEARA: Approved.

16 MS. FRANKS: Commissioner Conway?

17 COMMISSIONER CONWAY: Approved.

18 MS. FRANKS: Commissioner Hane?

19 COMMISSIONER HANE: Approved.

20 MS. FRANKS: Commissioner Zimmerman?

21 COMMISSIONER ZIMMERMAN: Approved.

22 MS. FRANKS: By your vote, you've adopted
23 Resolution No. 21-042.

24 CHAIRMAN LEARA: The next item is
25 ratification of extensions. Mr. Grewach?

1 MR. GREWACH: Yes. Thank you. Under
2 Tab H and I, we have ratification of extensions for
3 Gaming Partners International USA, Incorporated, and
4 AGL Investments Godo Kaisha. The chairman granted
5 those two companies' requests for extension for
6 licensure on August 17, 2021 to October 30, 2021,
7 pursuant to his authority under Rule 1.0204.

8 That same rule requires the chairman's
9 action in extending those licenses to be ratified by
10 the full Commission. The background of the case was
11 that the Supplier's License of GPI and the Temporary
12 Key Business Entity License of AGL were due to
13 expire on August 31st.

14 By rule, the supplier's renewal
15 application would have been due by May 3rd, but the
16 complete application -- or essentially complete
17 application was not received until July the 19th.
18 That left insufficient time for the investigators to
19 complete a thorough review of the suitability of
20 those licenses.

21 You'll also see that later in the agenda,
22 under Tab M, a disciplinary action directed toward
23 GPI for failing to file its renewal application in a
24 timely manner.

25 CHAIRMAN LEARA: Was this the first

1 extension for the corporate license?

2 MR. GREWACH: That's correct.

3 CHAIRMAN LEARA: All right. Any
4 questions for Mr. Grewach? Seeing none, I will move
5 for the approval of Resolution No. 21-043 and ask
6 for a second.

7 COMMISSIONER HANE: Second.

8 CHAIRMAN LEARA: Second, Mr. Hane. Any
9 other discussion? Seeing none, Angie, please call
10 the roll.

11 MS. FRANKS: Chairman Leara?

12 CHAIRMAN LEARA: Approved.

13 MS. FRANKS: Commissioner Conway?

14 COMMISSIONER CONWAY: Approved.

15 MS. FRANKS: Commissioner Hane?

16 COMMISSIONER HANE: Approved.

17 MS. FRANKS: Commissioner Zimmerman?

18 COMMISSIONER ZIMMERMAN: Approved.

19 MS. FRANKS: By your vote, you've adopted
20 Resolution No. 21-043.

21 CHAIRMAN LEARA: Mr. Grewach?

22 MR. GREWACH: We also need to vote on
23 Resolution 21-044.

24 CHAIRMAN LEARA: I will move for the
25 approval of -- well, first of all, are there any

1 questions for Mr. Grewach on the next resolution?

2 Seeing none, Angie, please call the roll.

3 MS. FRANKS: Is there a second?

4 CHAIRMAN LEARA: Oh, wait, I will -- I
5 move for the approval. Is there a second?

6 COMMISSIONER ZIMMERMAN: Second.

7 CHAIRMAN LEARA: Second, Madam Zimmerman.
8 Angie?

9 MS. FRANKS: Chairman Leara?

10 CHAIRMAN LEARA: Approved.

11 MS. FRANKS: Commissioner Conway?

12 COMMISSIONER CONWAY: Approved.

13 MS. FRANKS: Commissioner Hane?

14 COMMISSIONER HANE: Approved.

15 MS. FRANKS: Commissioner Zimmerman?

16 COMMISSIONER ZIMMERMAN: Approved.

17 MS. FRANKS: By your vote, you've adopted
18 Resolution No. 21-044.

19 CHAIRMAN LEARA: Okay. Mr. Grewach, you
20 are next.

21 MR. GREWACH: Under Tab J, we have a
22 Preliminary Order of Discipline directed to Century
23 Casino Cape Girardeau for violating our rules
24 relating to promotions. Those rules require that a
25 casino have dated written rules for every promotion

1 that they hold and that they award prizes in
2 accordance with those rules.

3 The casino, from July through October of
4 2020, held a series of promotions in which the rules
5 provided that everyone would get one free entry and
6 would earn additional entries based on their play.

7 When setting up a drawing for October,
8 the casino tested the drawing and noticed that the
9 one free entry was not, in some circumstances, being
10 awarded to the -- each player.

11 They reported that issue to us. They
12 went back and tested all the similar drawings that
13 started on July 11th, 2020 and found that the --
14 there were 4,227 patrons who did not receive their
15 first free drawing as required.

16 The Discipline Review Board met and
17 recommended a fine of \$5,000. The company sent in a
18 response to the 14-day letter, which you have in
19 your packet. They acknowledged the violation. They
20 did not ask for a reduction of the fine, but they
21 pointed out that they self-reported the incident,
22 that they had identified all the patrons who had not
23 received free entries in the prior drawings and gave
24 them free entries in the October 30, 2021 drawing,
25 that they implemented a verification process, that

1 they added a position of a marketing specialist
2 system analysis, and that they paid \$30,000 to
3 Scientific Gaming for additional training of their
4 personnel. DRB met, considered their response, and
5 voted to continue with the recommendation of the
6 \$5,000 fine.

7 CHAIRMAN LEARA: Any questions for
8 Mr. Grewach? Seeing none --

9 COMMISSIONER CONWAY: I have one.

10 CHAIRMAN LEARA: Yeah, Mr. Conway?

11 COMMISSIONER CONWAY: They self-reported,
12 correct?

13 MR. GREWACH: That is correct.

14 COMMISSIONER CONWAY: Was there any
15 indication from any of the patrons that they thought
16 that they were not getting the eligibility that they
17 understood before they self-reported?

18 MR. GREWACH: We received no complaints
19 from patrons.

20 COMMISSIONER CONWAY: I guess in general,
21 I mean, other than self-reporting, these would be
22 very, very difficult situations to be discovered?

23 MR. GREWACH: You know, the difficulty I
24 really don't know that I could speak to other than
25 the fact that they did find it in October. They did

1 do some level of testing when they first -- when
2 they first started this on July the 11th. The
3 testing for this October drawing was much more
4 detailed.

5 The prior drawings would give on the
6 play -- the entries based on the play were basically
7 one time or maybe two times the points earned per
8 drawing. This one they were going to do in October,
9 they were going to give eight times the points
10 earned, so that caused them to give a little greater
11 scrutiny to make sure this whole system worked
12 correctly. And that's when they discovered.

13 COMMISSIONER CONWAY: So did the patrons
14 reap any benefits themselves individually after the
15 discovery?

16 MR. GREWACH: Well, you know, there were
17 patrons that were given free entries for the October
18 30th drawing, but, then again, they had been
19 entitled to free entries in prior drawings. The
20 issue sometimes you look at with that is, when you
21 give free entries to this October 30th drawing,
22 number one, the patrons may not be able to attend,
23 you know, for that drawing.

24 And the other thing is that the people
25 who earned drawings in the October 30th drawing,

1 their chances of winning are watered down somewhat
2 by these extra people that are being -- extra
3 entries that are being put in the barrel. But that
4 was -- they made an attempt to make out. I guess it
5 would be the staff's position that it really didn't
6 make the patrons who lost their free drawings whole.

7 COMMISSIONER CONWAY: And so in our
8 previous discussions, this particular fine, then,
9 would be refunded to the Cape Girardeau School
10 District?

11 MR. GREWACH: Right. The Cape County
12 school districts and to the treasurer of Cape County
13 for distribution. Every county treasurer has a
14 formula. I don't really know what that's based
15 on --

16 COMMISSIONER CONWAY: Enrollment.

17 MR. GREWACH: -- to distribute. Yeah.

18 COMMISSIONER CONWAY: Thank you.

19 CHAIRMAN LEARA: Mr. Grewach, if this
20 mistake was discovered by an audit from our staff,
21 would DRB have a larger or similar finding,
22 recommendation?

23 MR. GREWACH: I really wouldn't be able
24 to speculate on that because every case is so
25 different. You're going to see later on a case

1 where -- in Tab L, where the promotional problems
2 were found in an audit, follow-up to the audit. But
3 it's difficult to compare one discipline to another.
4 But I will say that we do take into account the
5 self-reporting with a slight caveat that they are
6 required to self-report. But still that -- I know
7 that sounds like a lawyer's to answer a question.

8 CHAIRMAN LEARA: No. But what I'm
9 wanting to point out is if there was a similar but
10 not same -- obviously they're not going --

11 MR. GREWACH: Right.

12 CHAIRMAN LEARA: -- to be the same. It's
13 a \$2500 fine. This one is a \$5,000 fine. I'm
14 trying to sort that through.

15 MR. GREWACH: I would particularly say
16 that if this initiated with a patron complaint, that
17 I think you'd be looking at a higher fine.

18 CHAIRMAN LEARA: Yes. I would agree.

19 COMMISSIONER ZIMMERMAN: Mr. Grewach, did
20 they indicate any sort of measures put in place to
21 make sure that this doesn't happen again?

22 MR. GREWACH: They did. They have
23 implemented this verification system, they've added
24 that position of a marketing system analysis, and
25 had additional training from Scientific Games.

1 CHAIRMAN LEARA: Okay. Any other
2 questions for Mr. Grewach? Seeing none, I will move
3 for the approval of Disciplinary Action No. 21-041.
4 Is there a second?

5 COMMISSIONER CONWAY: I'll second.

6 CHAIRMAN LEARA: We have a second. Any
7 other discussion? Angie, please call the roll.

8 MS. FRANKS: Chairman Leara?

9 CHAIRMAN LEARA: Approved.

10 MS. FRANKS: Commissioner Conway?

11 COMMISSIONER CONWAY: Approved.

12 MS. FRANKS: Commissioner Hane?

13 COMMISSIONER HANE: Approved.

14 MS. FRANKS: Commissioner Zimmerman?

15 COMMISSIONER ZIMMERMAN: Approved.

16 MS. FRANKS: By your vote, you've adopted
17 DC-21-041.

18 CHAIRMAN LEARA: Mr. Grewach?

19 MR. GREWACH: Yes. Under Tab K we have a
20 Preliminary Order of Discipline directed to Lumière
21 Place Casino relative to a promotion they held, the
22 "Fall Into Free Play" promotion. The promotion, by
23 its rules, was to take place from 6 p.m. to 10 p.m.
24 on September 19, 2020. There were to be a total of
25 \$4300 prizes awarded and one \$10,000 grand prize.

1 The rules provided that there were going
2 to be five \$300 prizes awarded every 30 minutes.
3 The process set up was that a name would be
4 announced. That first patron would have five
5 minutes to show up at the desk to claim their prize.

6 The rule then further provided that if
7 that person didn't show up, an alternate name would
8 be called and given five minutes to show up.

9 And if at the end of the 30-minute time
10 period they still had prizes to award, that the
11 prizes would be randomly allocated to players who
12 had their card in a slot machine.

13 Late in the evening of the drawing they
14 became aware that the alternate names were not being
15 called. So they would call the five names and if
16 they didn't appear, they weren't taking any further
17 action to take those two additional steps, either
18 find an alternate or added on randomly to a player
19 with a card in.

20 They attempted then, during the time
21 left, to call additional names. However, at the end
22 of the promotion, there was still \$2,400 that had
23 not been awarded to patrons.

24 The Discipline Review Board recommended a
25 fine of \$2,500 and there was no response to the

1 14-day letter.

2 CHAIRMAN LEARA: Any questions? Seeing
3 none, I will move for the approval of Disciplinary
4 Action No. 21-042. Is there a second?

5 COMMISSIONER ZIMMERMAN: Second.

6 CHAIRMAN LEARA: Second, Madam Zimmerman.
7 No other discussion. Angie, please call the roll.

8 MS. FRANKS: Chairman Leara?

9 CHAIRMAN LEARA: Approved.

10 MS. FRANKS: Commissioner Conway?

11 COMMISSIONER CONWAY: Approved.

12 MS. FRANKS: Commissioner Hane?

13 COMMISSIONER HANE: Approved.

14 MS. FRANKS: Commissioner Zimmerman?

15 COMMISSIONER ZIMMERMAN: Approved.

16 MS. FRANKS: By your vote, you've adopted
17 DC-21-042.

18 CHAIRMAN LEARA: Mr. Grewach?

19 MR. GREWACH: Under Tab L we have a
20 Preliminary Order of Discipline directed to the Isle
21 of Capri Boonville Casino. The Gaming Commission
22 staff performs regularly scheduled compliance
23 audits. And they performed this particular audit
24 for a time period from February of 2018 through
25 November of 2019.

1 Now, the process as the audit is
2 conducted, the auditors verbally inform management
3 of problems that they see. Then the written -- a
4 written report is prepared by the auditors and
5 presented to casino management. Management then
6 gives us a response as to how they plan to fix these
7 problems. And then there's a formal exit
8 conference, where our auditors, again, discuss these
9 issues with the casino staff.

10 The original findings in the audit
11 included two promotions where the patrons were not
12 receiving the proper amount of entries. And, of
13 course, as we've seen before, that violates the
14 rules relating to promotions.

15 In a follow-up to the audit, they found
16 in another promotion that a patron had not received
17 the appropriate amount of entries.

18 The Discipline Review Board recommended a
19 fine of \$2,500 and there was no response to the
20 14-day letter.

21 CHAIRMAN LEARA: Any questions? Seeing
22 none --

23 COMMISSIONER CONWAY: Yeah, I --

24 CHAIRMAN LEARA: Mr. Conway?

25 COMMISSIONER CONWAY: To follow up on

1 there's no response to the letter.

2 MR. GREWACH: Yes.

3 COMMISSIONER CONWAY: They didn't reply?

4 MR. GREWACH: That's correct. So we --
5 as we spoke about yesterday, when we recommend a
6 fine, we send them a letter saying here's the basic
7 facts. You have 14 days to provide anything else to
8 us. They didn't provide any further facts or
9 arguments at that point in time.

10 COMMISSIONER CONWAY: But did they agree
11 with your premise?

12 MR. GREWACH: Well, we got no response
13 from them at all.

14 COMMISSIONER CONWAY: Is that unusual?

15 MR. GREWACH: No, not unusual.

16 COMMISSIONER CONWAY: Maybe that's an
17 in-general discussion item we should have at a later
18 date.

19 MR. GREWACH: Right. You'll see two of
20 these four disciplines on your agenda today, we
21 received no response to the 14-day letter.

22 COMMISSIONER HANE: So, basically,
23 they're not contesting the Disciplinary Review
24 Board's finding? They're not saying, oh, that's way
25 too much. They're just saying okay?

1 MR. GREWACH: Yeah. The 14-day letter,
2 again, is -- process is designed to give them that
3 opportunity, yes.

4 COMMISSIONER HANE: Their opportunity to
5 present whatever?

6 MR. GREWACH: Right.

7 CHAIRMAN LEARA: There's communication
8 that goes on during that process, though, where
9 there's back-and-forth between whoever the DRB
10 consists of?

11 MR. GREWACH: Actually, no. Once the DRB
12 votes, the 14-day letter goes out.

13 CHAIRMAN LEARA: It's an assembling of
14 the information.

15 MR. GREWACH: Oh, yes, assembling the
16 information, especially in an audit setting like
17 this, there's a continual dialogue between our
18 auditors and the property throughout both the
19 original findings and the follow-up findings.

20 CHAIRMAN LEARA: Okay. Any other
21 questions? Seeing none, I will move for the
22 approval of Disciplinary Action 21-043. Is there a
23 second?

24 COMMISSIONER CONWAY: I'll second.

25 CHAIRMAN LEARA: Second, Mr. Conway.

1 Angie, please call the roll.

2 MS. FRANKS: Chairman Leara?

3 CHAIRMAN LEARA: Approved.

4 MS. FRANKS: Commissioner Conway?

5 COMMISSIONER CONWAY: Approved.

6 MS. FRANKS: Commissioner Hane?

7 COMMISSIONER HANE: Approved.

8 MS. FRANKS: Commissioner Zimmerman?

9 COMMISSIONER ZIMMERMAN: Approved.

10 MS. FRANKS: By your vote, you've adopted
11 DC-21-043.

12 CHAIRMAN LEARA: Mr. Grewach?

13 MR. GREWACH: Yes. Under Tab M we have a
14 Preliminary Order of Discipline directed at Gaming
15 Partners International USA for failing to file their
16 renewal application in the time limits required by
17 the rule.

18 The rule requires that suppliers file
19 their renewal application at least 120 days prior to
20 expiration. GPI's license was set to expire on
21 August 31, 2021 and that would make their
22 application for renewal due on May the 3rd, 2021.
23 MGC staff sent reminders of this due date to the
24 company on January 26th and on February the 5th.

25 We received on June 10, 2021 an

1 incomplete application from them. In addition,
2 during this process there were a number of emails
3 that were sent that were not responded to by the
4 company.

5 Corporal Masters called the phone number
6 listed in the application -- or two phone numbers
7 and the phones were not active. Their website was
8 down and it really wasn't until Corporal Masters
9 took the initiative to contact the company's outside
10 counsel on July the 7th that we really started to
11 see some progress in obtaining the documents
12 requested.

13 In addition, the company has prior
14 offenses. In 2015, their application was 93 days
15 late and they were fined \$5,000. In 2017 they were
16 15 days late and they received a nonpunitive letter,
17 which is a written reprimand, written warning.

18 And this particular extension, as you've
19 seen earlier in the agenda, resulted in, you know, a
20 necessity to extend their license to that October
21 date. The Discipline Review Board's recommendation
22 was \$25,000.

23 The company did respond to the 14-day
24 letter. They attributed the failure to file the
25 application on several things:

1 First was that COVID reduced their
2 workforce by 75 percent.

3 They were subject to a cyberattack,
4 including ransomware, on November the 1st of 2020,
5 which caused them to lose access to their servers
6 and access to archived emails.

7 They asserted that there's cultural and
8 language differences with respect to the company's
9 owner, Mr. Shigeta, who is Japanese, and they asked
10 the DRB to consider reducing the fine.

11 DRB met, reviewed this, and voted to
12 continue with its recommendation of a \$25,000 fine.

13 CHAIRMAN LEARA: Any questions?

14 COMMISSIONER ZIMMERMAN: Considering all
15 the problems, obviously, that they've had in the
16 past and this being, I would imagine, a progressive
17 disciplinary recommendation with these folks, sort
18 of the same question I had before, what kind of
19 steps are they going to be taking to make sure that
20 this doesn't happen in the future?

21 Because, again, they attribute, in their
22 response to the 14-day letter, all of these, you
23 know, unfortunate things that happened to their
24 company, but it would seem that their contact with
25 the Gaming Commission and making sure that their

1 license stays current, it must be the most important
2 thing to them.

3 So how do they ensure that this doesn't
4 happen to them again? Because they would be in
5 danger, I would think, of losing their license
6 completely if they don't overturn this problem.

7 MR. GREWACH: And they did not -- and
8 you'll see in their response to the 14-day letter,
9 contrasted with the one we looked at earlier with
10 Cape Girardeau, where they said these are the steps
11 we're taking to try to fix it, GPI's response to the
12 14-day letter merely addressed why this happened on
13 this particular occasion. So they did not provide
14 us with any indication of any remedial steps that
15 are taken.

16 CHAIRMAN LEARA: Any other questions?

17 COMMISSIONER HANE: No information why
18 the phones were unhooked or anything like that?

19 MR. GREWACH: I don't know if Corporal
20 Masters got any clarification on why the phones were
21 inactive, because, you know -- I'm putting him on
22 the spot, because I haven't talked to him about this
23 specific issue. But Corporal John Masters, who is
24 the investigator for the Highway Patrol Gaming
25 Division on this case.

1 DC-21-044.

2 CHAIRMAN LEARA: Next item on the agenda
3 is consideration of waiver for institutional
4 investor. Mr. Grewach?

5 MR. GREWACH: Tabs N and O are requests
6 for waivers for institutional investors. Our rules
7 require that any company that owns 5 percent or more
8 of a licensee either has to be licensed as a key
9 business entity or apply for a waiver as an
10 institutional investor.

11 In the waiver, to be eligible, they have
12 to confirm that they're only obtaining this interest
13 for passive investment purposes and they have no --
14 will have no involvement in the management activity
15 of the company.

16 Under Tab N, Capital International
17 Investors currently owns 10.095 percent of VICI,
18 which is a REIT licensed in Missouri as a key
19 business entity.

20 And under Tab O, Capital Research Global
21 Investors and Capital World Investors owns 11.78
22 interest in Caesars Entertainment, a Class A
23 licensee for Missouri.

24 Both of these applications are to renew
25 existing waivers. If passed, this resolution would

1 allow them to obtain up to 20 percent interest in
2 those companies. Any investor that owns more than
3 20 percent interest in a company has to be licensed.

4 CHAIRMAN LEARA: All right. So I have a
5 question. At what point can you say you have no
6 influence over a company? Is it 21 percent? 30
7 percent? I mean, that's -- 20 percent is a pretty
8 large number and we're giving them the okay to go to
9 20 percent.

10 MR. GREWACH: 20 percent, correct. If
11 they go over that, they have to be licensed by rule.

12 CHAIRMAN LEARA: Okay. By our rules?

13 MR. GREWACH: By our rules.

14 CHAIRMAN LEARA: Okay. So 20 percent,
15 that's it.

16 MR. GREWACH: That's the cap.

17 CHAIRMAN LEARA: All right. Any
18 questions for Mr. Grewach?

19 COMMISSIONER CONWAY: So it can be 20
20 percent regardless of what the monetary value is?

21 MR. GREWACH: That's correct. Waivers
22 are based on percentage ownership.

23 CHAIRMAN LEARA: That's not statute.
24 That's Code of State Regulation?

25 MR. GREWACH: That's correct.

1 CHAIRMAN LEARA: It is. Okay. Yeah, I
2 think that's a really large number. I mean, when
3 you have 20 percent, how do you not have influence?
4 You know, 5 or 10 percent, I understand. But all
5 right, if that's the rules, that's what we'll do. I
6 will move for the approval of Resolution No. 21-045.
7 Is there a second?

8 COMMISSIONER CONWAY: I'll second.

9 CHAIRMAN LEARA: Second, Mr. Conway. No
10 other discussion. Angie, please call the roll.

11 MS. FRANKS: Chairman Leara?

12 CHAIRMAN LEARA: Approved.

13 MS. FRANKS: Commissioner Conway?

14 COMMISSIONER CONWAY: Approved.

15 MS. FRANKS: Commissioner Hane?

16 COMMISSIONER HANE: Approved.

17 MS. FRANKS: Commissioner Zimmerman?

18 COMMISSIONER ZIMMERMAN: Approved.

19 MS. FRANKS: By your vote, you've adopted
20 Resolution No. 21-045.

21 CHAIRMAN LEARA: I will now move for the
22 approval of Resolution No. 21-046 and look for a
23 second.

24 COMMISSIONER ZIMMERMAN: Second.

25 CHAIRMAN LEARA: Second. Any other

1 discussion? Seeing none, Angie, please call the
2 roll.

3 MS. FRANKS: Chairman Leara?

4 CHAIRMAN LEARA: Approved.

5 MS. FRANKS: Commissioner Conway?

6 COMMISSIONER CONWAY: Approved.

7 MS. FRANKS: Commissioner Hane?

8 COMMISSIONER HANE: Approved.

9 MS. FRANKS: Commissioner Zimmerman?

10 COMMISSIONER ZIMMERMAN: Approved.

11 MS. FRANKS: By your vote, you've adopted
12 Resolution No. 21-046.

13 CHAIRMAN LEARA: Next item on the agenda,
14 consideration of rules and regulations.
15 Mr. Grewach?

16 MR. GREWACH: Thank you. Under Tab P we
17 have a Proposed Order of Rulemaking to add Chapter
18 W, which would be a new chapter to our Minimum
19 Internal Controls. This rule deals with hybrid
20 table games.

21 Hybrid -- in a normal table game you have
22 a live dealer and people sitting around a table
23 betting. And we have sets of rules, obviously, to
24 deal with that.

25 This new type of game is one where

1 there's a live dealer, but the players sit at
2 terminals spread out. And the rule allows up to 50
3 of them to sit around and they watch on a screen the
4 dealer dealing.

5 They put their money into the terminal.
6 They make their wager at the terminal by using their
7 fingers and moving the wagers to different spots.

8 And so the rule was needed because it
9 really does have some aspects of both of a table
10 game and some aspects of an electronic gaming
11 device. And it's one that we propose at the request
12 of industry, where there's been some indication that
13 they would like to utilize these games.

14 The governor -- Executive Order 1703
15 requires approval from the Governor's Office and we
16 received that approval on July 14, 2021. If you
17 approve this Proposed Order of Rulemaking today,
18 there will be a 30-day public comment period that
19 begins on October 1, 2021. There will be a public
20 hearing on November the 1st, 2021, and it will come
21 back to you on your December 1, 2021 Commission
22 meeting for Final Order of Rulemaking.

23 If we do get comments to the rules,
24 you'll see those comments in the rule, along with
25 the staff's response to them, and we'll have the

1 ability at that time to make any changes you think
2 are appropriate in response to those rules.

3 However, if you do approve the Final
4 Orders of Rulemaking at your December meeting, the
5 rule will have an effective date of March the 30th,
6 2022.

7 CHAIRMAN LEARA: Any questions for
8 Mr. Grewach?

9 COMMISSIONER ZIMMERMAN: Mr. Grewach,
10 will -- and I think we discussed this yesterday in
11 our training in the orientation -- will individuals
12 from the industry be involved in the formulation of
13 what's being proposed?

14 MR. GREWACH: Absolutely. From the first
15 draft of these proposed rules, they were sent to
16 industry. We received industry's comments back. We
17 worked with them throughout the drafting process.
18 So, yes, they have been.

19 COMMISSIONER ZIMMERMAN: Thank you, sir.
20 I thought you had said that.

21 CHAIRMAN LEARA: Any other questions?

22 COMMISSIONER CONWAY: So in the early
23 indication, would you consider this to be a large
24 change in the way the industry operates?

25 MR. GREWACH: It has taken off rather

1 slowly. There's only one property now that has the
2 hybrid games in place. There were originally two.
3 The other one really didn't think it was working out
4 for them. So it's hard to project whether or not it
5 will expand further than what it is right now.

6 COMMISSIONER CONWAY: So I guess my
7 question is, if you have 50 people in a hybrid
8 blackjack game, does that still maintain it as a
9 game of skill?

10 MR. GREWACH: Under the law it's a game
11 of chance because --

12 COMMISSIONER CONWAY: Only craps is a
13 game of skill?

14 MR. GREWACH: Actually, all the gambling
15 on the casinos, all the table games, by a Supreme
16 Court decision that was made sometime ago, have been
17 categorized as games of chance.

18 COMMISSIONER CONWAY: I thought there was
19 a differential at one time in a court decision on
20 what was a game of skill and what was a game of
21 chance early in the casino era.

22 MR. GREWACH: Early in the casino era
23 there was some questions as to whether or not
24 electronic gaming devices are table games, could be.
25 But subsequent decisions has determined because of

1 the language of 572, which I can pull up for you if
2 you'd like here. If you'll give me just a second.

3 The statute defines a contest of chance
4 as any contest in which the outcome depends in a
5 material degree upon an element of chance. So the
6 courts have looked at that and said, well, there is
7 a material degree what cards you get in either
8 blackjack or poker or any other table game. And so
9 the -- they've used that language in that statute to
10 interpret that table games like blackjack are, in
11 fact, by law, contests of chance.

12 CHAIRMAN LEARA: Any other questions?
13 Seeing none -- Angie, I don't see -- how do we vote
14 on these?

15 MS. FRANKS: We can vote on the proposed
16 rule and then we can put the Final Orders of
17 Rulemaking into one.

18 CHAIRMAN LEARA: Okay.

19 MS. FRANKS: Uh-huh.

20 CHAIRMAN LEARA: So at this time I would
21 move for the approval of the proposed rule ending
22 9.123. Is there a second?

23 COMMISSIONER HANE: Second.

24 CHAIRMAN LEARA: We have a second. Any
25 discussion? Seeing none, Angie, please call the

1 roll.

2 MS. FRANKS: Chairman Leara?

3 CHAIRMAN LEARA: Approved.

4 MS. FRANKS: Commissioner Conway?

5 COMMISSIONER CONWAY: Approved.

6 MS. FRANKS: Commissioner Hane?

7 COMMISSIONER HANE: Approved.

8 MS. FRANKS: Commissioner Zimmerman?

9 COMMISSIONER ZIMMERMAN: Approved.

10 MS. FRANKS: By your vote, you've adopted
11 the Proposed Rule 11 CSR 45-9.123.

12 CHAIRMAN LEARA: Mr. Grewach, final
13 orders.

14 MR. GREWACH: Yeah. Tab Q, these are
15 Final Orders of Rulemaking. These are -- as we
16 discussed yesterday at the end of our part of the
17 rulemaking process, the Governor's Office approved
18 the proposed orders on March the 12th, 2021. The
19 Commission approved the proposed rules at your
20 March 31, 2021 meeting.

21 There's a 30-day public comment period
22 starting on May 3rd and a public hearing on July the
23 6th, 2021. We received no comments from those two
24 comment periods.

25 We then proceeded to the Final Order of

1 Rulemaking and received the governor's approval to
2 go to the Final Order of Rulemaking on August the
3 3rd, 2021. If you approve these final orders, they
4 will become effective on December 30, 2021.

5 By statute, because we received no
6 comment during the comment period, the original
7 proposed rules were not set forth in this final
8 order that's presented to you, but in your packet
9 and in addition to some documents on the dais, we
10 have provided you with the proposed orders so you
11 can see what the issues were.

12 The first two, 1 and 2 dealt with
13 clarifying language concerning the difference
14 between secondary value chips and reserve nonvalue
15 chips. 5.140 was to -- an amendment made to
16 accommodate technology and practice.

17 There's a document called a Chip and
18 Token Inventory Ledger. Originally that was a
19 physical document that was handwritten. Now they're
20 kept electronically. So it's a continuous document
21 also.

22 And so to accommodate that, we have
23 allowed casinos to sign other documents, like a
24 shipping slip approval, you know, to actually verify
25 the chips received.

1 Under No. 4, there were amendments to
2 Chapter H. The primary changes in Chapter H were to
3 accommodate an industry request to allow kiosks to
4 perform both ATM and check cashing functions. The
5 balance of the changes you'll see in H come from a
6 variety of sources.

7 On a day-to-day basis, if we run into a
8 language in a minimum internal control or rule that
9 seems to be ambiguous or creates questions, we then
10 send that over to our policy group, who are in
11 charge of overseeing the rule writing, so that when
12 we do open up a chapter, that we will make those
13 changes.

14 They have -- also the -- some of the
15 changes, for example, 11.03, are things that are
16 proposed by industry. One of the changes you'll see
17 in 13.03 was a request made by the Highway Patrol
18 Gaming Division. And in compliance with the
19 governor's executive order, as we reviewed them, if
20 we saw provisions that were obsolete, those were
21 eliminated.

22 And from time to time the Commission
23 staff will grant a variance to a rule and, if we do,
24 we look at whether or not that variance should be
25 incorporated into the rule writing process.

1 CHAIRMAN LEARA: Any questions for
2 Mr. Grewach on the final rules and regulations?
3 Seeing none, I will move for the approval and ask
4 for a second.

5 COMMISSIONER ZIMMERMAN: Second.

6 CHAIRMAN LEARA: Second, Madam Zimmerman.
7 Any discussion? Seeing none, Angie, please call the
8 roll.

9 MS. FRANKS: Chairman Leara?

10 CHAIRMAN LEARA: Approved.

11 MS. FRANKS: Commissioner Conway?

12 COMMISSIONER CONWAY: Approved.

13 MS. FRANKS: Commissioner Hane?

14 COMMISSIONER HANE: Approved.

15 MS. FRANKS: Commissioner Zimmerman?

16 COMMISSIONER ZIMMERMAN: Approved.

17 MS. FRANKS: By your vote, you've adopted
18 the Final Orders of Rulemaking 11 CSR 45-5.090,
19 5.110, 5.140, 9.108, and 9.118.

20 CHAIRMAN LEARA: Mr. Grewach, thank you.

21 MR. GREWACH: Thank you.

22 CHAIRMAN LEARA: Next item on the agenda,
23 I will make a motion -- am I missing anything,
24 anybody? -- make a motion for closed meeting under
25 Section 313.847 of the Revised Statutes of Missouri,

1 investigatory, proprietary, and application records,
2 and Section 610.021, Section 1, the Revised Statutes
3 of Missouri, legal actions and matters subject to
4 attorney-client privilege and legal work product,
5 Sections 313, personnel, Section 12, contracts, and
6 Section 14, records protected from disclosure by
7 law, and ask for a second.

8 COMMISSIONER HANE: Second.

9 CHAIRMAN LEARA: We have a second,
10 Mr. Hane. Any discussion on the motion? Seeing
11 none, Angie, please call the roll.

12 MS. FRANKS: Chairman Leara?

13 CHAIRMAN LEARA: Approved.

14 MS. FRANKS: Commissioner Conway?

15 COMMISSIONER CONWAY: Approved.

16 MS. FRANKS: Commissioner Hane?

17 COMMISSIONER HANE: Approved.

18 MS. FRANKS: Commissioner Zimmerman?

19 COMMISSIONER ZIMMERMAN: Approved.

20 CHAIRMAN LEARA: We will now go into
21 closed. Thank you all.

22 [Whereupon, this hearing has concluded.]

23

24

25

1 CERTIFICATE OF REPORTER

2 I, Joann Renee Richardson, CCR, for the State of
3 Missouri, do hereby certify that the Gaming Commission
4 hearing was held on August 25, 2021, at the Missouri
5 Gaming Commission, 3417 Knipp Drive, Jefferson City,
6 Missouri, and a transcript was made herein of that
7 meeting.

8

9 IN WITNESS WHEREOF, I have hereunto set my hand and
10 seal.

11

12

13

14

15

Joann Renee Richardson, CCR

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MISSOURI GAMING COMMISSION
Second Open Session Minutes
August 25, 2021

The Missouri Gaming Commission went into the second open session at 1:15 p.m.

Chairman Leara moved to adopt the 2022 Commission Meeting Dates. Commissioner Conway seconded the motion, and after a roll call vote was taken, Leara – yes, Conway – yes, Hane – yes, and Zimmerman – yes, the motion passed unanimously.

Chairman Leara moved to adjourn the second open session meeting. Commissioner Hane seconded the motion, and after a roll call vote was taken, Leara – yes, Conway – yes, Hane – yes, and Zimmerman – yes, the motion passed unanimously.

The closed session meeting ended at 1:20 p.m.