

# IN THE MISSOURI GAMING COMMISSION

In Re: )  
IOC-Boonville, Inc. ) DC-20-046

## 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 Eldorado Resorts, Inc., a Class A gaming license to develop and operate Class B gaming licenses in the State of Missouri.
3. Eldorado Resorts, Inc., was the parent organization or controlling entity of IOC-Boonville, Inc. (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 the *Isle of Capri Casino Hotel Boonville* (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. The MGC completed a compliance audit for the period of February 1, 2018 through November 30, 2019, and issued MGC Audit Report 20-02 to the Casino on January 23, 2020.
7. Audit Report 20-02 noted the following exceptions involving patrons who failed to receive the correct amount of entries into the Casino’s “\$15K Summer of Cash” and the “\$5,000 ONE Club Frenzy” promotions:
  - a. The “\$15K Summer of Cash” promotion allowed patrons to earn one additional entry for every 50 tier points they earned throughout the earning period, July 7, 2019 through July 19, 2019. Fourteen of the 20 patrons reviewed received incorrect entries. Further investigations revealed that a total of 957 patrons were affected by the error. The reason for the incorrect entries was due to cutting off partial entries earned at the end of the

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

<sup>2</sup> 20191125002

gaming day throughout the earning period. The promotion rules did not state that partial entries would be deleted at the end of the gaming day.

- b. The “\$5,000 ONE Club Frenzy” promotion allowed patrons to earn one additional entry for every hour of rated play on electronic gaming devices and/or live table games throughout the earning period from August 1, 2019 through August 25, 2019. Three of the 20 patrons reviewed received incorrect entries. Further investigation revealed that 56 guests had a total of 127 entries which were not included in the promotion. The problem was caused by a system error related to the full system save they performed the morning of August 20, 2019.

### LAW

- 8. 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.
- 9. 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 regulation;
- (2) Failing to comply with any rule, order or ruling of the commission or its agents pertaining to gaming[.]

- 10. 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**

11. The acts or omissions of employees or agents of the Casino, as described above, constitute a failure of the Casino to structure or conduct its promotional activities in a manner that does not reflect negatively on the licensee, the commission, or the integrity of gaming in Missouri and a failure to award prizes according to the Casino's rules governing the promotion, thereby violating 11 CSR 45-5.181.
12. 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**

13. 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.
14. THEREFORE, it is proposed that the Commission fine IOC-Boonville, Inc., the amount of \$2,500 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 \_\_\_\_ day of September, 2020, to:

Heather Rapp, General Manager  
Isle of Capri Casino, Boonville  
100 Isle of Capri Blvd.  
Boonville, MO 65233

---

Mike Leara  
Chairman  
Missouri Gaming Commission