

September 16, 2021, LGCB Meeting, (Pages 1:1 to 66:24)

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5 LOUISIANA GAMING CONTROL BOARD MEETING

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10 THURSDAY, SEPTEMBER 16, 2021

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15 VIA ZOOM VIDEO TELECONFERENCE

16 BATON ROUGE, LOUISIANA

17

18

19

20

21 TIME: 10:00 A.M.

22

23

24

25

2

1 APPEARANCES

2 CHAIRMAN RONNIE S. JOHNS

Chairman

3 (At-Large)

June 30, 2025

4

VICE-CHAIRMAN JULIE BERRY

5 (CPA)

Third Congressional District

6 June 30, 2024

7 ASHLEY A. TRAYLOR

(At-Large)

8 First Congressional District

June 30, 2021

9

RONALD J. SHOLES

10 (Public/Business Administration)

Second Congressional District

11

FRANCESCA HAMILTON-ACKER

12 (Attorney)

Third Congressional District

13 June 30, 2026

14 CLAUDE D. JACKSON

(At-Large)

15 Fourth Congressional District

June 30, 2021

16

JULIE A. LEWIS

17 (Investigative and Law Enforcement)

Fifth Congressional District

18 June 30, 2024

19 O. LAMAR POOLE, JR.

(Economic/Community Planner)

20 Sixth Congressional District

June 30, 2025

21

22

23

24

25

3

1 APPEARANCES (CONTINUED)

2 NATALIE THURMAN

Principal Assistant

3

KEVIN RICHARD

4 Department of Revenue

5 MAJOR CHUCK McNEIL

Louisiana State Police

6

REPORTED BY:

7

KARLA H. MAYERS, CCR

8 Baton Rouge Court Reporters, LLC

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22
23
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25

4

1

INDEX

Page

2

I. CALL TO ORDER 6

3

II. PUBLIC COMMENTS 9

4

III. APPROVAL OF MINUTES 11

5

IV. REVENUE REPORTS 12

6

V. CASINO GAMING ISSUES 17

7

A. Consideration of the Certificate 17

8

of Compliance for the Alternate

	Riverboat Inspection of the gaming	
9	vessel of Catfish Queen Partnership	
	in Commendam d/b/a Belle of Baton	
10	Rouge - No. R011700009	
11	B. Consideration of the Petition of	22
	Bally's Corporation for Approval	
12	of Transfer of Ownership of Eldorado	
	Casino Shreveport Joint Venture d/b/a	
13	Eldorado Resort Casino Shreveport	
	(R013600005)and Related Financing	
14	in re: Gamesys Group, PLC Acquisition	
15	C. Consideration of the Renewal	42
	Application of Boyd Racing, LLC	
16	d/b/a Delta Downs Racetrack Casino	
	and Hotel - No. T011002086	
17		
	D. Consideration of the Amendment to	53
18	Resolution of September 8, 2021	
	in re: Petition to Relocate Berth	
19	and Gaming Operations and to Modify	
	License Conditions for Louisiana	
20	Gaming Riverboat Partnership d/b/a	
	DiamondJacks Casino & Resort -	
21	No. R010800195	
22	VI. RULEMAKING	55
23	A. Consideration of institution of	56
	rulemaking procedures for	
24	promulgation of LAC Title 42,	
	Part VI, Sections 101-1303	

25 (Sports Wagering)

5

1 B. Consideration of institution and 56
rulemaking procedures for amendment
2 of LAC 42:III.102 (Issuance and
Renewal of Licenses by the
3 Department)

4 C. Consideration of institution of 56
rulemaking procedures for amendment
5 of LAC 42:III.104 (Delegation to
Chairman)

6

D. Consideration of institution of 56
7 rulemaking procedures for amendment
of LAC 42:III.107 (Standards of
8 Conduct and Ethical Rules)

9 F. Consideration of institution of 56
rulemaking procedures for amendment
10 of LAC 42:III.120 (Application and
Reporting Forms)

11

G. Consideration of institution of 56
12 rulemaking procedures for amendment
of LAC 42:III.2737 (Casino Gaming
13 Payment Interception)

14 VII. ADJOURNMENT 65

15

16

17

18
19
20
21
22
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6

1 I. CALL TO ORDER

2 CHAIRMAN JOHNS:

3 Okay. Good morning, everyone.

4 Welcome to the September 16, 2021, meeting of the

5 Louisiana Gaming Control Board. Ms. Thurman,

6 would you call -- would you call the role, please?

7 MS. THURMAN:

8 Chairman Johns?

9 CHAIRMAN JOHNS:

10 Here.

11 MS. THURMAN:

12 Mr. Avant?

13 (NO RESPONSE)

14 MS. THURMAN:

15 Ms. Berry?

16 (NO RESPONSE)

17 MS. THURMAN:

18 Mr. Jackson?

19 MS. BERRY:

20 Here.

21 MR. JACKSON:
22 Here.
23 MS. THURMAN:
24 Ms. Lewis?
25 MS. LEWIS:
7
1 Here.
2 MS. THURMAN:
3 Mr. Poole?
4 (NO RESPONSE)
5 MS. THURMAN:
6 Ms. Hamilton-Acker?
7 MS. HAMILTON-ACKER:
8 Here.
9 MS. THURMAN:
10 Mr. Sholes?
11 (NO RESPONSE)
12 MS. THURMAN:
13 Ms. Traylor?
14 MS. TRAYLOR:
15 (Indicating)
16 MS. THURMAN:
17 Colonel Davis?
18 MAJOR McNEIL:
19 Major McNeil for Colonel Davis.
20 MS. THURMAN:
21 Secretary Lewis?
22 MR. RICHARD:
23 Kevin Richard for Secretary Lewis.

24 MS. BERRY:

25 Natalie?

8

1 MS. THURMAN:

2 Yes.

3 MS. BERRY:

4 I can't hear very well.

5 MS. THURMAN:

6 I'm sorry. Is there a problem?

7 MS. BERRY:

8 Can y'all increase the volume or no?

9 MS. THURMAN:

10 Is this better for you?

11 MS. BERRY:

12 I think so. I have my speakers on

13 high. I don't know what the -- okay.

14 MS. THURMAN:

15 Okay.

16 MS. BERRY:

17 Go ahead. I'll try.

18 MS. THURMAN:

19 We have a quorum, Chairman Johns.

20 CHAIRMAN JOHNS:

21 Thank you, Ms. Thurman. I would like

22 to announce that the Louisiana Gaming Control

23 Board meeting is considered an essential meeting,

24 and the Governor has declared a state of emergency

25 involving a geographic area within the

9

1 jurisdiction of the public body, and the nature of
2 the emergency would cause a meeting of the public
3 body to be detrimental to the health, safety, and
4 welfare of the public; so, therefore, this meeting
5 is being held today via video conference pursuant
6 to Act 302 of the 2020 Regular Session. We do
7 have a quorum.

8 II. PUBLIC COMMENTS

9 CHAIRMAN JOHNS:

10 At this time I would like to ask for
11 any public comments before the Board.

12 MS. THURMAN:

13 Chairman Johns, we did have a
14 (inaudible) e-mail from Mr. Christopher Alfred.

15 THE COURT REPORTER:

16 I'm sorry. I cannot understand.

17 CHAIRMAN JOHNS:

18 Yeah. Will you . . .

19 MS. BERRY:

20 You're breaking up, Natalie.

21 MS. THURMAN:

22 Is this better?

23 CHAIRMAN JOHNS:

24 We can -- I can hear you now,
25 Natalie.

10

1 THE COURT REPORTER:

2 I can now.

3 MS. THURMAN:

4 Okay. And I'll go a little slower.
5 We have one public comment e-mailed to the Board
6 (inaudible) . . .

7 THE COURT REPORTER:

8 Ms. Natalie, you're cutting out. I'm
9 so sorry.

10 MR. SHOLES:

11 Yes. I'm having the same problem.

12 MS. THURMAN:

13 (Inaudible)

14 THE COURT REPORTER:

15 I can only see your lips moving.

16 MS. THURMAN:

17 Okay. Can you tell me if you can
18 hear me now?

19 THE COURT REPORTER:

20 I can hear you now, but you're
21 cutting out.

22 MR. SHOLES:

23 Yes.

24 CHAIRMAN JOHNS:

25 Okay. Let's try it again, Natalie.

11

1 MS. THURMAN:

2 Okay. We have one public comment
3 that was sent to the Board via e-mail. It was
4 from Mr. Christopher Alfred and it reads as
5 follows: My question is pertaining to rulemaking
6 on sports wagering. With the emergency sports

7 betting rules in place, does this allow licensees
8 and operators to partner with Sportsbooks
9 operators, such as FanDuel or DraftKings to launch
10 mobile Sportsbooks as of now in Louisiana? If so,
11 is there a time frame when we can see them
12 launched?

13 CHAIRMAN JOHNS:

14 Okay. We will enter that comment
15 into the public record. That will be addressed in
16 the rulemaking portion of our agenda a little
17 later on in the -- in the meeting this morning.

18 III. APPROVAL OF MINUTES

19 CHAIRMAN JOHNS:

20 Okay. I'm going to go on to
21 Item No. III. I would ask for a motion that we
22 waive the reading and approve the minutes of the
23 August 2021 meeting and then the special meeting
24 that was held on September 8, 2021. Do I have a
25 motion to -- to waive the reading of those

12

1 minutes?

2 MS. BERRY:

3 So moved.

4 CHAIRMAN JOHNS:

5 Okay. Moved by Ms. Berry.

6 MS. HAMILTON-ACKER:

7 Second.

8 CHAIRMAN JOHNS:

9 Okay. We have a second. Is there

10 any opposition to that motion?

11 (NO RESPONSE)

12 CHAIRMAN JOHNS:

13 Hearing none, that motion carries.

14 THE COURT REPORTER:

15 Who seconded? I'm sorry.

16 MS. THURMAN:

17 That was Ms. --

18 MS. HAMILTON-ACKER:

19 I forgot to say. Hamilton-Acker.

20 THE COURT REPORTER:

21 Thank you.

22 IV. REVENUE REPORTS

23 CHAIRMAN JOHNS:

24 Okay. All right. We're going to

25 move on to Item No. IV, which will be our revenue

13

1 reports, and I think we'll have State Police

2 personnel that will give this report.

3 MS. JACKSON:

4 Good morning, Chairman Johns and

5 Board Members.

6 CHAIRMAN JOHNS:

7 Good morning.

8 MS. JACKSON:

9 My name is Donna Jackson with

10 Louisiana State Police, Gaming Enforcement

11 Division. Can you hear me okay?

12 CHAIRMAN JOHNS:

13 Yes, I can.

14 MS. JACKSON:

15 Okay. I am going to try and share my
16 screen so you can see the reports as I go through
17 the presentation.

18 The 13 operating riverboats generated
19 adjusted gross receipts of \$119,033,274. And keep
20 in mind that the revenues of multiple licensees
21 and all gaming venues were impacted by
22 Hurricane Ida closures during the last three to
23 four days of August. The State collected fees
24 totaling \$25,592,154.

25 Adjusted gross receipts for fiscal

14

1 year 2021-2022 to date are \$282,904,996, an
2 increase of \$32.8 million, or 13 percent, from
3 fiscal year 2021 but a decrease of \$34 million, or
4 11 percent, from fiscal year 2019-2020. As of
5 August 31, 2021, the State collected \$60.8 million
6 in fees for fiscal year 2022.

7 This page shows the riverboat revenue
8 broken down by regional market. The overall
9 decrease from July was almost \$45 million, or
10 27.4 percent. In addition to the impact of
11 Hurricane Ida, July had one additional weekend
12 than August, which contributed to the decrease.
13 Compared to last August, this month's revenues
14 represent an increase of approximately
15 \$5.9 million, or 5 percent.

16 Next is a summary of the August 2021
17 gaming activity for Harrah's New Orleans.
18 Harrah's generated \$13,673,110 in gross gaming
19 revenue during August. These revenues represent a
20 decrease from last month of \$12 million, or
21 47 percent, but an increase of \$1.9 million, or
22 16 percent, from the same month last year. During
23 August, the State -- State received \$5,095,890 in
24 minimum daily payments.

25 Adjusted gross receipts for fiscal

15

1 year 2022 to date are \$39.4 million, an increase
2 of \$14.6 million, or 59 percent, from fiscal year
3 2021, but a decrease of \$4.3 million, or
4 10 percent from fiscal year 2020. As of
5 August 31, 2021, the State collected approximately
6 \$10 million in fees for fiscal year 2022.

7 Next, I'll present the revenues for
8 slots at the racetracks. During August, the four
9 racetrack facilities combined generated adjusted
10 gross receipts of \$23,545,156, a decrease of
11 \$8.8 million, or 27 percent, from July 2021 and a
12 minimal decrease of .4 percent when compared to
13 August 2020. During August, the State collected
14 almost \$3.6 million in fees.

15 Adjusted grossed receipts for fiscal
16 year 2022 to date are approximately \$56 million,
17 an increase of \$4.6 million, or 9 percent, from
18 fiscal year 2021 but a decrease of \$3 million, or

19 5 percent, from fiscal year 2020. As of
20 August 31, 2021, the State collected approximately
21 \$8.5 million in fees for fiscal year 2021-2022.

22 I will now move to the video gaming
23 information. There are 12,453 video gaming
24 devices activated at 1,518 locations. Our system
25 generated these numbers based on revenue reporting

16

1 locations; so this number does not reflect the
2 number of devices and locations operating
3 currently, as some are out of service due to
4 Hurricane Ida.

5 Net device revenue for August 2021
6 was \$58,571,214, a decrease of \$15 million, or
7 20.8 percent, when compared to July 2021 but an
8 increase of \$5 million, or 9.5 percent, when
9 compared to last August. Total franchise fees for
10 August 2021 totaled \$17.7 million, a decrease from
11 July 2021 but an increase of \$1.4 million when
12 compared to August 2020.

13 Governor Edwards' proclamation and
14 the subsequent order issued by Chairman Johns
15 postponed collection of approximately \$8 million
16 of the video poker franchise fees owed until
17 October to provide relief to video poker device
18 owners after Hurricane Ida.

19 Net device revenue for fiscal year
20 2022 to date is \$132.5 million, an increase of
21 \$16 million, or 14 percent, when compared to

22 fiscal year 2021 and an increase of \$30 million,
23 or 30 percent, when compared to fiscal year 2020.

24 Total franchise fees collected for fiscal year
25 2022 to date are \$40 million, an increase of

17

1 \$4.6 million, or 13 percent, when compared to
2 fiscal year 2021 and an increase of \$9.5 million,
3 or 31 percent, when compared to fiscal year 2020.

4 Are there any questions?

5 CHAIRMAN JOHNS:

6 Okay. Thank you, Ms. Jackson. Are
7 there any questions from the Board Members?

8 (NO RESPONSE)

9 CHAIRMAN JOHNS:

10 Okay. I have no questions,
11 Ms. Jackson. Thank you very much for your report.
12 And, hopefully, we'll see the day where COVID and
13 hurricanes and catastrophes are not going to
14 effect the industry; so -- but thank you for your
15 work.

16 MS. JACKSON:

17 Yes, sir. Thank you.

18 CHAIRMAN JOHNS:

19 Thank you.

20 V. CASINO GAMING ISSUES

21 CHAIRMAN JOHNS:

22 Okay. We'll move on to Item No. V,
23 the Casino Gaming Issues. We're going to consider
24 a Certificate of Compliance for the Riverboat

25 Inspection of the Catfish Queen Partnership here

18

1 doing business as the Belle of Baton Rouge. I

2 think we'll have either Attorney General's Office

3 or State Police to address the Board on this.

4 MR. LEWIS:

5 Yes. Good morning, Chairman Johns

6 and Board Members. I'm Assistant Attorney General

7 Kanick Lewis, Jr., and on the call we also have

8 Mr. John Francic of ABSG Consulting. We're here

9 this morning in the matter of the issuance of a

10 fifth temporary Certificate of Compliance to

11 Catfish Queen Partnership in Commendam, doing

12 business as Belle of Baton Rouge Casino.

13 On March 2 of this year, ABSG began

14 the inspection process for the approval of

15 Belle of Baton Rouge Casino's annual Certificate

16 of Compliance. The Board granted temporary

17 Certificates of Compliance to Belle of Baton Rouge

18 on May 17, June 17, July 15, and August 19, 2021,

19 to give the licensee additional time to resolve

20 its fire sprinkler pump discrepancy. Now the

21 Belle is asking -- requesting for an additional 30

22 days to resolve the prior discrepancy which

23 remains outstanding.

24 Mr. Francic will now provide the

25 details on the status of the discrepancy and

19

1 ABSG's recommendation for the issuance of a fifth

2 temporary Certificate of Compliance to the
3 licensee.

4 CHAIRMAN JOHNS:

5 Okay. Thank you, Mr. Lewis.

6 MR. FRANCIC:

7 Chairman Johns and Board Members, I'm
8 John Francic with ABSG Consulting to give you an
9 update to the status of the fire -- fire sprinkler
10 pump for the Belle of Baton Rouge.

11 Short of the delays from
12 Hurricane Ida, I was informed by Captain Danny
13 with the Belle that the pump parts have been
14 received, and the pump was rebuilt, but it hasn't
15 been tested yet. So that's the delay right now is
16 getting the pump tested to make sure it is
17 performing as intended. So the additional 30 days
18 would give them that time to do that, and we
19 recommend that the 30 days be granted until the
20 pump gets tested to make sure everything is in
21 good order.

22 CHAIRMAN JOHNS:

23 In your opinion, are there any safety
24 issues that you're concerned about?

25 MR. FRANCIC:

20

1 No, Chairman. I think we're good as
2 before. We have the, you know, additional backup,
3 just in case something would happen on the Belle.
4 We have -- the sprinkler system would be

5 operational.

6 CHAIRMAN JOHNS:

7 Okay. And have they given you any
8 kind of a timeline when they feel like this may --
9 may actually be operational?

10 MR. FRANCIC:

11 Well, they're hoping at the end of
12 this week they can get a testing facility over
13 there. It's just that they're having, with the
14 hurricane, to get somebody over there, because
15 they lost, I guess, power in their shop, and
16 they're trying to get somebody there. But,
17 hopefully, before the end of the month, we think
18 it will be done.

19 CHAIRMAN JOHNS:

20 All right. Thank you very much for
21 your report. And, Mr. Lewis, thank you for your
22 report this morning. Are there any questions from
23 the Board Members?

24 MR. LEWIS:

25 Just -- Chairman Johns, if we

21

1 could, --

2 CHAIRMAN JOHNS:

3 Yes.

4 MR. LEWIS:

5 -- just to close out, we would now
6 like to present these findings to the Board and
7 request that upon the Board accepting the

8 recommendation from -- submitted by ABSG, you will
9 move for the issuance of a temporary Certificate
10 of Compliance to the Belle of Baton Rouge, which
11 would expire on October 31, 2021.

12 CHAIRMAN JOHNS:

13 Thank you, Mr. Lewis. Appreciate
14 your report. Any questions from the Board
15 Members?

16 MR. AVANT:

17 None.

18 CHAIRMAN JOHNS:

19 I have no questions. Do I have a
20 motion that we issue the temporary Certificate of
21 Compliance?

22 MR. SHOLES:

23 So moved.

24 MR. AVANT:

25 Moved.

22

1 MS. LEWIS:

2 Second.

3 MR. SHOLES:

4 Ron Sholes.

5 CHAIRMAN JOHNS:

6 Okay. Moved by Mr. Avant and
7 seconded by Mr. Sholes. Is there any objection to
8 that motion?

9 (NO RESPONSE)

10 CHAIRMAN JOHNS:

11 Hearing none, that motion carries.
12 Thank you very much for the report. Thank you,
13 Members.

14 Okay. We're going to move into the
15 consideration of the petition of Bally's
16 Corporation for the approval of the transfer of
17 ownership of Eldorado Casino Shreveport Joint
18 Venture and related financing with the
19 Gamesys Group acquisition. I think we may have
20 the Attorney General's Office on this morning to
21 present that.

22 MS. MOORE:

23 Good morning everyone,
24 Chairman Johns, Members of the Board. I am
25 Assistant Attorney General Charmaine Moore, and I

23

1 handled the review of Bally's proposed acquisition
2 of Gamesys for the AG's Office. Also on the call
3 today reporting to you are Auditor Patricia Bell
4 and Sgt. Vincent Le Nguyen with Gaming Enforcement
5 Division of State Police.

6 On the call from Bally's and
7 available to answer any questions the Board may
8 have are Craig Eaton, Executive Vice President,
9 General Counsel, and Compliance Officer for
10 Bally's; Todd Raziano, Vice President and Regional
11 Manager of Bally's; Paul Avery, the General
12 Manager of Eldorado Shreveport; Bob Profusek, the
13 lead attorney for Jones Day, who is handling the

14 Gamesys transaction for Bally's; and local
15 counsel, Larry Orlansky and Jeff Barbin.
16 On April 13 of this year, Bally's
17 Corporation entered into an arrangement to
18 purchase all of the issued and outstanding shares
19 of Gamesys Group, PLC. Bally's is a
20 Rhode Island -- Rhode Island-based gaming company
21 holding interest in both physical gaming
22 properties in the United States, including one
23 Louisiana-licensed casino, that being Eldorado
24 Casino Shreveport Joint Venture and multiple
25 online and Sportsbook platforms. Gamesys is a

24

1 United Kingdom online gaming company trading on
2 the London Stock Exchange and offering casino and
3 bingo games in the UK, Europe, Asia, and
4 North America.

5 In June of this year, Bally's filed a
6 petition for approval of the transfer of an
7 indirect ownership interest in our licensee
8 Eldorado Casino Shreveport Joint Venture and the
9 related financing to be entered into in connection
10 with Bally's proposed acquisition of Gamesys.
11 Bally's acquisition of Gamesys will be effected
12 pursuant to a scheme of arrangement governed by
13 the laws of England and Wales, which arrangement
14 provides for Gamesys shareholders with the
15 opportunity to receive either Bally's common stock
16 or cash for the Gamesys shares. Shareholders of

17 both Bally's and Gamesys approved the transaction
18 on June 30 of this year.

19 As of that date, Gamesys shareholders
20 holding 26.1 percent of Gamesys stock could elect
21 to receive an estimated 18.83 percent of Bally's
22 common stock in the transaction. Once the
23 transaction is effectuated, Gamesys will be a
24 subsidiary of Bally's but would not have any
25 ownership interest in our licensee. The transfer

25

1 of ownership that requires Board approval occurs
2 as a result of the issuance of Bally's stock to
3 those Gamesys shareholders electing to receive
4 Bally's shares for their Gamesys shares, not
5 Bally's acquisition of Gamesys.

6 Our review revealed that three of
7 Gamesys' current officers and directors will
8 become officers and/or directors of Bally's once
9 the transaction is closed. One Gamesys
10 shareholder will receive more than 5 percent of
11 Bally's shares. Those four individuals were
12 required to submit to suitability investigations
13 conducted by State Police.

14 Bally's will fund the purchase of
15 Gamesys and pay off the existing long-term debt of
16 both Bally's and Gamesys with funding, to include
17 a new senior secured term loan in the aggregate
18 principal amount of \$1.945 billion, a new private
19 placement of senior notes issued by two

20 subsidiaries of Bally's in August of this year in
21 the combined amount of \$1.5 billion, a prior
22 issuance of Bally's common stock in April of this
23 year raising \$746 million, the issuance of Bally's
24 common stock to Gamesys shareholders estimated to
25 be worth \$453 million, and the application of

26

1 Bally's -- I mean of Gamesys balance sheet cash in
2 the amount of \$346 million.

3 After review of the documentation
4 provided by Bally's, we determined that Board
5 approval is required for, number one, the
6 transition -- the transfer of a portion of the
7 indirect ownership of Eldorado Casino Shreveport
8 Joint Venture to those Gamesys shareholders
9 electing to receive Bally's common shares;
10 number two, the senior secured term loan in the
11 amount of \$1.945 billion to be provided through
12 Deutsche Bank as administrative agent;
13 number three, a \$620 million revolver, also
14 provided through Deutsche Bank, which will remain
15 undrawn at closing; four, Bally's assumption of
16 the \$1.5 billion indebtedness under the senior
17 notes issued by its subsidiaries in August of
18 2021; and, five, the pledging of collateral and
19 the giving of guaranties by Bally's and its
20 subsidiaries to secure the financing arrangements.

21 If it is the Board's pleasure to
22 approve the proposed transactions, a resolution

23 has been prepared by our office for the Board's
24 consideration and the Chairman's signature upon
25 approval.

27

1 And now Auditor Patricia Bell will
2 present Audit's findings to the Board.

3 MS. BELL:

4 Good morning, Chairman Johns and
5 Board Members. My name is Patricia Bell with
6 Louisiana State Police, Gaming Enforcement
7 Division. Can everyone hear me?

8 CHAIRMAN JOHNS:

9 Yes. Good morning.

10 MS. BELL:

11 Good morning. Bally's Corporation,
12 by local counsel, submitted a petition to the
13 Board requesting approval of the transfer of
14 ownership and related financing of Bally's pending
15 acquisition of Gamesys Group, PLC.

16 Gamesys Group, a United Kingdom-based
17 company, is the parent company of an online gaming
18 group that provides entertainment to a global
19 consumer base. Gamesys has four key geographic
20 markets, consisting of the United Kingdom, Asia,
21 Europe, and North America. Bally's Corporation is
22 a US full-service sports betting, iGaming company,
23 with physical casinos and online gaming solutions
24 united under a single prominent brand.

25 Bally's, formerly Twin River, entered

1 the gaming market in 2008 with the operation of
2 one casino in Lincoln, Rhode Island, and began
3 expanding its portfolio properties beginning in
4 2015 by completing mergers and acquisitions.
5 Twin River changed their name to Bally's
6 Corporation in November 2020. Page 12 of your
7 handout list Bally's current properties, while
8 page 14 lists the recent and pending acquisitions.

9 On April 13, 2021, Bally's and
10 Gamesys entered into an agreement for Bally's to
11 acquire all of the issued and to be issued
12 ordinary share capital of Gamesys for a mixture of
13 cash and shares of Bally's common stock. Bally's
14 believes the acquisition will allow a significant
15 increase of its market share of the expanding US
16 betting and iGaming market.

17 On June 30, 2021, the transaction was
18 approved by a majority of the Gamesys and Bally's
19 shareholders at the respective separate
20 shareholder meetings.

21 To complete the transfer of ownership
22 and acquisition, Bally's entered into a credit
23 agreement with Deutsche Bank AG, New York Branch,
24 to obtain revolving credit in the amount of
25 \$620 million and Term B loan facilities of \$1.945

1 billion. Page 5 lists the use of funds for the
2 transaction.

3 On (inaudible) Finance Corp. entered
4 into an agreement for the private placement of
5 \$1.5 billion of senior notes in two separate
6 series, \$750 million of senior notes due 2029, and
7 \$750 million of senior notes due 2031. The
8 offering closed on August 20, 2021. The issuance
9 of the notes does not require Board approval,
10 LAC 42-III.2523(B), as that entity is not an
11 affiliate as defined in LAC 42-III.2522. No
12 financial issues came (inaudible) . . .

13 MR. SHOLES:

14 My screen just froze. Am I the only
15 one?

16 MAJOR McNEIL:

17 No, sir. She froze.

18 MS. BERRY:

19 She froze, yeah.

20 MS. JACKSON:

21 The last sentence would have been no
22 financial issues came to our attention to preclude
23 the Board from approving the transaction.

24 CHAIRMAN JOHNS:

25 Okay. Is there anyone from Bally's

30

1 that's on the meeting this morning that would like
2 to present?

3 MS. JACKSON:

4 I'm sorry. Excuse me, Chairman.

5 Licensing, I believe, will present their findings.

6 CHAIRMAN JOHNS:

7 Oh, okay. Excuse me.

8 SGT. NGUYEN:

9 Good morning, Chairman Johns and
10 Board Members. My name is Sgt. Vincent Le Nguyen
11 with Louisiana State Police, Gaming Enforcement
12 Division. Bally Corporation submitted a petition
13 requesting for approval of the transfer of
14 ownership and related finances in their pending
15 acquisition of Gamesys, PLC. Through the
16 petition, the Division identified several
17 individuals that were required to undergo
18 suitability investigation: Mr. Noel Hayden,
19 Robeson Reeves, James Ryan, and Lee Fenton. The
20 Division conducted the suitability investigation
21 of these individuals. The investigation consists
22 of inquiries through federal, state, and local law
23 enforcement agencies, computerized criminal
24 history database, civil jurisdiction, and gaming
25 regulatory agency. At the conclusion of the

31

1 investigation, the Division found no information
2 that would prohibit any of these individuals from
3 participating in the gaming industry.

4 CHAIRMAN JOHNS:

5 Okay. Does that conclude your report

6 or --

7 SGT. NGUYEN:

8 Yes, sir.

9 CHAIRMAN JOHNS:
10 Yeah. So no issues whatsoever?

11 SGT. NGUYEN:

12 Yes, sir.

13 CHAIRMAN JOHNS:

14 Okay. Thank you. Okay. Good
15 morning.

16 MR. ORLANSKY:

17 Mr. Chairman, Larry Orlansky
18 representing Bally's Corporation, as well as the
19 Louisiana licensee Eldorado Casino Shreveport
20 Joint Venture. With me on the petition for
21 approval that's before you today is Jeff Barbin,
22 and Ms. Moore identified the Bally's personnel who
23 are also online. I won't go through all of their
24 titles but confirm that Craig Eaton, Paul Avery,
25 Todd Raziano, and Bob Profusek are all on the

32

1 line.

2 Thank you for fitting us into the
3 agenda today. We know there's a lot going on.
4 This will help facilitate Bally's acquisition of
5 Gamesys. You've heard plenty about the
6 transaction itself and the related financing.
7 We're here to answer any questions the Board
8 Members may have relating to that. So we stand
9 ready to answer any questions.

10 But, importantly, right now, what
11 I -- what I would like to do is to thank

12 State Police, the Attorney General's Office, and
13 the Board Office for all of their help in this
14 process. And in my experience, and I know
15 Mr. Barbin feels the same, in handling these
16 matters over the years, we're used to the
17 professionalism and the guidance of these
18 agencies. But in this instance, a few of the
19 recent challenges of the hurricanes and everything
20 else going on, it took particular effort to get to
21 this hearing date, which is important to the
22 transaction itself.

23 So with that, Craig Eaton, who is the
24 Executive Vice President and General Counsel of
25 Bally's is on the line. I'm not sure he's able to

33

1 give a few comments. But other than that, we're
2 ready to answer any questions. Craig, are you
3 there?

4 MR. EATON:

5 I'm here, Larry. Can the Board hear
6 me?

7 CHAIRMAN JOHNS:

8 Yes.

9 MR. POOLE:

10 Yes.

11 CHAIRMAN JOHNS:

12 The Board can hear you.

13 MR. EATON:

14 Thank you. Good morning, and thank

15 you for having us. I -- everything -- everything
16 Mr. Orlansky said I just want to repeat -- just
17 repeat and reiterate. I don't want to waste the
18 Board's time. But we are here. We are extremely
19 thankful of the effort that everyone has put in
20 to -- to get us on the docket.

21 This is a very important transaction
22 for Bally's Corporation. And, again, we -- it
23 does not go unnoticed, the yeoman effort to get
24 this on the docket and for the Attorney General,
25 State Police, and staff to do this investigation.

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1 So thank you very much, and we respectfully hope
2 we are approved today, and we are here to answer
3 any questions. Thank you.

4 MR. ORLANSKY:

5 Thank you, Craig. Mr. Chairman,
6 that's all we have unless there's any questions.

7 CHAIRMAN JOHNS:

8 Okay. Will this have any material
9 effect on Eldorado Shreveport and its ownership,
10 operation, or anything?

11 MR. EATON:

12 I can answer that, Mr. Chairman. The
13 simple answer is no.

14 CHAIRMAN JOHNS:

15 Okay. By the way, the weather in
16 your background looks a lot better than down here.
17 (Inaudible) right now. So thank you. That's the

18 only question I have. Any -- any Board Members
19 have any question? Any questions from Board
20 Members?

21 (NO RESPONSE)

22 CHAIRMAN JOHNS:

23 Okay. I have no questions. I would
24 like to ask for a motion and then a second, and
25 then we'll ask Ms. Thurman to read the resolution,

35

1 and then we will do a role call vote. Okay? Do I
2 have a motion that we accept this resolution --
3 adopt this resolution?

4 MR. AVANT: Yeah. So moved.

5 MR. SHOLES:

6 So moved.

7 CHAIRMAN JOHNS:

8 So moved by Mr. Avant. Is that
9 correct?

10 MR. AVANT:

11 Avant, yes.

12 CHAIRMAN JOHNS:

13 And seconded by Mr. Sholes.

14 Ms. Thurman, would you read the resolution?

15 MS. THURMAN:

16 Yes, sir. Can you hear me clearly
17 now?

18 CHAIRMAN JOHNS:

19 Yes.

20 MS. THURMAN:

21 Okay. On the 16th day of September
22 2021, the Louisiana Gaming Control Board did, in a
23 duly noticed public meeting, consider the Petition
24 of Bally's Corporation for approval of the
25 transfer of a portion of the indirect equity

36

1 ownership of Eldorado Casino Shreveport Joint
2 Venture d/b/a Eldorado Resort Casino Shreveport to
3 certain shareholders of Gamesys Group, PLC, and
4 related transactions, including the related
5 financing, and upon motion duly made and seconded,
6 the Board adopted this resolution:

7 Whereas, on April 13, 2021, Bally's
8 made an offer to acquire all the outstanding
9 shares of Gamesys Group, PLC, a United Kingdom
10 company, pursuant to a Scheme of Arrangement under
11 the laws of England and Wales; and

12 Whereas, the Scheme of Arrangement as
13 set forth in the Recommended Combination,
14 published June 1, 2021, provides that as partial
15 payment of the purchase price for Gamesys, Bally's
16 will issue shares of its common stock to certain
17 shareholders of Gamesys pursuant to which those
18 shareholders will acquire an indirect equity
19 ownership interest in the Licensee; and

20 Whereas, Bally's has obtained certain
21 commitments for funding the acquisition of
22 Gamesys; and

23 Whereas, the transfer of a portion of

24 the indirect equity ownership of the Licensee and
25 the financing arrangements to be entered into in

37

1 connection with Bally's acquisition of Gamesys
2 require prior Board approval.

3 Now therefore, be it resolved that
4 the transfer of a portion of the indirect equity
5 interest in Eldorado Casino Shreveport Joint
6 Venture to certain shareholders of Gamesys
7 resulting from Bally's issuance -- excuse me --
8 issuance of common shares of Bally's to those
9 shareholders in partial payment of the purchase
10 price of Gamesys, is hereby approved.

11 Be it resolved that the
12 \$1.945 Billion Senior Secured Term Loan B and the
13 \$620 Million Revolver under commitments from
14 lenders that Bally's, as Borrower, has obtained
15 and were arranged by Goldman Sachs Bank, USA,
16 Deutsche Bank Securities, Inc., Barclays Bank PLC,
17 Citizens Bank, N.A., Truist Bank, Capital One,
18 N.A., and Fifth Third Bank, National Association,
19 and with Deutsche Bank, New York Branch, as
20 Administrative and Collateral Agent, and the
21 lenders party thereto, will -- which will be
22 reflected in a credit agreement to be entered into
23 on the date of closing of the Gamesys acquisition,
24 are hereby approved.

25 Be it resolved that the assumption of

38

1 Bally's of the indebtedness -- indebtedness and
2 other obligations under the 1.3 -- \$1.5 Billion
3 Senior Unsecured Notes issued by Premier
4 Entertainment Sub, LLC and Premier Entertainment
5 Finance Corp. on August 20, 2021, in two separate
6 series of \$750 Million each, due in 2029 and 2031,
7 respectively, and bearing per annum interest of
8 5.625 percent and 5.875 percent, respectively, and
9 the joinder of Bally's and its restricted
10 subsidiaries to the Indenture, including, the
11 Licensee, Premier Entertainment Louisiana I, LLC,
12 Premier Entertainment Louisiana II, LLC, and
13 Twin River Management Group, Inc., by Supplemental
14 Indenture as guarantors, guaranteeing the
15 obligations thereunder, are hereby approved.

16 Be it resolved that the giving of
17 guarantees and the granting of a security interest
18 in and first priority lien on all tangible and
19 intangible -- intangible assets of Bally's and the
20 guarantors, including the capital stock of Bally's
21 and its restricted subsidiaries, by Bally's and
22 its restricted subsidiaries, including the
23 Licensee, Premier Entertainment Louisiana I, LLC,
24 Premier Entertainment Louisiana II, LLC, and
25 Twin River Management Group, Inc., to

39

1 Administrative and Collateral Agent Deutsche Bank,
2 AG, New York Branch, as collateral to secure the
3 obligations of Bally's for the \$1.945 Billion Term

4 Loan B and the \$620 Million Revolver, are hereby
5 approved.

6 Be it resolved that the giving of
7 guarantees by Bally's and its restricted
8 subsidiaries, including the Licensee, Premier
9 Entertainment Louisiana I, LLC, Premier
10 Entertainment Louisiana II, LLC and Twin River
11 Management Group, Inc., to secure the Senior
12 Unsecured Notes issued by Premier Entertainment
13 Sub, LLC and Premier Entertainment Finance Corp.
14 on August 20, 2021, upon Bally's assumption of the
15 indebtedness under the Notes, is hereby approved.

16 Be it resolved that the execution of
17 all documents necessary to effectuate the
18 foregoing approvals, including the financing
19 arrangements, is hereby approved.

20 Thus done and signed in Baton Rouge,
21 Louisiana this 16th day of September, 2021.

22 CHAIRMAN JOHNS:

23 Thank you, Ms. Thurman. I have a
24 motion by Mr. Avant and a second by Mr. Sholes
25 that we adopt this resolution. I would call for a

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1 role call vote, please, Ms. Thurman.

2 MS. THURMAN:

3 Mr. Avant?

4 MR. AVANT:

5 Yes.

6 MS. THURMAN:

7 Ms. Berry?

8 MS. BERRY:

9 Yes.

10 MS. THURMAN:

11 Mr. Jackson?

12 MR. JACKSON:

13 Yes.

14 MS. THURMAN:

15 Ms. Lewis?

16 MS. LEWIS:

17 Yes.

18 MS. THURMAN:

19 Mr. Poole?

20 MR. POOLE:

21 Yes.

22 MS. THURMAN:

23 Ms. Hamilton-Acker?

24 MS. HAMILTON-ACKER:

25 Yes.

41

1 MS. THURMAN:

2 Mr. Sholes?

3 MR. SHOLES:

4 Yes.

5 MS. THURMAN:

6 Ms. Traylor?

7 MS. TRAYLOR:

8 Yes.

9 MS. THURMAN:

10 And Chairman Johns?

11 CHAIRMAN JOHNS:

12 Yes.

13 MS. THURMAN:

14 It's unanimous.

15 CHAIRMAN JOHNS:

16 By unanimous vote, that resolution is
17 adopted. I would like to first thank the Attorney
18 General's Office and Louisiana State Police for a
19 lot of work that went into this, and we greatly
20 appreciate it. To Bally's, congratulations to you
21 on your acquisition, and I just want to thank you
22 for your commitment to the State of Louisiana in
23 the Shreveport/Bossier market, and we wish you the
24 very best of luck in the future. So we look
25 forward to continuing to work with you. Thank you

42

1 very much.

2 MR. ORLANSKY:

3 Thank you, Mr. Chairman.

4 CHAIRMAN JOHNS:

5 Thank you very much, gentlemen.

6 Thank you for being with us. Okay. We're going
7 to move on to the renewal application of
8 Boyd Racing doing business as Delta Downs
9 Racetrack and Hotel. I think we have the Attorney
10 General's Office on to make that presentation.

11 MR. GATHE:

12 Good morning, Chairman Johns and

13 Board Members. I'm Assistant Attorney General
14 Jeremy Gathe, and here with me on the call today
15 is Donna Jackson with the Office of State Police
16 Audit Division and Sgt. Vincent Le Nguyen with the
17 Office of State Police, Gaming Enforcement
18 Division. We're here in the matter of the renewal
19 of a slot gaming license for Boyd Racing, LLC
20 doing business as Delta Downs Racetrack Casino and
21 Hotel located in Calcasieu Parish.

22 Slot machine gaming licenses are
23 issued for a five-year term, and the license for
24 Delta Downs is due to expire October 30, 2021.
25 The Office of State Police has reviewed the

43

1 financial circumstances of the licensee and
2 completed its suitability investigation of the
3 licensee, its parent companies, and principals.
4 And Ms. Jackson and Sgt. Nguyen will now report
5 their findings to the board.

6 MS. JACKSON:

7 Good morning, Chairman Johns, Board
8 Members. Donna Jackson with Louisiana State
9 Police, Gaming Audit Section.

10 Boyd Racing is wholly owned by the
11 parent company Boyd Gaming Corporation through
12 Boyd Louisiana Racing, LLC. Delta Downs commenced
13 gaming operations on February 13, 2002 in
14 Vinton, Louisiana. During its 19 years of
15 operation, Delta Downs has generated approximately

16 \$3.2 billion in gaming revenues and paid
17 \$484 million in state gaming fees.
18 Delta Downs competes with three
19 riverboats in the Lake Charles gaming market,
20 although Isle of Lake Charles is currently closed
21 while constructing the landside facility. During
22 the past five fiscal years, Delta Downs generated
23 approximately \$814 million in AGR.

24 The 2020 revenues were impacted by
25 the coronavirus pandemic, as well as

44

1 Hurricane Laura, which caused damage to the
2 property and surrounding area. The hotel and
3 casino were closed for 21 days due to property
4 damage, require -- requiring repairs and the
5 replacement of carpet and slot machines. The
6 hotel and casino reopened on September --
7 September 16, 2020, although the racetrack
8 remained closed until November 24 due to extensive
9 storm damage to the racing facility.

10 For the years 2016 to 2020,
11 Delta Downs spent approximately \$113 million for
12 capital expenditures, which included expansion and
13 enhancements to the property, as well as the
14 hurricane-related repairs, a portion of which has
15 been reimbursed by insurance. The licensee
16 projects it will spend approximately \$15 million
17 for capital expenditures for years 2021 through
18 2025. For the years 2016 through 2020,

19 Delta Downs has paid approximately \$27.7 million
20 to local government authorities.

21 In conclusion, no financial issues
22 came to our attention to preclude the Board from
23 approving the Delta Downs Racetrack and Casino
24 license for a period of five years, effective
25 October 30, 2021. Sgt. Le Nguyen will now present

45

1 Licensing's findings.

2 CHAIRMAN JOHNS:

3 Thank you.

4 SGT. NGUYEN:

5 Chairman Johns and Board Members,
6 Sgt. Le Nguyen with State Police again.
7 Boyd Racing, LLC d/b/a Delta Downs Racetrack
8 Casino and Hotel submitted their five-year license
9 renewal. In accordance with the rules and
10 regulations of Gaming Enforcement Division, a
11 background investigation was conducted on
12 Boyd Racing, LLC d/b/a Delta Downs Racetrack
13 Casino and Hotel, Boyd Gaming Corporation, its
14 shareholders, subsidiary officers, directors, and
15 persons with 5 percent or more ownership/economic
16 interest in the license.

17 The Division conducted the
18 suitability investigation on the key officer. The
19 investigation consists of inquiry through federal,
20 state, local law enforcement agencies,
21 computerized criminal history database, civil

22 jurisdictions, and gaming regulatory agencies. At
23 the conclusion of the investigation, the Division
24 found no information that would preclude the Board
25 from approving the renewal of Boyd Racing, LLC

46

1 d/b/a Delta Downs Racetrack Casino and Hotel.

2 MR. GATHE:

3 If it is the Board's pleasure to
4 renew the slot machine gaming license for
5 Boyd Racing, LLC doing business as Delta Downs
6 Racetrack Casino and Hotel, a proposed resolution
7 has been prepared for the Board's adoption and the
8 Chairman's signature. And we do have
9 representatives from the licensee that's available
10 on the call today to answer any questions.

11 CHAIRMAN JOHNS:

12 Okay. Is there anyone from Boyd that
13 would like to make any comments or any type of
14 presentation from Boyd this morning?

15 MS. BOLES:

16 Janet Boles on behalf of Boyd Gaming.
17 We have nothing to add. We just thank the
18 Division and the Attorney General's Office for
19 their efforts during this difficult time to get us
20 on the agenda. They've worked hard on everything
21 in hard -- difficult, understaffed times, and we
22 appreciate their efforts. We're here to answer
23 any questions. I have the Vice President and
24 General Manager of Delta Downs on the phone as

25 well.

47

1 CHAIRMAN JOHNS:

2 Well, thank you. As most of you
3 know, Delta Downs is over in my part of the state,
4 actually about ten miles from where I live, and I
5 will tell you that they have been a great partner
6 to Southwest Louisiana and have endured some
7 incredible damage during Hurricane Laura last
8 year.

9 I was very pleased to learn of the
10 commitment that they made to their -- their
11 employees during those very difficult times, and
12 so I do thank Boyd for that commitment to your
13 employees throughout the whole endurance of
14 Hurricane Laura, and we are very thankful that
15 Tropical Storm Nicholas didn't -- didn't do the
16 damage that we anticipated. So do we have any
17 questions, any comments from the Board Members?

18 (NO RESPONSE)

19 CHAIRMAN JOHNS:

20 Okay. Hearing none --

21 MS. BERRY:

22 I would like to make a motion -- I
23 would like to make a motion that we accept the
24 resolution.

25 CHAIRMAN JOHNS:

48

1 Okay. Ms. Berry has made a motion

2 that we adopt the resolution. Do I have a second?

3 MR. POOLE:

4 I'll second that.

5 CHAIRMAN JOHNS:

6 And Mr. Poole will second that

7 motion. I would ask Ms. Thurman to read the

8 resolution, please.

9 MS. THURMAN:

10 On the 16th day of September 2021,
11 the Louisiana Gaming Control Board did, in a duly
12 noticed public meeting, consider the license
13 renewal application of Boyd Racing, LLC d/b/a
14 Delta Downs Racetrack Casino and Hotel and, upon
15 motion duly made and seconded, the Board adopted
16 the following resolution:

17 Be it resolved that the license
18 T011002086, to conduct slot machine gaming issued
19 to Boyd Racing, LLC d/b/a Delta Downs Racetrack
20 Casino and Hotel, be renewed for a term of five
21 years commencing October 30, 2021, subject to the
22 Statement of Conditions to Slot Machine Gaming
23 License of Boyd Racing, LLC dated October 20,
24 2011, attached hereto and made a part hereof.

25 Thus done and signed in Baton Rouge,

49

1 Louisiana, this 16th day of September 2021.

2 CHAIRMAN JOHNS:

3 Thank you, Ms. Thurman. We have a

4 motion by Ms. Berry, seconded by Mr. Poole, to

5 adopt the resolution. Ms. Thurman, would you do a
6 role call vote, please?

7 MS. THURMAN:

8 Mr. Avant?

9 MR. AVANT:

10 Yes.

11 MS. THURMAN:

12 Ms. Berry?

13 MS. BERRY:

14 Yes.

15 MS. THURMAN:

16 Mr. Jackson?

17 MR. JACKSON:

18 Yes.

19 MS. THURMAN:

20 Ms. Lewis?

21 MS. LEWIS:

22 Yes.

23 MS. THURMAN:

24 Mr. Poole?

25 MR. POOLE:

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1 Yes.

2 MS. THURMAN:

3 Ms. Hamilton-Acker?

4 MS. HAMILTON-ACKER:

5 Yes.

6 MS. THURMAN:

7 Mr. Sholes?

8 MR. SHOLES:

9 Yes.

10 MS. THURMAN:

11 Ms. Traylor?

12 MS. TRAYLOR:

13 Yes.

14 MS. THURMAN:

15 Chairman Johns?

16 CHAIRMAN JOHNS:

17 Yes.

18 MS. THURMAN:

19 We have a unanimous vote.

20 MS. BOLES:

21 Thank you very much.

22 CHAIRMAN JOHNS:

23 By unanimous vote, that resolution is
24 adopted. Congratulations to Boyd Gaming. I also
25 want to thank Boyd for their recent donation to

51

1 Hurricane Ida recovery. I think Boyd made a
2 \$250,000 donation to the recovery efforts, along
3 with some -- some other things that they have been
4 doing. And other members of the -- of the
5 industry have also done some -- some really
6 special things for Hurricane Ida recovery. So,
7 Boyd, thank you very much for that -- for that
8 commitment. We appreciate it.

9 MS. BOLES:

10 Thank you.

11 CHAIRMAN JOHNS:

12 Okay. Thank you, Ms. Boles. Next,
13 we will consider an amendment to the resolution
14 that we did on September 8, 2021, and that was in
15 the relocation of the gaming operations of
16 DiamondJacks Casino & Resort from Bossier City to
17 St. Tammany Parish based upon the approval of a
18 referendum.

19 That referendum was scheduled by --
20 by a statute that was passed during the Regular
21 Session of 2021 by the Louisiana Legislature to be
22 held in -- on November 13, 2021. The governor has
23 issued an emergency order due to Hurricane Ida
24 that that referendum date will now be moved to
25 December 11, 2021.

52

1 So what I'm asking the Board to do
2 today is to adopt a resolution -- a simple
3 resolution that strictly changes the date in the
4 original resolution from November 13, 2021, to
5 December 11, 2021. It does not change any other
6 substance of the original resolution. So do -- is
7 there any questions from the Board on that -- on
8 that request?

9 (NO RESPONSE)

10 CHAIRMAN JOHNS:

11 Do I have a motion from the Board
12 to -- to adopt this -- adopt this resolution?

13 MR. JACKSON:

14 So moved.

15 CHAIRMAN JOHNS:

16 So moved by Mr. Jackson, I think.

17 MS. TRAYLOR:

18 Second.

19 CHAIRMAN JOHNS:

20 Second by --

21 MS. TRAYLOR:

22 Ms. Traylor.

23 CHAIRMAN JOHNS:

24 -- Ms. Traylor. Thank you,

25 Ms. Traylor. Ms. Thurman, would you read the

53

1 resolution, please?

2 MS. THURMAN:

3 On the 16th day of September 2021,
4 the Louisiana Gaming Control Board did, in a duly
5 noticed public meeting, consider an amendment to
6 the September 8, 2021, resolution of Louisiana
7 Riverboat Gaming Partnership's Petition to
8 Relocate Berth and Gaming Operations and to Modify
9 Licensee Conditions, and upon motion duly made and
10 seconded, the Board adopted this amendment to its
11 September 8, 2021 Resolution.

12 Be it resolved that the resolution of
13 Louisiana Riverboat Gaming Partnership's Petition
14 to Relocate Berth and Gaming Operations and to
15 Modify Licensee Conditions, adopted September 8,
16 2021, is hereby amended to reflect a change in the

17 local option election date, amending such date
18 from November 13, 2021, to December 11, 2021, as
19 contained therein.

20 Thus done and signed in Baton Rouge,
21 Louisiana, this 16th day of September 2021.

22 CHAIRMAN JOHNS:

23 Okay. Thank you, Ms. Thurman. We do
24 have a motion and a second to adopt this
25 resolution. Ms. Thurman, would you call the role,

54

1 please?

2 MS. THURMAN:

3 Mr. Avant?

4 MR. AVANT:

5 Yes.

6 MS. THURMAN:

7 Ms. Berry?

8 MS. BERRY:

9 Yes.

10 MS. THURMAN:

11 Mr. Jackson?

12 MR. JACKSON:

13 Yes.

14 MS. THURMAN:

15 Ms. Lewis?

16 MS. LEWIS:

17 Yes.

18 MS. THURMAN:

19 Mr. Poole?

20 MR. POOLE:

21 Yes.

22 MS. THURMAN:

23 Ms. Hamilton-Acker?

24 MS. HAMILTON-ACKER:

25 Yes.

55

1 MS. THURMAN:

2 Mr. Sholes?

3 MR. SHOLES:

4 Yes.

5 MS. THURMAN:

6 Ms. Traylor?

7 MS. TRAYLOR:

8 Yes.

9 MS. THURMAN:

10 Chairman Johns?

11 CHAIRMAN JOHNS:

12 Yes.

13 MS. THURMAN:

14 We have a unanimous vote.

15 CHAIRMAN JOHNS:

16 By unanimous vote, that resolution is
17 adopted. Thank you very much, Board Members.

18 VI. RULEMAKING

19 CHAIRMAN JOHNS:

20 Okay. We are moving to Agenda Item

21 No. VI, which will be Rulemaking, and I think

22 we'll have a presentation from the Attorney

23 General's Office this morning.

24 MS. HIMEL:

25 Yes. Good morning, Chairman Johns

56

1 and Members of the Board.

2 CHAIRMAN JOHNS:

3 Good morning.

4 MS. HIMEL:

5 I'm Assistant Attorney General

6 Dawn Himel here in the matter of the rulemaking

7 items for VI-A through G. The proposed rule

8 changes are a result of Acts 80, 435, and 440 of

9 the 2021 Regular Legislative Session and Act 215

10 of the 2020 Regular Legislative Session. The rule

11 changes allow for the conducting of licensing,

12 application, enforcement and regulation of sports

13 wagering, as well as for the forms associated

14 therewith.

15 Last month, this Board approved

16 sports wagering rules in emergency form. There

17 were minimal changes made to a few of the sections

18 from what was in the emergency rules. Other than

19 the addition of Section 909, the other changes for

20 formatting are negligible. This month, we're

21 seeking the Board's approval for the initiation of

22 the formal rulemaking process in order to make

23 these rules permanent in nature.

24 While we progress through the

25 permanent rulemaking process, the emergency rules

1 will remain in place; therefore, the 20 casinos,
2 platform providers, and suppliers are able to
3 continue with their application process and
4 eventually begin offering sports wagers in the
5 state prior to final rules being promulgated.

6 If the Board has no questions, a
7 motion to institute the rulemaking procedures is
8 needed.

9 CHAIRMAN JOHNS:

10 Okay. Thank you, Ms. Himel. I know
11 you've put a lot of work into this, and I greatly
12 appreciate your -- your work on this. Are there
13 any questions from -- from our Board Members for
14 Ms. Himel?

15 MR. AVANT:

16 None.

17 MS. BERRY:

18 I have a quick question.

19 CHAIRMAN JOHNS:

20 Okay, Ms. Berry.

21 MS. BERRY:

22 Do these provisions affect the
23 applications that the casinos are preparing at
24 this time?

25 MS. HIMEL:

1 No. So the applications were
2 created, and you guys approved them at the last

3 board meeting; so the applications and the forms
4 are okay. The regular rules did change some
5 sections in the forms, but with regards to any
6 information that was required, everything was
7 handled and considered last month.

8 MS. BERRY:

9 Okay. Very good. And is there a
10 deadline for the applications to be presented?

11 MS. HIMEL:

12 There's not a deadline as far as
13 applications; however, the law does require that
14 those 20 casinos that are allowed to initially
15 apply, which is our 15 riverboats, our landbased,
16 and our four slots at the track, must submit an
17 application by January 1, 2022. If they do not,
18 then they are not eligible during that initial
19 licensing period for a sports wagering license.
20 It would then be opened up to another process
21 whereby video poker and Gamesys sports operators
22 can apply for a sports wagering license. So
23 there's no technical deadline other than, if one
24 of the 20 casino wants to have a sports wagering
25 license, they need to do so by January 1.

59

1 MS. BERRY:

2 Okay. And then, if they file it with
3 you by January 1, any idea how long it takes to
4 approve one of these applications yet?

5 MS. HIMEL:

6 The State Police has received some
7 already, and they are working on those. As far as
8 the timeline, it just depends. Our 20 casino are
9 easier, because everybody has already submitted to
10 suitability. They're already operating in the
11 state. As far as them going live, it hinges on
12 the other platform providers and their service
13 providers and getting their temporary certificates
14 of authority as well.

15 The law doesn't require them to go
16 through the full suitability investigation and
17 come before the Board for approval to begin
18 operating. The law authorizes a temporary
19 certificate of authority. So once they have
20 everything in and State Police thinks that it
21 looks good and they are complying with the law,
22 they can actually recommend to the chairman that
23 he issue that temporary certificate to go live
24 prior to the Board approving the license.

25 So I don't have a timeline. You

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1 know, we had some delay due to the hurricane and
2 the weather and State Police being deployed, but
3 they are working as fast as possible, and we do
4 see applications coming down the pipeline
5 relatively soon.

6 MS. BERRY:

7 Okay. So you do have several already
8 in your house?

9 MS. HIMEL:

10 State Police does. They're --

11 MAJOR McNEIL:

12 Ms. Berry, this is Major McNeil.

13 This is Major McNeil. We have eight -- eight

14 licensees have submitted so far applications for

15 sports wagering.

16 MS. BERRY:

17 Oh.

18 MAJOR McNEIL:

19 Eight of the -- eight --

20 MS. BERRY:

21 That answers my question.

22 MAJOR McNEIL:

23 Yes, ma'am.

24 MS. BERRY:

25 Eight already. That's good. Okay.

61

1 MAJOR McNEIL:

2 And then --

3 MS. BERRY:

4 Because it's quite an extensive

5 application.

6 MAJOR McNEIL:

7 Well, we -- it is, but we've tried to

8 streamline it; so that the 20 licensees that are

9 already approved we've condensed the application,

10 because they're already licensed here. There's no

11 reason for us to go through a whole full-blown

12 background again when we just licensed all of them
13 recently.

14 So we're pretty much making sure that
15 nothing has changed in their -- in their
16 application, which it shouldn't have, because they
17 should have already notified us. What we're
18 finding is taking us the longest is actually the
19 internal control, which is the final portion, and
20 that's really what's been, unfortunately, taking a
21 lot of our time, getting that process completed,
22 because we're just getting it put in place.

23 MS. BERRY:

24 Okay. Thank you. Thank you,
25 Major McNeil. Appreciate it.

62

1 MAJOR McNEIL:

2 Yes, ma'am.

3 MS. BERRY:

4 Thank you.

5 MS. HIMEL:

6 Also, with regard to the rules that
7 are before you today, the Administrative Procedure
8 Act has a, basically, time table with how quickly
9 rules can be done, and if they're approved today,
10 pending everything going smoothly, no delays or
11 substantive changes, we would be looking at
12 probably the January 20, 2022, volume of the State
13 Register for these rules to be promulgated.

14 CHAIRMAN JOHNS:

15 Okay. Any other questions of

16 Ms. Himel or Major McNeil?

17 (NO RESPONSE)

18 CHAIRMAN JOHNS:

19 I will tell you that has been the
20 number one question, Board Members, that I have
21 gotten is, when are we going to start sports bet,
22 and as it was indicated in the presentations,
23 Hurricane Ida did set us back just a little bit.
24 Our Louisiana State Police were -- were actually
25 deployed to disaster recovery, but they're back at

63

1 it full-time. I know that Major McNeil and his
2 entire staff is working overtime to -- to get this
3 up and running, and we -- hopefully, we're going
4 to have some -- some good news very soon. So
5 thank you very much.

6 Ms. Himel, thank you for your work on
7 this. And, Major McNeil, thank you and your --
8 and your staff for your fervent work. We greatly
9 appreciate it. Are there any other questions on
10 the presentation?

11 (NO RESPONSE)

12 CHAIRMAN JOHNS:

13 Okay. If not, I would ask for a
14 motion that we institute the rulemaking procedures
15 in Section VI-A through G. Do I have a motion
16 to -- to that effect?

17 MR. AVANT:

18 So moved --

19 MS. HAMILTON-ACKER:

20 So moved. Franchesca Hamilton-Acker.

21 CHAIRMAN JOHNS:

22 Okay. Ms. Acker moves that we
23 institute the rulemaking procedures, seconded by
24 Mr. Avant. Is there any objection to that motion?

25 (NO RESPONSE)

64

1 CHAIRMAN JOHNS:

2 Hearing none, that motion carries.
3 Thank you very much, Board Members. Members, I
4 have nothing else on the agenda this morning. Is
5 there anyone from the Board that has any comments,
6 any questions, or anything they want to bring up
7 this morning?

8 (NO RESPONSE)

9 CHAIRMAN JOHNS:

10 Okay. I guess not. Members,
11 hopefully, next month we will be seeing everybody
12 in person. Hopefully, we will get through this
13 hurricane season and with no -- no more effect to
14 our state.

15 We greatly appreciate -- I just want
16 to thank all the members at the Gaming Control --
17 all the staff of the Gaming Control Board Office
18 for their hard work. Our new attorney here,
19 Ms. Hood, is off and running and doing a fantastic
20 job. I'm very pleased with her work, and we thank

21 her and also our staff for their hard work during
22 some -- some very difficult times. To the
23 Attorney General's Office and the State Police,
24 thank you again for your cooperation and all of
25 your work.

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1 VII. ADJOURNMENT

2 CHAIRMAN JOHNS:

3 If I have no other items on the
4 agenda, I would ask for a motion to adjourn.

5 MS. BERRY:

6 Motion to adjourn.

7 CHAIRMAN JOHNS:

8 Ms. Berry moves that we adjourn.

9 MR. JACKSON:

10 Second. Second.

11 CHAIRMAN JOHNS:

12 Second by Mr. Jackson. Is there any
13 opposition to that motion?

14 (NO RESPONSE)

15 CHAIRMAN JOHNS:

16 Hearing none, that motion carries,
17 and, Members, we are now adjourned. Thank you
18 very much, everyone.

19 (PROCEEDINGS CONCLUDED AT 11:03 A.M.)

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1 REPORTER'S CERTIFICATE

2 I, Karla H. Mayers, a Certified Court
Reporter in and for the State of Louisiana, do
3 hereby certify that the foregoing is a true and
correct transcript of the proceedings held at this
4 Louisiana Gaming Control Board meeting on the 16th
day of September, 2021, as set forth in the
5 forgoing 65 pages.

I further certify that said testimony was
6 reported by me in the Stenotype reporting method,
was prepared and transcribed by me or under my
7 direction to the best of my ability and
understanding.

8 I further certify that the transcript has
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9 guidelines required by statute or by rules of the
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14 I further certify that I am not an

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