

# IN THE MISSOURI GAMING COMMISSION

In Re: )  
 ) DC-19-024  
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 2000,<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 the Missouri Gaming Company, 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 *Argosy Riverside Casino* (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. Between March 14, 2018 and May 31, 2018, MGC initiated a promotional investigation at the Argosy Casino after a routine internal audit disclosed that one or more of the patrons’ earned entries were omitted from the promotional drawings.
7. The subsequent investigation revealed the following findings:
  - a. Seven different promotions conducted at the Casino between November 25, 2017, and April 14, 2018 were involved;
  - b. A total of 195 patrons were negatively affected due to a PUMA system script error.

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

<sup>2</sup> 20180727001 and 20180710002

8. On June 2, 2018, MGC investigated another instance identified during the Casino's audit of a promotion during which it was revealed that a several Casino patrons' entries were not entered into two promotions after they earned them.
9. The subsequent investigation found that 176 patrons were impacted by this error.

**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:
  - (A) Promotional giveaway—a promotional gift or item given by a licensee to any person meeting the licensee's promotional criteria, where the person provides no consideration and there is no chance or skill involved in the awarding of the promotional gift or item, and all persons meeting the criteria receive the same promotional gift or item;
  - (B) Patron—any person present on the premises of a Class B licensee that is not employed by such Class B licensee or the commission and is not on the premises as a vendor of the Class B licensee;

\* \* \*

(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 Casino, as described above, constitute a failure of the Casino to conduct its promotions in accordance with the rules of the game, 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 Missouri Gaming Company, the amount of \$10,000 for the violations set forth herein.

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Brian Jamison  
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, 2019, to:

Harold Rowland, General Manager  
Argosy Riverside Casino  
777 NW Argosy Pkwy.  
Riverside, MO 64150

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Brian Jamison  
Chairman  
Missouri Gaming Commission