

failure to display appropriate badges, failure to maintain custody of sensitive keys, failure to properly complete the Vendor/Visitor Badge Log, failure to properly observe a manual table fill, failure to cancel cards within forty-eight (48) hours of inspection, allowing unauthorized personnel into sensitive areas, and allowing patrons to board without properly checking identification (ID).

7. There had been numerous discussions with Security Manager Eric Dudley about the responsibilities of the security officers when stationed at the turnstiles. Commission Agents noted a lack of training and documentation of the training by the Security Department resulting in a CD being issued to the Security Manager Dudley on October 4, 2022, for violations of the Commission's MICS and the Casino's Internal Control Standards (ICS), Chapter A, § 1.06. As a result of this CD, Dudley agreed to have all security staff fully trained by November 30, 2022, and provide each officer with a "Security Officer Training Checklist" to utilize and sign during training.
8. On May 6, 2023, while conducting a review of surveillance footage at the Casino, Corporal Zachary Harrison ("Cpl. Harrison") of the Missouri State Highway Patrol, assigned to the Gaming Division, observed instances of security officers allowing patrons to board and then checking their ID. In addition, there were several instances of patrons being allowed to board while the security officer at the turnstiles was looking in a completely opposite direction, therefore not having any observation whatsoever of the patrons entering.
9. As a result of these observations, Cpl. Harrison requested surveillance review of the turnstiles for the retention period through May 6, 2023. Cpl. Harrison reviewed the reports and video, which revealed that from March 31 through May 6, 2023, there were five hundred and seventy-three (573) instances in which the security officer at the turnstiles failed to observe the patrons prior to or while boarding, or the officers checked the patron's ID for age verification after the patron was allowed to board.
10. On July 6, 2023, Cpl. Harrison contacted Dudley and requested all training that had been provided to each Security Department employee regarding compliance with Sections 313.800 through 313.850 of the Revised Statutes of Missouri (RSMo), 11 CSR 45, and the Commission's MICS and Casino's ICS. On July 12, 2023, Dudley replied with a training checklist for nine (9) of his fourteen (14) security officers. Each checklist included sixty-eight (68) items of training and required signatures from the employee and supervisor. Of the nine (9) checklists provided, five (5) were completed entirely, with signatures indicating the officer had been trained on all sixty-eight (68) items. Four (4) of the five (5) checklists included dates that indicated training was completed in one calendar day and the remaining checklist did not include any dates.
11. Based on the fact that all but one security officer was involved in an incident of improperly observing the turnstiles, and the past training issues within the Security Department, Cpl. Harrison elected to interview each security officer at the Casino. From July 14, 2023, through September 7, 2023, Cpl. Harrison conducted interviews with the officers regarding their training and understanding of their job responsibilities. These interviews revealed that officer's felt training had been inadequate, checklists

had been incomplete or not utilized at all, officers had not been trained in identifying fake IDs, they lacked training on handling Disassociated Persons, and many were unfamiliar with the relevant regulations that governed their job duties. Many of the officers also reported minimal training before being expected to perform their job functions on their own.

LAW

12. 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.

13. 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:

- (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 regulation;

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

14. 11 CSR 45-5.053(2) states, in pertinent part, as follows:

(2) It is the policy of the commission to require that all excursion gambling boats and gaming conducted on excursion gambling boats be operated in a manner suitable to protect the public health, safety, morals, good order, and general welfare of Missouri. Responsibility for the employment and maintenance of suitable methods of operation rests with the holder of a operator's license and willful or persistent use or toleration of methods of operation deemed unsuitable will constitute grounds for disciplinary action, up to and including license revocation[.]

15. 11 CSR 45-9.060(3) & (4) state, in pertinent part, as follows:

(3) Violations of the minimum internal control standards by a Class A or Class B licensee or an agent or employee of a Class A or Class B licensee are deemed to be unsuitable conduct for which the Class A or Class B 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..

(4) Violations of the Class B licensee's internal control system by the Class A or Class B licensee or an agent or employee of the Class A or Class B licensee shall be *prima facie* evidence of unsuitable conduct for which the Class A or Class B 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; as amended from time-to-time[.]

16. 11 CSR 45-10.030(6) & (7) state, in pertinent part, as follows:

(6) Class A, Class B, and supplier licensees shall ensure that all agents and occupational licensees employed by said licensees shall have a working knowledge of Missouri Gaming Statutes, Chapter 313.800, RSMo et seq., *Code of State Regulations*, Title 11 Division 45, the commission's published minimum internal control standards and the licensee's system of internal controls as they pertain to the responsibilities and limitations of their job[.]

(7) All occupational licensees shall have a working knowledge of Missouri Gaming Statutes, Chapter 313.800, RSMo et seq., *Code of State Regulations*, Title 11 Division 45, and the internal controls of the Class A or B licensees for whom they are currently employed by as they pertain to the responsibilities and limitations of their job.

17. The Commission's MICS, Chapter A § 1.06 states as follows:

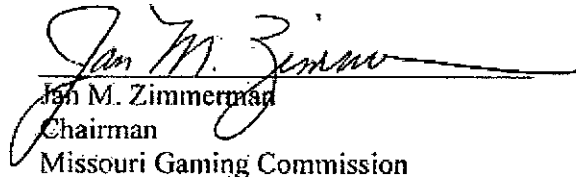
Class B Licensees shall provide all employees with training regarding the Missouri Riverboat Gambling Act, Missouri Gaming Commission Rules and Regulations, Missouri Gaming Commission Minimum Internal Control Standards, the Class B Licensee's Internal Control System and procedures in a brief outline or general description. Each employer shall ensure that employees, prior to performing the functions and duties of their jobs, are adequately trained as to the applicable statutes, regulations and internal controls that apply to their specific job functions. The Class B Licensee shall maintain a record of all mandatory training. A current copy of the Class B Licensee's entire Internal Control System shall be readily accessible to all employees.

VIOLATIONS

18. The acts or omissions of employees or agents of the Casino, as described above, involve a continued lack of training within the Casino's security department. Moreover, the Casino was unable to provide clear documentation of the training provided to the Casino's security staff. The Casino's ongoing failure to properly train its security department employees violates 11 CSR 45-10.030, and the Commission's MICS, Chapter A, § 1.06.
19. HGI – Mark Twain, 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(3) and (4).

PENALTY PROPOSED

20. Under Section 313.805, RSMo, the Commission has the power to assess any appropriate administrative penalty against HGI – Mark Twain, LLC, as the holder of a Class B license.
21. THEREFORE, it is proposed that the Commission fine HGI – Mark Twain, LLC, the amount of \$10,000 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 27th day of June, 2024, to:

Ryan Lounsbury
General Manager
Mark Twain Casino
104 Pierce Street
LaGrange, MO 63448



Jan Zimmerman
Chairman
Missouri Gaming Commission