

# IN THE MISSOURI GAMING COMMISSION

In Re: )  
 ) DC-24-028  
The Missouri Gaming Company, 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, with jurisdiction over gaming activities, including riverboat gambling activities, in the state of Missouri.
2. The Commission issued a Class A gaming license to PENN Entertainment, Inc., to develop and operate Class B gaming licensees in the State of Missouri.
3. PENN Entertainment, Inc., is the parent organization or controlling entity of The Missouri Gaming Company, LLC.
4. The Commission issued a Class B riverboat gambling license to The Missouri Gaming Company, LLC, to conduct games on and operate the excursion gambling boat known as Argosy Riverside Casino (the “Casino”).
5. As the holder of a Class B license, The Missouri Gaming Company, LLC, is subject to the provisions of Sections 313.800 to 313.850, RSMo, and the regulations promulgated thereunder by the Commission.

### STATEMENT OF FACTS<sup>1</sup>

6. On September 12, 2023, Argosy Security Supervisor Taylor Drummond contacted Sergeant Corey Root (“Sgt. Root”) of the Missouri State Highway Patrol, assigned to the Gaming Division, and asked if the Casino could allow temporary employees to work on the casino floor by issuing a Vendor badge. Sgt. Root inquired what type of work the vendor would be performing and Supervisor Drummond advised the temporary employee would be operating a cash register at the Red Lotus Lounge on the gaming floor. Sgt. Root informed Supervisor Drummond that temporary employees were not permitted to work on the casino floor without being properly licensed by the Missouri Gaming Commission unless the casino had a variance issued by the Missouri Gaming Commission. Supervisor Drummond advised she understood the regulation.
7. On September 13, 2023, Sgt. Root spoke with Trooper Leonard Reed (“Tpr. Reed”), also of the Missouri State Highway Patrol Gaming Division, about the conversation with Security Supervisor Drummond. Tpr. Reed stated while speaking with Casino

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<sup>1</sup> GR 20230913002

Security Supervisor George Barrios, Barrios had stated that on September 8, September 9, and September 10, 2023, members from a temporary employment agency were given Vendor badges and allowed to work on the casino floor without active MGC occupational licenses. These individuals worked in the Red Lotus Lounge which is owned and operated by the Casino.

8. That same day, Sgt. Root contacted Casino Surveillance Department Supervisor Brian McCrary. Sgt. Root asked Supervisor McCrary if he could conduct a surveillance review of September 8 through September 10, 2023, to determine if temporary employees were allowed to work on the casino floor after being issued Vendor badges. Supervisor McCrary conducted a review, which confirmed that individuals employed by the temporary agency UpShift checked out Vendor badges on September 8, September 9, and September 10, 2023, and worked at Red Lotus as cashiers.
9. Specifically, on September 8, 2023, an unknown African American male entered the employee entrance and checked out a Vendor badge at 4:30 p.m. with Security Officer Matthew Carnicom. The male went to the Red Lotus and began working as a cashier at 4:41 p.m. He exited the employee entrance at 10:06 p.m. without returning his Vendor badge. A subsequent review of the Vendor Log Sheets showed that this individual never signed the Vendor Log and was never affirmatively identified.
10. On September 9, 2023, an unknown African American female entered the employee entrance and checked out a Vendor badge at 4:10 p.m. with Security Officer Carnicom. She proceeded to the Red Lotus and began working as a cashier. She turned in her Vendor badge at 12:29 a.m. on September 10, 2023, and exited the employee entrance.
  - a. A review of the Vendor Log Sheets by Sgt. Root on September 15, 2023, identified the individual as Dulce Medina from UpShift. Medina was given access to the Red Lotus Lounge on the casino floor and worked the cash register from 4:36 p.m. on September 9, 2023, until 12:29 a.m. on September 10, 2023, where she exited after returning the Vendor badge. A computer check of Medina revealed she had an active Kansas City Police Department arrest warrant during her time of employment at Argosy Riverside Casino.
11. On September 10, 2023, an unknown African American female entered the employee entrance and checked out a Vendor badge at 3:48 p.m. with Security Officer Carnicom. She proceeded to the Red Lotus and began working as a cashier at 4:05 p.m. She turned in her Vendor badge at 12:05 a.m. on September 11, 2023, and exited the employee entrance.
  - a. A review of the Vendor Log Sheets by Sgt. Root on September 15, 2023, identified the individual as Deja Edwards from UpShift. Edwards was given access to the Red Lotus Lounge on the casino floor and worked the cash register from 4:05 p.m. on September 10, 2023, until 12:05 a.m. on September 11, 2023, where she exited after returning her Vendor badge. A computer check of Edwards

revealed two active Cass County arrest warrants during her time of employment at Argosy Riverside Casino.

12. On September 14, 2023, Sgt. Root spoke with Vice President of Casino Operations Gregory G. Personelli after hearing that he was the individual who made the decision to hire temporary employees at the Casino. Sgt. Root advised Personelli that investigation had revealed that three different temporary employees were allowed to work on the casino floor without active MGC occupational licenses. Personelli stated that he believed the temporary agency was no different than any other vendor allowed on the gaming floor. Sgt. Root stated that the three individuals allowed to work on the gaming floor were not licensed to perform work on the casino floor. When asked if any of the individuals had been vetted or investigated prior to working on the casino floor, Personelli stated "the temporary agency vets their employees." Sgt. Root advised Personelli that it was the Casino's responsibility to vet all vendors and employees who work on the casino floor. Upon questioning, Personelli could not identify if any of the individuals who obtained Vendor badges and worked on the casino floor had any convictions or warrants.
13. On September 16, 2023, Sgt. Root spoke with Casino Security Officer Matthew Carnicom, who was the officer that issued Vendor badges to the three UpShift temporary employees. Officer Carnicom stated he became aware of the temporary employees working on the casino floor on September 10, 2023, when he was told by Food and Beverage Manager Michael Watt that an employee from UpShift would be working as a cashier at the Red Lotus Lounge on the casino floor. Officer Carnicom stated he was told that authorization had been provided by Vice President of Casino Operations Gregory Personelli.
14. At the time of the violations at issue, the Casino employed at least six other individuals who worked at the Red Lotus Lounge, all of whom were properly licensed by MGC.

#### LAW

15. Section 313.805, RSMo, states, in pertinent part, as follows:

The commission shall have full jurisdiction over and shall supervise all gambling operations governed by sections 313.800 to 313.850. The commission shall have the following powers and shall promulgate rules and regulations to implement sections 313.800 to 313.850:

\* \* \*

(5) To investigate alleged violations of sections 313.800 to 313.850 or the commission rules, orders, or final decisions;

(6) To assess any appropriate administrative penalty against a licensee, including, but not limited to, suspension, revocation, and penalties of an amount as 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 as well as confiscation and forfeiture of all gambling game equipment used in the conduct of unauthorized gambling games. Forfeitures pursuant to this section shall be enforced as provided in sections 513.600 to 513.645;

\* \* \*

(19) To take any other action as may be reasonable or appropriate to enforce sections 313.800 to 313.850 and the commission rules.

16. Section 313.812, RSMo, states, in pertinent part, as follows:

14. 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 such person or such person's 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.

\* \* \*

(2) Failing to comply with any rule, order or ruling of the commission or its agents pertaining to gaming[.]

17. Section 313.800, RSMo, states, in pertinent part, as follows:

\* \* \*

(17) "Holder of occupational license", a person licensed by the commission to perform an occupation within excursion gambling boat operations which the commission has identified as requiring a license(.)

18. Section 313.807, RSMo, states, in pertinent part, as follows:

\* \* \*

2. A person may apply to the commission for a license to conduct an occupation within excursion gambling boat operations which the commission has identified as requiring a license.

19. 11 CSR 45-4.020 states, in pertinent part, as follows:
- (7) Occupational License Level II includes any of the following positions that are not required to hold an Occupational License Level I:
    - (A) Any position within a Class A or Class B licensee that would require the holder to have access to the excursion gambling boat or secured area to perform his or her function or duties; provided that agents and nongaming vendors are not considered within Occupational License Level I and II unless otherwise notified by the commission.

### VIOLATIONS

- 20. The acts or omissions of employees or agents of the Casino, as described above, involve a failure by the Casino to ensure that individuals whose job responsibilities require them to perform work on the gaming floor are properly licensed by the Commission before performing any work functions. This failure is injurious to the public health, safety, morals, good order and general welfare of the people of the state of Missouri and discredits the Missouri gaming industry and the State of Missouri in that the Casino's actions violate 11 CSR 45-4.020(7)(A).
- 21. The Missouri Gaming Company, LLC, is therefore subject to discipline for such violations pursuant to Sections 313.805 and 313.812.14(2), RSMo, and 11 CSR 45-9.060(2) and (3).

### PENALTY PROPOSED

- 22. Under Section 313.805, RSMo, the Commission has the power to assess any appropriate administrative penalty against The Missouri Gaming Company, LLC, as the holder of a Class B license.
- 23. THEREFORE, it is proposed that the Commission fine The Missouri Gaming Company, LLC, the amount of \$5,000 for the violations set forth herein.

  
Jan M. Zimmerman  
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 28<sup>th</sup> day of March, 2024, to:

Lance George  
General Manager  
Argosy Riverside Casino  
777 Northwest Argosy Parkway  
Riverside, MO 64150

*Jan M. Zimmerman*  
Jan M. Zimmerman *by 27*  
Chairman  
Missouri Gaming Commission