

Directors' Meeting, Board of, (Pages 1:1 to 50:24)

1:1 LOUISIANA GAMING CONTROL BOARD

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3 BOARD OF DIRECTORS' MEETING

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8 MONDAY, JUNE 15, 2020

9

10 LaSalle Building - LaBelle Hearing Room

11 617 North 3rd Street

12 Baton Rouge, Louisiana

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16 TIME: 10:00 A.M.

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1 APPEARANCES

2

3 MAJOR MIKE NOEL

Chairman (At Large)

4 June 30, 2019

5 MARK STIPE

(Attorney)

6 Seventh Congressional District

June 30, 2020

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8 JAMES SINGLETON

(Public/Business Administration)

9 Second Congressional District

June 30, 2020

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11 JULIE BERRY

(CPA)

12 Third Congressional District

June 30, 2024

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14 ELTON LAGASSE

(At large)

15 First Congressional District

June 30, 2021

16

17 HARRY AVANT

(At Large)

18 Fourth Congressional District

June 30, 2024

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20 CLAUDE D. JACKSON

(At Large)

21 Fourth Congressional District

June 30, 2021

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23

24

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1 APPEARANCES CONTINUED

2

3 MAJOR CHUCK MCNEAL

Louisiana State Police

4

5 O. LAMAR POOLE, JR.

(Economic/Community Planner)

6 Sixth Congressional District

June 30, 2025

7

8 JULIE LEWIS

(Law Enforcement)

9 Fifth Congressional District

June 30, 2024

10

11 NATALIE THURMAN

Principal Assistant

12

13 TRUDY SMITH

Confidential Assistant

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15 REPORTED BY:

16 SHELLEY G. PAROLA, CSR, RPR

Baton Rouge Court Reporters

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1 I. CALL TO ORDER

2 CHAIRMAN NOEL: All right, ladies
3 and gentlemen, we'll go ahead and call
4 the meeting to order. Before we do roll
5 call, for those of you who have -- don't
6 know, I am Mike Noel. I'm the new
7 Chairman of the Gaming Control Board. I
8 think most everyone I've had the
9 experience with working with in the past
10 in my 30-year career at State Police, so
11 feel free to call if you have any
12 questions.

13 So having said that, Ms. Natalie,
14 would you take the roll.

15 MS. THURMAN: Chairman Noel?

16 CHAIRMAN NOEL: Here.

17 MS. THURMAN: Mr. Avant?

18 MR. AVANT: Here.

19 MS. THURMAN: Ms. Berry?

20 MS. BERRY: Here.

21 MS. THURMAN: Mr. Jackson?

22 MR. JACKSON: Here.

23 MS. THURMAN: Mr. Lagasse?

24 MR. LAGASSE: Here.

25 MS. THURMAN: Ms. Lewis?

7

1 MS. LEWIS: Here.

2 MS. THURMAN: Mr. Poole?

3 MR. POOLE: Here.

4 MS. THURMAN: Mr. Singleton?

5 MR. SINGLETON: Here.

6 MS. THURMAN: Mr. Stipe?

7 MR. STIPE: Here.

8 MS. THURMAN: Colonel Reeves?

9 MAJOR MCNEAL: Major McNeil for

10 Colonel Reeves.

11 MS. THURMAN: Secretary Robinson?

12 [No response.]

13 CHAIRMAN NOEL: Thank you, we have a

14 quorum. All right. Before we move into

15 Public Comments, I wanted to take an

16 opportunity to sincerely thank Chairman

17 Jones for his years of service on this

18 Board and in public service in general.

19 I had the fortune of working with him

20 through most of my career at State

21 Police and as well as his tenure here

22 onboard, and I could not tell you how

23 sad it was to see him move on. He was

24 very good at balancing his role as a

25 regulator as well as looking out for the

1 economic development and the well-being
2 for the industry. So, again, I thank
3 him for all of his service and thank
4 you.

5 Any other Board Members?

6 MR. STIPE: If I could, I just would
7 echo to those sentiments. Ronnie was a
8 joy to work with. I told him that.
9 Having said that, Mr. Noel will be the
10 fifth Chairman I've worked for, and --
11 and I'm sure he'll do a wonderful job.

12 CHAIRMAN NOEL: Thank you.

13 MS. BERRY: Ever since my first day
14 on the Board, I felt like I learned a
15 tremendous amount from Chairman Jones.
16 All of it was good things, and I feel
17 like he was a joy to work with. He was
18 a great asset to the industry, fair,
19 honest, equitable, just a great
20 chairman. And I know you'll do a great
21 job.

22 CHAIRMAN NOEL: Thank you.

23 MR. LAGASSE: I think we all echo
24 the same thing working with Ronnie. I
25 did not work with Ronnie as long as most

1 people, but I'll tell you what, there
2 was never a question I had that he

3 couldn't answer. He knew it. He knew
4 it, but he was tough; but there was
5 respect in the industry. They knew
6 Ronnie was straight up, forward and all
7 that. It was a tough situation. We've
8 all been in politics, and we all
9 understand how it happens.

10 CHAIRMAN NOEL: Yes, sir.

11 Ms. Lewis?

12 MS. LEWIS: Chairman Jones, I've
13 also known my entire career with State
14 Police, but I've also known you my
15 entire career with State Police. So
16 people in the industry will miss Ronnie
17 Jones. We know that you are very good,
18 capable hands. It's not your first
19 rodeo in the industry, and you'll do a
20 great job.

21 CHAIRMAN NOEL: Thank you.

22 Mr. Singleton.

23 MR. SINGLETON: I believe I -- I
24 served with four chairmans.

25 CHAIRMAN NOEL: Yes.

10

1 MR. SINGLETON: I think out of the
2 four I -- I would just say he was the
3 best. Plus, he's from New Orleans, so
4 we were kind of friends and neighbors
5 from that point of view. And as far as

6 I'm concerned, he was the best chairman
7 that we had during the time that I --
8 for eight years that I've been on the
9 Board.

10 CHAIRMAN NOEL: Thank you.

11 MR. SINGLETON: And I want to
12 congratulate you, but I already worked
13 with you before so y'all are familiar.
14 Sorry I won't be able to continue
15 working with you, but my eight years are
16 up.

17 MR. AVANT: Yes, Chairman Jones was
18 outstanding. The State of the Louisiana
19 has been blessed to have him, and we
20 look forward to working with you, Mike,
21 also.

22 CHAIRMAN NOEL: Thank you, sir.

23 MAJOR MCNEAL: Ronnie will be sorely
24 missed, but we look forward to your
25 leadership, Mike.

11

1 CHAIRMAN NOEL: I appreciate all the
2 comments.

3 II. PUBLIC COMMENTS

4 CHAIRMAN NOEL: We will move next to
5 any public comment from anyone regarding
6 matters on the agenda today. [No
7 response.]

8 III. APPROVAL OF MINUTES

9 CHAIRMAN NOEL: Okay, having heard
10 none, we'll move to -- do we have a
11 motion to waive reading and approve the
12 minutes of the meetings of May 18 and
13 June 5th?

14 Ms. Berry, second by Ms. Lewis.

15 All in favor? [Collective "aye."]

16 Any opposed? No opposition. The
17 motion carries.

18 IV. REVENUE REPORTS

19 CHAIRMAN NOEL: All right. Next on
20 the agenda is Revenue Reports. Ms.
21 Donna.

22 MS. JACKSON: Good morning, Chairman
23 Noel, Board Members. My name is Donna
24 Jackson with the Louisiana State Police
25 Gaming Enforcement Division.

12

1 Upon meeting certain conditions,
2 casinos were allowed to reopen on May
3 18th, 2020, with limited capacity in
4 gaming positions. Ten of the riverboats
5 opened on that day, giving them 14
6 operating days in May. Four other
7 riverboats opened later that week or the
8 following week. The number of gaming
9 days at each property is shown on the
10 revenue report.

11 During the partial month of May, the

12 riverboats generated Adjusted Gross
13 Receipts of \$60,077,149. This total is
14 approximately \$100 million or
15 62.5 percent less than the revenue
16 generated last May.

17 Adjusted Gross Receipts for fiscal
18 year 2019-2020 to date \$1,324,000,000, a
19 decrease of \$387.5 million or 23 percent
20 from fiscal year 2018-2019.

21 During May, the State collected fees
22 totaling \$13 million. As of May 31,
23 2020, the State collected approximately
24 \$285 million in fees for fiscal year
25 2019-2020.

13

1 Harrah's New Orleans remained closed
2 during May but was allowed to reopen
3 this past Saturday, June 13th, with
4 limited capacity and gaming positions.

5 Three of the slot facilities at
6 racetracks reopened the week of May 18th
7 with limited capacity and gaming
8 devices. Fair Grounds remained closed
9 during May but was allowed to reopen
10 June 13th. During the partial month of
11 May, the three racetrack facilities
12 combined generated Adjusted Gross
13 Receipts of \$10,314,748. This total is
14 approximately \$21 million or 67 percent

15 less than revenues generated last May.

16 Adjusted Gross Receipts for fiscal
17 year 2019-2020 to date are \$250.7
18 million, a decrease of \$74 million or
19 23 percent from fiscal year 2018-2019.

20 During January, the State collected
21 \$1.6 million in fees. As of May '31st,
22 2020, the State has collected
23 \$38 million in fees for fiscal years
24 2019-2020.

25 Any questions?

14

1 CHAIRMAN NOEL: Any questions from
2 any Board Members? [No response.]

3 Thank you.

4 MS. JACKSON: I will also be
5 presenting the video gaming statistics
6 for May as shown on page one of your
7 video handout.

8 Three new video gaming licenses were
9 issued during May: Two bars and one
10 restaurant. Four new applications were
11 received by the Gaming Enforcement
12 Division during May and are currently
13 pending in the field: Two bars and two
14 restaurants. The Gaming Enforcement
15 Division assessed no fines in May but
16 collected \$3,500 in civil penalties.

17 There are presently \$3,500 in

18 outstanding fines as well. Please refer
19 to page two.

20 There were 12,054 video gaming
21 devices activated at 1,396 locations as
22 of May 31st. Net device revenue for
23 May 2020 was \$23.9 million, a
24 \$30.3 million decrease when compared to
25 May 2019.

15

1 Net device revenue for fiscal year
2 2019-2020 to date is \$468 million, a
3 \$92.8 million, or 16.5 percent decrease
4 when compared to last fiscal year. Page
5 two of your handout shows a comparison
6 of the net device revenue.

7 Total franchise fees collected
8 during May 2020 were \$7.3 million, an
9 \$8.9 million decrease when compared to
10 May 2019.

11 Total franchise fees collected for
12 fiscal year 2020 are \$140.4 million, a
13 \$27.5 million or 16.4 percent decrease
14 when compared to fiscal year 2019. A
15 comparison of franchise fees is shown on
16 page four of your handout.

17 Any questions?

18 CHAIRMAN NOEL: Any questions for
19 Ms. Jackson? [No response.] Thank you.

20 V. UPDATE ON THE REOPENING OF GAMING OPERATIONS

21 CHAIRMAN NOEL: All right. Next
22 item on the agenda we'd like to update
23 on the reopening of gaming operations.

24 MAJOR MCNEAL: Good morning,
25 Chairman and Board Members. I'm Major

16

1 Chuck McNeil with State Police. I'll
2 take my mask off so my glasses won't fog
3 up, and I won't be able to read
4 anything, sorry.

5 I'm just going to give you a
6 highlight of what's going on right now
7 around the state; and if you have any
8 particular questions, please ask me, and
9 I'll be glad to answer any questions
10 that you may have.

11 Related to today the casinos,
12 riverboats and so forth in the state, in
13 Baton Rouge, Belle of Baton Rouge is
14 currently not operating in any of its
15 table games, and their hours of
16 operation are 10:00 a.m. to 2:00 a.m.
17 daily. The other two properties are
18 back to their normal hours of operation
19 and are adhering to the normal
20 percentage of 75 percent of the table
21 games -- excuse me, gaming positions and
22 the occupancy levels. So they're
23 following those guidelines.

24 Harrah's in New Orleans -- my New
25 Orleans field office, they get confused

17

1 if I say it that way. Harrah's and Fair
2 Grounds were open this weekend at the --
3 at the mandated 25 percent occupancy
4 level, so that's one of the stipulations
5 that's different there. Boomtown Harvey
6 is open from 8:00 a.m. to 5:00 a.m.
7 daily, and Treasure Chest is going to
8 their normal hours of operation which
9 are 8 a.m. to 3:00 a.m., but that's
10 their normal hours of operation before
11 COVID.

12 In the Breaux Bridge office, the
13 Amelia Belle, its currently not
14 operating any table games. It's
15 operating in the slots itself, and their
16 hours of operation are from 0900 -- or,
17 excuse me, 9:00 to 2:00 a.m. daily.

18 Evangeline Downs, which is just a
19 DVD, just slot machines, but they're
20 operating at the normal hours of
21 operation. Lake Charles itself, that
22 whole field office is all four casinos
23 and the racetrack are operating normal
24 business hours and operating the 75
25 percent in the Phase 2 guidelines.

18

1 The Bossier City office, all of the
2 casinos are operating except, of course,
3 DiamondJacks which at this time decided
4 not to reopen, I guess is the proper --
5 proper terminology that's going to be
6 used. The only one -- only casino in
7 that area that's not operating 24/7 is
8 Sam's Town, and they're operating daily
9 from 8:00 a.m. to 2:00 a.m. Monday
10 through Friday and on weekends from
11 8:00 a.m. to 4:00 p.m. I'm not sure,
12 and I apologize. They didn't give me
13 the dates for Saturday and Sunday.

14 We opened up all of the truck stops
15 except for two are currently opened
16 around the State, and those two have not
17 chosen to reopen because their staff at
18 both those locations have COVID-related
19 issues, so they don't have the workforce
20 to come back.

21 We opened in Phase 1 some
22 restaurants -- excuse me, some bars
23 applied for and got an occupation
24 permit -- occupational restaurant
25 permit, and so they were able to open up

19

1 as bars; but as of now, all bars and
2 restaurants are opening and operating in
3 Phase 2 throughout the State.

4 Any specific questions, Chairman,
5 or, Board Members, I can answer?
6 Anything else?

7 CHAIRMAN NOEL: Ms. Berry.

8 MS. BERRY: Since we've been kind of
9 shutdown and not been able to leave the
10 house, how is the construction coming in
11 Lake Charles? Has it continued, or did
12 they stop?

13 MAJOR MCNEAL: I think they had
14 stopped for a while, Ms. Berry. I'm not
15 a hundred percent positive on that. I
16 know they -- they stopped for a while
17 because of -- of manpower allocations.
18 I believe they may be back up and moving
19 forward on that project now --

20 MS. BERRY: Okay, good.

21 CHAIRMAN NOEL: Mr. Jackson?

22 MR. JACKSON: I have a question on
23 DiamondJacks. Since they've closed --
24 the question I understand -- my question
25 is on DiamonJacks closing, and I've been

20

1 hearing a rumor that there's people who
2 are ready to go into retirement that
3 could have retired if they had known by
4 the closing. I'm wondering, can someone
5 look into that?

6 MAJOR MCNEAL: Yes, sir, I guess

7 that would be something.

8 CHAIRMAN NOEL: Yes, Mr. Jackson, we
9 are having some discussions -- will be
10 in the next week or two with
11 DiamondJacks and what their plans are,
12 and certainly we'll dig into some of
13 those issues, too.

14 MR. JACKSON: Thank you, Mr.
15 Chairman.

16 CHAIRMAN NOEL: Any other questions?

17 Thank you, Major.

18 MAJOR MCNEAL: Yes, sir, thank
19 y'all.

20 VI. CASINO GAMING ISSUES

21 A. Consideration of Certificate of Compliance
22 for the Alternate Riverboat Inspection of
23 the gaming vessel of Bossier Casino
24 Venture, Inc., d/b/a Margaritaville Resort
25 Casino - No. R011000841

21

1 CHAIRMAN NOEL: All right. Next on
2 the agenda is Casino Gaming Issues. We
3 have Consideration of Certificate of
4 Compliance for the Alternate Riverboat
5 Inspection of the gaming vessel of
6 Bossier Casino Venture, Incorporated,
7 doing business as Margaritaville Resort
8 Casino, No. R011000841.

9 MS. LANDRY: Good morning, Chairman

10 Noel and Board Members. I'm Assistant
11 Attorney General Lisha Landry, and with
12 me today is Mr. John Francic. We're
13 here in the matter of the issuance of
14 the temporary Certificate of Compliance
15 to Bossier Casino Venture, LLC, doing
16 business as Margaritaville Resort Casino
17 which is located in Bossier City,
18 Louisiana.

19 On May 4th, 2020, ABSG began the
20 inspection process of Margaritaville's
21 annual Certificate of Compliance.
22 Margaritaville is requesting an
23 extension of time to resolve
24 discrepancies noted by ABSG during the
25 annual inspection, and Mr. Francic will

22

1 now provide the details on the
2 inspection.

3 MR. FRANCIC: Morning, Chairman and
4 Board Members, John Francic with ABSG
5 Consulting here to report the annual
6 certification for Margaritaville Casino.

7 The inspectors, Jeff Boyle and Pete
8 Bullard, did attend the riverboat
9 Margaritaville to conduct the annual
10 inspection in accordance with the
11 alternate inspection program. The
12 inspectors reviewed code compliance

13 towards safety, fire protection and
14 emergency lighting and egress routes.
15 The outstanding recommendations were to
16 provide annual servicing reports from
17 third party vendors and bolt the exit
18 doors.

19 The casino was closed at the time of
20 the inspection. The third party vendors
21 had been scheduled, but due to the COVID
22 virus, they cannot reschedule.

23 The 2020 annual survey as required
24 by Louisiana Gaming law was not
25 completed, and it is the recommendation

23

1 of ABSC that Margaritaville Casino's
2 current Certificate of Compliance be
3 extended for an additional 30 days.

4 MS. LANDRY: We now present the
5 findings to the Board and request that
6 upon the Board's acceptance of the
7 report submitted by ABSG, you will move
8 for the issuance of the temporary
9 Certificate of Compliance to
10 Margaritaville Casino, which will expire
11 July 31st, 2020.

12 CHAIRMAN NOEL: Thank you. One
13 question, Mr. Francic. The outstanding
14 items -- you may have covered them --
15 but they're not life safety in nature,

16 are they?

17 MR. FRANCIC: No. While the
18 inspectors were there, they tested the
19 fire alarm system and fire pump and
20 reviewed the servicing report from
21 the -- the clean agent systems.
22 Everything's fine and checked out. It's
23 just that they're required, you know, to
24 do the annual servicing, so there's some
25 outstanding certificates. So it's all

24

1 good.

2 CHAIRMAN NOEL: Thank you.

3 Any other questions from the Board?

4 [No response.]

5 MR. JACKSON: Motion to approve.

6 CHAIRMAN NOEL: Yes, sir, motion to
7 approve. It would be a motion to issue
8 a temporary Certificate of Compliance
9 which will expire July 31, 2020.

10 Do we have a second?

11 MR. AVANT: Second.

12 CHAIRMAN NOEL: Mr. Avant.

13 All in favor? [Collective "aye."]

14 Any opposed? [No response.] Motion
15 carries.

16 CHAIRMAN NOEL: Thank you.

17 VII. CONSIDERATION OF THE PROPOSED SETTLEMENT AND

18 APPEALS

19 1. In Re: MNS of Bucktown, LLC, d/b/a
20 Knucklehead's Bar & Grill - No. 2600217681
21 (settlement)

22 CHAIRMAN NOEL: Next, item is
23 Consideration of Proposed Settlement and
24 Appeals, and just as a reminder that no
25 evidence may be introduced at this time.

25

1 First case, MNS Bucktown, LLC, doing
2 business as Knucklehead Bar & Grill, No.
3 2600217681.

4 Good morning.

5 MS. MURRAY: Good morning, Chairman
6 Noel, Board Members. I'm Assistant
7 Attorney General Alana Murray here in
8 the matter of the settlement of MNS
9 Bucktown, LLC, doing business as
10 Knucklehead's Bar & Grill.

11 The settlement addresses the Type 2
12 licensee's failure to timely submit the
13 required annual fee and supporting
14 documents.

15 On February 26th of 2019, the
16 Division mailed a video gaming advisory
17 notice to the licensee informing them of
18 the requirement to submit the annual fee
19 and forms no later than July 1st of
20 2019. On September 23, 2019, the
21 Division received the required annual

22 renewal forms and fee.

23 The civil penalty contained in the
24 settlement is \$750, which is an amount
25 consistent with violations of this type.

26

1 The settlement has been signed by the
2 hearing officer and is now before the
3 Board for final approval.

4 I'd be happy to answer any questions
5 you may have at this time. Thank you.

6 CHAIRMAN NOEL: Thank you.

7 Any questions from the Board? [No
8 response.]

9 All right, do we have a motion to
10 approve the settlement? Ms. Berry,
11 second Mr. Poole.

12 All in favor? [Collective "aye."]

13 Opposed? [No response.] Motion
14 carries. Thank you.

15 2. In Re: Bud's Broiler Causeway, LLC, d/b/a
16 Bud's Broiler - No. 2600217467, (consolidated
17 with) Bud's Broiler Veterans, LLC, d/b/a
18 Bud's Broiler - No. 2605217476 (appeal)

19 CHAIRMAN NOEL: Next we will address
20 the appeals. The first one will be
21 Bud's Broiler Causeway, LLC, No.
22 2600217467, consolidated with Bud's
23 Boiler Veterans, LLC, doing business as
24 Bud's Broiler, No. 2605217476.

25 MR. ZIEGLER: Good morning,

27

1 Commissioner. My name is Mel Ziegler.
2 I'm asking for this to be remanded
3 because there was evidence that I
4 thought was going to be passed on to the
5 people for the formal hearing. There
6 was an informal hearing where you
7 presented some papers and stuff.

8 MR. JAMES: Mr. Chairman, at this
9 time, I want -- I want to object because
10 as you correctly pointed out, at this
11 time the hearing is based upon the
12 record that was created at the
13 December 18, 2019, hearing before the
14 hearing officer. So new evidence at
15 this time is not appropriate, and even
16 further, remanding this matter would not
17 change the issue that was before the
18 hearing officer and even do anything to
19 disturb the finding of unsuitability by
20 the -- by the hearing officer.

21 CHAIRMAN NOEL: That is correct. We
22 can't take additional new testimony

23 MR. ZIEGLER: I -- I understand you
24 can't do it here. I'm just asking for
25 this to be remanded where I have the

28

1 opportunity to have a lawyer present new

2 evidence. I understand it can't be --

3 MR. JAMES: I must further object.

4 Mr. Ziegler was present at the hearing
5 and had an opportunity to present
6 evidence, and the record reflects that
7 he waived his opportunity to evidence.

8 MR. ZIEGLER: That's not completely
9 accurate, Mr. Chairman. When you have
10 an informal hearing, I was led to
11 believe that the stuff that I gave at
12 that hearing would be passed on to the
13 people at the formal hearing. That was
14 not done. I feel there was a
15 disconnect, and I feel justified in
16 asking for a remand on these issues.

17 MR. JAMES: Mr. Chairman, the record
18 will reflect that on several times the
19 hearing officer asked Mr. Ziegler was he
20 willing to present any evidence. The
21 record will reflect -- the transcript
22 from the hearing will reflect that
23 Mr. Ziegler waived his right to present
24 evidence at the time.

25 MR. ZIEGLER: Mr. Chairman, I -- I

29

1 don't know if that's the intent of the
2 way it went down. When I mentioned to
3 the lady that was -- the hearing officer
4 lady, she asked where a piece of

5 evidence was, the evidence that was
6 submitted at the informal hearing, and
7 they did not have it. I gave it to the
8 people at the informal hearing assuming
9 that it would be passed on. That was
10 already given. I didn't have that with
11 me at the time, so I was kind of, like,
12 up the creek without a paddle at that
13 point.

14 CHAIRMAN NOEL: Well, I appreciate
15 everything you're saying. I think we're
16 at a point, if there's any questions
17 from the Board or we're at a point where
18 we can either affirm the hearing
19 officer's decision or remand it back to
20 the hearing officer.

21 MR. JAMES: Mr. Chairman, I would
22 like to also take the opportunity to
23 present the facts that -- as they
24 occurred at the hearing, so at this
25 time, if I may proceed?

30

1 CHAIRMAN NOEL: All right.

2 MR. JAMES: Good morning, Mr.
3 Chairman and Members of the Board. I'm
4 Assistant Attorney General Elroy James
5 present before you in the consolidated
6 matters of Bud's Boiler Causeway, LLC,
7 doing business at Bud's Boiler, license

8 No. 2600217467, and Bud's Boiler
9 Veterans, LLC, doing business as Bud's
10 Boiler, license No. 2605217476.

11 This matter comes to you before as a
12 result of an appeal by the licensee from
13 the decision of the hearing officer for
14 the licensee's -- because the licensees
15 do not meet the statutory requirements
16 to maintain a video draw poker license
17 in the State of Louisiana.

18 Mr. Melvin Ziegler, Jr., and Mrs.
19 Rebecca Zigler are respectfully the
20 managers and sole members of the
21 licensees, and it's to be noted --

22 MR. ZIEGLER: That is inaccurate.

23 CHAIRMAN NOEL: You'll have a chance
24 to respond when he finishes.

25 MR. JAMES: Gaming licensees are

31

1 required by law to continuously meet
2 suitability requirements of gaming law.
3 A sales tax clearance certificate has
4 not been issued to Mr. and Mrs. Zigler
5 because the Louisiana Department of
6 Revenue has determined that they both
7 owe sales tax to the state. Thus, under
8 gaming law, they are automatically and
9 statutorily unsuitable to possess a
10 video draw poker license. Gaming law is

11 clear and unambiguous with regards to
12 this.

13 During the December hearing, the
14 Division presented evidence that showed
15 Mr. Ziegler was arrested and charged
16 with three felony offenses: Theft,
17 failure to account for sales tax moneys
18 collected and tax evasion. These
19 pending charges are a result of a joint
20 investigation by the Louisiana
21 Department of Revenue and the Department
22 of Justice which revealed that
23 Mr. Ziegler collected and failed to
24 remit moneys collected to the State of
25 Louisiana. At the end of the

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1 investigation in 2017, it was found that
2 Mr. Ziegler owed over \$230,000 to the
3 State.

4 While pending charges are not
5 automatically statutory disqualifiers,
6 the law requires that they be considered
7 in determining suitability. The
8 evidence showed that Mr. Zigler's arrest
9 and criminal record and him owing over a
10 quarter of a million dollars to the
11 State of Louisiana demonstrates that he
12 lacks the requisite good character,
13 honesty and integrity necessary to

14 participate in the industry that
15 requires public confidence for its
16 sustainability.

17 The Division asks that this Board
18 take note that it is the licensees' and
19 associate person's responsibility and
20 burden to prove suitability -- that they
21 are suitable, and that they meet the
22 requirements under gaming law.

23 Although Mr. Ziegler was present at
24 the hearing, he did not present any
25 evidence to support the licensee or the

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1 Zieglers or any contradictory evidence
2 to the evidence presented by the
3 Division.

4 Due to the statutory
5 disqualification of the tax deficiencies
6 and Mr. Ziegler's criminal records and
7 activity, the hearing officer found and
8 issued an order that deemed Mr. Ziegler
9 and Mrs. Rebecca Ziegler disqualified
10 and unsuitable to participate in
11 Louisiana's video gaming industry. The
12 hearing officer ordered that the Type 2
13 license of the licensees be revoked
14 because Mr. and Mrs. Ziegler no longer
15 meets the requirements to be licensed
16 under state law.

17 As we're certain the hearing officer
18 was correct in this matter, the Division
19 respectfully requests that this
20 honorable board affirm the decision of
21 the hearing officer. Thank you.

22 CHAIRMAN NOEL: Let me ask a
23 question, Mr. Ziegler. Were you present
24 at the hearing?

25 MR. ZIEGLER: Yes, I was.

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1 CHAIRMAN NOEL: And -- and at that
2 hearing, similar testimony was provided
3 by the Attorney General's Office.

4 MR. ZIEGLER: The matter was brought
5 up. I brought up the information. I
6 brought it up at the informal hearing.
7 They did not have that in their
8 possession. There was a marriage
9 contract that's over 20 something years
10 old. We had separate property. These
11 corporations are owned by my wife.
12 These are corporations that were formed
13 before my arrest.

14 The company that -- that owes this
15 money is a company that is wholly owned
16 by me. We were negotiating a settlement
17 with the state, and for some reason to
18 this day we don't know the reason why I
19 was arrested; but since my arrest, we

20 have had numerous court hearings, and
21 they keep continuing it because the LDR
22 has issues that they can't get together
23 and come to agreement.

24 We have been trying to settle this
25 matter, and my understanding is that

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1 there is a payment plan worked out or an
2 agreement worked out; this issue is null
3 anyway.

4 I am not on these licenses. I have
5 been removed not knowing that my name
6 was put on it as a manager. I was
7 removed once this became a problem. And
8 I also need to point out, to this day I
9 have not been able to find out why my
10 wife wasn't able to get a tax clearance
11 license.

12 You had your time, okay, and I may
13 not have the legalese that you do; but I
14 feel that I was -- there was an
15 injustice done here when this stuff
16 wasn't available to us.

17 CHAIRMAN NOEL: Mr. Ziegler, I'm
18 trying to balance giving you an
19 opportunity to say some things but also
20 balance the other side of this, and I
21 can't take -- the Board can't take new
22 testimony and new evidence.

23 So you understand this industry is
24 highly regulated.

25 MR. ZIEGLER: I understand

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1 wholeheartedly, and there's no intent to
2 do any damage or anything. This is
3 something that came up after, and there
4 were -- there was an issue that I
5 brought into trial in the minutes where
6 the tax clearance on my wife -- we were
7 given the poker licenses in 2016, 2017,
8 2018 with -- the arrest came up, brought
9 it to light to them, you know, and now
10 they say that my wife can't get a tax
11 clearance license or something.

12 I mean, I just -- I would -- I would
13 just like the opportunity to get the
14 whole thing out there, and where it
15 lands is where it lands.

16 CHAIRMAN NOEL: Thank you. All
17 right. I think we've heard enough.

18 Any questions from the Board on this
19 matter? [No response.]

20 All right. Do we have a motion in
21 reference to this matter? We can either
22 affirm the hearing officer's decision;
23 we can -- potentially another option is
24 to remand back to the hearing office to
25 take additional testimony. I think the

1 record's pretty clear.

2 MR. STIPE: I'll just move we

3 affirm.

4 CHAIRMAN NOEL: We have a motion to

5 affirm by Mr. Stipe. Do we have a

6 second?

7 MR. AVANT: Second.

8 CHAIRMAN NOEL: A second by

9 Mr. Avant.

10 We'll take a roll call vote, Ms.

11 Natalie.

12 And just to clarify, in favor is to

13 affirm the hearing officer's decision,

14 opposed would be to oppose it.

15 MS. THURMAN: Mr. Avant?

16 MR. AVANT: Yes.

17 MS. THURMAN: Ms. Berry?

18 MS. BERRY: Yes.

19 MS. THURMAN: Mr. Jackson?

20 MR. JACKSON: Yes.

21 MS. THURMAN: Mr. Lagasse?

22 MR. LAGASSE: Yes.

23 MS. THURMAN: Ms. Lewis?

24 MS. LEWIS: Yes.

25 MS. THURMAN: Mr. Poole?

1 MR. POOLE: Yes.

2 MS. THURMAN: Mr. Singleton?

3 MR. SINGLETON: Yes.

4 MS. THURMAN: Mr. Stipe?

5 MR. STIPE: Yes.

6 MS. THURMAN: Chairman Noel?

7 CHAIRMAN NOEL: Yes.

8 Thank you, the hearing officer's

9 decision is affirmed. Thank you.

10 MR. ZIEGLER: Can you tell me what

11 the next process is on this?

12 CHAIRMAN NOEL: You still have

13 appeal rights.

14 MR. ZIEGLER: Thank you for your

15 time.

16 CHAIRMAN NOEL: Thank you.

17 3. In Re: Donovan P. Fontenot - No. PO40071629

18 (appeal)

19 CHAIRMAN NOEL: All right, next item

20 on the agenda is Donald P. Fontenot, No.

21 PO40071629.

22 MR. PICOU: Morning, Chairman Noel

23 and Board Members. I'm Assistant

24 Attorney General Charlie Picou here in

25 the matter of the appeal of Donald P.

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1 Fontenot. Mr. Fontenot requested this

2 appeal and will make his arguments

3 first.

4 CHAIRMAN NOEL: Please state your

5 name for the record.

6 MR. FONTENOT: Donald Fontenot.

7 CHAIRMAN NOEL: You can go ahead,
8 since you requested the appeal, if you
9 have any comments to make.

10 MR. FONTENOT: I hereby appeal the
11 revocation of my license by the hearing
12 officer on January 8th, 2020, for the
13 following reasons: A criminal charge
14 that allegedly violated Louisiana gaming
15 laws has been dismissed by the State of
16 Louisiana. On or about February 13th,
17 2020 --

18 CHAIRMAN NOEL: Mr. Fontenot, would
19 that be -- I believe that would be some
20 new evidence, so I think I understand
21 where you're going. I'll let the
22 Attorney General's Office --

23 MR. FONTENOT: Yes, sir.

24 CHAIRMAN NOEL: Go ahead.

25 MR. PICOU: Thank you, Chairman. On

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1 August 31st, 2019, the permittee was
2 arrested by Lake Charles Police
3 Department for violating Louisiana
4 Revised Statute 14.283.3, nonconsensual
5 of a private image, which is a crime
6 that is punishable by imprisonment and
7 is therefore a statutory disqualifier
8 for holding a gaming permit.

9 On September 18th, 2019, an
10 administrative hearing was conducted.

11 The permittee was present at that
12 hearing; however, he did not offer any
13 testimony or evidence that would refute
14 the fact that he was arrested for
15 nonconsensual disclosure of a private
16 image, and at the time --

17 COURT REPORTER: Can you slow down
18 just a little bit, please.

19 MR. PICOU: At the hearing on
20 December 18th, 2019, the permittee was
21 present and did not refute any of the
22 evidence showing that the crime of
23 nonconsensual disclosure of a private
24 image was pending against him at the
25 time of the hearing. And after

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1 carefully weighing the law and evidence,
2 the hearing officer ordered revocation
3 of Mr. Fontenot's non-key gaming
4 employee permit.

5 The hearing officer's decision was
6 correct and was in accordance with
7 Louisiana Gaming law. The law requires
8 revocation when the permittee has a
9 pending charge against them for a crime
10 that is punishable by more than one
11 year, and that was the case for

12 Mr. Fontenot. The charge was a
13 statutory disqualifier and was pending
14 against him at the time of the hearing.
15 Therefore, we request that the -- we
16 submit that the hearing officer's
17 decision was correct and request that
18 the decision be affirmed.

19 CHAIRMAN NOEL: Since then, are we
20 aware of potentially the disposition of
21 any of those charges have changed?

22 MR. OURS: Correct, correct.

23 CHAIRMAN NOEL: Any questions by the
24 Board? [No response.]

25 I believe in these situations it's

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1 not uncommon to remand it back to the
2 hearing officer to consider that new
3 evidence, so...

4 MR. LAGASSE: I move we remand.

5 CHAIRMAN NOEL: Mr. Lagasse moves
6 that we remand it back to the hearing
7 officer, and a second by Ms. Berry. Let
8 go ahead and take a --

9 MAJOR MCNEAL: What was the motion?

10 CHAIRMAN NOEL: Remand it back to
11 the hearing officer to consider the
12 addition of evidence. A yes vote would
13 be to do that.

14 MS. THURMAN: Mr. Avant?

15 MR. AVANT: Yes.
16 MS. THURMAN: Ms. Berry?
17 MS. BERRY: Yes.
18 MS. THURMAN: Mr. Jackson?
19 MR. JACKSON: Yes.
20 MS. THURMAN: Mr. Lagasse?
21 MR. LAGASSE: Yes.
22 MS. THURMAN: Ms. Lewis?
23 MS. LEWIS: Yes.
24 MS. THURMAN: Mr. Poole?
25 MR. POOLE: Yes.

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1 MS. THURMAN: Mr. Singleton?
2 MR. SINGLETON: Yes.
3 MS. THURMAN: Mr. Stipe?
4 MR. STIPE: Yes.
5 MS. THURMAN: Chairman Noel?
6 CHAIRMAN NOEL: Yes.
7 The motion carries and remand it
8 back to the hearing officer.
9 MR. PICOU: Thank you, Mr. Chairman.
10 MR. FONTENOT: Thank you.
11 4. In Re: Vintage Lounge, LLC, d/b/a Vintage
12 Lounge - No. 2600217467 (appeal)
13 CHAIRMAN NOEL: All right, the last
14 item on the agenda for appeal is Vintage
15 Lounge, LLC, doing business as Vintage
16 Lounge, No. 2600217467. This is an
17 appeal from the Division.

18 MR. OURS: Yes, it is.

19 CHAIRMAN NOEL: Before we get too
20 far into it, I know this issue is a
21 little unique compared to some in the
22 past in that we have no record to
23 review, and I think what we need to
24 first discuss is since this was an
25 interlocutory judgment, do we have any

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1 special circumstances that would allow
2 this Board to consider this appeal?
3 Because based on what's here, there
4 doesn't seem to be a basis for an appeal
5 to hear.

6 MS. MURRAY: Well, without
7 introducing any new evidence this
8 morning, the reason this appeal was
9 brought before the Board is because
10 while there is no reasoning issued by
11 the hearing officer, when she denied
12 each ex parte motion that we
13 submitted -- I'm not sure how to
14 introduce this because the reasoning
15 behind her denial was told to us orally,
16 and I'm not sure if I should introduce
17 it this morning. But due to those
18 reasons that were told to us, we don't
19 want to set a precedence where it would
20 place a burden on the Division to

21 continue to issue service to additional
22 addresses. That's why we requested this
23 appeal this morning.

24 CHAIRMAN NOEL: I understand and
25 completely understand and sympathize

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1 because I've dealt with this in years
2 past, but I still think that before we
3 can get to that is the issue we have
4 here that there is no real record to --
5 for us to review and make a decision on,
6 and I think we -- the question is:
7 Should we even consider it?

8 Any questions from the Board Members
9 on this?

10 MR. STIPE: I don't have any
11 questions. I would move to dismiss the
12 appeal, but I do want to ask a couple of
13 questions before the motion is disposed
14 of one way or the other.

15 CHAIRMAN NOEL: Yes, sir. So we
16 have a motion to dismiss. Do we have a
17 second? Mr. Lagasse.

18 Any other questions? [No response.]
19 I see Mr. Singleton.

20 Okay, and -- and I too certainly
21 understand this issue, and I think we do
22 need to get it -- the process resolved
23 going forward.

24 So we have a motion to dismiss by
25 Mr. Stipe, second by Mr. Lagasse. Let

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1 me go ahead and do a roll call vote.

2 "Yes" would be to dismiss, "no" would be
3 not to dismiss.

4 MS. THURMAN: Mr. Avant?

5 MR. AVANT: Yes.

6 MS. THURMAN: Ms. Berry?

7 MS. BERRY: Yes.

8 MS. THURMAN: Mr. Jackson?

9 MR. JACKSON: Yes.

10 MS. THURMAN: Mr. Lagasse?

11 MR. LAGASSE: Yes.

12 MS. THURMAN: Ms. Lewis?

13 MS. LEWIS: Yes.

14 MS. THURMAN: Mr. Poole?

15 MR. POOLE: Yes.

16 MS. THURMAN: Mr. Singleton?

17 MR. SINGLETON: Yes.

18 MS. THURMAN: Mr. Stipe?

19 MR. STIPE: Yes.

20 MS. THURMAN: Chairman Noel?

21 CHAIRMAN NOEL: Yes.

22 MS. THURMAN: It's unanimous.

23 MR. STIPE: Just -- the regulated
24 entities have an obligation to keep a
25 current address where we can contact

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1 them and be available.

2 MS. MURRAY: That's correct.

3 MR. STIPE: And the problem here is
4 they've not done that, and so now you're
5 not able to serve them, you cannot
6 locate them, and so you can't get the
7 hearing going because you can't provide
8 service that they've been given notice
9 of the hearing. Is that the problem
10 we've got.

11 MS. MURRAY: Yes, sir, that's
12 correct.

13 CHAIRMAN NOEL: Correct. And,
14 again, there's that balancing act from
15 how much the Division -- how much is
16 expected of the Division to try and
17 track someone down because the rules do
18 provide certain guidelines for
19 licensees, so I agree. I do think we
20 will have some conversations after until
21 we figure out how we resolve it.

22 Do we have --

23 VIII. ADJOURNMENT

24 CHAIRMAN NOEL: That concludes our
25 business. Do we have a motion to

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1 adjourn?

2 MR. SINGLETON: So moved.

3 CHAIRMAN NOEL: Mr. Singleton and

4 Ms. Berry?

5 All right, all in favor?

6 [Collective "aye."]

7 Any opposed? [No response.]

8 (Off the record at 10:44 a.m.)

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1 REPORTER'S PAGE

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3 I, SHELLEY PAROLA, Certified Shorthand

4 Reporter, in and for the State of Louisiana, the

5 officer before whom this sworn testimony was

6 taken, do hereby state:

7 That due to the spontaneous discourse of this
8 proceeding, where necessary, dashes (--) have been
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11 for a Court Reporter's transcription of a
12 proceeding, and that dashes (--) do not indicate
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1 STATE OF LOUISIANA

2 PARISH OF EAST BATON ROUGE

3 I, Shelley G. Parola, Certified Court

4 Reporter and Registered Professional Reporter, do

5 hereby certify that the foregoing is a true and

6 correct transcript of the proceedings on June 15,

7 2020, as taken by me in Stenographic machine

8 shorthand, complemented with magnetic tape

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10 to the best of my ability and understanding, using
11 Computer-Aided Transcription.

12 I further certify that I am not an
13 attorney or counsel for any of the parties, that I
14 am neither related to nor employed by any attorney
15 or counsel connected with this action, and that I
16 have no financial interest in the outcome of this
17 action.

18 Baton Rouge, Louisiana, this 15th day of
19 September, 2020.

20

21

22

SHELLEY G. PAROLA, CCR, RPR

CERTIFICATE NO. 96001

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24