

# IN THE MISSOURI GAMING COMMISSION

In Re: )  
 ) DC-18-107  
St. Louis Gaming Ventures, 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 (2016),<sup>1</sup> 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 St. Louis Gaming Ventures, 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 Hollywood Casino St. Louis (the "Casino").
5. As the holder of a Class B license, the Casino 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 June 28, 2018, the Hollywood's Senior Promotions Representative notified the Commission of a patron questioning the amount of comp points not awarded as stated in the promotional material.
7. The investigation revealed that during the month of June 2018, 11,341 patrons did not receive the three times multiplier for comps on every Monday and Tuesday, as established in the approved promotional rules.
8. The failure to accurately award the multiplier was a result of a promotional kiosk error.
9. On July 18, 2018, Hollywood's Senior Promotions Representative notified the Commission that the correct multiplier was applied to the 11,341 impacted patrons.

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<sup>1</sup> All statutory references are to RSMo (2016), unless otherwise specified.

<sup>2</sup> 20180719002

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 45-5.181 states, in pertinent part, as follows:

(1) For the purposes of this rule, the following words are defined as:

\* \* \*

(D) Promotional game—a drawing, event, contest or game in which patrons of a Class B licensee may, without giving consideration, participate or compete for the chance to win a prize or prizes of different values;

\* \* \*

(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:

\* \* \*

(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 Company, as described above, constitute a failure of the Company to assure that it conducted its promotion according to its published rules, thereby violating 11 CSR 45-5.181(2)(D).
- 14. The Company is therefore subject to discipline for such violations pursuant to §§ 313.805(6) and 313.812.14 (1) and (2), RSMo.

**PENALTY PROPOSED**

- 15. 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.
- 16. THEREFORE, it is proposed that the Commission fine St. Louis Gaming Ventures, LLC, the amount of \$2,500 for the violations set forth herein.

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Herbert M. Kohn  
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 6<sup>th</sup> day of December, 2018, to:

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

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Herbert M. Kohn  
Chairman  
Missouri Gaming Commission