

# IN THE MISSOURI GAMING COMMISSION

In Re: )  
 ) DC-14-339  
Harrah's North Kansas City, LLC )

## PRELIMINARY ORDER FOR DISCIPLINARY ACTION

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

1. The Missouri Gaming Commission (the "Commission" or "MGC") is a state commission created under Chapter 313, RSMo 2000,<sup>1</sup> with jurisdiction over gaming activities, including riverboat gambling activities, in the State of Missouri.
2. The Commission issued Caesar's Entertainment Corporation a Class A gaming license to develop and operate Class B gaming licenses in the State of Missouri.
3. Caesar's Entertainment Corporation is the parent organization or controlling entity of the Harrah's North Kansas City, LLC (the "Company").
4. The Commission issued a Class B riverboat gambling license to the Company to conduct games on and operate the excursion gambling boat known as *Harrah's North Kansas City* (the "Casino").
5. As the holder of a Class B license, the Company is subject to the provisions of §§ 313.800 to 313.850, RSMo, and the regulations promulgated thereunder by the Commission.

## STATEMENT OF FACTS<sup>2</sup>

6. On September 15, 2013, Security Officer Heather Kraft allowed an underage person onto the Casino's gaming floor.
7. Two different bartenders served the underage person a total of six alcoholic beverages, neither of whom checked the individual's identification to verify that he was at least 21 years of age.
8. The underage patron did not gamble while on the Casino floor.
9. The underage person was on the gaming floor for one hour and 48 minutes before he was discovered and removed from the Casino.

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<sup>1</sup> All statutory references are to RSMo 2000, unless otherwise specified.

<sup>2</sup> 20130924014

## LAW

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

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

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

- (1) Failing to comply with or make provision for compliance with sections 313.800 to 313.850, the rules and regulations of the commission or any federal, state or local law or regulations;
- (2) Failing to comply with any rule, order or ruling of the commission or its agents pertaining to gaming[.]

12. Title 11 CSR 45-9.060 states, in pertinent part, as follows:

- (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.
- (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 313.805(6), RSMo, and 11 CSR 45-1 et seq.

13. Title 11 CSR 45-12.090(3) states, in pertinent part, as follows:

.... An excursion liquor licensee shall not, through actions of his/her own or of an employee, sell, vend, give away its or otherwise supply any intoxicating liquor in any quantity whatsoever to any person under the age of twenty-one (21) years ....

A licensee shall not permit any person under the age of twenty-one (21) years ... to consume intoxicating liquor on the licensed premises.

14. Both the MICS, Chapter N § 4.01, and the Casino's ICS, Chapter N § 4.01, forbid anyone under 21 years of age from gaining access to the casino floor or being allowed to place a wager.
15. MICS, Chapter N, § 4.04 requires "the enforcement of admission and gambling restrictions for persons under 21 years of age [to] include, at a minimum, checking their government-issued photo identification."
16. The Casino's ICS, Chapter N, § 4.04, states as follows:

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.

Individuals under the age of twenty-one (21) are prohibited from gaming in the State of Missouri. Signs indicating the age requirement are posted at various locations on the property. The Security Department is responsible for verification of identification at the casino entrance.

If an individual is suspected or determined to have false or altered identification or if already inside the casino and unable to provide proof of age, the MGC boat agent will be notified. All instances where a patron is checked for positive proof of age are reported to Security Dispatcher, along with the result of the ID check/other actions. Patrons that are checked for proof of age as they enter the casino will not be called to Security Dispatch, as these are constantly monitored by surveillance.

Security will also check patron identification in the casino and at the request of the operating departments.

### **VIOLATIONS**

17. The acts or omissions of employees or agents of the Casino, as described above, constitute a failure of the Casino to prevent an underage patron from entering the Casino floor and being served alcoholic beverages, thereby violating 11 CSR 45-12.090(3), MICS, Chapter N, §§ 4.01 and 4.04, and the Casino's ICS, Chapter N, §§ 4.01 and 4.04.
18. The Company is therefore subject to discipline for such violations pursuant to §§ 313.805(6) and 313.812.14 (1) and (2), RSMo, and 11 CSR 45-9.060(3) and (4).

### **PENALTY PROPOSED**

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

20. THEREFORE, it is proposed that the Commission fine Harrah's North Kansas City, LLC, the amount of \$5,000 for the violations set forth herein.

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Darryl T. Jones  
Vice-Chairman  
Missouri Gaming Commission

**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that he caused a true and correct copy of the foregoing to be mailed, postage prepaid, this 18<sup>th</sup> day of September, 2014, to:

Thomas Cook  
Harrah's North Kansas City  
One Riverboat Drive  
Kansas City, MO 64116

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Darryl T. Jones  
Vice-Chairman  
Missouri Gaming Commission