

# IN THE MISSOURI GAMING COMMISSION

In Re: )  
 ) DC-25-010  
St. Louis Gaming Ventures, LLC )  
d/b/a Hollywood Casino St. Louis )

## 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 is the parent organization or controlling entity of St. Louis Gaming Ventures, LLC.
4. The Commission issued a Class B riverboat gambling license to St. Louis Gaming Ventures, LLC, to conduct games on and operate the excursion gambling boat known as Hollywood Casino St. Louis (the “Casino”).
5. As the holder of a Class B license, St. Louis Gaming Ventures, LLC, d/b/a Hollywood Casino St. Louis, 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 February 28, 2024, Sergeant A. K. Johnson (“Sgt. Johnson”) reviewed an email from the Director of Regulatory Compliance at the Casino alerting the Commission of an error in the number of drawing entries associated with a promotion that affected two hundred seventy-three (273) patrons. Sgt. Johnson opened an investigation.
7. On January 1, 2024, the Casino ran a promotion called “\$15K VIP Cheers to the New Year Drawing.” The promotion ran from 6:00 a.m. to 4:00 p.m., during which time patrons were invited to receive one (1) free entry into an electronic drawing drum by swiping their players card at a kiosk and additional entries for tier points accumulated during the promotional period. Ten (10) winners were drawn at 2:00 p.m., 3:00 p.m., and 4:00 p.m. The patrons were required to be present to win. If a patron’s entry was drawn, the patron would spin a prize wheel for the chance to win a variety of gifts or PENN play.

---

<sup>1</sup> GR 20240308003

8. Due to human error, the electronic drawing drum was not correctly incrementing earned additional entries at the drawing times throughout the promotion. For the drawing to function properly, certain steps were required. The step "update activity" sought all earned entries that the eligible patrons accumulated in their ticket banks to be included on a log. Earned entries were not logged for the drawing session until the "update activity" step was completed. The "populate drum" step was intended to take all entries logged and include them in the drawing.
9. During this promotion, the "update activity" was not allowed by the system to be completed before the user selected "populate drum." Because of this, earned entries were not logged and only free entries were placed in the drawing drum. The effect of this was that only one entry was placed into the drawing drum for each patron, depriving them of their additional earned entries and chances to win a prize.

#### LAW

10. 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.

11. 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 of 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[.]

12. 11 CSR 45-5.181 states, in pertinent part, as follows:

(2) Class B licensees may provide promotional activities such as promotional giveaways, promotional coupons, promotional games, player reward programs, or similar activities for patrons without the prior approval of the commission, provided the promotional activity is not structured or conducted in a manner that reflects negatively on the licensee, the commission, or the integrity of gaming in Missouri and complies with the following:

(A) No false or misleading statements, written or oral, shall be made by a licensee or its employees or agents regarding any aspect of any promotional activity.

\* \* \*

(D) All prizes offered in the promotional activity shall be awarded according to the Class B licensee's rules governing the event;


### VIOLATIONS

13. The acts or omissions of employees or agents of the Casino, as described above, constitute a failure of the Casino to follow its own rules for a promotional giveaway, thereby violating 11 CSR 45-5.181(2)(A).

14. St. Louis Gaming Ventures, LLC, d/b/a Hollywood Casino St. Louis, is therefore subject to discipline for such violations pursuant to Sections 313.805 and 313.812.14(1) and (2), RSMo.

**PENALTY PROPOSED**

- 15. Under Section 313.805, RSMo, the Commission has the power to assess any appropriate administrative penalty against St. Louis Gaming Ventures, LLC, as the holder of a Class B license.
- 16. THEREFORE, it is proposed that the Commission fine St. Louis Gaming Ventures, LLC, d/b/a Hollywood Casino St. Louis, the amount of five thousand dollars (\$5,000.00) 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 27<sup>th</sup> day of February, 2025, to:

Michael Jerlecki, GM  
Hollywood Casino St. Louis  
777 Casino Center Drive  
Maryland Heights, MO 63043

  
Jan M. Zimmerman  
Chairman  
Missouri Gaming Commission