

MISSOURI GAMING COMMISSION
COMMISSION RESOLUTION NO. 21-015

JENNY LEE
March 31, 2021

WHEREAS, Jenny Lee (“Lee”), requested a hearing to contest the proposed disciplinary action initiated against her on July 1, 2020, by the Commission's issuance of a Preliminary Order for Disciplinary Action, DC-20-009; and

WHEREAS, pursuant to 11 CSR 45-13.010, et. seq., an administrative hearing has been held on Lee’s request and the Hearing Officer has submitted the proposed Findings of Fact, Conclusions of Law and Final Order attached hereto (collectively the "Final Order") for approval by the Commission; and

NOW, THEREFORE, BE IT RESOLVED, that the Commission has reviewed the Final Order and hereby issues to Lee a revocation of her occupational license in the above-referenced case in the matter of DC-20-009; and

BE IT FURTHER RESOLVED, that this shall be considered a final decision of the Missouri Gaming Commission.

BEFORE THE MISSOURI GAMING COMMISSION

In Re: Jenny Lee

)
)
)
)

Case No. 20-009

License Number: 300482

FINDINGS OF FACT, CONCLUSIONS OF LAW AND FINAL ORDER

The above-captioned matter comes before the Missouri Gaming Commission (hereinafter referred to as "Commission") upon receipt of a letter dated July 11, 2020 making a request for a hearing by Jenny Lee (hereinafter referred to as "Licensee"). Said request for hearing was in response to the Commission's Preliminary Order for Disciplinary Action dated July 1, 2020. The designated Hearing Officer, Bryan W. Wolford, conducted a hearing on December 22, 2020 where the Licensee and the Commission's attorney, Ms. Carolyn Kerr, appeared to present evidence and arguments of law.

FINDINGS OF FACT

1. On July 31, 2019 and all times relevant hereto, Licensee was employed by The Missouri Gaming Company, LLC. ("Company") as a Casino Host. The Company operates an excursion gambling boat known as the *Argosy Riverside Casino* ("Casino").
2. On August 3, 2019, Corporal William Laughlin ("Cpl. Laughlin") of the Missouri State Highway Patrol was contacted by surveillance at the Casino about an employee altering food coupons from the Red Lotus restaurant and distributing the altered coupons to Casino patrons.
3. On August 3, 2019, Cpl. Laughlin was assigned to the Gaming Division of the Missouri Highway Patrol as an agent of the Commission.
4. Cpl. Laughlin's investigation and review of surveillance video recordings revealed the following:
 - a) The coupons Licensee altered allowed patrons to redeem up to \$15.00 at the Red Lotus Asian Kitchen between July 17 and August 30, 2019;
 - b) The original coupons contained a control number in the lower right-hand corner of the coupon;
 - c) The altered coupons had no control number, as Licensee had deleted it;

- d) On July 31, 2019, Licensee altered and made over 120 blank copies of the coupons;
 - e) Licensee signed the altered coupons and distributed them on July 31, 2019 to patrons on the casino floor; and
 - f) Licensee distributed over 120 altered coupons, valued at \$15.00 each, for a total of approximately \$1,800.00 in free food;
5. Cpl. Laughlin testified at hearing that the Licensee and another individual copied 124 Red Lotus \$15.00 food coupons on single-sided plain paper. Licensee then took the coupons to the gaming floor where she signed them and handed them out to patrons throughout the evening. Cpl. Laughlin stated that the casino had not authorized the copies of the coupons, and that the real coupons were two-sided and had an individual control number on the back of each one.
 6. Licensee testified at hearing that she had printed the coupons before she left for her vacation so that the Casino patrons that she hosts would have meals while she was away. She had run out of the original, Casino-authorized Red Lotus coupons. Licensee stated that she had the discretion to give out food coupons to patrons, and that Casino supervisors could make the coupons at their discretion. Licensee admitted she had copied the Red Lotus \$15.00 coupon and handed out the copies to patrons, but stated that she didn't believe she was doing anything wrong.
 7. A review of the surveillance video shows the Licensee and another employee printing out the coupons. The Licensee then cuts them out and takes the stack of coupons to the casino floor where she signs them on a gaming table. The Licensee is observed passing out the coupons she printed and signed to patrons throughout the gaming floor, even handing multiple coupons to some patrons.
 8. Licensee's actions in altering and distributing over 120 food coupons valued at \$15.00 each are injurious to the public health, safety, morals, good order, and general welfare of the people of the State of Missouri and discredits the Missouri gaming industry and the State of Missouri, and violates 11 CSR 45-10.030(1), (4), & (7).

CONCLUSIONS OF LAW

1. "The Commission shall have full jurisdiction over and shall supervise all gaming operations governed by Section 313.800 to 313.850." Section 313.805 MO. REV. STAT. 2016.

2. "A holder of any license shall be subject to the 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 of the state of Missouri unless the licensee proves by clear and convincing evidence that it is not guilty of such action . . . the following acts 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." Section 313.812.14 MO. REV. STAT. 2016.
3. "The burden of proof is at all times on the Licensee. The Licensee shall have the affirmative responsibility of establishing the facts of his/her case by clear and convincing evidence . . ." Regulation 11 CSR 45-13.060(2).
4. "Clear and convincing evidence" is evidence that "instantly tilts the scales in the affirmative when weighed against the opposing evidence, leaving the fact finder with an abiding conviction that the evidence is true." *State ex. rel. Department of Social Services v. Stone*, 71 S.W.3d 643, 646 (Mo. App. 2002).
5. "The state has a legitimate concern in strictly regulating and monitoring riverboat gaming operations. As such, any doubt as to the legislative objective or intent as to the Commission's power to regulate riverboat gaming operations in the state must be resolved in favor of strict regulation." *Pen-Yan Investment, Inc. v. Boyd Kansas City, Inc.*, 952 S.W.2d 299, 307 (Mo. App. 1997).
6. 11 CSR 45-10.030(1) states "Licensees shall promptly report to the commission any facts which the licensee has reasonable grounds to believe indicate a violation of law (other than minor traffic violations), minimum internal control standard requirements or commission of rule committed by licensees, their employees or others..."
7. 11 CSR 45-10.030(4) states "Licensees shall take reasonable actions to safeguard from loss all tokens, tickets, chips, checks, funds, and other gaming assets."
8. "The commission may . . . revoke or suspend an occupational license of any person . . . who has failed to comply with or make provision for complying with Chapter 313, RSMo, the rules of this commission, or any federal, state, or local law or regulation." Regulation 11 CSR 45-4.260(4)(E).

DISCUSSION

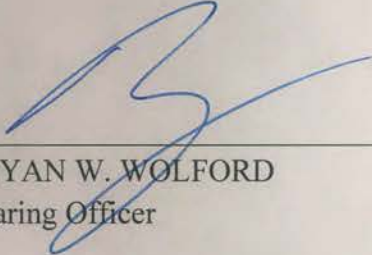
The law provides broad authority to the Commission regarding the regulation of the gaming industry in order to assure that the public health, safety, morals, and good order are maintained and protected. In this case, Licensee is a Casino Host at the Casino. As a Level II licensee, Licensee knows the Missouri gaming laws and regulations, including the requirement that she safeguard casino assets and that she report violations of law or regulation to the Commission. Licensee knew that while she had the discretion to hand out food coupons, she did not have the authority to create them. By her own admission, only a supervisor could create food coupons. Licensee caused a loss of approximately \$1,800.00 in Casino assets through the unauthorized Red Lotus food coupons.

Licensee's actions in altering and distributing over 120 food coupons valued at \$15.00 each are injurious to the public health, safety, morals, good order, and general welfare of the people of the State of Missouri and discredits the Missouri gaming industry. Licensee did not meet her high burden of proof of clear and convincing evidence in showing that no violation occurred.

FINAL ORDER

WHEREFORE, IT IS ORDERED AND ADJUDGED that Licensee is found to have violated Missouri law and is subject to discipline at the discretion of the Commission. The decision of the Commission dated July 1, 2020 to impose a **Revocation** against the Licensee is affirmed as a proper and appropriate discipline.

DATED: January 20, 2021



BRYAN W. WOLFORD
Hearing Officer