

OHIO CASINO CONTROL COMMISSION
MEETING MINUTES
10:00 A.M. – September 21, 2016
RHODES TOWER, LOBBY HEARING ROOM
30 W. BROAD STREET
COLUMBUS, OHIO 43215

The regular meeting of the Ohio Casino Control Commission (OCCC) was called to order at 10:08 a.m. by Chair Davidson. Commissioners McKinley Brown, Will Lucas, Ranjan Manoranjan, John Steinhauer, and June Taylor were also in attendance. Commissioner Hoke had an excused absence. The minutes of the August 17, 2016 meeting were approved following a motion by Commissioner Manoranjan, seconded by Commissioner Brown.

Executive Director Schuler began his report with a review from Tracey Plouck, Director of Ohio Mental Health and Addiction Services, of the Annual Report on Problem Gambling. Ms. Plouck informed the Commission that there are now 83 service locations for treatment of gambling disorders. This is an increase from two years ago, when there were only 23 treatment sites. The number of Ohioans screened for gambling disorders has increased by 25%, to more than 44,000. Round two of the statewide gambling survey is underway. Results of the survey are anticipated in early fall of 2017. The Problem Gambling Helpline saw a decrease from FY14 to FY15 due to a vendor change. The previous vendor counted all calls as problem gambling, whereas the new vendor only counts the calls actually about problem gambling. Ms. Plouck stated that they will continue to promote the “Be the 95%” campaign message into local communities. Derek Longmeier, Executive Director of the Problem Gambling Network of Ohio, introduced himself to the Commission.

Next, Rick Anthony, Manager of Operations, presented the FY18 and FY19 Commission Budget Plan, including the addition of anticipated costs associated with regulating Skilled Games to the Commission operating budget. The Commission estimates the need to hire an additional 17 people for the added responsibility of regulating skilled games. Mr. Anthony projects the FY18 revenue to be higher than the FY19 revenue due to licensing historical trends. A motion to approve the FY18 and FY19 Commission Budget Plan was made by Commissioner Lucas. The motion was seconded by Commissioner Steinhauer.

Mr. Schuler deferred JACK Entertainment LLC’s financial update to the end of the meeting.

Matt Oyster, Director of Licensing and Investigations, introduced Rafael Verde, General Manager at Hollywood Casino Toledo (HCT), to the Commission. Mr. Verde discussed the impact that HCT has had on the surrounding community over the past three years. Mr. Oyster then presented to the Commission for consideration, Resolution 2016-22, to renew the casino-operator license of Toledo Gaming Ventures, LLC renewal application for licensure as a casino operator through the adoption of Commission Resolution 2016-22. Mr. Oyster reviewed the OCCC Division of Licensing and Investigation’s “Investigative Report on the Application of Toledo Gaming Ventures, LLC, for a Casino-Operator License” which concluded that Toledo Gaming Ventures, LLC, is suitable for licensure as a casino operator, effective October 16, 2016. Commissioner Lucas made a motion to adopt Commission Resolution 2016-22, granting renewal of a three-year casino-operator license to Toledo Gaming Ventures, LLC. The motion was seconded by Commissioner Steinhauer and adopted by a roll call vote 6-0.

Then, Mr. Oyster presented for consideration 16 initial, new, and renewal key-employee applications for individuals associated with Ainsworth Game Technology Ltd., Everi Games Inc., Everi Payments Inc., JCM American Corporation, Penn National Gaming, Inc., and Scientific Games Corporation. The OCCC Division of Licensing and Investigations completed background investigations of the applicants and recommended approval. Mr. Oyster recommended approval of Commission Resolution 2016-23, granting three-year key-employee licenses to Colin Henson, Ronald Congemi, Linster Fox, Jason Cribbs, Shamira Mavany, Steven

Beason, Peter Cohen, Gerald Ford, David Kennedy, Paul Mister, Ronald Perelman, Larry Potts, Michael Quartieri, Michael Regan, Barry Schwartz, and Frances Townsend. A motion to approve Commission Resolution 2016-23 was made by Commissioner Brown. The motion was seconded by Commissioner Taylor and approved.

Michelle Siba, OCCC Deputy General Counsel, presented to the Commission for consideration, rule amendments for final filing. Ms. Siba explained that the Commission initially approved new rules and amendments to Ohio Admin Code: 3772-1-01, 3772-1-02, 3772-1-04, 3772-01-05, 3772-02-02, 3772-02-03, 3772-02-04, 3772-02-05, 3772-02-06, 3772-02-07, 3772-02-08, 3772-04-01, 3772-04-02, 3772-04-03, 3772-04-04, 3772-04-05, 3772-04-06, 3772-04-07, 3772-04-08, 3772-04-09, 3772-04-10, 3772-07-01, 3772-09-01, 3772-9-08, 3772-09-09, 3772-09-10, 3772-09-13, 3772-10-03, 3772-10-06, 3772-10-08, 3772-10-13, 3772-10-15, 3772-10-16, 3772-10-17, 3772-10-18, 3772-10-19, 3772-10-21, 3772-10-29, 3772-10-30, 3772-11-07, 3772-11-19, 3772-11-31, 3772-11-33, 3772-11-39, 3772-11-43, 3772-17-01, 3772-19-07, and 3772-29-01 at the February 17, 2016, March 16, 2016, and April 20, 2016 public meeting. After receiving initial approval of the new rules and amendments, Commission staff filed them and a Business Impact Analysis with the Common Sense Initiative Office (CSIO). The CSIO was noted to have reviewed and subsequently authorized the Commission to proceed with filing the new rules and amendments with the Joint Committee on Agency Rule Review. Commissioner Taylor made a motion to adopt Commission Resolution 2016-24, approving final filing of the new rules and amendments. The motion was seconded by Commissioner Brown and approved.

Ms. Siba reviewed for the Commission proposed amendments to existing rules, 3772-9-03, -04, -05, -06, -07, -12, 3772-15-01, -02, -03, -04, -05, and -06 for their initial approval. A motion to initially approve the amendments was made by Commissioner Manoranjan. The motion was seconded by Commissioner Taylor and adopted.

Five new rules Ohio Administrative Code were presented to the Commission for consideration of initial filing. Andromeda Morrison, Director of Skilled Games, explained that the intent of the new rules is to be compliance-based and to create a comprehensive skilled games regulatory scheme. The following are the five new rules:

- 3772-50-11 Duty to update. (new)
- 3772-50-12 Filing requirements. (new)
- 3772-50-13 Record retention requirements. (new)
- 3772-50-14 Inspection and audits. (new)
- 3772-50-15 Advertising. (new)

Commissioner Steinhauer made a motion approving initial filing of the rules. The motion was seconded by Commissioner Lucas and approved.

Patrick Martin, Director of Regulatory Compliance, presented to the Commission for their consideration, amendments to Internal Controls being requested by Hollywood Casino Columbus (HCO), HCT, JACK Cincinnati Casino (JCI), and JACK Cleveland Casino (JCL). All of the proposed changes had been reviewed and recommended by the OCCC staff.

- HCO sought amendments to its Player Services, Security, and Emergency Action Plans. The changes are almost all related to audit findings. HCO's Security Plan was missing detail on staffing, as well as some particular Emergency Action Plan items that experience has shown are necessary, so detail is being added for those items. Commissioner Taylor made a motion

to approve the proposed changes. The motion was seconded by Commissioner Manoranjan and approved.

- o HCT sought amendments to its General, Surveillance, Tips, Slot Operations, Marketing, Table Games plans, and Complimentaries authority matrix. Most of the changes are staffing-related. The most notable changes are to the Slot Operations hierarchy, where the casino is combining the technical (mechanics) and operations (attendants) into a single department. HCT is also reworking its poker controls in response to a recent audit. Commissioner Lucas made a motion to approve the proposed changes. The motion was seconded by Commissioner Brown and approved.
- o JCI sought routine changes to these plans: Accounting, AML, Cage, Table Games, Sensitive Keys, and Security. They also sought minor changes to these table game rules: Mini/Midi-Baccarat, Three Card Poker, Ultimate Texas Hold 'Em, Free Bet Blackjack, and Poker. Commissioner Taylor made a motion to approve the proposed changes. The motion was seconded by Commissioner Lucas and approved.
- o JCL also pursued the same routine changes as JCI. In addition to the shared change requests, JCL is submitting staffing-related changes to its Intro, Credit, Promotions, and Tips plans. Commissioner Manoranjan made a motion to approve the proposed changes. The motion was seconded by Commissioner Brown and approved.

Dan Reinhard, Senior Vice President of Government Relations and General Counsel at JACK Entertainment, provided a brief financial update for JACK Entertainment, after which he stated that discussing certain JACK developments included financial information that was confidential in nature. Accordingly, Chair Davidson made a motion to go into executive session pursuant to R.C. 121.22(G)(5), stating the following: "Discussion of JACK Ohio LLC'S financial and corporate conditions include matters that are required to be kept confidential by state statute. In particular, this discussion requires disclosure of financial and trade secret information that is deemed confidential under R.C. 3772.16(A)(9) and (12), respectively. Accordingly, I move to go into executive session pursuant to R.C. 121.22(G)(5)." The motion was seconded by Commissioner Steinhauer and approved by a roll call vote 6-0.

The Commission moved into Executive Session at 11:34 p.m. The regular meeting resumed at 12:25 p.m., and Mr. Schuler concluded his Executive Director's Report.

John Barron, Deputy Executive Director and General Counsel, stated the following "we need a motion to amend the meeting minutes from the Commission's August meeting to reflect that the Commission considered, and approved for initial filing, proposed rules 3772-50-01 through 3772-50-10, as well as rules subject to five year review (3772-12-01 through 3772-12-06, 3772-13-01 through 3772-13-03, 3772-21-01, 3772-21-03 through 3772-21-11, 3772-22-01, and 3772-23-01 through 3772-23-06). Also, the minutes should be amended to reflect that the Commission adopted final adjudication orders in the following cases: Bruce Jones Case #2016-LIC-005, Philip Bowsher Case #2016-LIC-011, and LaShawn Westley Case #2016-LIC-013." Commissioner Steinhauer

made a motion to approve the proposed changes. The motion was seconded by Commissioner Taylor and approved.

There being no further business before the Commission, the meeting was adjourned.

Signed,



Maria Saliaris
Acting Commission Secretary

Approved: