

1 BEFORE THE MISSOURI GAMING COMMISSION

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MEETING

6

AT MISSOURI GAMING COMMISSION

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3417 KNIPP DRIVE

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JEFFERSON CITY, MISSOURI 65102

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DATE TAKEN: MARCH 31, 2021

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STATE TIME: 9:30 a.m.

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1 A P P E A R A N C E S

2 COMMISSIONERS:

3 MIKE LEARA, Chairman

4 BRANDON BOULWARE, Commissioner

5 PAT CONWAY, Commissioner

6 DAVID W. HANE, Commissioner

7 ANGIE FRANKS, Assistant

8 EDWARD J. GREWACH, General Counsel

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20 Court Reporter:

21 MS. JOANN RICHARDSON

22 Alaris Litigation Services

23 711 N. 11th Street

24 St. Louis, Missouri 63101

25 (314) 644-2191

1 CHAIRMAN LEARA: Welcome to the March
2 meeting of the Missouri Gaming Commission. We will now
3 call the roll.

4 MS. FRANKS: Commissioner Hane?

5 COMMISSIONER HANE: Present.

6 MS. FRANKS: Commissioner Conway?

7 COMMISSIONER CONWAY: Present.

8 MS. FRANKS: Commissioner Boulware?

9 COMMISSIONER BOULWARE: Present.

10 MS. FRANKS: Chairman Leara?

11 CHAIRMAN LEARA: Present. A quorum having
12 been established, we'll move on to -- the first item on
13 the agenda is the adoption of the agenda. I will move
14 for the adoption and look for a second.

15 COMMISSIONER CONWAY: Second.

16 CHAIRMAN LEARA: Second, Mr. Conway. Any
17 discussion on the agenda? Seeing none, Angie, call the
18 roll.

19 MS. FRANKS: Commissioner Hane?

20 COMMISSIONER HANE: Approved.

21 MS. FRANKS: Commissioner Conway?

22 COMMISSIONER CONWAY: Approved.

23 MS. FRANKS: Commissioner Boulware?

24 COMMISSIONER BOULWARE: Approved.

25 MS. FRANKS: Chairman Leara?

1 CHAIRMAN LEARA: Approved.

2 MS. FRANKS: By your vote, you've adopted
3 the agenda.

4 CHAIRMAN LEARA: Next item is consideration
5 of minutes from the February 24th meeting. I will move
6 for the adoption -- or the acceptance of the minutes --
7 Angie, what is that, acceptance or adoption?

8 MS. FRANKS: Adoption.

9 CHAIRMAN LEARA: Adoption of the minutes.
10 Okay.

11 COMMISSIONER HANE: Second.

12 CHAIRMAN LEARA: We have a second, Mr. Hane.
13 Any discussion? Seeing none, Angie, please call the
14 roll.

15 MS. FRANKS: Commissioner Hane?

16 COMMISSIONER HANE: Approved.

17 MS. FRANKS: Commissioner Conway?

18 COMMISSIONER CONWAY: Approved.

19 MS. FRANKS: Commissioner Boulware?

20 COMMISSIONER BOULWARE: Approved.

21 MS. FRANKS: Chairman Leara?

22 CHAIRMAN LEARA: Approved.

23 MS. FRANKS: By your vote, you've adopted
24 the minutes of the February 24, 2021 meeting.

25 CHAIRMAN LEARA: The next item on the agenda

1 is consideration of hearing officer recommendation. Who
2 will do that presentation?

3 MR. GREWACH: Hearing Officer Brian Wolford.

4 CHAIRMAN LEARA: Mr. Wolford, you have the
5 floor when you're ready.

6 MR. WOLFORD: Thank you, Mr. Chairman,
7 commissioners. For your consideration, Resolution
8 No. 21-014, the matter of Bonnie Sue Lawson. On
9 December 2, 2009, the Commission enacted its resolution
10 placing Mrs. Lawson on the exclusion list as a result of
11 her having pled guilty in federal court to theft of
12 government funds, which is a felony involving moral
13 turpitude.

14 Mrs. Lawson was sentenced to 37 months in
15 confinement, followed by supervised release for three
16 years. She was ordered to pay restitution of
17 approximately \$118,000. And one of the conditions of
18 her supervision was that she not enter any gaming
19 establishment or engage in any type of gaming or
20 gambling.

21 In 2020, last summer, she filed a petition
22 with this Commission pursuant to 11 CSR 45-15.050, which
23 allows for any person who has been placed on the
24 exclusion list to petition this Commission in writing to
25 have their name removed from that list.

1 She testified at her hearing that she had
2 completed her incarceration and supervision
3 successfully. She was still paying on the restitution,
4 however. She pays at the rate of \$1,000 a month, which
5 is automatically deducted from her retirement. And at
6 the time of the hearing, she testified that she had
7 approximately \$30,000 left for the balance of the
8 restitution.

9 She testified that she would like to be
10 removed from the exclusion list so that she could go
11 with her friends to gaming establishments to eat and
12 gamble. She does reside in the Kansas City metropolitan
13 area, in St. Joseph, and is close to the gaming
14 establishments in the Kansas City area.

15 She testified that she had had no law
16 violations since her plea and her incarceration.
17 Further, that while she was in the federal prison, she
18 helped establish an education program and taught more
19 than 700 incarcerated women.

20 On cross-examination she testified that she
21 did enjoy gaming. She enjoyed the social interaction of
22 it, going with her friends, and that she was never
23 ordered as part of her plea to participate in any sort
24 of gambling counseling or addiction programs. She did
25 admit that some of the government funds that she had

1 stolen were used in gaming facilities.

2 By all accounts, since her plea in federal
3 court, Mrs. Lawson has led a law-abiding life. She
4 still owes her restitution, however, which she is
5 paying. And it will take her approximately three years
6 to continue to pay the remaining balance of that
7 restitution.

8 Based on the testimony of Mrs. Lawson and
9 the evidence presented, it is my recommendation to this
10 Commission that Mrs. Lawson be removed from the
11 exclusion list. I also believe that Mrs. Lawson has
12 submitted a letter to the Commission for its
13 consideration. I'm happy to answer any questions.

14 CHAIRMAN LEARA: Any questions for
15 Mr. Wolford? Mr. Conway?

16 COMMISSIONER CONWAY: Thank you, Mr. Chair.
17 It's my understanding that restitution is a mandatory
18 distribution out of her social security.

19 MR. WOLFORD: That is correct, Commissioner
20 Conway.

21 COMMISSIONER CONWAY: Okay. Thank you.

22 CHAIRMAN LEARA: And there have been no
23 interruptions in that? Has that been regularly paid
24 without --

25 MR. WOLFORD: That's correct, Mr. Chairman.

1 According to the evidence presented, it has been
2 regularly paid every month through that automatic
3 deduction.

4 CHAIRMAN LEARA: No action of ours would
5 alter that in any way, then?

6 MR. WOLFORD: No, sir, none that I'm aware.

7 CHAIRMAN LEARA: Any other questions?

8 COMMISSIONER BOULWARE: How old is she?

9 MR. WOLFORD: She's in her eighties. I
10 believe she's 82.

11 COMMISSIONER CONWAY: I just wanted to
12 clarify. When Missouri puts a person on the ban list or
13 they put themselves on, that has no effect on any of the
14 adjoining casinos in Kansas or in Iowa, correct?

15 MR. WOLFORD: That is correct. It is for
16 Missouri facilities.

17 COMMISSIONER CONWAY: At the present time
18 she could go to Kansas City, Kansas, or to the Indian
19 casino and have entry at those locations, correct?

20 MR. WOLFORD: She could or any other state
21 that has gaming.

22 COMMISSIONER CONWAY: Right. Okay. Thank
23 you very much.

24 CHAIRMAN LEARA: Any other questions?
25 Seeing none. Just hang tight there, Mr. Wolford. But I

1 will move for the adoption of Resolution No. 21-014. Is
2 there a second?

3 COMMISSIONER BOULWARE: Second.

4 MS. FRANKS: Excuse me, Mr. Chairman, would
5 you like to see if she's here?

6 CHAIRMAN LEARA: Is she here? I don't have
7 the need.

8 COMMISSIONER BOULWARE: No. In her letter
9 she says that --

10 MS. FRANKS: That she won't be?

11 COMMISSIONER BOULWARE: -- she won't be.

12 MS. FRANKS: Okay. I just wanted to make
13 sure.

14 CHAIRMAN LEARA: Thank you. So we have a
15 motion. Is there a second?

16 COMMISSIONER BOULWARE: Second.

17 CHAIRMAN LEARA: We have a second. Further
18 discussion?

19 COMMISSIONER HANE: 82 or not and her time
20 served has been served, her parole has been served, but
21 the requirement of restitution has not been completed.
22 So, consequently, I'm not of the opinion that the
23 court's adjudication of this particular matter has been
24 satisfied. Consequently, until that happens, I can't be
25 in favor of complete reinstatement.

1 Now, should she do a lump sum, pay the thing
2 off, double up her payments, whatever, to fully
3 reimburse, personally then I would take that into
4 consideration of another request. But that's my
5 opinion.

6 CHAIRMAN LEARA: Okay. Thank you, Mr. Hane.

7 COMMISSIONER CONWAY: Mr. Chair, just prior
8 to the vote, I do want to state that I'm going to recuse
9 myself on this vote. I was a fellow officeholder with
10 Bonnie Sue and very much aware of the complaints and I
11 have very mixed emotions on this particular issue. But
12 I think in fairness to everyone, I'm going to recuse
13 myself on the vote.

14 CHAIRMAN LEARA: Okay. Thank you,
15 Mr. Conway. I'm going to ask a procedural question
16 here. If I withdraw my motion, does the issue die or do
17 we have to vote on it, Ed?

18 MR. GREWACH: Yes. If you withdraw your
19 motion and the person who made the second withdraws his
20 second, then there's no motion before the Commission
21 and the matter dies and the applicant stays on the list.

22 CHAIRMAN LEARA: Okay. I at this time
23 withdraw my motion for approval of Resolution No. 21-014
24 and ask if --

25 COMMISSIONER BOULWARE: I'll second that

1 withdrawal.

2 CHAIRMAN LEARA: Moving right along to the
3 next item. Mr. Wolford, proceed.

4 MR. WOLFORD: Thank you, Mr. Chairman. For
5 your consideration, Resolution 21-015, the matter of
6 Jenny Lee. Ms. Lee was employed as a casino host aboard
7 the Argosy Riverside Casino.

8 A casino host is a person who the casino
9 employs to basically take care of its patrons, handle
10 any complaints they may have, issue the comps to these
11 patrons, and basically make sure that they have an
12 enjoyable experience while gaming at the casino.

13 On August 3rd of 2019, the Commission's boat
14 officer received a tip from casino surveillance that
15 there was an employee who was altering food coupons from
16 the Red Lotus restaurant and distributing these altered
17 coupons to casino patrons. Now, the Red Lotus Asian
18 Kitchen was a new restaurant at the Argosy Casino at
19 that time.

20 The boat officer investigated and he
21 determined that the casino did issue valid, legitimate
22 food coupons that were printed on card stock on two
23 sides. They were redeemable for up to \$15 in credit
24 towards food at the Red Lotus Kitchen.

25 Now, these were unique in at the bottom

1 corner of these coupons, they had a control number on
2 there, a unique, individually issued control number that
3 corresponded to that individual coupon.

4 The altered coupons, on the other hand, were
5 one page -- or one-sided only. They were printed on
6 paper. And they had no control number whatsoever on
7 them. The licensee had made and altered over 120 blank
8 copies of those coupons.

9 She distributed them on the gaming floor on
10 July 31st to patrons in her area. She distributed
11 approximately 120 of these coupons valued at \$15 apiece,
12 for a total of about \$1800 in casino assets towards free
13 food.

14 The review of the surveillance showed that
15 she had went back to the cage area, worked with another
16 employee who printed these off on a computer. She could
17 be seen cutting out these coupons. She took the stack
18 of them to the gaming floor, where she subsequently
19 signed them on a gaming table. And then the
20 surveillance footage showed her handing these out to
21 various patrons, sometimes as many as two or three to a
22 patron.

23 At hearing, Ms. Lee testified that she had
24 printed these coupons before she left for her vacation
25 so that her casino patrons that she hosted would have

1 meals while she was away. She said that she had run out
2 of the original casino-issued and approved coupons.
3 These are the ones that were original with the control
4 number on them.

5 She said that she did have the discretion to
6 give out food coupons to patrons. And she stated the
7 casino supervisors could make coupons at their
8 discretion. She admitted that she had copied and
9 distributed the coupons, but she stated that she didn't
10 believe she was doing anything wrong.

11 At issue here particularly is 11 CSR
12 45-10.030, Subsection 4, which states that all licensees
13 should take reasonable actions to safeguard from loss
14 any casino asset. There's no doubt that these coupons
15 are a casino asset. They're money that comes out of the
16 casino's coffer for food for patrons.

17 Ms. Lee knew that she had the discretion to
18 give out coupons, but by her own admission, only a
19 supervisor could create food coupons. In this case she
20 took it upon herself to create over 120 of these coupons
21 and caused a loss of approximately \$1,800 in casino
22 assets through these unauthorized coupons.

23 It is the hearing officer's recommendation
24 that the revocation of her license be affirmed as proper
25 and appropriate discipline. I'm happy to answer any

1 questions regarding this matter.

2 CHAIRMAN LEARA: Questions for Mr. Wolford?

3 COMMISSIONER BOULWARE: What did her
4 employer do?

5 MR. WOLFORD: Her employer terminated her.

6 COMMISSIONER BOULWARE: Is there any
7 evidence that she received anything of value in exchange
8 for passing out these coupons.

9 MR. WOLFORD: No, no evidence was presented
10 and nothing observed by me personally from the
11 surveillance indicated that she was given anything. I
12 believe she was sincere in that she thought that she was
13 giving her patrons food money while she was gone. She
14 just wasn't authorized to do that.

15 COMMISSIONER CONWAY: Are you done?

16 COMMISSIONER BOULWARE: Yeah.

17 COMMISSIONER CONWAY: Okay. Were any of her
18 supervisors at the time that she was distributing these
19 coupons aware of her activity?

20 MR. WOLFORD: No, nobody was aware about it
21 until one of the guests tried to pass off one of these
22 coupons at the restaurant. And then casino security
23 then became aware and looked at the surveillance to
24 determine where they came from.

25 COMMISSIONER HANE: Was it Brian? The IT

1 guy that scanned an original coupon, was he unaware of
2 the rule about protecting the assets as well?

3 MR. WOLFORD: I don't know what his
4 awareness was. It was my understanding that he did not
5 receive any discipline from the casino for his action.
6 There was limited evidence presented, mostly on behalf
7 of Ms. Lee, that nothing happened to the IT person who
8 helped her scan and print these:

9 MS. MOORE: May I speak?

10 CHAIRMAN LEARA: Okay. Who are you?

11 MS. MOORE: I'm sorry. I'm Karen Moore,
12 Argosy Casino compliance manager. I was going to speak
13 to that statement.

14 CHAIRMAN LEARA: Oh, sure. Come forward and
15 make sure the reporter has your name.

16 MS. MOORE: I apologize. Karen Moore,
17 compliance manager, Argosy Casino. I just wanted to
18 speak on that behalf.

19 CHAIRMAN LEARA: Yeah, sure.

20 MS. MOORE: That individual, that team
21 member, he was also disciplined. He was not terminated
22 because he was only doing her a favor because she told
23 him she didn't know how to run the copier. So he
24 assisted her in just making the copies. But he did
25 receive discipline as well. I apologize.

1 CHAIRMAN LEARA: Any questions for
2 Ms. Moore?

3 COMMISSIONER BOULWARE: Well, any indication
4 that she believed what she was doing was wrong? In
5 other words, did she try to hide it? Try to stay out of
6 the camera range? Anything like that?

7 MR. WOLFORD: There was no indication, based
8 on her testimony and based on my viewing of the
9 surveillance, that there was any intent for her to
10 conceal what she was doing. Through her testimony,
11 though, she did say that only a supervisor could create
12 coupons.

13 She knew she had the authority to pass them
14 out and she knew that only a supervisor could create
15 them. But, no, she didn't do anything clandestine. It
16 was all within full view of the cameras.

17 COMMISSIONER BOULWARE: Okay. So she
18 recognized that only a supervisor could create coupons.
19 She also acknowledged she was not a supervisor, but she
20 just wasn't willing to go that next step and say,
21 therefore, what I did was wrong?

22 MR. WOLFORD: Correct.

23 CHAIRMAN LEARA: One second, Mr. Hane.
24 Mr. Grewach, did you have something to add to this?

25 MR. GREWACH: Germane to that question, if

1 you look at the transcript, Page 20, Line 11, Ms. Lee
2 said, "I kept telling my boss we ran out of coupons. We
3 needed to print more. And they kept saying, no, we
4 don't have it."

5 CHAIRMAN LEARA: Thank you, Ed.

6 MR. GREWACH: So she asked her boss first
7 for permission, was denied, and then went and did what
8 she did.

9 CHAIRMAN LEARA: Thank you. Any other
10 questions for Mr. Wolford? Seeing none, I will move for
11 the adoption of Resolution 21-015 and look for a second.

12 COMMISSIONER BOULWARE: Second.

13 CHAIRMAN LEARA: We have a second. Any
14 other discussion? Angie, please call the roll.

15 MS. FRANKS: Commissioner Hane?

16 COMMISSIONER HANE: Approved.

17 MS. FRANKS: Commissioner Conway?

18 COMMISSIONER CONWAY: Approved.

19 MS. FRANKS: Commission Boulware?

20 COMMISSIONER BOULWARE: Approved.

21 MS. FRANKS: Chairman Leara?

22 CHAIRMAN LEARA: Approved.

23 MS. FRANKS: By your vote, you've adopted
24 Resolution No. 21-015.

25 CHAIRMAN LEARA: Thank you, Mr. Wolford.

1 MR. WOLFORD: Thank you, Mr. Chairman,
2 commissioners.

3 CHAIRMAN LEARA: This next item on the
4 agenda, consideration of rulemaking. Mr. Grewach, you
5 have the floor.

6 MR. GREWACH: Thank you, Mr. Chairman,
7 commissioners. Under tab D, we have proposed amendments
8 to our rules. Item Nos. 1 and 2 clarify some
9 inconsistencies regarding the reserve nonvalue chips and
10 secondary value chips.

11 Now, nonvalue chips are used in games like
12 roulette, where the chips are to be kept at the table.
13 You can't take a nonvalue chip and cash it in at a cage.

14 Value chips are used in games like Black
15 Jack, where, if you win, you can actually take the chips
16 with you and cash it in in the cage.

17 So there's some difference between the two
18 and those two rules are just to clarify some language
19 concerning those.

20 Item No. 3, 5.140 updates a regulation.
21 Inventory ledgers in the past were paper forms and
22 they're now kept electronic in their continuously
23 updated electronic form. So this rule change allows
24 other supporting documents to be signed to track
25 inventory changes and track the inventory kept by the

1 casino.

2 Item No. 4 are amendments to Chapter H of
3 the Minimum Internal Controls. The primary change deals
4 with a request we received from the industry that they
5 have permission to use the ticket cashing kiosk to also
6 process ATM transactions and check cashing transactions.

7 These types of combined kiosks have been
8 approved and implemented in other states. And we have
9 reviewed that and have come up with controls we're
10 comfortable with to present to you in this change to
11 Chapter H.

12 The balance of the changes to Chapter H are
13 a combination of industry requests, resolving
14 inconsistencies, and items we've identified over time.
15 For any time in our day-to-day business when we run into
16 a language, maybe, that doesn't quite fit a scenario or
17 isn't clear enough, that needs to be changed, we send a
18 note to our policy group to say whenever we get to
19 Chapter H, let's make sure we address that particular
20 issue. So those are the other changes you will see in
21 Chapter H.

22 Item No. 5 are changes to the Chapter R of
23 the Minimum Internal Controls dealing with forms.
24 Changes to other regulations, in addition to those same
25 types of day-to-day issues we see, necessitate changes

1 to the forms.

2 Pursuant to the governor's Executive Order
3 17-03, we are required to obtain approval from the
4 governor's office prior to submitting these proposed
5 amendments to you. We received that approval on March
6 15, 2021.

7 If you approve these proposed amendments,
8 there will be a public comment period starting on May
9 the 3rd. There will be a public hearing on July the
10 6th, after which the final orders of rulemaking will be
11 presented to you at the August 24, 2021 meeting. And if
12 approved, they will go into effect on December 30, 2021.

13 CHAIRMAN LEARA: Questions? Do we approve
14 each one of these individually, these CSRs?

15 MR. GREWACH: Yes. We can do it as a group?

16 MS. FRANKS: In bulk.

17 MR. GREWACH: We can do them as a group.

18 CHAIRMAN LEARA: We can, as a group. I move
19 for the adoption of the proposed amendments to 11 CSR as
20 listed. Is there a second?

21 COMMISSIONER HANE: Second.

22 CHAIRMAN LEARA: Second, Mr. Hane. Any
23 discussion on the CSRs? Seeing none, Angie, please call
24 the roll.

25 MS. FRANKS: Commissioner Hane?

1 COMMISSIONER HANE: Approved.

2 MS. FRANKS: Commissioner Conway?

3 COMMISSIONER CONWAY: Approved.

4 MS. FRANKS: Commissioner Boulware?

5 COMMISSIONER BOULWARE: Approved.

6 MS. FRANKS: Chairman Leara?

7 CHAIRMAN LEARA: Approved.

8 MS. FRANKS: By your vote, you've adopted
9 proposed Amendments 11 CSR 45-5.090, 5.110, 5.140,
10 9.108, and 9.118.

11 CHAIRMAN LEARA: Thank you. The next item,
12 final order of rulemaking. Mr. Grewach?

13 MR. GREWACH: This is a final order of
14 rulemaking to our Rule 12.090, which deals with liquor
15 control. By statute we are the sole liquor licensing
16 agent for the casinos. There are two changes. The
17 primary one is to eliminate the prohibition of
18 advertising liquor at a discount.

19 This change is a response to a January 2020
20 United States Court of Appeals 8th Circuit decision,
21 which found that an identical regulation by the Division
22 of Alcohol and Tobacco Control, ATC, was
23 unconstitutional.

24 The second change is to eliminate the term
25 "nonintoxicating beer." That term is no longer found in

1 either ATC's regulations or in statute.

2 The Commission approved these proposed
3 orders on December the 9th, 2020. There was a public
4 hearing on February the 9th, 2021. The only comment we
5 received was on behalf of the Missouri Gaming
6 Association in favor of the amendment. If you approve
7 the final order of rulemaking, it is effective on July
8 the 30th, 2021.

9 CHAIRMAN LEARA: No opposition?

10 MR. GREWACH: No.

11 CHAIRMAN LEARA: Any questions for
12 Mr. Grewach on the final order of rulemaking? Seeing
13 none, I will move for the adoption of 11 CSR 45-12.090
14 and ask for a second.

15 COMMISSIONER CONWAY: Second.

16 CHAIRMAN LEARA: Any discussion? Seeing
17 none, Angie, please call the roll.

18 MS. FRANKS: Commissioner Hane?

19 COMMISSIONER HANE: Approved.

20 MS. FRANKS: Commissioner Conway?

21 COMMISSIONER CONWAY: Approved.

22 MS. FRANKS: Commissioner Boulware?

23 COMMISSIONER BOULWARE: Approved.

24 MS. FRANKS: Chairman Leara?

25 CHAIRMAN LEARA: Approved.

1 MS. FRANKS: By your vote, you've adopted
2 the Final Order Rule of Rulemaking 11 CSR 45-12.090.

3 CHAIRMAN LEARA: Next item on the agenda, a
4 disciplinary action. Mr. Grewach?

5 MR. GREWACH: Yes. Tab F is a preliminary
6 order of discipline directed to Lumière Place Casino.
7 Federal regulations require casinos to establish an
8 anti-money-laundering training program. Lumière's
9 program requires their affected employees to watch a
10 training video and to pass a test by the end of the
11 calendar year.

12 On December 30, 2019, it came to the
13 attention of a certain table game supervisor and a manager
14 that 65 of their dealers had not completed the training
15 and the test. In response, two table game supervisors
16 and one manager fraudulently completed 47 of the tests
17 for the dealers. The statements that we received from
18 the witnesses indicated that this had also occurred in
19 prior years.

20 Statute 313.812 requires the casinos to
21 comply with all federal laws and regulations. Likewise,
22 our rule 4.260 has that same requirement. And further,
23 4.260 subjects licensees to discipline for fraud or
24 dishonesty in the performance of their duties.

25 The review board recommended a fine of

1 \$10,000. In the 14-day letter reply received from the
2 casino, which is included in the packet that you have in
3 front of you, they admitted the facts of the violation,
4 but pointed out that they self-reported.

5 In addition, they pointed out that their
6 director of table games noticed the anomaly of the
7 number of tests taken in a relatively short time period
8 on one day, and took the initiative to notify the
9 compliance officer.

10 The compliance officer then began working
11 with surveillance and IT to investigate. And he
12 notified the MGC as soon as the investigation uncovered
13 the wrongdoing.

14 They terminated the supervisors and managers
15 involved in the fraud and had the managers personally
16 retrain the table games personnel on the test taking
17 process and requirements.

18 In their 14-day letter response, the casino
19 requested the fine be reduced from 10,000 to 2,500. DRB
20 reduced the fine to \$5,000. And that's what's before
21 you today.

22 CHAIRMAN LEARA: Okay. Questions for
23 Mr. Grewach?

24 COMMISSIONER BOULWARE: I'm sorry, I didn't
25 get that last part. The fine was originally what and

1 then what?

2 MR. GREWACH: Originally 10,000 and then DRB
3 reduced it to 5,000.

4 COMMISSIONER BOULWARE: These individuals
5 who were part of the fraud and who I understand were
6 terminated, will some sort of disciplinary action come
7 before us at some point for them?

8 MR. GREWACH: They also received five-day
9 suspensions, which have been served in light of the fact
10 they were terminated by the casinos.

11 COMMISSIONER BOULWARE: Okay. But they
12 still hold licenses?

13 MR. GREWACH: I believe their licenses are
14 casino-restricted.

15 COMMISSIONER BOULWARE: What does that mean?

16 MR. GREWACH: That means they have a license
17 term. And I don't know -- I'm not prepared with that
18 answer, but when their license term is up, they'll have
19 to apply for renewal. If they're not employed by an A, B
20 or supplier at the time of their renewal, they will not
21 be renewed. So I don't know where that is in that
22 process, if their license have expired.

23 In the meantime, if you're licensed and
24 you're still in your two-year term but not working for
25 any casino, then you're internally in our system what's

1 called a casino-restricted status. So you still have a
2 license but not active.

3 CHAIRMAN LEARA: Is it fair to say that they
4 could be employed right now at another casino?

5 MR. GREWACH: Yes.

6 CHAIRMAN LEARA: Any other questions from
7 that end? So we have a resolution. I guess in order to
8 make any change to that resolution, we'd have to open
9 that up and have a second to adopt it and then amend.
10 So I will move for the adoption of Resolution 21-0 --
11 I'm sorry, 007. I'm sorry. It's a disciplinary action
12 DC- --so correction. I will move for the adoption of
13 Disciplinary Action No. 21-007 and ask for a second.

14 COMMISSIONER HANE: Second.

15 CHAIRMAN LEARA: We have a second. Now
16 discussion. I am moving to adopt the fine from \$5,000
17 to \$10,000. Is there a second?

18 COMMISSIONER BOULWARE: Second.

19 CHAIRMAN LEARA: We have a second. Now do
20 you want to discuss, anybody? I see it as the original
21 DRB outcome that I feel is appropriate in this case.
22 And if there's no other discussion, we'll call the vote,
23 but I'll listen to what anyone has to say.

24 COMMISSIONER HANE: Taking a test for others
25 has never worked out. It's just not a good policy.

1 COMMISSIONER BOULWARE: Goes back to
2 elementary school, right? Don't do it.

3 CHAIRMAN LEARA: Well, if we look at it, it
4 was AML training. I mean, it's not real hard. It's a
5 couple of hours. I'm just really uncomfortable with
6 that not being done. So I'm going to revert back to the
7 DRB fine and --

8 COMMISSIONER HANE: This is also not the
9 first time.

10 CHAIRMAN LEARA: I'm sorry?

11 COMMISSIONER HANE: This is not the first
12 time.

13 MR. GREWACH: That's what some witnesses
14 indicated to us. We haven't been able to verify that.

15 CHAIRMAN LEARA: So we have a motion, a
16 second. If there's no other discussion, Angie, please
17 call the roll.

18 MS. FRANKS: Commissioner Hane?

19 COMMISSIONER HANE: Approved.

20 MS. FRANKS: Commissioner Conway?

21 COMMISSIONER CONWAY: Approved.

22 MS. FRANKS: Commissioner Boulware?

23 COMMISSIONER BOULWARE: Approved.

24 MS. FRANKS: Chairman Leara?

25 CHAIRMAN LEARA: Approved.

1 MS. FRANKS: By your vote, you've adopted
2 DC-21-007 as amended from 5,000 to 10,000.

3 CHAIRMAN LEARA: Now we vote on it overall.
4 Now I will move for the adoption of Disciplinary Action
5 No. 21-007 as amended. Is there a second?

6 COMMISSIONER BOULWARE: Second.

7 CHAIRMAN LEARA: We have a second. Any
8 other discussion? Angie, please call the roll.

9 MS. FRANKS: Commissioner Hane?

10 COMMISSIONER HANE: Approved.

11 MS. FRANKS: Commissioner Conway?

12 COMMISSIONER CONWAY: Approved.

13 MS. FRANKS: Commissioner Boulware?

14 COMMISSIONER BOULWARE: Approved.

15 MS. FRANKS: Chairman Leara?

16 CHAIRMAN LEARA: Approved.

17 MS. FRANKS: By your vote, you've adopted
18 DC-21-007 as amended.

19 COMMISSIONER CONWAY: Could I bring up an
20 issue for just a moment in the interval? He brought up
21 something I'm just curious about.

22 CHAIRMAN LEARA: Go right ahead.

23 COMMISSIONER CONWAY: When you mentioned --
24 I just want, for my own sake, to see if this is
25 something I voted on when I was in the House. All

1 resolutions go to the governor's office?

2 MR. GREWACH: That is a governor's executive
3 order in 2017, Order 17-03, that all rule amendments go
4 to the governor's office.

5 COMMISSIONER CONWAY: Right. That was the
6 previous administration.

7 MR. GREWACH: It was Governor Greitens.

8 COMMISSIONER CONWAY: So that was never
9 voted on by the legislature?

10 MR. GREWACH: That is correct.

11 COMMISSIONER CONWAY: I'm just curious as
12 to -- that executive order, then, stays in effect until
13 such time as another governor would bring the issue up
14 to see if -- if they wanted to continue that process?

15 MR. GREWACH: That is correct. And Governor
16 Parson's office has specifically -- had a policy or
17 system in place to enforce that.

18 COMMISSIONER CONWAY: I didn't know if that
19 had -- I was thinking it might have had to do with the
20 issue of trying to reduce the number of resolutions in
21 each -- the guy from -- I believe the previous governor
22 on reducing regulations. Was that part of the same
23 package?

24 MR. GREWACH: That was all part of the same
25 executive order requiring us to review every one of our

1 rules and eliminate those that were unnecessary,
2 burdensome, or they required us to look at every rule on
3 a cost-benefit analysis. If the cost of the rule
4 outweighed the benefit we were receiving from the rule,
5 we were instructed to delete that amendment -- that
6 rule, rather.

7 COMMISSIONER CONWAY: Thank you.

8 CHAIRMAN LEARA: Next consideration of
9 licensure of supplier. Corporal Masters, you have the
10 floor. Please state your name for the record.

11 MR. MASTERS: Corporal John Masters. Good
12 morning, Mr. Chairman and commissioners. Missouri State
13 Highway Patrol investigators, along with MGC financial
14 investigators, conducted the re-licensing investigation
15 of Landry Holdings, LLC, doing business as Casino Tech,
16 which is currently licensed as a supplier in the state
17 of Missouri.

18 This investigation consisted of, but was not
19 limited to jurisdictional inquiries, feedback from
20 gaming company clients, a review of disciplinary
21 actions, litigation and business credit profiles, as
22 well as a review of key persons associated with
23 Casino Tech.

24 The result of this investigation was
25 provided to the MGC staff for their review and the

1 investigating officers are available to answer any
2 questions you have at this time. Thank you.

3 CHAIRMAN LEARA: Any questions for the
4 corporal? I see none. Thank you.

5 MR. MASTERS: Thank you, sir.

6 CHAIRMAN LEARA: I will move for the
7 adoption of Resolution No. 21-016, the relicensure of
8 Casino Tech. Is there a second?

9 COMMISSIONER CONWAY: Second.

10 CHAIRMAN LEARA: Any discussion? Seeing
11 none, Angie.

12 MS. FRANKS: Commissioner Hane?

13 COMMISSIONER HANE: Approved.

14 MS. FRANKS: Commissioner Conway?

15 COMMISSIONER CONWAY: Approved.

16 MS. FRANKS: Commissioner Boulware?

17 COMMISSIONER BOULWARE: Approved.

18 MS. FRANKS: Chairman Leara?

19 CHAIRMAN LEARA: Approved.

20 MS. FRANKS: By your vote you've adopted
21 Resolution No. 21-016.

22 CHAIRMAN LEARA: Next item on the agenda is
23 licensure of certain level 1/key applicants. Sergeant
24 McTheeney, you have the floor when you're ready.
25 Sergeant, we have a new reporter, so your name and title

1 would be helpful to her.

2 SGT. McTHEENEY: Yes, sir. Good morning,
3 Mr. Chairman and commissioners. Missouri State Highway
4 Patrol investigators and Missouri Gaming Commission
5 financial investigators conducted comprehensive
6 background investigations on two key applicants.

7 The investigations included but were not
8 limited to criminal, financial, and general character
9 inquiries, which were made in the jurisdictions where
10 the applicants have lived, worked, and frequented.

11 The following applicants are being presented
12 for your consideration: Jean Georges Robert Corriveau,
13 BMM North America, Inc., as vice president of
14 operations. Michael Allen Donovan, Casino KC, general
15 manager.

16 Investigative findings were provided to the
17 Missouri Gaming Commission staff for their review and
18 investigators are available to answer any questions you
19 might have. Thank you.

20 CHAIRMAN LEARA: Sergeant McTheeney, I would
21 ask, there were no controversies in the investigation of
22 any kind? There didn't seem to be any failure to
23 disclose or anything?

24 SGT. McTHEENEY: That is correct.

25 CHAIRMAN LEARA: In both of those?

1 SGT. McTHENEY: Yes, sir.

2 CHAIRMAN LEARA: Any questions for the
3 sergeant? I see none. Thank you. I will move for the
4 adoption of Resolution No. 21-017 and ask for a second.

5 COMMISSIONER HANE: Second.

6 CHAIRMAN LEARA: We have a second. Any
7 discussion? Seeing none, Angie, please call the roll.

8 MS. FRANKS: Commissioner Hane?

9 COMMISSIONER HANE: Approved.

10 MS. FRANKS: Commissioner Conway?

11 COMMISSIONER CONWAY: Approved.

12 MS. FRANKS: Commissioner Boulware?

13 COMMISSIONER BOULWARE: Approved.

14 MS. FRANKS: Chairman Leara?

15 CHAIRMAN LEARA: Approved.

16 MS. FRANKS: By your vote, you've adopted
17 Resolution No. 21-017.

18 CHAIRMAN LEARA: I will now make a motion
19 for Closed Meeting under Sections 313.847 of the Revised
20 Statutes of Missouri, Investigatory, Proprietary, and
21 Application Records, and Section 610.021, Subsection 1,
22 Revised Statutes, Legal Actions and Matters Subject to
23 Attorney Client Privilege and Legal Work Product,
24 Sections 3 and 13 Personnel, Section 12 Contracts, and
25 Section 14 Records Protected from Disclosure by Law,

1 and ask for a second.

2 COMMISSIONER HANE: Second.

3 CHAIRMAN LEARA: We have a second. No
4 discussion. Angie, please call the roll.

5 MS. FRANKS: Commissioner Hane?

6 COMMISSIONER HANE: Approved.

7 MS. FRANKS: Commissioner Conway?

8 COMMISSIONER CONWAY: Approved.

9 MS. FRANKS: Commissioner Boulware?

10 COMMISSIONER BOULWARE: Approved.

11 MS. FRANKS: Chairman Leara?

12 CHAIRMAN LEARA: Approved. We'll now go to
13 closed. Thank you all.

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C E R T I F I C A T E

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3 I, Joann Renee Richardson, Certified Court
4 Reporter, do hereby certify that pursuant to Notice
5 there came before me on March 31, 2021, Missouri Gaming
6 Commission, at 3417 Knipp Drive, City of Jefferson City,
7 County of Cole, who was first sworn by me to testify the
8 whole truth of all knowledge concerning the matter in
9 controversy aforesaid; that they were examined, and
10 their examination then and there was written in machine
11 shorthand by me and afterwards transcribed and is fully
12 and correctly set forth in the foregoing pages; and this
13 hearing is herewith returned.

9 I further certify that I am neither attorney or
10 counsel for, nor related to, nor employed by any of the
11 parties to this action in which this hearing is taken;
12 and further that I am not a relative or employee of any
13 attorney or counsel employed by the parties hereto, or
14 financially interested in this action.

12 Given at my office in the City of St. James,
13 County of Phelps, State of Missouri, this 17th day of
14 April, 2021.

15 _____
16 Joann Renee Richardson, CCR
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MISSOURI GAMING COMMISSION
Second Open Session Minutes
March 31, 2021

The Missouri Gaming Commission (the “Commission”) went into the second open session at approximately 11:55 a.m. on March 31, 2021, at the Missouri Gaming Commission, 3417 Knipp Drive, Jefferson City, Missouri.

April 28th meeting is in JC with only three supplier licensee renewals.

May 25th meeting will be in Cape Girardeau with a tour of the boat and May 26th meeting will be our regular commission meeting agenda.

We have a statement that we are going to release. LeAnn will handle the distribution.

Chairman Leara moved to adjourn the open session meeting. Commissioner Boulware seconded the motion, and after a roll call vote was taken, Hane – yes, Conway – yes, Boulware – yes, and Leara – yes, the motion passed unanimously.

The second open session meeting ended at 12:05 p.m.