

IN THE MISSOURI GAMING COMMISSION

In Re:)
) DC 22-009
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, 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 FACTS¹

6. On May 31, 2021, a patron contacted the MGC after she was unable to use a coupon at a table game. The patron presented a Table Game \$40 Free Bet coupon printed on May 30, 2021, at 10:38 a.m.
7. She was unable to use her coupon because she was told it expired 24 hours after issuance, although the coupon did not say or otherwise indicate it expired within 24 hours from the time of issuance.
8. Instead, the coupon only listed the date of May 31, 2021, as the expiration date.
9. When the patron went to the Rodeo Cage to ask about the coupon and speak with the Cage Manager, she was informed that all of the table game coupons expired within 24 hours.

¹ GIR 20210614002

10. The patron requested the documentation to support that statement, but was informed that the Casino staff could not provide the information she requested.
11. The patron also filed a Formal Complaint with the MGC regarding this incident.
12. When MGC staff followed up with the Rodeo Cage to request the rules for the Free Bet promotion, the Cage Shift Manager could not locate the rules for the promotion, as she did not know where they were located.
13. Once obtained, it was determined that the Casino's MyChoice Program rules and the Bonus Free Bet rules contained nothing that covered the expiration of the Free Bet coupons.

LAW

14. 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.

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

16. 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:

* * *

- (C) Promotional coupon—any instrument offering any person something of value and issued by a Class B licensee to entice the person to come to the Class B licensee’s premises for use in or related to licensed gambling games at a license’s gaming establishment;

* * *

- (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:

* * *

- (C) The Class B licensee shall create dated, written rules governing the promotional activity, which rules shall be immediately available to the public and the commission upon request....

- (D) All prizes offered in the promotional activity shall be awarded according to the Class B licensee’s rules governing the event[.]

* * *

- (5) Promotional coupons shall contain the following information preprinted on the coupon:

* * *

- (E) A specific expiration date or condition; and
- (F) All conditions required to redeem the coupon.

VIOLATIONS

- 17. The acts or omissions of employees or agents of the Company, as described above, constitute a failure of the Company to assure its coupons contained the expiration date of the coupon, that it paid its customer according to the rules of the promotion, and that the rules for the Free Bet promotion were immediately available to patrons upon request, thereby violating 11 CSR 45-5.181.
- 18. 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

- 19. 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.
- 20. THEREFORE, it is proposed that the Commission fine St. Louis Gaming Ventures, LLC, the amount of \$5,000 for the violations set forth herein.



Mike Leara
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 24th day of February, 2022, to:

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



Mike Leara, Chairman
Missouri Gaming Commission