

IN THE MISSOURI GAMING COMMISSION

In Re:)
) DC-13-695
The Missouri Gaming Company)

PRELIMINARY ORDER FOR DISCIPLINARY ACTION

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

1. The Missouri Gaming Commission (the "Commission") is a state commission created under Chapter 313, RSMo 2000, with jurisdiction over gaming activities, including riverboat gambling activities, in the State of Missouri.
2. The Commission issued Penn National Gaming, Inc. a Class A gaming license to develop and operate Class B gaming licenses in the State of Missouri.
3. Penn National Gaming, Inc. is the parent organization or controlling entity of The Missouri Gaming Company.
4. The Commission issued a Class B riverboat gambling license to The Missouri Gaming Company, LLC, ("Company"), to conduct games on and operate the excursion gambling boat known as Argosy Riverside Casino ("Casino").
5. As the holder of a Class B license, the Company is subject to the provisions of Sections 313.800 to 313.850, RSMo 2000, and the regulations promulgated thereunder by the Commission.

STATEMENT OF FACTS¹

6. On December 1, 2012, Sergeant C.W. Watson, a member of the Missouri State Highway Patrol assigned to the Missouri Gaming Division arrested an Asian male subject for a Person Under 21 Making a Wager While on an Excursion Gambling Boat.
7. Sergeant Watson interviewed the underage male patron. The underage patron produced a Kansas Driver's License, which identified that he was twenty (20) years old and born on May 27, 1992. The underage male patron stated he did not know he had to be 21 to gamble in Missouri and he only made a couple of bets at the Roulette table before he tried to cash out and that he was not "carded" by any casino employees.

¹ 20121208008

8. Review of the surveillance coverage showed that on December 1, 2012 at 3:37 p.m., Security Officer Estes allowed an underage male patron (20) on the casino floor without asking for identification.
9. The underage male patron bought in for \$40.00 at Roulette 6 at 4:14 p.m. and made his first bet at 4:17 p.m. He made a total of five bets at Roulette table 6 before he stopped at 4:32 p.m.
10. The underage male patron was on the gaming floor for approximately 1 hour, encountering 7 casino employees who did not ask for identification, and gambled but did not consume any alcohol. He was arrested at 4:39 p.m.

LAW

11. Section 313.805(6), RSMo, states the Commission may assess any appropriate administrative penalty against a licensee, including, but not limited to, suspension, revocation, and penalties of an amount determined by the Commission up to three times the highest daily amount of gross receipts derived from wagering on the gambling games, whether unauthorized or authorized, conducted during the previous twelve months.
12. Section 313.812.14, RSMo, states a holder of any license is subject to imposition of penalties, suspension or revocation of such license for any act or failure to act by himself or his agents or employees, that is injurious to the public health, safety, morals, good order and general welfare of the people of the state of Missouri, or that would discredit or tend to discredit the Missouri gaming industry or the state of Missouri.
13. Section 313.812.14(1), RSMo, states that a licensee may be disciplined for failing to comply with or make provisions for compliance with Sections 313.800 to 313.850, the rules and regulations of the commission or any federal, state or local law or regulation.
14. Section 313.812.14(2), RSMo, states that a licensee may be disciplined for failing to comply with any rule, order or ruling of the Commission or its agents pertaining to gaming.
15. Section 313.817.4, RSMo, states, "A person under twenty-one years of age shall not wager on an excursion gambling boat and shall not be allowed in the area of the excursion boat where gambling is being conducted; provided that employees of the licensed operator of the excursion gambling boat who have attained eighteen years of age shall be permitted in the area in which gambling is being conducted when performing employment-related duties, except that no one under twenty-one years of age may be employed as a dealer or accept a wager on a excursion gambling boat."
16. 11 CSR 45-5.053(6)(B), states that wagers may only be made, "By persons twenty-one (21) years of age or older."

17. Under 11 CSR 45-9.060(3), violations of the minimum internal control standards (“MICS”) by a Class A licensee or an agent or employee of a Class A licensee are deemed to be unsuitable conduct for which the Class A licensee and/or its agent or employee is subject to administrative penalty pursuant to section 313.805(6), RSMo and 11 CSR 45-1 et seq., as amended from time to time. Any agent or employee of a Class A licensee that is involved in a violation of the minimum internal control standards may be subject to fine, discipline or license revocation.
18. Under 11 CSR 45-9.060(4), violations of the Class A licensee’s internal control system (“ICS”) by the Class A licensee or an agent or employee of the Class A licensee shall be prima facie evidence of unsuitable conduct for which the Class A licensee and/or its agents or employees may be subject to discipline pursuant to Section 313.806(6), RSMo, and 11 CSR 45-1 et seq., as amended from time to time.
19. 11 CSR 45-4.020(10), states that rules adopted prior to May 30, 2008 which previously referred to a Class A licensee shall refer to both a Class A licensee and a Class B licensee unless specifically identified otherwise.
20. According to the Commission’s MICS, Chapter J, § 2.05, The Class B Licensee shall post security personnel at each patron entrance to the gaming floor who shall ensure no one under the age of 21 is permitted to enter the gaming floor. Should security personnel not be available at a patron entrance, the turnstiles shall be immediately closed at that entrance.
21. According to the Commission’s MICS, Chapter N, § 4.01, Persons under 21 years of age shall not be permitted access to the casino floor or be allowed to place a wager.
22. According to the Commission’s MICS, Chapter N, § 4.04, the enforcement of admission and gambling restrictions for persons under 21 years of age shall include, at a minimum, checking their government-issued photo identification.
23. According to the Company’s ICS, Chapter N, § 4.01, Persons under 21 years of age shall not be permitted access to the casino floor or allowed to place a wager.
24. According to the Company’s ICS, Chapter N, § 4.04, The enforcement of admission and gambling restrictions for persons under 21 years of age shall include, at a minimum, checking their government-issued photo identification.

VIOLATIONS

25. The actions or omissions of employees or agents of the Company in allowing an underage patron to enter the casino gaming floor and gamble, violates Section 313.817.4, RSMo; 11 CSR 45-5.053(6)(B). The Commission’s MICS, Chapter J, § 2.05, Chapter N, § 4.01 & 4.04; the Company’s ICS, Chapter N, § 4.01 & 4.04. The Company is subject to discipline for such violations under 11 CSR 45-9.060(3) & (4), and sections 313.805(6), 313.812.14, and 313.812.14(1) & (2), RSMo.

26. Under Section 313.805(6), RSMo, the Commission has the power to assess any appropriate administrative penalty against the Company, as the holder of a Class B license.

PENALTY PROPOSED

THEREFORE, it is proposed that the Commission fine The Missouri Gaming Company the amount of \$5,000 for the violations set forth herein.

Dr. Barrett Hatches
Chairman
Missouri Gaming Commission

CERTIFICATE OF SERVICE

The undersigned hereby certifies that he caused a true and correct copy of the foregoing to be mailed, postage prepaid, this ____ day of _____, 2013 to:

Mr. John Chaszar, General Manager
Argosy Riverside Casino
777 NW Argosy Parkway
Riverside, MO 64150

Dr. Barrett Hatches
Chairman
Missouri Gaming Commission