

OHIO CASINO CONTROL COMMISSION  
MEETING MINUTES

10:00 A.M. – October 16, 2019  
JO ANN DAVIDSON HEARING ROOM  
100 E. BROAD STREET, 20<sup>TH</sup> FLOOR  
COLUMBUS, OHIO 43215

The regular meeting of the Ohio Casino Control Commission (Commission) was called to order at 10:05 a.m. by Chair June Taylor. Vice-Chair Davidson and Commissioners McKinley Brown, Will Lucas, Lynn Slaby, and John Steinhauer were also in attendance. Commissioner Ranjan Manoranjan had an excused absence. The minutes of the September 18, 2019 meeting were approved following a motion by Commissioner Slaby and seconded by Commissioner Steinhauer.

Executive Director Matthew Schuler began his report with a presentation from Lori Criss, MSW, LSW, Director of Mental Health and Addiction Services, of the 2019 Annual Report on Problem Gambling, as well as an outline of the 2020 plan. Director Criss began her report with an overview of the 2019 plan's achievements and milestones. Director Criss noted that the first ever Ohio clergy training for counseling of people with gambling problems was held. The training was a four-day commitment that can lead to international certification. The clergy training was filled within two weeks of registration becoming available, and future trainings of this type are planned for the end of October.

This year, grants were offered to select Ohio prevention agencies through a competitive application process to perform environmental scans of each of Ohio's casinos and racinos. Each agency selected developed a scanning process, gathered data, and summarized its findings of the gambling sites in their regions regarding responsible gambling. The reports were shared with each casino and racino to help identify opportunities for responsible gambling signage improvements. Meetings and findings were well received with leadership at the properties and the properties requested repeat scan efforts for 2020.

The Ohio State Medical Association magazine *Ohio Medicine* contained a feature written by OMHAS Medical Director Mark Hurst, M.D., to coincide with Problem Gambling Awareness Month in March 2019. The article titled, "Symptoms or Root Cause? How Problem Gambling Affects Health," focused on signs and symptoms that patients might exhibit that could be indicative of Gambling Disorder but may be interpreted as other illnesses. This provided an ideal opportunity to bring problem gambling education directly to Ohio physicians. Director Criss recognized OMHAS staff Stacey Frohnappel-Hasson, MPA, OCPC, Chief of OMHAS Problem Gambling and Prevention Services, being named as the Association of Problem Gambling Services Administrators (APGSA) President, and Scott Anderson, OMHAS Problem Gambling Treatment Specialist, being tapped to chair APGSA's Standards of Care Workgroup.

In March 2019, the Commission and the Ohio Lottery Commission partnered and launched a statewide voluntary exclusion program (VEP) that allows individuals to ban themselves from all 11 of Ohio's casinos and racinos in a single application process. The all-Ohio VEP allows individuals to sign up for one-year, five-year, or lifetime exclusion lengths.

To assist professionals in the behavioral health field and those working on the Ohio Problem Gambling Helpline, a workforce development session on “Problem Gambling and Lethality: Why Ask?” was held in Spring 2019, to increase skill, comfort, and confidence in having discussions about suicide. The event included current gambling trends and the newest data around problem gambling in Ohio. Due to the success of this training, it will continue to be offered to Problem Gambling Services audiences and integrated with related fields and professionals. In 2019, a newly designed stand-alone website went live for the Ohio Problem Gambling Helpline Resource Directory. The site features an interactive directory of Ohio’s more than 80 gambling disorder treatment locations and support groups.

Next, Director Criss provided an overview of problem gambling campaign statuses and training results. The “Get Set Before You Bet” marketing campaign saw more than 7,200 visits to the community toolkit, and approximately 50,000 online quizzes completed, an increase from last year. The “Change the Game Ohio” campaign was launched in the last six months of 2019, to bring attention to the potential harmful effects of gaming and the gambling embedded within gaming for children and young adults. Many games youths play simulate the same excitement and activities experienced by gamblers. This campaign provides resources to help educate and inform adults and young people about potential gambling problems. The campaign also includes a toolkit of marketing materials that can be localized for community outreach. This year, Advanced Gambling Disorder Treatment regional trainings were conducted at six locations in Ohio for 167 treatment professionals. To date, 30 license Chemical Dependency Counselors have earned the Gambling Endorsement. The Ohio Problem Gambling Treatment Supervision Fellowship Program honored its fourth cohort of Fellows in June this year, with a total of 23 clinical supervisors having now graduated from the program. An estimated 4,000 people were reached through dozens of problem gambling education and awareness trainings conducted this year.

Lastly, 2019 marked Ohio’s fifth year of conducting evidence-based programs and models to prevent and treat problem gambling and gambling disorder. Ohio’s prevention programs all showed effective outcomes. “Risky Business,” designed for juvenile justice-involved youth ages 13-17, saw more than 1,000 young people receive intervention. Additionally, several Ohio communities and the state of West Virginia requested use of the “Risky Business” program. “Campus Cents Financial Wellness Program,” a program developed for 18-25 year-olds to prevent problem gambling and improve financial literacy, had 167 students from 72 colleges/universities take the course. “Smart Bet,” a problem gambling prevention for 18-25 year-olds, was implemented in several locations across the state in 2019. Initial data is indicating that 72 percent of participants perceived a risk of problem gambling after completing the program. Director Criss reported that gambling disorder screening saw a 29 percent drop in numbers screened and a 36 percent reduction in numbers treated. Reasons for this could be attributed to the ongoing epidemic of opiate overdose deaths in communities throughout the state leading to growing use of funds for other addictions than Gambling Disorder, the Medicaid Behavioral Health re-design causing reduced billing capacity for some agencies and problem gambling programs, and court-referred clients unlikely to agree to an additional diagnosis or treatment plan. OMHAS will be determining a

course of action with all partners to ensure Ohioans are receiving the services they need for problem and disordered gambling.

For FY20, Ohio will again hold a multi-day training designed for clergy who work with individuals affected by gambling. OMHAS Problem Gambling Services staff will speak for the first time at the Ohio Supreme Court Specialty Docket Conference in November 2019. This will be an opportunity to speak with judges and court administrators about the individuals they see in their courts who have signs of problem gambling that may lead to criminal actions. To improve care of Ohio citizens affected by gambling disorder, the Ohio for Responsible Gambling (ORG) partners will undertake a research study to pilot the implementation of Gambling Screening, Brief Intervention & Referral for Treatment in multiple Ohio settings. The pilot study will provide the potential to expand screening services beyond the confines of Ohio's publicly funded behavioral health system of care for individuals who may have problem gambling concerns. Lastly, the Ohio Problem Gambling Advisory Board, Problem Gambling Network of Ohio, and ORG partners are engaged in updating the states' Strategic Plan for Problem Gambling Services. A target will be analyzing the reduction in screening and treatment numbers.

Next, Rick Anthony, Deputy Executive Director and Director of Operations, provided a budget report for the first quarter of FY20. Mr. Anthony reported that tax revenue exceeded estimates for the fourth time in the last four quarters. Mr. Anthony indicated an increase in tax revenue will again be seen for the next quarter. Casino-operator fees exceeded estimates as a result of the Hard Rock acquisition of the JACK Cincinnati casino happening earlier than originally planned. Only casino-operator fees from one casino-operator had been originally anticipated for the quarter. Skill-based-amusement-machine location applications continue to be received, resulting in skill game fees being above estimates. Fees from fantasy contest applications are beginning to come in. Mr. Anthony explained that fantasy contest operators have the choice to pay the full three-year license fee upfront or spread the fee payment over three years. Currently, three fantasy contest operators have chosen to spread their payments over a three-year period. Mr. Anthony reported that the Commission was on track for expenses with purchased personal services being low for the quarter. The enforcement fund was noted to have had no revenue for the quarter. Purchased personal services and supplies were below estimates, while equipment and confidential funds transfers were both slightly above estimates. Equipment was noted to have been slightly above due to obtaining new covert surveillance equipment.

Next, Mr. Schuler announced that since the regulation for fantasy contests went live on September 3, 2019, those operators in business on the effective date were required to submit their applications by October 3, 2019. To date, 11 license applications from fantasy contest operators have been received. Staff is reaching out to stakeholders to communicate the need to submit license applications in a timely fashion. Applications from both DraftKings, Inc., and Fan Duel, Inc., were noted to have been received.

Lastly, Mr. Schuler ended his report informing the Commission that on October 1<sup>st</sup>, the Commission hosted staff from the Missouri Gaming Commission for an intensive training on skill games, illegal slot machines, and illegal casinos. Like Ohio, Missouri is seeking a solution to the spread of "gray games."

Mr. Schuler recognized Commission staff and shared the Missouri Gaming Commission Executive Director's praise for the staff's work on a very thorough and well-structured presentation.

Matthew Oyster, General Counsel and Director of Licensing & Investigations, presented for consideration, Toledo Gaming Ventures, LLC's (Toledo Gaming) renewal application for licensure as a casino operator and Penn National Gaming, Inc.'s (Penn National) initial holding-company license. Toledo Gaming was previously found suitable for licensure and issued an initial casino-operator license on May 9, 2012, through Resolution 2012-56. Subsequently, as a result of Penn National's corporate restructuring and related REIT spin-off, the Commission issued Toledo Gaming a new casino-operator license on October 16, 2013, through Resolution 2013-19. This license was subsequently renewed on October 16, 2016, through Resolution 2016-22. During Penn National's suitability review, it was established that Penn National intends to provide administrative support services to its various operating subsidiaries, including Toledo Gaming, through a new Las Vegas Service Center obtained through its acquisition of Pinnacle Entertainment, Inc. By providing these support services through this central location, it was determined that Penn National will be directly involved in the day-to-day operations of its casino-operator subsidiaries. As a result of this new role, Penn National is required to obtain a holding-company license. Mr. Oyster reviewed the Division of Licensing & Investigation's "Investigative Report on the Application of Penn National Gaming, Inc. For A Holding-Company License & Toledo Gaming Ventures, LLC For A Casino-Operator License," which concluded that Penn National and Toledo Gaming are suitable for licensure. Vice-Chair Davidson made a motion to adopt Commission Resolution 2019-34, granting an initial three-year Holding-Company License to Penn National. The motion was seconded by Chair Taylor and adopted by a roll call vote 6-0. Chair Taylor made a motion to adopt Commission Resolution 2019-35, renewing Toledo Gaming's three-year Casino-Operator License. The motion was seconded by Vice-Chair Davidson and adopted by a roll call vote 6-0.

Then, Mr. Oyster presented to the Commission for consideration 12 key-employee license applications. The Licensing & Investigations Division completed background investigations of the applicants, which did not uncover any material derogatory information, and recommended approval of Resolution 2019-36, granting or renewing, as applicable, three-year key-employee licenses to: Samuel Levy, Ainsworth Game Technology Limited; Anna Massion-Greenberg, PlayAGS, Inc.; Allyson Miller, JACK Entertainment, LLC; Christopher Swart, JACK Entertainment LLC; Anthony Carolo, JACK Cleveland Casino; Peter Cohen, Scientific Games Corporation; Ronald Congemi, Everi Holdings, Inc.; Paul Meister, Scientific Games Corporation; Ronald Perelman, Scientific Games Corporation; Michael Regan, Scientific Games Corporation; Barry Schwartz, Scientific Games Corporation; and Frances Townsend, Scientific Games Corporation. A motion to approve the Resolution was made by Chair Taylor. The motion was seconded by Vice-Chair Davidson and approved.

Andromeda Morrison, Director of Skill Games, presented to the Commission for consideration of 84 skill-based amusement machine-related license applications. The Skill Games Division completed background investigations of the applicants, which did not uncover any material derogatory information, and

recommended approval of proposed Resolution 2019-37, granting three-year skill-based amusement machine-related licenses upon receipt of the required licensing fees. A motion to approve the Resolution was made by Commissioner Steinhauer. The motion was seconded by Commissioner Lucas and approved.

Rachel Kasper, Assistant General Counsel, presented to the Commission a proposed Executive Director delegation. Pursuant to Ohio Adm.Code 3772-2-05 and 3772-50-02, the Commission, in its discretion and where permitted by law, may delegate its authority to perform any of its casino-gaming and skill-based-amusement-machine functions to the Executive Director under R.C. Chapter 3772. In 2012, the Commission delegated to the Executive Director the authority to initiate the administrative-hearing process pursuant to R.C. Chapters 119 and 3772 and Ohio Adm.Code Agency 3772, through the adoption of Resolutions 2012-09 and 2012-89. No formal delegation of this type presently exists to delegate this authority related to skill-based-amusement-machines, and no such delegation is necessary related to fantasy contests because this authority was granted by rule, in Ohio Adm.Code 3772-74-17. Proposed Resolution 2019-38 establishes the delegation of this authority related to skill-based-amusement-machine operations and combines it with the related 2012 delegations. A motion to approve the Resolution was made by Commissioner Slaby. The motion was seconded by Commissioner Brown and approved.

Chelsea Castle, Audit Supervisor, presented to the Commission for consideration proposed internal control changes for Hollywood Casino Columbus (HCO). HCO sought changes to its table games rules to include the addition of five games and one blackjack side bet. Additionally, changes to the wording in the Craps and Poker sections were made to clarify existing processes. Commission staff reviewed the requested changes and recommended approval. Vice-Chair Davidson made a motion to approve the proposed changes to HCO's internal controls. The motion was seconded by Commissioner Brown and approved.

Michael Siba, Deputy General Counsel, presented to the Commission for consideration of 8 final orders:

In re: Claudette Davis (case #2019-LIC-044). Chair Taylor made a motion to deny the Casino Gaming Employee License Application for Claudette Davis. The motion was seconded by Vice-Chair Davidson and approved.

In re: Trenton Evans (case #2019-LIC-052). Chair Taylor made a motion to deny the Casino Gaming Employee License Application for Trenton Evans. The motion was seconded by Commissioner Brown and approved.

In re: Joshua Heeg (case #2019-LIC-026). Chair Taylor made a motion to revoke the Casino Gaming Employee License for Joshua Heeg. The motion was seconded by Commissioner Lucas and approved.

In re: James Iacampo (case #2019-LIC-041). Chair Taylor made a motion to deny the Casino Gaming Employee License Application for James Iacampo. The motion was seconded by Commissioner Slaby and approved.

In re: Destinee Lewis (case #2019-LIC-039). Chair Taylor made a motion to deny the Casino Gaming Employee License Application for Destinee Lewis. The motion was seconded by Commissioner Lucas and approved.

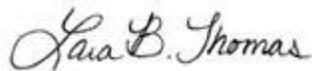
In re: Robert McKissic, Jr. (case #2019-LIC-037). Chair Taylor made a motion to deny the Casino Gaming Employee License Application for Robert McKissic, Jr. The motion was seconded by Commissioner Slaby and approved.

In re: Evan Ramage (case #2019-LIC-048). Chair Taylor made a motion to revoke the Casino Gaming Employee License for Evan Ramage. The motion was seconded by Commissioner Lucas and approved.

In re: Margaret Wilson (case #2019-LIC-042). Chair Taylor made a motion to revoke the Casino Gaming Employee License for Margaret Wilson. The motion was seconded by Commissioner Steinhauer and approved.

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

Signed,

A handwritten signature in cursive script that reads "Lara B. Thomas".

Lara B. Thomas

Commission Secretary

Approved: November 20, 2019