

BEFORE THE MISSOURI GAMING COMMISSION

STATE OF MISSOURI

MEETING

August 24, 2011

Missouri Gaming Commission

3417 Knipp Drive

Jefferson City, Missouri

COMMISSIONERS PRESENT:

James L. Mathewson, Chairman

Suzanne Bocell Bradley

Barrett Hatches

Darryl Jones

Jack L. Merritt

REPORTED BY:

Kristy B. Bradshaw, CCR No. 1269

TIGER COURT REPORTING, LLC

3610 Buttonwood, Suite 200

Columbia, Missouri 65201

573.886.8942

AGENDA

1			
2			PAGE
3	I.	Call to Order	4:1
4	II.	Consideration of Minutes	
		A. July 27, 2011	5:20
5			
	III.	Consideration of Disciplinary Actions	
6		B. Ameristar Casino Kansas City, Inc.	11:9
		1. DC-11-232	
7		C. IOC-Boonville, Inc.	13:13
		1. DC-11-233	
8			
	IV.	Consideration of Relicensure of Certain Suppliers	
9		D. Hydeman Company	
		1. Resolution No. 11-050	15:16
10		E. Midwest Game Supply Co.	
		1. Resolution No. 11-051	16:19
11		F. Shuffle Master, Inc.	
		1. Resolution No. 11-052	17:11
12		G. WMS Gaming, Inc.	
		1. Resolution No. 11-053	18:4
13		H. Modern Gaming, Inc.	
		1. Resolution No. 11-054	18:21
14			
	V.	Consideration of Rulemaking	
15		I. Proposed Amendment	69:5
		1. 11 CSR 45-7.160 - Emergency Medical	
16		(Technician) Services First Responder Required	
		2. 11 CSR 45-9.114 - Minimum Internal Control	
17		Standards Chapter N -- Security	
		3. 11 CSR 45-17.010 - Disassociated Persons	
18		List Created - Right to Remove from	
		Premises	
19		4. 11 CSR 45-12.020 - Procedure for Applying	
		for Placement on List of Disassociated	
20		Persons	
		5. 11 CSR 45-17.030 - Procedure for Entry	
21		of/Names onto List of Disassociated Persons	
		6. 11 CSR 45-17.040 - Confidentiality of List	
22		of Disassociated Persons	
		7. 11 CSR 45-17.050 - Removal from List of	
23		Disassociated Persons Prohibited	
		8. 11 CSR 45-17.060 - Procedure to Discontinue	
24		Self-Exclusion on the List of Disassociated	
		Persons	
25		9. 11 CSR 45-17.070 - Procedure to Reactivate	

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

Persons

10. 11 CSR 45-9.117 - Minimum Internal Control

Standards Ch Q -- Disassociated Persons

VI. Consideration of Level I/Key Applicants

J. Resolution No. 11-055 71:6

VII. New Business 71:9

VIII. Old Business

IX. Motion for Closed Meeting under 79:16

Sections 313.847, Investigatory, Proprietary
and Application Records and 610.021(14)

1 CHAIRMAN MATHEWSON: Let's call this
2 meeting to order. Welcome everyone.

3 COMMISSIONER JONES: Good morning.

4 CHAIRMAN MATHEWSON: Beautiful day. Fair's
5 over, if anybody cares. Thought I'd mention that. We had
6 another storm come through. Mike Winter didn't even know
7 about it. Don't know where he was that Thursday night when
8 we were all hiding over there. One of the staff from
9 around here had to spend the night in the men's bathroom.

10 COMMISSIONER MERRITT: I bet she really got
11 tired of it too.

12 CHAIRMAN MATHEWSON: I was laughing to --
13 oh, nevermind. I had a good one, but I'll let it go.
14 Okay. Let's go.

15 Call the role, Angie, please.

16 MS. FRANKS: Commissioner Merritt?

17 COMMISSIONER MERRITT: Present.

18 MS. FRANKS: Commissioner Hatches?

19 COMMISSIONER HATCHES: Present.

20 MS. FRANKS: Commissioner Jones?

21 COMMISSIONER JONES: Present.

22 MS. FRANKS: Commissioner Bradley?

23 COMMISSIONER BRADLEY: Present.

24 MS. FRANKS: Chairman Mathewson?

25 CHAIRMAN MATHEWSON: Present.

1 Chair would accept a motion for the
2 consideration of minutes from the July 27th meeting.

3 COMMISSIONER MERRITT: So moved.

4 COMMISSIONER JONES: Second.

5 CHAIRMAN MATHEWSON: Any discussion on
6 those minutes?

7 (No response.)

8 CHAIRMAN MATHEWSON: Call the role, Angie,
9 please.

10 MS. FRANKS: Commissioner Merritt?

11 COMMISSIONER MERRITT: Approve.

12 MS. FRANKS: Commissioner Hatches?

13 COMMISSIONER HATCHES: Approve.

14 MS. FRANKS: Commissioner Jones?

15 COMMISSIONER JONES: Approved.

16 MS. FRANKS: Commissioner Bradley?

17 COMMISSIONER BRADLEY: Approve.

18 MS. FRANKS: Chairman Mathewson?

19 CHAIRMAN MATHEWSON: Approve.

20 MS. FRANKS: By your vote you've adopted the
21 minutes of the July 27, 2011 meeting.

22 CHAIRMAN MATHEWSON: Thank you. Mr. Roger?

23 MR. STOTTLEMYRE: Mr. Chairman, the next
24 item on the agenda is Consideration of Disciplinary Action;
25 Ed Grewach will present.

1 CHAIRMAN MATHEWSON: Oh, Ed, happy
2 birthday.

3 MR. GREWACH: Thank you very much.

4 CHAIRMAN MATHEWSON: Today's Ed's birthday.
5 Forty what?

6 MR. GREWACH: I'm 55. If anybody wants to
7 take me to Denny's, I can order off the senior menu, so I
8 got that going for me.

9 CHAIRMAN MATHEWSON: I don't think they'd
10 ask you for ID, just in case you're wondering.

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

12 CHAIRMAN MATHEWSON: Thank you. Proceed,
13 sir, please.

14 MR. GREWACH: The first preliminary order
15 for discipline is against the Ameristar Casino Kansas City.
16 It involves two regulations that you'll see on paragraphs
17 12 and 13 of the Proposed Order: 10.0304 requires the
18 licensee to take reasonable actions to safeguard gaming
19 assets; 5.0533 prohibits licensees from permitting, if a
20 licensee should've been aware of, any cheating whatsoever.

21 Now, this particular incident involves a
22 patron capping bets. And if you're not familiar, capping
23 bets is a process to where when you're a player and it's
24 already become known to you -- you can see from the cards
25 that you've won the game, before the dealer reconciles the

1 bets, you slip another chip or two on your pile to increase
2 your bet.

3 The game was four-card poker, which,
4 although it's called poker, is different than traditional
5 poker. Traditional poker, as you know, is played --
6 players play against each other. Four-card poker is a game
7 that's played against the house. And the dealer deals five
8 cards and then everybody tries to make their best four
9 cards out of that. Players bet as the game goes on, but
10 eventually the dealer flips his or her cards over and then,
11 at that point in time, you know if you've won or not.

12 So on February 21, 2011, the dealer caught
13 this patron capping his bet. Because what she had done is,
14 he was sitting -- they refer to the person at the far left
15 as first base, the person to the far right as third base,
16 which for baseball fans would be kind of counterintuitive,
17 but that's the terms they use.

18 So she said she always makes a mental note
19 of how much those persons bet because sometimes they're out
20 of her line of sight. So she remembered he'd only bet one
21 chip. When she came back to reconcile the bet, there were
22 actually two chips there. Contacted her superior,
23 contacted the -- our gaming agent.

24 Our gaming agent questioned the patron, who
25 indicated that he had done that more than once. So we went

1 back and reviewed the surveillance footage and found, over
2 a ten-day period, that he'd, in fact, capped his bets
3 32 times for a total increase of his wagers of \$895.

4 Now, at first when you look at the entries,
5 you'll see that he was always at the same table. So, you
6 know, of course, our first thought is, Well, is there some
7 collusion here? Is there some dealer that he's dealing
8 with? But as we looked into the facts of it, there were
9 actually nine different dealers on these ten different days
10 that this particular patron dealt with.

11 So we viewed that as more of a systemic
12 problem with the casino failing to train, that they
13 should've known that cheating was going on. It was simple
14 enough for this one dealer, who actually did catch him, to
15 make the mental note of how much that person to their far
16 left had bet.

17 You know, the problem is that the dealers
18 always deal left to right, and then reconcile the bets from
19 right to left. So if you sit in that first position,
20 there's always a time period where the -- you may be out of
21 the peripheral line of sight of the dealer as they
22 reconcile those bets on the right-hand side of the table.
23 So given that, after review, the Staff is recommending a
24 fine of \$10,000.

25 CHAIRMAN MATHEWSON: Any questions of Ed?

1 COMMISSIONER HATCHES: I have a question.
2 Just from the investigative standpoint, when the trooper
3 asked this guy whether or not he had capped his bet, did he
4 immediately admit that he had had -- he had done it several
5 times or --

6 MR. GREWACH: He said, One time, maybe
7 twice. He was -- then he was -- then our agent confronted
8 him with -- that he believed it was more, and the patron
9 said, Well, maybe it was three. So he wasn't exactly
10 forthcoming with his admissions, but the admissions were
11 enough to cause us to look further into surveillance tapes
12 and review that.

13 COMMISSIONER HATCHES: Thank you.

14 COMMISSIONER JONES: Mr. Chairman, I'd like
15 to make a comment. First of all, I want to thank Roger and
16 the Staff for allowing me to go to that training class
17 several months ago. And it is so easy for someone to cap a
18 bet. After coming out of that training -- and I could see
19 how the dealer, you know, can just get sidetracked, and
20 it's easy just to cap a bet.

21 But, again, as I came out of the training, I
22 would suggest that all the Commissioners maybe attend that
23 training session, and you can see how easy it is for a card
24 cheat to come in and do all kinds of things with these
25 cards. I mean, it's just amazing. It's amazing. So just

1 a little side note, so --

2 COMMISSIONER HATCHES: And thanks to the
3 trainer, because he taught me how -- I mean, he didn't
4 teach me how to --

5 CHAIRMAN MATHEWSON: You know,
6 Commissioner --

7 COMMISSIONER JONES: What was this guy's
8 name?

9 CHAIRMAN MATHEWSON: -- I'm thinking, I'm
10 going through that training. If they're going to teach me
11 how to cap bets, I'll go to -- I'll tell you what: I've
12 only got about five months left on this Commission, so I
13 got to learn that before I leave. Very good.

14 Okay. You've heard the recommendation of
15 Staff. Chair would accept a motion on acceptance of the
16 recommendation.

17 COMMISSIONER JONES: Move for the acceptance
18 of DC-11-232.

19 COMMISSIONER HATCHES: Second.

20 CHAIRMAN MATHEWSON: Any discussion?

21 (No response.)

22 CHAIRMAN MATHEWSON: Call the role, Angie,
23 please.

24 MS. FRANKS: Commissioner Merritt?

25 COMMISSIONER MERRITT: Approve.

1 MS. FRANKS: Commissioner Hatches?

2 COMMISSIONER HATCHES: Approve.

3 MS. FRANKS: Commissioner Jones?

4 COMMISSIONER JONES: Approved.

5 MS. FRANKS: Commissioner Bradley?

6 COMMISSIONER BRADLEY: Approve.

7 MS. FRANKS: Chairman Mathewson?

8 CHAIRMAN MATHEWSON: Approve.

9 MS. FRANKS: By your vote you've adopted
10 DC-11-232.

11 MR. GREWACH: The next case you'll find
12 under tab C is against Isle of Capri in Boonville. It
13 involves a repeat finding on an audit. As you can see in
14 paragraphs 16 and 17 of the Proposed Order, the Commission
15 has certain minimum internal control standards, and the
16 company has its own internal control standards, both of
17 which require changes in key access within 72 hours of
18 certain events. And as they apply to these fact
19 situations, that includes a termination of the employees.

20 In the audit that took place in 2009, an
21 employee was demoted and the key access was not changed
22 within the required 72 hours. So that was written into the
23 audit report, a response was given back, you know, from
24 the -- from the property, indicating they would address
25 that.

1 When we went back for the 2010 audit, we
2 found a violation of the same rule, and we found two
3 persons who had been terminated whose key access had not
4 been changed within that 72-hour period. One person was
5 terminated and it was seven days later before their key
6 access was changed. Another was terminated and it was five
7 days later before their key access was changed.

8 Now, the property said, well, that's really
9 not a repeat finding because, you know, one was a demotion,
10 one was a termination. Our Staff's position was it was a
11 violation of the same rule. I mean, you have the same rule
12 that says that if any of these events occur, demotion,
13 termination, you know, you need to change the key access
14 within that 72-hour period. Viewed it as repeat finding
15 and are recommending a \$5,000 fine for that violation.

16 CHAIRMAN MATHEWSON: Any questions of Ed on
17 this?

18 (No response.)

19 CHAIRMAN MATHEWSON: Seeing none, Chair
20 would accept a motion to adopt DC-11-233.

21 COMMISSIONER BRADLEY: Motion to approve
22 DC-11-233.

23 COMMISSIONER MERRITT: Second.

24 CHAIRMAN MATHEWSON: Any discussion?

25 (No response.)

1 CHAIRMAN MATHEWSON: Call the role, Angie,
2 please.

3 MS. FRANKS: Commissioner Merritt?

4 COMMISSIONER MERRITT: Approve.

5 MS. FRANKS: Commissioner Hatches?

6 COMMISSIONER HATCHES: Approve.

7 MS. FRANKS: Commissioner Jones?

8 COMMISSIONER JONES: Approve.

9 MS. FRANKS: Commissioner Bradley?

10 COMMISSIONER BRADLEY: Approve.

11 MS. FRANKS: Chairman Mathewson?

12 CHAIRMAN MATHEWSON: Approve.

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

14 DC-11-233.

15 MR. GREWACH: Thank you.

16 CHAIRMAN MATHEWSON: Thank you, sir.

17 MR. STOTTLEMYRE: Mr. Chairman, the next

18 item on the agenda is Consideration of Relicensure of

19 Certain Suppliers. Sergeant Phil Morrison will present.

20 SERGEANT MORRISON: Good morning,

21 Mr. Chairman, Commissioners. The Missouri State Highway

22 Patrol investigators conducted a relicensing investigation

23 of five Missouri gaming supplier companies currently

24 licensed here.

25 These investigations consisted of

1 jurisdictional inquiries, feedback from affected gaming
2 clients in Missouri, a review of disciplinary actions,
3 their litigation history, and business credit profiles.
4 And we also investigated the key persons associated with
5 each company as part of these investigations.

6 The results of these investigations were
7 provided to the Missouri Gaming Commission Staff for their
8 review, and you should also be in possession of a summary
9 report in front of you. Each of these outline our
10 investigative findings.

11 The following supplier companies are being
12 presented for your consideration today: Hydeman Company
13 from Kansas City, Kansas; Midwest Gaming Supply, Kearney,
14 Missouri; Shuffle Master, Incorporated, Las Vegas, Nevada;
15 WMS Gaming from Waukegan, Illinois; and Modern Gaming,
16 Incorporated from Denham Springs, Louisiana.

17 MR. STOTTLEMYRE: Mr. Chairman, the Staff
18 does recommend approval of relicensure of these companies.
19 Each of these would need to be voted on separately though.

20 CHAIRMAN MATHEWSON: Okay. Any questions
21 of Sergeant Morrison?

22 (No response.)

23 CHAIRMAN MATHEWSON: Chair would accept a
24 motion on whatever number the first one is.

25 COMMISSIONER HATCHES: Move for approval of

1 Resolution No. 11-050.

2 COMMISSIONER JONES: Second.

3 CHAIRMAN MATHEWSON: Any discussion?

4 (No response.)

5 CHAIRMAN MATHEWSON: Call the role, please.

6 MS. FRANKS: Commissioner Merritt?

7 COMMISSIONER MERRITT: Approve.

8 MS. FRANKS: Commissioner Hatches?

9 COMMISSIONER HATCHES: Approve.

10 MS. FRANKS: Commissioner Jones?

11 COMMISSIONER JONES: Approve.

12 MS. FRANKS: Commissioner Bradley?

13 COMMISSIONER BRADLEY: Approve.

14 MS. FRANKS: Chairman Mathewson?

15 CHAIRMAN MATHEWSON: Approve.

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

17 Resolution No. 11-050.

18 CHAIRMAN MATHEWSON: Chair would now accept

19 a motion on 11-CSR 45.9114.

20 COMMISSIONER JONES: No. No.

21 CHAIRMAN MATHEWSON: I'm sorry. Which one

22 are we?

23 COMMISSIONER JONES: Go to the other page.

24 CHAIRMAN MATHEWSON: I'm sorry. I went too

25 far. Excuse me. On 11-051. Excuse me. I was trying to

1 read some other document here that the Chairman gave me.

2 COMMISSIONER JONES: Move for approval of
3 Resolution No. 11-051.

4 COMMISSIONER MERRITT: Second.

5 CHAIRMAN MATHEWSON: Any discussion?

6 (No response.)

7 CHAIRMAN MATHEWSON: Call the role, Angie,
8 please.

9 MS. FRANKS: Commissioner Merritt?

10 COMMISSIONER MERRITT: Approve.

11 MS. FRANKS: Commissioner Hatches?

12 COMMISSIONER HATCHES: Approve.

13 MS. FRANKS: Commissioner Jones?

14 COMMISSIONER JONES: Approve.

15 MS. FRANKS: Commissioner Bradley?

16 COMMISSIONER BRADLEY: Approve.

17 MS. FRANKS: Chairman Mathewson?

18 CHAIRMAN MATHEWSON: Approve.

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

20 Resolution No. 11-051.

21 CHAIRMAN MATHEWSON: Chair would accept a
22 motion on 11-052, please.

23 COMMISSIONER MERRITT: So moved.

24 COMMISSIONER JONES: Second.

25 CHAIRMAN MATHEWSON: Call the role, please.

1 MS. FRANKS: Commissioner Merritt?

2 COMMISSIONER MERRITT: Approve.

3 MS. FRANKS: Commissioner Hatches?

4 COMMISSIONER HATCHES: Approve.

5 MS. FRANKS: Commissioner Jones?

6 COMMISSIONER JONES: Approve.

7 MS. FRANKS: Commissioner Bradley?

8 COMMISSIONER BRADLEY: Approve.

9 MS. FRANKS: Chairman Mathewson?

10 CHAIRMAN MATHEWSON: Approve.

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

12 Resolution No. 11-052.

13 CHAIRMAN MATHEWSON: Chair would accept a

14 motion on Resolution 11-053, please.

15 COMMISSIONER HATCHES: Move for approval of

16 Resolution No. 11-053.

17 COMMISSIONER JONES: Second.

18 CHAIRMAN MATHEWSON: Call the role, please.

19 MS. FRANKS: Commissioner Merritt?

20 COMMISSIONER MERRITT: Approve.

21 MS. FRANKS: Commissioner Hatches?

22 COMMISSIONER HATCHES: Approve.

23 MS. FRANKS: Commissioner Jones?

24 COMMISSIONER JONES: Approve.

25 MS. FRANKS: Commissioner Bradley?

1 COMMISSIONER BRADLEY: Approve.

2 MS. FRANKS: Chairman Mathewson?

3 CHAIRMAN MATHEWSON: Approve.

4 MS. FRANKS: By your vote you've adopted
5 Resolution No. 11-053.

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

8 COMMISSIONER BRADLEY: So moved.

9 COMMISSIONER HATCHES: Second.

10 CHAIRMAN MATHEWSON: Call the role, please.

11 MS. FRANKS: Commissioner Merritt?

12 COMMISSIONER MERRITT: Approve.

13 MS. FRANKS: Commissioner Hatches?

14 COMMISSIONER HATCHES: Approve.

15 MS. FRANKS: Commissioner Jones?

16 COMMISSIONER JONES: Approve.

17 MS. FRANKS: Commissioner Bradley?

18 COMMISSIONER BRADLEY: Approve.

19 MS. FRANKS: Chairman Mathewson?

20 CHAIRMAN MATHEWSON: Approve.

21 MS. FRANKS: By your vote you've adopted
22 Resolution No. 11-054.

23 CHAIRMAN MATHEWSON: Consideration of
24 Rulemaking there, Mr. Director.

25 MR. STOTTLEMYRE: Yes, sir. That's the next

1 item on the agenda. Terri Hutchison will present.

2 CHAIRMAN MATHEWSON: Good morning, Ter.

3 MS. HUTCHISON: Good morning, Mr. Chairman,
4 Commissioners. Behind Tab I you will find ten proposed
5 rules. A comment period for these rules will run from
6 October 3rd through November 1st, with a public hearing
7 date set for November 2, 2011. I will present the first
8 two rules.

9 The first one, 11 CSR 45-7.160, Emergency
10 Medical Services First Responder Required. Currently, this
11 rule requires each Class B licensee to have an emergency
12 medical technician, an EMT, on board any time the riverboat
13 is open to the public. This requirement was originally
14 established in 1994, when the riverboats were expected to
15 conduct excursions away from their dock site, making them
16 inaccessible to normal fire department and ambulance
17 emergency medical services during the cruise.

18 Since all licensees are operating in
19 containment basins or permanently moored, it is no longer
20 reasonable or cost effective to require permanent medical
21 staffing at this level. The proposed changes will replace
22 the EMT requirement with a first responder, as defined in
23 National Emergency Medical Services, EMS, standards.

24 The Missouri Department of Health and Senior
25 Services' EMS Bureau was consulted in developing this

1 proposal. As with any public event or business, each
2 licensee will continue to make ongoing business-risk
3 assessments to determine what level of medical service
4 above the minimum requirement may be warranted for the
5 activities they have planned.

6 The second rule, 11 CSR 45-9.114, Minimum
7 Internal Control Standards, the mix, Chapter N, Security.
8 This amendment updates the minimum internal control
9 standards, which incorporates the same change from the EMT
10 to the first responder. It also clarifies who security
11 reports to, controlling access to casino floor, and
12 clarifying that hand-paid jackpots refer to the electronic
13 gaming device jackpots.

14 MR. STOTTLEMYRE: Mr. Ed Grewach will
15 present on the other proposed rules on the disassociated
16 persons. We'll vote on all these at the same time when
17 you're -- when they're complete.

18 CHAIRMAN MATHEWSON: Did -- Roger, let me
19 inquire, please.

20 MR. STOTTLEMYRE: Yes, sir.

21 CHAIRMAN MATHEWSON: I asked Ed for a
22 timetable on all of this. Do all the members of the
23 Commission have this?

24 MR. GREWACH: I have copies for everyone if
25 they need them.

1 CHAIRMAN MATHEWSON: Well, I think probably
2 we should -- everyone should have them.

3 MR. GREWACH: With the Chairman's
4 permission, I could pass those out.

5 CHAIRMAN MATHEWSON: Yeah. Would you,
6 please, Ed? Thank you. Because, I mean, this is the first
7 step of many that has to occur on any time we have rules
8 change, or new rules, on any of these ten that's before us.
9 And there is a public comment period, which you will see
10 about your third line down, goes into effect on October
11 the 3rd for the comment period and closes on November 1st.
12 So you have about a month of comment period, and then we
13 have a public hearing.

14 And you can go down the list there and see
15 step-by-step everything that happens. So what -- what we
16 are hearing today is -- is rule changes that aren't going
17 to be adopted today. They're going to start the process
18 for all of these changes in the rules, okay, that would
19 occur if, in fact, we choose for them to occur down the
20 road.

21 And actually, the effective date for these
22 rules don't -- wouldn't go into effect, if everything
23 stayed on track, which isn't always the case, until March
24 the 30th of next year. So I think that's important for all
25 the Commissioners to recognize, and anyone else too that --

1 I mean, we don't want to just come in here and start
2 changing rules. There's a lot more that is involved in
3 doing this.

4 So as we move forward, please, you know,
5 keep that in mind that we are just now hearing what is now
6 being proposed to us for consideration, and to the public
7 for consideration, all inclusive. Thank you. Any
8 questions of me or Roger or Ed before we get started on the
9 rest of these?

10 (No response.)

11 CHAIRMAN MATHEWSON: Okay. Thank you. Ed,
12 please.

13 MR. GREWACH: Yes. Missouri was the pioneer
14 in establishing a voluntary exclusion program. And as the
15 Commission all knows, and just to kind of fill the public
16 in, that's a program by where you sign up an application
17 and, if accepted into the program, agree that you're not
18 going to enter any Missouri casino, and that if you do,
19 you're -- will be charged with trespassing.

20 And initially, being the pioneer, we set it
21 up for a lifetime exclusion where there was not any option;
22 once you signed up, you were on for life. Other states
23 followed us and we started to learn from them, learn from
24 their experiences, from the things they had tried and had
25 good luck with, bad luck with.

1 And this, I think, has been discussed over
2 the years, as to having some option for persons to have
3 something shorter than a lifetime ban or having the ability
4 to come off the list at some point in time. As we looked
5 at other states, we were one of only three states in the
6 country that actually had a lifetime ban. Everybody else
7 had a shorter term or some mechanism to come off of that
8 list.

9 And just to reiterate, I think, what the
10 Commission said, these -- at this point it's just the first
11 step on the process. I mean, we have to propose some rules
12 before we go through the process the Chairman described of
13 soliciting public comments, having public hearings. And
14 then, at some future meeting -- and if the timetable works
15 out, probably in December -- it'll come back to the
16 Commission. With the input from the public hearings and
17 written comments we've received, could very well -- things
18 could be changed at that point in time by the Commission,
19 if they feel from the comments or from their own reflection
20 that changes are appropriate.

21 The rulemaking process is a little bit
22 cumbersome, as you can see from that timetable, and if we
23 hit every meeting date and every publication date, and if
24 everything goes perfectly, the effective date for this rule
25 will be April -- or March 30th of 2012. So, you know,

1 again, you don't have a rule that's going to be effective
2 tomorrow or something. So that's just another timetable to
3 keep in mind, for persons who are interested in how this is
4 going to work and, you know, when they would be eligible
5 for this type of relief.

6 Really, we went into it with two goals, and
7 the first goal was to create a mechanism for people to get
8 off the list after a certain time period; we picked five
9 years. You'll see that language in 17.060 and that
10 mechanism there.

11 Our second goal was to streamline the
12 application process. Really, as we looked at that, we did
13 have to make a few minor housekeeping changes in the CSRs,
14 but that was more just reworking our forms and reworking
15 the process of intake when people come in. We were able to
16 cut the length of our application in half. I think I heard
17 from Captain Geiger that they were very happy with that
18 change and, you know, the amount of time savings for the
19 agents on the boat, and the boat sergeants, that that would
20 generate.

21 We did include a provision that you'll see
22 in 17.070 that you could get back on. So once you got off
23 the list, and then changed your mind and wanted to get back
24 on, there is a mechanism built into these rule changes for
25 that. Now, once you do that, it's lifetime. And we really

1 came to that conclusion from talking to other
2 jurisdictions, because you didn't want these serial filers.
3 I want on, I want off, I want on, I want off. You know,
4 you wanted it to be, Okay, second time on, you're on for
5 life and that's the -- there's no option after that to get
6 off, if you do that.

7 We've, again, streamlined the application to
8 get off. We've got that down to one page. Much of what
9 you'll see in these changes are really just housekeeping
10 matters. You know, the Committee would look at the
11 language, thought that maybe it's a little awkward, thought
12 maybe it didn't include something: Promotional items,
13 contests, things that ought to be included.

14 And because of how cumbersome the rulemaking
15 process is, it was our determination that we would go ahead
16 and include every change that the Committee wanted to look
17 at -- you know, as opposed to those two major ones I've
18 talked about -- instead of coming back at some later time,
19 doing more housekeeping and minor word-smithing here and
20 there to change this or that. While we're doing it, let's
21 do it, go through the whole same comment, publication
22 period and get that whole process done.

23 Now, Chairman, with your permission, I could
24 just go over the highlights, rule by rule, and just kind of
25 give you -- just some of the high points. And I'd be

1 happy, again, with the Chairman's direction, to answer
2 questions as I go or at the end. Just whatever you think
3 are appropriate, or if anybody wants me to go more
4 in-depth, I'm just open to suggestions, but --

5 CHAIRMAN MATHEWSON: Would it be the
6 pleasure of the Commission that we would have Ed go ahead
7 and just hit those highlights, and then we'll go in with
8 questions or comments as we -- I'd prefer that we do that
9 as we go along, rather than waiting until the end, if
10 that's okay with everybody. Is that okay?

11 COMMISSIONER JONES: Uh-huh.

12 COMMISSIONER MERRITT: He'll probably cover
13 everything we have a question on.

14 CHAIRMAN MATHEWSON: Yeah.

15 COMMISSIONER BRADLEY: Yeah.

16 CHAIRMAN MATHEWSON: Go please, Ed.

17 MR. GREWACH: Okay. 17.010 was really just
18 a housekeeping matter. Methods -- you know, you see the
19 words that are added in bold were just things that we
20 thought we wanted to clarify from the prior rule. Then,
21 Paragraph 7 incorporates -- or adds the fact -- you know,
22 because the old draft said, Once you're on, you're on for
23 life. Then, Paragraph 7 says, No, you're on for life,
24 unless you get off pursuant to 17.060.

25 CHAIRMAN MATHEWSON: Any comments at this

1 time or questions on that section?

2 (No response.)

3 CHAIRMAN MATHEWSON: Okay. Why don't you
4 move on then.

5 MR. GREWACH: 020 then, again, is mainly
6 just housekeeping changes that we did. Although, I would
7 point out Paragraph 9. In the old form, we had a section
8 for an interpreter in every form that we generated, which
9 was quite a few. I mean, there are 15,950 on the list
10 right now. So for that many applications, you were
11 generating almost a full page of an interpreter affidavit
12 that for the most part, in most applications, weren't
13 needed.

14 So we came up with the idea that that would
15 be a separate document. So for all those forms that didn't
16 need an interpreter, they're filled out on the form. If
17 you do then need an interpreter, then we use this exhibit
18 -- this extra form for the few times that we do. And we
19 really felt like we were cutting down on the paperwork in
20 doing that.

21 When you look at Paragraph B, just below
22 that, we also say that the Commission may convert the
23 application to an electronic format that could be signed
24 electronically. That really seems to be the way a lot of
25 the technology is going, to go to a format where -- two

1 different things: One, the form can be filled out
2 electronically; and second, even on some of the forms,
3 let's say the application to get off the list, could
4 actually even be signed electronically.

5 You know, when you get on a website and it
6 says, I accept, and you hit, I accept, there's a Uniform
7 Electronic Signature Act, you know, that states that that
8 is a valid signature. And we really want to be able to, in
9 the future, take advantage of that. So that language is in
10 there for the future, when we get that set up.

11 There is some discussion, in the future, of
12 having the possibility of having actual kiosks here at our
13 offices and at the boats, where the person could go fill
14 out the form, you know, and print it. And then the boat
15 agent's only task would be to go over the form, witness a
16 signature, and it would really cut down on the time, you
17 know, and effort. But we still have to work out those
18 details.

19 But we wanted to put in the form -- the rule
20 itself, our ability to convert this same document -- we're
21 not going to change the document -- but convert the same
22 document into electronic form, as it is a paper form now.

23 CHAIRMAN MATHEWSON: Comments or questions
24 at this point?

25 (No response.)

1 CHAIRMAN MATHEWSON: Proceed, Ed.

2 MR. GREWACH: 030 is really just the -- was
3 just housekeeping, changing some of the language,
4 clarifying addresses to where things would be mailed, that
5 type of thing. So there's really no substantive change in
6 030.

7 CHAIRMAN MATHEWSON: Questions or comments
8 on that section?

9 (No response.)

10 CHAIRMAN MATHEWSON: Next, Ed, please.

11 MR. GREWACH: Have to say the same thing
12 about 040. That's just all cleaning up language that we
13 thought was a little bit clumsy or, you know, grammatically
14 [sic] had to be corrected or clarified, but there really
15 aren't any substantive changes in 040.

16 CHAIRMAN MATHEWSON: Questions or thoughts?

17 (No response.)

18 CHAIRMAN MATHEWSON: 050, please.

19 MR. GREWACH: 050 is rescinded because it
20 said there was no way to get off the list and, of course,
21 that's rescinded by us adopting 060, by adopting a method
22 to get off the list, so that's that change there.

23 CHAIRMAN MATHEWSON: Questions or thoughts?

24 (No response.)

25 CHAIRMAN MATHEWSON: (Indicating.)

1 MR. GREWACH: Then, 060 is really where all
2 the major changes come about. And, again, you're eligible
3 to get off five years after your original date of placement
4 on the list. You'll see in Paragraph H that each licensee
5 may choose to continue exclusion or reinstate the
6 privileges at their sole discretion.

7 Now, what that comes out of was, under the
8 old rules, when someone got on the DAP list, we required
9 the properties to send a notice of trespass to the DAP
10 member saying, You are no longer entitled to come to our
11 property. So that letter's out there, 15,950 of them.

12 So the question becomes, you know, once
13 someone's off the list, is that letter still in effect?
14 Because that's a letter directly from a private property,
15 private business, to an individual saying, You can't come
16 here. So we've attempted to address that up in
17 Paragraph 6, on the top of the second page. We're
18 asking -- or requiring each licensee to tell us what their
19 policy is.

20 Now, if a property's going to tell us, Yes,
21 we're going to allow anyone who gets removed from the DAP
22 list back on our property, then that automatically rescinds
23 all these prior notices of trespass. So then, those
24 persons are free to go back onto those boats.

25 If, in Paragraph B, the casino says, No, you

1 know, if somebody used to be on the list, we still really
2 don't want them, then, at that point, we deal with, Okay,
3 if that's the case, you can't be marketing to them; you
4 can't be enrolling them in any programs; you can't be
5 having any contact with them. Because, you know,
6 obviously, that defeats the purpose if you're going to deny
7 them access to your casino and then market to them.

8 That's just inconsistent positions to take.
9 So that explains what you see there in Paragraph H and
10 Paragraph 6, as to how we're going to handle that
11 particular situation.

12 Now, as a side note, we have also, in the
13 change of rules, deleted the requirement that they send
14 these trespass notices, for a variety reasons. One, it
15 creates this problem we're talking about today. So in my
16 mind, it made no sense to continue doing something that
17 creates this problem.

18 And secondly, it really was -- then became
19 different for every property. Because one property might
20 send a notice of trespass saying, You can come to our
21 gaming floor, but -- you know, You can't come to our gaming
22 floor, but you can come to our restaurants and bars.
23 Somebody else might send one that says, You can't come
24 anywhere. You know, You can't come to our gift shop; you
25 can't come to our restaurants and bars; you can't come to

1 our parking lot.

2 And, I mean, they're as different as many
3 different letters. So then, our boat agents have to deal
4 with all this and figure out, Okay, where am I? What
5 restrictions are these people under? You know, and it just
6 becomes an impossible situation.

7 And the third thing is -- and the judge and
8 the sheriff probably, you know, would appreciate this: I
9 mean, we don't really know if they're effective or not.
10 Because for a trespass, there has to be actual
11 communication from the business owner to the patron saying,
12 You can't go there.

13 If I mail a letter to 111 Wanita Street, to
14 John Jones, I don't know if he got it. You know, can I
15 prove he got actual notice? Can I prove he received that
16 letter? If I send it certified even, did I keep the green
17 card? Even if I did, can I compare the handwriting to --
18 you know, I mean, it's just an impossible task.

19 Now, for the people that are on the DAP
20 list, we're really fine. Because when you're on the DAP
21 list, you sign on the application -- you sign a statement
22 saying, I cannot go to any casino in Missouri; and if I do
23 go, I'll be arrested for trespassing. So there -- and
24 that's witnessed by one of our people. So there you have
25 actual notice signed by the person, witnessed by our agent.

1 Once they go off the DAP list, then the
2 question becomes, are they still subject to that notice of
3 trespass that this property sent back in '98 or 2000? You
4 know, so if a person who's been removed from the DAP list
5 comes to us and said, Well, where -- you know, what
6 properties can I go to? This is designed to try to help us
7 answer that question.

8 So if there are eight of the properties that
9 say, We'll welcome them back, we can tell you, You can go
10 to these eight properties; for the other four, you have to
11 call them. You know, we don't have any control over that.

12 COMMISSIONER HATCHES: Question.

13 MR. GREWACH: Yes, Doctor?

14 COMMISSIONER HATCHES: So if the property is
15 sending these letters out when someone goes on the DAP list
16 that say, You're no longer welcome at our casino, and if
17 this rule is changed, would they then send letters out to
18 say, You are welcome back?

19 MR. GREWACH: Well, in an effort to cut down
20 on paperwork, if the properties tell us that their policy
21 is to allow all former DAP people back, we're then writing
22 this in here that that automatically rescinds their prior
23 notice of trespass. So then we -- if somebody applies to
24 get off the DAP list, then we can say, Congratulations,
25 you've been removed from the list; you are now authorized

1 to go to the following properties -- and we'll list
2 those -- and for any other property, you need to call them
3 before you go.

4 So, you know -- because we could do exactly
5 what you're saying. We could say, Okay, you know, if
6 you're going to rescind these 15,950 notices of trespass,
7 you've got to send these letters back out to all these
8 people. A lot of problems there, you know. I mean, people
9 may have moved. I mean, you're talking about a program
10 that's been in existence for some time period. Privacy
11 issues: Do other members of the household really know
12 they're on the list, you know, or ever were on the list? I
13 mean, there are just a lot of things that kind of concerned
14 us.

15 Ideal scenario would be that if every
16 property said, Yes, we will accept everybody that's been
17 removed from the list into our property, no problem. Very
18 bright line; green or red; you're on, you're off; and we
19 can deal with that. But we have to deal with the reality
20 that some companies corporatewide may take the position
21 that, you know, We don't want former DAPs on our property
22 and wish to exclude them, and wish to attempt to enforce
23 this prior notice of trespass that they sent.

24 So knowing that, we can't, in good faith,
25 tell a former DAP, Yes, you can go to this casino, and then

1 they get arrested for trespassing. I mean, we have to be
2 able to tell them where they can safely go, and if we don't
3 have assurances that they can go there, then they just have
4 to contact the properties and deal with that problem
5 themselves.

6 CHAIRMAN MATHEWSON: Ed -- excuse me.

7 COMMISSIONER HATCHES: He did a good job, I
8 just --

9 CHAIRMAN MATHEWSON: I -- I'm -- I can see
10 if -- like you pointed out to Commissioner Hatches'
11 question, you know, if everyone was on the same plan, then
12 it would be a lot simpler. The way -- the way I'm
13 understanding this order and your comments, there's two
14 things: One is we're going to leave this up to each
15 property to make the decision whether they do or do not
16 allow people that had previously signed on to be off or to
17 stay on.

18 MR. GREWACH: Correct.

19 CHAIRMAN MATHEWSON: It's going to be up to
20 each one of them to do that. Are we going to put a -- that
21 seems really confusing. If I'm a person that put myself on
22 there, and I go to one -- because we have multiple casinos,
23 particularly in the two metropolitan areas, so that's going
24 to be a little confusing, I think. And I'm not saying
25 that's wrong; I'm just thinking -- trying to think how

1 would be the best way to deal with this.

2 So if we let each one of them decide, is
3 there a time frame on that? In other words -- in other
4 words, if I am Casino X and I decide that I'll accept all
5 of them back and, you know, ten blocks away there's Casino
6 Y, who says, No, I don't think I want to do that right now,
7 can I wait a year and then do it?

8 MR. GREWACH: Yes.

9 CHAIRMAN MATHEWSON: Yes, what? Yes, it's
10 that way --

11 MR. GREWACH: Right. Because --

12 CHAIRMAN MATHEWSON: -- or yes, we ought to
13 think about that?

14 MR. GREWACH: Well, let me back up a little
15 bit, if I may.

16 CHAIRMAN MATHEWSON: Well, I wish you
17 would.

18 MR. GREWACH: Our entire problem flows from
19 the fact that we required these trespass letters in the
20 first place. We're the only state in the union to have
21 done it.

22 CHAIRMAN MATHEWSON: We were about the
23 first that ever --

24 MR. GREWACH: Right. And that's our excuse
25 is --

1 CHAIRMAN MATHEWSON: -- got involved in it
2 too.

3 MR. GREWACH: Right. That's our excuse. I
4 mean, you know, we were recreating the wheel and, so we
5 didn't -- you know, we didn't know. But no other state
6 requires this trespass letter, for good reason.

7 Because, as I said, it's unnecessary.
8 You've got the application where they say they won't go on
9 a boat. That's their actual notice. B, you know, it's
10 ineffective, you know, because how can you ever prove they
11 ever got that letter. And C, it creates this problem. But
12 we have to deal with it, so we have to figure out the best
13 way to deal with it.

14 So the best we could come up with at this
15 point in time was what you see in 6, where if a property
16 says, We're going to accept all former DAPs, that's
17 irrevocable at that point in time. As soon as they adopt
18 that policy, it voids all prior notices of trespass. So
19 they're -- all those people are done. They're out from
20 under that notice of trespass; they're done; they're free
21 to go back to that property.

22 Now, something else happens in the meantime,
23 they get in a fight in a bar, you know, whatever happens,
24 that's a whole new deal. So if they want to -- it doesn't
25 mean they can never bar them for some other reason, but

1 they could not bar them because they were at one point on
2 the DAP list.

3 Then you got those folks that say, No, we
4 just don't want any former DAPs on there. And it's a
5 difficult problem for us to deal with because, as a private
6 entity, they have sent a letter to John Doe saying, You
7 can't come on our property. Now, we could, I guess, say,
8 you know, That letter's not effective. But if John Doe
9 shows up on their property, and then he gets charged with
10 trespass, and then he goes to jail, John Doe's going to
11 come to us and say, Now, wait a minute; you guys told me
12 that I could go there, you know.

13 And so, I mean, it's a private matter
14 between a private company and a patron who they have -- and
15 a term you'll hear a lot of the Staff use is 86'd. So
16 basically, once they're off the DAP list and they fit in
17 category B down here of a casino that's not going to accept
18 them back on, they're 86'd.

19 They're no different than somebody who got
20 in a fight in a bar or harassed a cocktail waitress or, you
21 know, caused a problem at a table game or, you know -- you
22 know, didn't leave when they were told to, or whatever the
23 case may be. You know, so they're in that same broad
24 category of people who may or may not be trespassing at the
25 property. It depends on what the proof is and -- you know,

1 but they're no longer a DAP.

2 Missouri has a statute, 313.813, which makes
3 it a crime to -- it says, Any person that has been
4 self-excluded is guilty of trespassing in the first degree,
5 if such person enters an excursion gambling boat. So it's
6 a two-element crime. You're on a list, you go on a boat.
7 So for us that's easy. We can administer that. We
8 understand that, you know. You're on the list, you went in
9 a boat, bing-bang, you're done.

10 Now, once you're off the list, then you
11 could potentially be charged with trespassing in the first
12 degree, again, on one of these boats that doesn't want to
13 let you back on, if you knowingly enter unlawfully on a
14 boat and you had actual communication to you not to go.

15 And I'm getting a lot of technical aspects
16 here, so please, you know, stop me or slow me down if
17 you're not -- you know, if you don't want me to get there
18 yet.

19 But, you know, so that's the problem,
20 basically, we're dealing with. We're trying to say, Okay,
21 that fact exists that, you know, we may have a former DAP
22 member who could be subject to trespass charges at a
23 particular property and, so therefore at that point in time
24 we have to know what to tell them when they get off the
25 list.

1 CHAIRMAN MATHEWSON: So, Ed, my question
2 was, is there a time frame? If we have -- let's use the
3 example -- by the time we get through all this, we may
4 almost have 12 licenses in the state -- or actually
5 casinos.

6 If I'm Casino X, and I don't want to take
7 these people off of my list, do I have a time frame in
8 which to make that decision? Can I -- if we adopt this
9 rule, okay, way down the road here, after public comment
10 and all kinds of actions, then is there a time frame? Can
11 I make that judgement call, as a casino, anytime in the
12 future? I changed my mind; I don't want them in my casino.
13 It's over. Is that what you're saying to me?

14 MR. GREWACH: It's -- you can't go from
15 Column A to Column B, but you can go from Column B to
16 Column A. Not to make a Chinese restaurant, you know,
17 reference here.

18 But you have -- if you tell us your policy
19 is to allow former DAPs, that automatically voids all your
20 prior notices of trespass. So at that point in time, the
21 person's not a DAP, so they couldn't be trespassing under
22 313.813. You voided your notice of trespass, so they
23 couldn't be prosecuted under 569.140. So once you tell us
24 your policy is, We'll accept the former DAPs, that's done,
25 that's irrevocable. You can't change your mind.

1 Now, in Column B the people that said, We
2 don't want the former DAPs, we intentionally left in there
3 their ability to change their mind. Because our best
4 result is that everybody moves into Column A, you know.

5 So if you started out in Column B where you
6 say, I don't want any former DAPs on my property, and then
7 three years down the road look at it and say, Well, there
8 really wasn't -- the harm I was trying to prevent really
9 isn't there, and my competitor's getting all my business,
10 you know, so I'm going to let these folks back on. We'd be
11 thrilled to have them send us a letter saying, We will now
12 allow all former DAPs on; we're hereby revoking all our
13 prior notices of trespass.

14 And, again, perfect case scenario is
15 everybody said that, and then we'd know it's green or it's
16 red. You're either on the list or off the list. If you're
17 on the list, you can't go; if you're off the list, you can
18 go. And that's the point that we would really like to get
19 to, but we're just running into this practical problem in
20 getting to that.

21 CHAIRMAN MATHEWSON: Okay.

22 COMMISSIONER JONES: I have a question.

23 CHAIRMAN MATHEWSON: Excuse me, Jack.

24 COMMISSIONER JONES: No, Jack can go.

25 CHAIRMAN MATHEWSON: Yeah.

1 COMMISSIONER MERRITT: Why would the
2 casinos -- and do you anticipate there will be some that
3 will not want any of the previous DAPs on there? Why would
4 they not want their money like they get anybody else's?

5 MR. GREWACH: I've been working a little bit
6 with the Missouri Gaming Association, you know, on that and
7 I don't have the final word, so I wouldn't want to say
8 anything here, you know. But, for example, there may be
9 one property that has a corporatewide, nationwide policy
10 that if you were ever on a list in any state, you're then
11 permanently barred from the property. So let's just say a
12 corporatewide Class A licensee has that policy, you know,
13 then they may adopt that policy.

14 COMMISSIONER MERRITT: So this may not even
15 be a point of contention then? It may just be kicking a
16 dead horse then? I mean, all of the casinos may say, Well,
17 come on back.

18 MR. GREWACH: Yeah. They all say, Come on
19 back, I'll be the happiest man in the world and we won't
20 have a problem. But we had to write around the possibility
21 that there may be one or two that don't. You know, we had
22 to deal with, okay, if that's the case -- you know, if only
23 eight of the twelve, or nine of the thirteen, or whatever
24 the case may be, allow people back, somebody gets off the
25 list, we can send them a letter saying, You can go to these

1 nine properties, but for these four, you have to contact
2 the property and deal directly with them.

3 COMMISSIONER MERRITT: Okay. To some
4 extent, are their records going to be -- let me use the
5 term "expunged." But, I mean, they can't be totally
6 expunged because if they apply the second time, you have to
7 know that it's a permanent removal. But are they still
8 going to be accessible by anybody other than the
9 Commission?

10 MR. GREWACH: No. Those are closed
11 records --

12 COMMISSIONER MERRITT: Well, they are now, I
13 guess.

14 MR. GREWACH: -- only accessible to the
15 Commission and, of course, you know, to the boats, because
16 the boats --

17 COMMISSIONER MERRITT: Okay. To the boats
18 as well.

19 MR. GREWACH: And the boats, as you'll see
20 here under a confidentiality requirement about how they --
21 you know, to whom they can disseminate them to, only to the
22 operational personnel necessary to ensure compliance with
23 the --

24 COMMISSIONER MERRITT: Okay.

25 MR. GREWACH: -- with the boat.

1 COMMISSIONER JONES: Ed, what is our
2 responsibility and how cumbersome will it become if the
3 casinos say, Well, yeah, you can come on the boat, but you
4 can only go to the restaurants and the gift shops, but not
5 on the gaming floor itself? You know, so where is our
6 responsibility? And if it looks like we take on that
7 responsibility, it becomes really cumbersome for us to try
8 to track all of that.

9 MR. GREWACH: It does become cumbersome for
10 us. I mean, because -- but one goal of putting in
11 Paragraph 6 is that we know property by property. So if
12 you -- I don't know which property to pick on. Mark Twain:
13 So Mark Twain says -- and LaGrange says, Okay, we'll let
14 everybody on there on, then the boat agents there know,
15 Here's somebody, they're a former DAP, they're okay. We
16 don't have to worry about them.

17 Then, if you're on a property that you know
18 doesn't allow former DAPs, then you have to treat them --
19 you have to consider whether or not they're a trespasser.
20 And that's where it gets really, really tricky, you know.
21 You know, so here comes some -- we have a lot of arrests
22 for these.

23 And once they did away with the loss limits,
24 it really took out a lot of the enforcement ability to
25 regulate this rule. Because before the loss limits, of

1 course, you had to get some kind of card, player card, to
2 even get on the floor. We could check you right there at
3 the turnstiles and know if you were or weren't on the DAP
4 list.

5 Now, unless you look, you know, under 30, or
6 whatever the case may be -- and if you're 55, they don't
7 check your IDs anymore, but -- so I could be on the list
8 and I could walk in there and play.

9 Now, long as I'm losing and as long as I --
10 if I win a jackpot over \$1,200, then that triggers filling
11 out of a W-2G. And so the machine locks up, siren goes
12 off, light flashes. They come and they fill out my W-2G,
13 they're going to find out I'm illegally there and arrest
14 me. We'll see some of them that'll run away, you know. So
15 that's how you kind of know that must have been a DAP
16 because they won \$1,200 and they left the casino.

17 But we catch some who make a cash
18 transaction at a cage. You know, we have -- you know, if
19 that's the case, then, you know, they have to present an
20 ID, you know, to do that, and then we catch them there at
21 that. But short of that, you know, we don't really have
22 the mechanism to catch the DAPs who are on the boat, unless
23 they do one of those things that would trigger their
24 showing us an ID to do it.

25 But, again -- so go back to the jackpot

1 example: So we're on a boat that doesn't allow former
2 DAPs. They get a \$1,500 jackpot; the machine locks down,
3 the light goes on, the jackpot -- the slot machine, you
4 know, manager comes over with security to pay it out.

5 They check their list and they say, Oh, no.
6 This guy used to be on a DAP list and we sent him a letter
7 back in 1999 saying he couldn't come back, so we're not
8 going to pay him this jackpot. And the patron says, I
9 never got that letter, you know. I don't know what you're
10 talking about, you know. As far as I know, I'm free to be
11 here. And the poor agent's sitting there scratching his
12 head saying, you know, What do I do? Do I tell the casino
13 to give this person their money? Do I tell the person to
14 leave without the money?

15 You know, I mean, so it is -- it does create
16 a problem, which, again, all goes back those notices of
17 trespass. I mean, that's what really causes our problem
18 here. But it's one we have to deal with. I mean, we just
19 have to figure out how to -- how to deal with that aspect
20 of it.

21 COMMISSIONER BRADLEY: I've got a couple of
22 questions --

23 CHAIRMAN MATHEWSON: Sure.

24 COMMISSIONER BRADLEY: -- Mr. Chairman.

25 CHAIRMAN MATHEWSON: You're through?

1 COMMISSIONER BRADLEY: Well, two things to
2 follow up on what Darryl had asked about what the
3 Commission has to do: So therefore, once the casinos give
4 the Commission their policy, then we, the Commission, have
5 to then notify -- send a new notice of trespass, as it is
6 right now, that 6A -- if, in fact, the casino does not want
7 to exclude them? So at least at this point we --

8 MR. GREWACH: Well, that's --

9 COMMISSIONER BRADLEY: If they still want to
10 exclude DAPs. So we, the Commission, or -- the casino
11 doesn't send anything. Correct? It's the Commission --
12 it's the Commission that would -- in other words, if one
13 casino doesn't want to allow them in.

14 MR. GREWACH: Are we at --

15 COMMISSIONER BRADLEY: See what I'm saying?

16 MR. GREWACH: -- 6A or 6B?

17 COMMISSIONER BRADLEY: 6A, second line --
18 second sentence.

19 MR. GREWACH: Well, the second sentence says
20 if a casino has cause to exclude an individual, prior DAP,
21 a separate notice of trespass will be provided. So I guess
22 our intent in drafting that was that cause would be, again,
23 a separate incident: A fight in a bar or --

24 COMMISSIONER BRADLEY: You mean after
25 they've allowed them on?

1 MR. GREWACH: Right. So --

2 COMMISSIONER BRADLEY: See. Now you know
3 why I'm confused, how that statement's -- okay.

4 MR. GREWACH: Right. So let's just kind of
5 offer an example: So let's say in 1999, somebody signs up
6 for the DAP list; in 2012, they get off. This is a casino
7 under Paragraph A that has a policy of allowing them back
8 on. So that 1999 letter, notice of trespass, is now void,
9 terminated; that's out of the picture. They're off the DAP
10 list, so at that point in time, there's absolutely
11 nothing -- no document excluding that patron from the
12 casino.

13 So then, if the casino has some separate
14 cause to exclude them -- again, a fight in a bar or some
15 disruption, some problem, excessive intoxication,
16 whatever -- they have to start from scratch. So they have
17 to send a separate notice of trespass to -- the casino
18 does, to that individual saying, You can't come back here
19 because you got in a fight in a bar on September 23, 2012.

20 COMMISSIONER BRADLEY: So that's the casino,
21 not the Commission?

22 MR. GREWACH: Correct.

23 COMMISSIONER BRADLEY: See, that was part of
24 my question too.

25 MR. GREWACH: Correct.

1 COMMISSIONER BRADLEY: Okay. That's one
2 question I have. Second question I have is what is going
3 to be the basis of -- on number one, I don't know the
4 numbers. I'm assuming you have the numbers that people
5 would like to be off of the list and come back into the
6 casinos.

7 So I don't know how many people there are,
8 but if there are people that want to come back on, then
9 they apply, is it just five years have elapsed, or what are
10 the standards and what are the guidelines? I see in
11 Section 1 we've got, you know, all the information you need
12 to give, but what's going to be the basis of allowing a
13 person to be removed from the list?

14 MR. GREWACH: Really, just their filling out
15 of the application. There really aren't any other
16 requirements of theirs. Again, it's a one-page application
17 to get off. When we looked at it, the application to get
18 off, in our mind, could be a lot less involved than the
19 application to get on.

20 Because to get on, you're at the beginning
21 of a lifetime ban with that option to get off after five
22 years. So we always have to think about what will
23 someone's defenses be? Will they say, Well, that really
24 wasn't me; I didn't really understand what I was signing,
25 you know? So we have to cover those types of issues. So

1 your application to get on is three pages long. It has a
2 lot of bullet points on there that you acknowledge and
3 understand all the requirements of the program.

4 The requirement to get off, basically, is
5 just a photo ID and the signed document and, you know,
6 verifying that you want to get off. And then, once we
7 receive that, just -- our analysis will simply be that the
8 form was filled out correctly and had all the information
9 on it that we needed. We're not going to require them to
10 go to any kind of mental health, you know, examination or
11 provide any medical records or doctor's records.

12 But to answer your question, there will be,
13 if this rule becomes effective on March 30, 2012, 7,899
14 persons eligible to get off, who have been on for five
15 years. Now, we have no way of knowing if -- how many of
16 those, if any -- I mean, I'm sure that's theoretical. I
17 know some probably will, but we don't really know how many
18 will apply to get off.

19 COMMISSIONER BRADLEY: Did most of these
20 people sign up themselves? I mean, I don't know what
21 those --

22 MR. GREWACH: They are required to sign up
23 themselves. Nobody can sign you up for you.

24 COMMISSIONER BRADLEY: And that could've
25 been by, like, a court order requiring them to do that too?

1 MR. GREWACH: We don't permit that because
2 it has to be voluntary. So if you're under a court order
3 to do that, there's a separate form we fill out, because we
4 want to check you for your possible eligibility for the
5 exclusion list, which is a whole other story. But it has
6 to be voluntary; you have to acknowledge that you're a
7 problem gambler; you have to do it yourself; you have to
8 acknowledge the requirements and restrictions of the
9 program; it has to be signed and witnessed by one of our
10 agents to get on.

11 COMMISSIONER BRADLEY: Okay.

12 COMMISSIONER JONES: Couple more questions.
13 The timeline, how long after -- say, for example, this
14 thing goes through -- it flies through, March 30, 2012,
15 everything is okay. How long after that does the casino
16 have to submit their policy? Because, again, the policy
17 can say, Hey, we'll accept the DAPs, but they can only go
18 in this certain area, and everything else.

19 And then, how long after it goes into effect
20 will the former DAP be able to, I guess, go on the casinos?
21 You know, how long does that process take after filling out
22 this one-page application? I mean, will they be able to go
23 in the next day after they submit it and we check
24 everything and it's okay?

25 MR. GREWACH: They, by rule, cannot go back

1 on until they get written confirmation from us that their
2 application to be removed has been accepted. So however
3 long that process takes, and I'd hate to speak to that.

4 COMMISSIONER JONES: Okay.

5 MR. GREWACH: Depending on our volume of
6 work. But if you apply on Monday, will it be Friday? Will
7 it be the next Monday? But you really are still on the
8 list until you get our letter telling you that we've
9 accepted your application to get off.

10 COMMISSIONER JONES: Okay. Now, what about
11 the casinos? How long do they have before they submit
12 their policy? Because if they don't submit a policy, it
13 seems like to me, once I get that letter of approval to go,
14 I can go and I'm not trespassing again.

15 MR. GREWACH: We did not write into this
16 rule a time frame. And that may be something in the
17 comment period and public hearing period we may want to
18 consider adding to it. But as it's written, it does not
19 have that time frame.

20 COMMISSIONER HATCHES: I have one quick
21 follow-up.

22 CHAIRMAN MATHEWSON: Okay. Go ahead.

23 COMMISSIONER HATCHES: From the time they
24 ask to be taken off the list until they're notified that
25 they're approved, what's that process internally?

1 MR. GREWACH: Internally, it would just be
2 reviewed by our Staff and, again, the reviews --

3 COMMISSIONER HATCHES: What do you review?

4 MR. GREWACH: Just did they sign; completely
5 filled out, you know; has the -- I believe it requires a
6 photograph, you know, of the person; has the correct
7 identifying information with the person that's on the list.
8 I have a copy, I believe, of the application to get off. I
9 only have one, so I can't --

10 COMMISSIONER HATCHES: I don't need to see
11 it. I'm fine.

12 MR. GREWACH: But it's just -- just asks
13 your -- because we want to compare the identifying
14 information with the person filing the application to get
15 off with the person -- you know, make sure we got the right
16 person. Get into some technical things: Some people use
17 aliases, so we're asking for Social Security numbers,
18 driver's license numbers, things we can cross-check. Maybe
19 you got married and your name changed or -- you know, we
20 just want to make sure we got the correct person off the
21 list. And whatever that time period was, we -- you know,
22 so I really even hate to speak to -- but we're going to
23 process them as quickly as possible to get that --

24 CHAIRMAN MATHEWSON: The auditor's nervous
25 right behind you there.

1 MS. ALONZO: Hi. Cheryl Alonzo, Missouri
2 Gaming Commission. The way this rule is written, they will
3 have to have their policy in place with us on the effective
4 date of the rule. Because the rule says, They shall have
5 on file with the Commission, so they'll know that the
6 rule's going to come into effect on X date, and that will
7 give them time to get --

8 CHAIRMAN MATHEWSON: You're talking about
9 casino -- each individual casino.

10 MS. ALONZO: Each casino will have to have
11 that policy when the rule goes into effect.

12 COMMISSIONER JONES: Okay.

13 COMMISSIONER HATCHES: Now, are you going
14 to -- surely you're going to have discussions with them
15 along the way as you're developing this policy, as to -- to
16 get a feel as to what the different properties are going to
17 do?

18 MR. GREWACH: We've already done that.
19 We've already had those discussions underway. We've got
20 some preliminary thoughts from them. We're working through
21 Mike Winter, you know, at Missouri Gaming, and they'd like,
22 of course, to see the final product before they make a
23 decision, but we've got, you know, some ongoing dialogue
24 with them.

25 CHAIRMAN MATHEWSON: Ed, let's go to 070,

1 sub 1. Let's go on down that whole section. Okay? A
2 former Disassociated Person who has had his or her name
3 removed from the list of Disassociated Persons list may
4 request at any time to reestablish his/herself exclusion on
5 the list. Okay? That's what we discussed earlier.

6 MR. GREWACH: Correct.

7 CHAIRMAN MATHEWSON: If I am removed --
8 but, again, going back -- I know you've answered this two
9 or three times, but I'm still a little fuzzy on it, which I
10 often am. But do you -- so you -- so we've got -- we
11 have -- excuse me -- 7,000 people, or whatever, that's
12 asked to be removed. Okay? Those are all at their
13 request. Right?

14 MR. GREWACH: Correct.

15 CHAIRMAN MATHEWSON: The day that rule goes
16 into effect, they're still on a list that ceases to exist
17 that day, unless they ask to come off? How can that be?
18 It isn't effective anymore.

19 MR. GREWACH: Well, I'm not sure I
20 understand the question.

21 CHAIRMAN MATHEWSON: Okay. If you -- if we
22 are -- if Jim Mathewson is on a list that I asked to not
23 be allowed to go on there, okay, the effective date of this
24 rule, as presented today, goes into effect -- whatever day
25 that is, sometime in March or the 30th of March or

1 something of 2012 -- on the next day, the first day of
2 April, am I not allowed on a casino floor?

3 MR. GREWACH: You're still barred from the
4 casino because you have to take the affirmative step to
5 apply to be removed from the list. If you never file that
6 application to be removed from the list, you're on for
7 life. It's just the earliest date that you can file your
8 application for removal is the fifth year and first day
9 after you've been placed on the list.

10 CHAIRMAN MATHEWSON: Okay. So I'm still on
11 the list. I can't go on a casino floor.

12 MR. GREWACH: Correct.

13 CHAIRMAN MATHEWSON: Okay. And the casino
14 knows that.

15 MR. GREWACH: Yes.

16 CHAIRMAN MATHEWSON: Okay. So now, I stay
17 on there for the rest of my life, unless I take action to
18 request my removal.

19 MR. GREWACH: Correct.

20 CHAIRMAN MATHEWSON: Okay. Now, but if I
21 go back on there, at my request, anytime in the next five
22 years, then I'm there and I can't get off, ever.

23 MR. GREWACH: Correct. So --

24 CHAIRMAN MATHEWSON: Have I kind of
25 overviewed where we are?

1 COMMISSIONER HATCHES: It's not for the next
2 five years. It's --

3 COMMISSIONER JONES: It's anytime, ever.

4 COMMISSIONER HATCHES: -- anytime. It can
5 be the next day.

6 CHAIRMAN MATHEWSON: There's a five-year
7 provision in there about something. What is that?

8 MR. GREWACH: So you have to be -- you have
9 to have been on five years before you can --

10 CHAIRMAN MATHEWSON: There we go. Okay.

11 MR. GREWACH: So let's just say, in your
12 example, you get to this April of 2012, and you've already
13 been on for five years, you can apply to get off. We'll
14 process your application, we'll let you off. The next
15 April you decide you really want to be back on the list.
16 You really thought that you never should've got off in the
17 first place, so you come back in and reapply with us from
18 scratch to get back on it. Once you do that, it's
19 lifetime. You know, you don't --

20 CHAIRMAN MATHEWSON: Okay.

21 MR. GREWACH: -- get -- it's a one-time shot
22 to get off. And if you get off and then get back on,
23 you're lifetime at that point.

24 CHAIRMAN MATHEWSON: I'm reading the rest
25 of 070 there: Reestablishing self-exclusion results in

1 permanent placement on the list. I think that's what we
2 just discussed, isn't it?

3 MR. GREWACH: Correct.

4 CHAIRMAN MATHEWSON: The Disassociated
5 Person may not again request removal. Okay. That's what
6 we just discussed. Commission shall inform all such
7 applicants that this self-exclusion is for life and there's
8 no process for removal from the list. So it comes back to
9 the Staff here to comply with that rule.

10 MR. GREWACH: We did. We worked with IT in
11 the course of these committee meetings and, you know, of
12 course, they've got until March to do it, but I think
13 they're working on that, to be able to flag those persons
14 to make sure they don't accidentally get back off the second
15 time. And I've got confidence they'll be able to keep
16 track of that.

17 COMMISSIONER BRADLEY: May I ask a question?

18 CHAIRMAN MATHEWSON: Go ahead.

19 COMMISSIONER BRADLEY: So would you say that
20 you're -- the application to go on the list is pretty much
21 the same as the application to be removed from the list?
22 You aren't -- I mean you are not -- you're just trying --
23 you're saying it's voluntary to go on the list, if someone
24 wants to come in and do it. And then they come back and
25 they say, Okay, you know, five years have gone by -- under

1 these proposed suggestions here. After those five years,
2 Well, you know, I'd like to try it again. You know, I
3 don't -- I want to do that. So you're not -- is it a --
4 first thing is that you're not really asking them to do
5 anything more than when they signed up, if they want to go
6 off after five years.

7 MR. GREWACH: Correct.

8 COMMISSIONER BRADLEY: And there have been
9 no issues. Have there -- if there have been any issues, I
10 mean, are you going to have a little committee to look at
11 this to see if they should go off? Because that's what I
12 mean. That's my concern is how are you going to say who
13 gets to go off and who doesn't?

14 MR. GREWACH: I'd have to agree with you in
15 part and disagree in part. Because I agree in part that
16 that is -- the philosophy, in general, is you went on
17 voluntarily, you go off voluntarily. We don't make you
18 prove to us that you're a problem gambler on day one; we
19 take your word for it. And on day whatever five plus one
20 is -- not 365 -- on day whatever that is, we take your word
21 for it that you're not.

22 Been a lot of research that shows that
23 persons are more likely to sign up for a program such as
24 ours if they know that there's some possibility of getting
25 off. The lifetime ban does, according to the research,

1 tend to scare, you know, some people off. And I think
2 that, as I read through the minutes back from '06 when it
3 was presented and the possibility of -- I think, Melissa
4 Stephens presented, you know, quite a bit of research from
5 people who had looked at it and said, Well, you know,
6 you're going to have more people sign up if you have this
7 shorter term possibility.

8 Now, I disagree to the extent that we
9 require a lot more information and go through a lot more
10 process to get you on. I mean, it has to -- your signature
11 has to be witnessed by one of our agents. You know,
12 there's just more information gathered, because that's a
13 choice you make that creates legal consequences of
14 yourself. So now, you're going to be trespassing,
15 committing a crime, if you go to a casino.

16 We want to make sure that we adequately
17 handle those issues. You know, we don't want somebody
18 coming in saying, That wasn't me. We don't want somebody
19 coming in saying, I didn't understand what I was signing.
20 You know, we wanted to make sure those issues were covered.

21 To get off, a one-page document. As long as
22 we have all your identifying information, you fill the
23 thing out properly, we're going to look at it, kick you out
24 the letter saying, You're off the list. And so it's going
25 to be a lot easier to get off than it is to get on. But,

1 in general, on neither end -- you know, either end we're
2 going to take your word for it. You know, it's voluntary
3 going on, voluntary going off, and that really seems to
4 keep us in line with the vast majority of states in the
5 country that have this type of program.

6 COMMISSIONER BRADLEY: But that still would
7 be discretionary? It'll be discretionary or not
8 discretionary?

9 MR. GREWACH: With the patron or --

10 COMMISSIONER BRADLEY: To be removed from
11 the list. Some decisions -- I mean, if someone -- let's
12 say they've been trying to get back on, you know. Like you
13 say -- today you were talking about sometimes they find the
14 DAPS that, you know, they sneak on, they want to gamble,
15 this and that. And then, once they have the opportunity to
16 get off -- somebody's going to ask this question somewhere.

17 I mean, if you're going to have that person
18 trying to get on and, you know, you're still going to
19 let -- you're going to -- no question. It doesn't matter
20 what their prior experience has been for those five years
21 with the casinos.

22 MR. GREWACH: Correct. Yeah. We discussed
23 that, but we are not going to disqualify people because of
24 prior arrests for DAP violations or -- we're just going to
25 accept anyone who wants off, to get off, after that

1 five-year period.

2 CHAIRMAN MATHEWSON: One more, Ed. We are
3 not -- these rules are not for -- they are dealing with
4 what has happened heretofore, not what is going to happen
5 in the future as regards to a person who wants to place
6 themself [sic] on that DAP list. Six months after this
7 goes into effect, if in fact it does, we still have lists
8 out there a person can excuse themselves from the right to
9 go on a boat; is that right?

10 MR. GREWACH: They can, absolutely.

11 CHAIRMAN MATHEWSON: Okay.

12 MR. GREWACH: They can still place their
13 name on the list to be --

14 CHAIRMAN MATHEWSON: So that -- so what
15 we've discussed here is how do we get through the process
16 to take someone's name off, who has previously been on, at
17 their request. But there's no exclusion for the future of
18 someone taking themselves off the right to go on that boat.
19 Right?

20 MR. GREWACH: Correct.

21 CHAIRMAN MATHEWSON: That's still going to
22 be in effect. It still will be there and they can -- we
23 can sign up another 7,000 in the next year, if that's what
24 happens, after we take 7,000 off.

25 COMMISSIONER MERRITT: They're only signing

1 up for a five-year period though.

2 MR. GREWACH: Well, they're signing up for
3 life with the option to get off after five years.

4 COMMISSIONER MERRITT: Yeah.

5 CHAIRMAN MATHEWSON: Okay.

6 COMMISSIONER JONES: Okay.

7 COMMISSIONER MERRITT: Yeah. That option
8 is --

9 CHAIRMAN MATHEWSON: Yeah. You're right,
10 Jack.

11 MR. GREWACH: So for that example, if you
12 signed up on April 15, 2012 --

13 CHAIRMAN MATHEWSON: To me, that's the
14 trigger. I mean, you know, it's a clarification of what
15 has happened previously, where we were the first to start
16 this, you know, in the nation -- thank God Missouri's known
17 for something; we're the first. You know, pretty good
18 stuff. You know, God love us. And so, okay, I just wanted
19 to clarify that.

20 Now, I have one other question, then I'll --
21 we can all -- let me make sure that everyone understands,
22 including me. Let's go down your timelines. Okay? How
23 does a person go about receiving -- or having the
24 opportunity to make comments effective, if we move this
25 forward, for -- on October the 3rd? How does a person do

1 that?

2 MR. GREWACH: Well, I know there will be
3 a --

4 CHAIRMAN MATHEWSON: Is that by mail, by
5 e-mail, by telephone, by horse and mule, or how does a
6 person -- how does a citizen in the state of Missouri who
7 doesn't like the thought of ever taking anybody off there
8 because the dummy shouldn't have ever been on there in the
9 first place -- I mean, let's take them all off. Okay. I
10 don't like that. Now, how am I going to tell you that I
11 don't like it?

12 MR. GREWACH: In the text of the rule
13 itself, when you see at the bottom, Notice of public
14 hearing and notice to submit comments, it gives
15 instructions to what address to mail the comments to.

16 CHAIRMAN MATHEWSON: Okay.

17 MR. GREWACH: And it gives the time frame
18 for the comments to be received. It also gives the notice
19 that the public hearing will be November 2, 2011, at
20 10:00 a.m. at our office here in Jeff City, so --

21 CHAIRMAN MATHEWSON: And that's --

22 MR. GREWACH: -- someone would just follow
23 those instructions.

24 CHAIRMAN MATHEWSON: How does someone know
25 about those instructions?

1 MR. GREWACH: Well, they are -- I guess,
2 they are actually posted in the Missouri Register.

3 CHAIRMAN MATHEWSON: Okay. So I go online
4 and go to Proposed Rulemaking and search to try to find
5 what my instructions are to respond. Is that -- did I kind
6 of say that right?

7 MR. GREWACH: And I believe -- and I don't
8 want to speak for LeAnn, she's the Public Information
9 Officer, but I think if somebody would call here and say,
10 How do I make public comments, we'd certainly --

11 MS. MCCARTHY: That's right.

12 MR. GREWACH: -- help them with those --

13 CHAIRMAN MATHEWSON: Okay.

14 MR. GREWACH: -- instructions as well.

15 CHAIRMAN MATHEWSON: Okay. Okay. Suzanne.

16 COMMISSIONER BRADLEY: I just want to thank
17 the Commission Staff. Obviously, looking at this, this
18 Proposed Rules has taken a lot of work, a lot of effort and
19 investigation. And we're just looking at this now, and
20 it's a long process. I just want to thank them for doing
21 that. Obviously, there's issues that need to be addressed,
22 and however everything turns out, I want to thank the
23 Commission for all the work -- the Staff.

24 COMMISSIONER HATCHES: I'd like to support
25 those comments and to say that we're just at the beginning

1 and I anticipate we're going to have lots of discussions
2 about this before we get to making decisions.

3 MR. GREWACH: I have to really agree with
4 that. You know, a lot of rulemaking process, we'll have
5 public hearings and no one will show up, you know, and it's
6 just more of a formality. And I think this will actually
7 be a process of getting, you know, helpful comments,
8 legitimate comments and reviewing those and determining
9 whether or not to make changes. And we can make changes
10 all the way up to the final rule process on December 7th
11 meeting. And so we're certainly open to those from the
12 public.

13 I might say too, we didn't cover the
14 internal controls. Those really though just give the nuts
15 and bolts of how this is going to be carried out. And I
16 think a question maybe the Chairman asked earlier, if you
17 look at 201, the new 201A, you know, we require, for
18 example, the casinos to check every seven calendar days and
19 update their lists. And so the internal controls really,
20 you know, just cover the nuts and bolts of the
21 implementation of the CSR changes that we're proposing
22 here.

23 CHAIRMAN MATHEWSON: Jack, do you have any
24 comments --

25 COMMISSIONER MERRITT: No, sir.

1 CHAIRMAN MATHEWSON: -- on what we've
2 discussed?
3 Darryl?
4 COMMISSIONER JONES: No.
5 CHAIRMAN MATHEWSON: Do you have any other
6 comments, Ed, to us?
7 MR. GREWACH: That's all I've got.
8 COMMISSIONER MERRITT: Good presentation.
9 COMMISSIONER JONES: Yeah. Thank you.
10 CHAIRMAN MATHEWSON: Good work, Ed.
11 I -- let's see here. I assume -- let me get
12 to my section here. I assume we need to vote to move this
13 forward, don't we?
14 MR. STOTTLEMYRE: That's correct.
15 CHAIRMAN MATHEWSON: To start the process,
16 and that's all we're doing at this point is starting the
17 process.
18 MR. STOTTLEMYRE: Yes, sir.
19 CHAIRMAN MATHEWSON: Okay. And then, if we
20 do, in fact, approve that, the action, then at that time
21 then the rules would be available for public consumption.
22 MR. STOTTLEMYRE: Yes, sir.
23 CHAIRMAN MATHEWSON: Okay. That haven't
24 been heretofore. Right?
25 MR. STOTTLEMYRE: That's correct.

1 CHAIRMAN MATHEWSON: Okay.

2 COMMISSIONER JONES: Proposed rules.

3 CHAIRMAN MATHEWSON: Yeah.

4 COMMISSIONER JONES: Okay.

5 CHAIRMAN MATHEWSON: Chair would -- can
6 we -- since each of these -- well, actually, the first two
7 don't relate to the same subject matter, do they?

8 MR. STOTTLEMYRE: They do not. However, you
9 can vote on all these proposed rules at the same time.

10 CHAIRMAN MATHEWSON: Okay. All right.
11 Chair would accept a motion to accept 1 through 10 on
12 Proposed Amendments to the rules.

13 COMMISSIONER HATCHES: So moved.

14 COMMISSIONER BRADLEY: Second.

15 CHAIRMAN MATHEWSON: Any discussion?

16 (No response.)

17 CHAIRMAN MATHEWSON: Call the role, Angie,
18 please.

19 MS. FRANKS: Commissioner Merritt?

20 COMMISSIONER MERRITT: Approve.

21 MS. FRANKS: Commissioner Hatches?

22 COMMISSIONER HATCHES: Approve.

23 MS. FRANKS: Commissioner Jones?

24 COMMISSIONER JONES: Approve.

25 MS. FRANKS: Commissioner Bradley?

1 COMMISSIONER BRADLEY: Approve.

2 MS. FRANKS: Chairman Mathewson?

3 CHAIRMAN MATHEWSON: Approve.

4 MS. FRANKS: By your vote you've adopted the
5 Proposed Amendments of 11 CSR 45-7.160, 9.114, 17.010,
6 17.020, 17.030, 17.040, 17.050, 17.060, 17.070, and 9.117.

7 CHAIRMAN MATHEWSON: Thank you, Ang.
8 Mr. Director.

9 MR. STOTTLEMYRE: Yes, sir. The next item
10 on the agenda is Consideration of Level I and Key
11 Applicants, and Sergeant Phil Morrison will present.

12 SERGEANT MORRISON: Hello again.

13 CHAIRMAN MATHEWSON: Yes, sir.

14 SERGENAT MORRISON: Commissioners, I'm here
15 to report that the Missouri State Highway Patrol
16 investigators and Missouri Gaming Commission financial
17 investigators conducted comprehensive background
18 investigations on four Key and Level I applicants. These
19 investigations included, but were not limited to, criminal,
20 financial, and general character inquiries, which were made
21 in the jurisdictions where the applicants have either
22 lived, worked, or frequented.

23 The following individuals are being
24 presented for your consideration today: Everett A.
25 Gilliam, Director of Casino Operations for Ameristar Casino

1 in Kansas City; Jason R. Grover, Information Technology
2 Manager for Ameristar Casino in St. Charles; Christopher
3 Lennette, Security Manager for Argosy Riverside Casino,
4 Incorporated; Mark E. Lemon, Regional Director of Internal
5 Audit, Penn National Gaming.

6 The results of these investigations were
7 provided to the Commission Staff for their review and you
8 should have the summary report before you.

9 CHAIRMAN MATHEWSON: Any questions of the
10 sergeant?

11 (No response.)

12 CHAIRMAN MATHEWSON: Seeing none, Chair
13 would accept a motion to adopt Resolution 11-055.

14 COMMISSIONER JONES: So moved.

15 COMMISSIONER MERRITT: Second.

16 CHAIRMAN MATHEWSON: Any discussion?

17 (No response.)

18 CHAIRMAN MATHEWSON: Call the role, Angie,
19 please.

20 MS. FRANKS: Commissioner Merritt?

21 COMMISSIONER MERRITT: Approve.

22 MS. FRANKS: Commissioner Hatches?

23 COMMISSIONER HATCHES: Approve.

24 MS. FRANKS: Commissioner Jones?

25 COMMISSIONER JONES: Approve.

1 MS. FRANKS: Commissioner Bradley?

2 COMMISSIONER BRADLEY: Approve.

3 MS. FRANKS: Chairman Mathewson?

4 CHAIRMAN MATHEWSON: Approve.

5 MS. FRANKS: By your vote you've adopted
6 Resolution No. 11-055.

7 CHAIRMAN MATHEWSON: Thank you. Mr. Roger.

8 MR. STOTTLEMYRE: Mr. Chairman, the next
9 item is New Business. The first thing I would like to do
10 is introduce Mr. Ryan Hammer, who is the new general
11 manager at Harrah's in Maryland Heights.

12 CHAIRMAN MATHEWSON: Very good. Nice to
13 see you, sir. Where are you coming from, please?

14 MR. HAMMER: Atlantic City.

15 CHAIRMAN MATHEWSON: Atlantic City?

16 MR. HAMMER: Yes, sir.

17 CHAIRMAN MATHEWSON: Well, you upgraded
18 your life, didn't you?

19 MR. HAMMER: You have no idea.

20 CHAIRMAN MATHEWSON: I bet I don't.

21 MR. HAMMER: Earthquake yesterday and a
22 hurricane on the way this evening. Very glad to be in
23 Missouri.

24 CHAIRMAN MATHEWSON: I bet you are, because
25 we hardly ever have tornadoes around here. Nice to have

1 all you guys here. Thank you very much; appreciate it.

2 MR. STOTTLEMYRE: Next, I'd like to let the
3 Commission know that we do have some retirements on the
4 Patrol side. Lieutenant Keith Johnson, who works here in
5 the office; Lieutenant Bob Zubeck, who is the lieutenant in
6 charge of the east side officers -- or west side. I'm
7 sorry. Got my directions mixed up this morning. And then
8 Sergeant David Booker, who worked with our bingo section,
9 they are all retiring.

10 And we do have Sergeant Mark Bielawski, who
11 will be replacing Lieutenant Johnson -- will be promoted
12 and replacing Lieutenant Johnson here in this office. And
13 Lieutenant Andy Tourney will be moving from Troop C in
14 St. Louis to Kansas City area and will taking over the
15 responsibilities of Lieutenant Zubeck.

16 CHAIRMAN MATHEWSON: Good. We wish them
17 well.

18 MR. STOTTLEMYRE: And I could tell you that
19 we -- these officers have been a great addition to the
20 Gaming Commission, have worked here a long time, and have
21 been a great asset to the Commission, and we really
22 appreciate their service.

23 CHAIRMAN MATHEWSON: Sure. Thank you very
24 much, Roger.

25 MR. STOTTLEMYRE: The next item I would have

1 would be the -- we did have -- talk about St. Joe a little
2 bit. We had the casino -- of course, the casino closed up
3 there and will continue to be closed for a while. The
4 recent rains have caused more problems again up there with
5 causing the boat to rise again. And so they're still on
6 hold again.

7 They're hoping to -- if no further rains
8 occur, that they -- it should get down below the 26-foot
9 level again, and once it does, they'll be able to start
10 pumping out again. They are trying to pump out the basin
11 that the boat sits in to be able to get it back down to a
12 level again -- the level it needs to be. But the parking
13 lot itself, the river has to be below 26 feet before they
14 can start pumping it out and before they really -- the
15 insurance company will allow them to even do any work on
16 the casino as far as redoing the areas that they have to
17 that's been ruined by the flood.

18 CHAIRMAN MATHEWSON: Roger, I know you've
19 been up there.

20 MR. STOTTLEMYRE: Yes, sir. And we also
21 have -- Rick Wilhoit is up there -- went up there yesterday
22 and is up there today, and they are doing inspections on
23 the possible issues with mold and those type of things,
24 checking on that and making sure everything is going all
25 right.

1 CHAIRMAN MATHEWSON: So at this time is
2 there a lot of damage on the interior of the boat?

3 MR. STOTTLEMYRE: There was no damage to the
4 interior of the casino part of the facility. However, the
5 land-based facility did have quite a bit of damage. They
6 have torn out walls and carpets and floors and a lot of
7 things like that to get prepared to redo again. But the
8 casino itself did not receive any damage to it.

9 CHAIRMAN MATHEWSON: You know, I hadn't
10 thought about the mildew and that sort of thing. That
11 could really be a problem. I hadn't even thought about
12 that.

13 MR. STOTTLEMYRE: And I think they feel
14 like, because of the fact they've torn out all the drywall
15 and everything that seemed to be affected, they should be
16 in pretty good shape. They have metal studs which can be
17 cleaned, and that's why they're doing the testing today, to
18 see if they are going to be able to go forward with
19 construction.

20 COMMISSIONER HATCHES: One of the things
21 that you wouldn't think about in conjunction with this: I
22 was in Tunica a couple weeks ago and, you know, it flooded
23 down there real bad. And one of their issues after the
24 flooding was scents in the hotel I was in, so I slept in
25 the car.

1 CHAIRMAN MATHEWSON: I don't blame you.

2 COMMISSIONER HATCHES: With the motor
3 running.

4 CHAIRMAN MATHEWSON: The windows all up.

5 MR. STOTTLEMYRE: Any questions about the
6 St. Joe property? They're still shooting for an October 1
7 opening and hopefully they'll be able to get to that. It's
8 going to be a rush, I think, at this point. Especially if
9 we have anymore rains that puts them back again.

10 CHAIRMAN MATHEWSON: I hope their insurance
11 is going to make them hold, but as you and I were talking
12 about previously, Roger, one of the things is -- and you
13 would certainly relate to -- the loss of that revenue into
14 that community up there has got to be a hit.

15 MR. STOTTLEMYRE: It's a big hit to the
16 community.

17 CHAIRMAN MATHEWSON: Got to be a big hit --

18 MR. STOTTLEMYRE: Yes, sir.

19 CHAIRMAN MATHEWSON: -- you know, and it's
20 awful difficult for individuals, as well as political
21 subdivisions, to have a certain amount of income and then
22 all the sudden, you don't have it anymore.

23 MR. STOTTLEMYRE: Yes.

24 CHAIRMAN MATHEWSON: You know, it's a son
25 of a gun trying to figure out how do you deal with that,

1 which I think all of America's trying to figure that out
2 right now, but -- and maybe a few other places.

3 MR. STOTTLEMYRE: Yes, sir. Another item I
4 wanted to make you aware of was on yesterday, Tuesday, the
5 23rd at about 8:40 p.m., there was Securities -- the
6 Securities and Facilities department at Lumiere Casino in
7 St. Louis was notified of an individual that had lost a key
8 through the crack in the elevator between the floor and the
9 door, and he was asking to have it retrieved.

10 The facility's Engineering Supervisor, Mark
11 Affsprung, responded and was standing on one of the
12 counterweights below the elevator floor, attempting to look
13 over a metal grate below the elevator to retrieve this key,
14 he slipped and fell. St. Louis City fire and EMS responded
15 and transported him to St. Louis University Hospital,
16 however, he was pronounced dead upon arrival. That
17 occurred yesterday.

18 Another item that I wanted to talk about was
19 the -- we told you last week that we had sent a check for
20 \$4,000 to the Clark County Fair for the Missouri-owned
21 horse race purses. And those races were held on July 31st
22 and that money was awarded to Missouri horses in those
23 races.

24 CHAIRMAN MATHEWSON: So how much still left
25 in that fund? Ninety-four thousand, ninety-five thousand,

1 something like that, because I know it was right --

2 MR. STOTTLEMYRE: It's in the 90,000 range,
3 yes, sir.

4 CHAIRMAN MATHEWSON: Okay. Why don't you
5 give that to the Missouri State Fairgrounds and we'll just
6 get rid of it? I guess not.

7 MR. STOTTLEMYRE: We've had lots of
8 suggestions.

9 CHAIRMAN MATHEWSON: Yes, I know. And mine
10 was a nice one. What else we have, Roger?

11 MR. STOTTLEMYRE: Another item I wanted to
12 make you aware of, we have put together a decision item for
13 this year's budget that will help us in the staffing of the
14 new casino in Cape Girardeau. We have to get that in the
15 budget for this next year. We have asked for staffing of
16 nine Highway Patrol officers to be able to operate a
17 24-hour shift at that location. We would also be required
18 to have an Electronic Gaming Device Specialist, a
19 Compliance Auditor, and a Senior Office Support Assistant.

20 However, the request for the money is only
21 to cover the salaries and related expenses for the nine
22 officers. We are -- as other agencies are doing too, we
23 are going to cover the costs of the -- or we're actually
24 going to fill the positions from the Gaming Commission
25 itself, rather than ask for an EGD Specialist, a SOSA, or a

1 Compliance Auditor. We're going to fill those with
2 positions that we have.

3 CHAIRMAN MATHEWSON: So when we closed down
4 the old President, we had a budget reduction then, since we
5 didn't have to provide that manpower. Right?

6 MR. STOTTLEMYRE: Well, we actually utilized
7 a lot of that manpower for the River City Casino.

8 CHAIRMAN MATHEWSON: Oh. That was good,
9 Roger. I was trying to kind of play with your brain a
10 little bit there and you jumped right on that answer. That
11 was good. Okay.

12 MR. STOTTLEMYRE: I also would like to let
13 you know that, of course, the addition of these Highway
14 Patrol positions will not affect the allotment of Highway
15 Patrol officers for the road -- that work the road. I
16 think it's always good to mention that because that gets
17 asked a lot, and it does not affect their manpower on the
18 road.

19 CHAIRMAN MATHEWSON: Okay.

20 MR. STOTTLEMYRE: Let's see. I believe
21 that's all the new items that I had, and I have no old
22 business, so motion to go into closed.

23 CHAIRMAN MATHEWSON: Do we actually have
24 anything to go into closed for? We do?

25 MR. STOTTLEMYRE: We always have closed

1 minutes.

2 CHAIRMAN MATHEWSON: Well, there you go.

3 God love the minutes. Okay. Chair would accept a

4 motion --

5 COMMISSIONER JONES: Wait a minute. Wait a

6 minute. I got -- hey, Roger, just one question. Did you

7 extend condolences to the family for the gentleman that was

8 killed yesterday from the Commission?

9 MR. STOTTLEMYRE: I will.

10 COMMISSIONER JONES: Thank you.

11 MR. STOTTLEMYRE: Yes, sir.

12 CHAIRMAN MATHEWSON: Yeah. Good thinking,

13 Darryl. Okay. The Chair would accept a motion to go into

14 closed meeting under Section 313.847.

15 COMMISSIONER MERRITT: So moved.

16 COMMISSIONER BRADLEY: Second.

17 CHAIRMAN MATHEWSON: Any discussion?

18 (No response.)

19 CHAIRMAN MATHEWSON: Call the role, Angie,

20 please.

21 MS. FRANKS: Commissioner Merritt?

22 COMMISSIONER MERRITT: Approve.

23 MS. FRANKS: Commissioner Hatches?

24 COMMISSIONER HATCHES: Approve.

25 MS. FRANKS: Commissioner Jones?

1 COMMISSIONER JONES: Approve.
2 MS. FRANKS: Commissioner Bradley?
3 COMMISSIONER BRADLEY: Approve.
4 MS. FRANKS: Chairman Mathewson?
5 CHAIRMAN MATHEWSON: Approve.
6 (Off the record.)
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

CERTIFICATE OF REPORTER

I, Kristy B. Bradshaw, CCR within the State of Missouri, do hereby certify that the foregoing meeting was taken by me; that the testimony of said meeting was taken by me to the best of my ability and thereafter reduced to typewriting under my direction; that I am neither counsel for, related to, nor employed by any of the parties to the action in which this meeting was taken, and further, that I am not a relative or employee of any attorney or counsel employed by the parties thereto, nor financially or otherwise interested in the outcome of the action.

Kristy B. Bradshaw, CCR

MISSOURI GAMING COMMISSION
Second Open Session Minutes
August 24, 2011

The Missouri Gaming Commission (the “Commission”) went into open session at approximately 10:53 a.m. on August 24, 2011, at the Missouri Gaming Commission’s Jefferson City Office.

Commissioners and Staff discussed current issues at the Missouri Gaming Commission.

Commissioner Hatches moved to adjourn the open session meeting. Commissioner Jones seconded the motion. After a roll call vote was taken, the motion passed unanimously.

The open session ended at 12:05 p.m.