

Directors' Meeting, Board of, (Pages 1:1 to 44:24)

1: 1 LOUISIANA GAMING CONTROL BOARD

2 BOARD OF DIRECTORS' MEETING

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7 THURSDAY, JULY 16, 2020

8

9 (VIA ZOOM VIDEO TELECONFERENCE)

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13 TIME: 10:00 A.M.

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1 APPEARANCES

2

3 MAJOR MIKE NOEL

Chairman

4 Second Congressional District

June 30, 2025

5

6 JULIE BERRY

(CPA)

7 Third Congressional District

June 30, 2024

8

9 ELTON LAGASSE

(At-Large)

10 First Congressional District

June 30, 2021

11

12 HARRY AVANT

(At-Large)

13 Fourth Congressional District

June 30, 2024

14

15 CLAUDE D. JACKSON

(At Large)

16 Fourth Congressional District

June 30, 2021

17

18 O. LAMAR POOLE, JR.

(Economic/Community Planner)

19 Sixth Congressional District

June 30, 2025

20

21 JULIE A. LEWIS

(Investigative and Law Enforcement)

22 Fifth Congressional District

June 30, 2024

23

24

25

3

1 APPEARANCES CONTINUED

2

3 FRANCESCA HAMILTON-ACKER

(Attorney)

4 Third Congressional District

June 30, 2026

5

6 PAUL T. WEST

(Public-Business Administration)

7 Second Congressional District

June 30, 2026

8

9 SECRETARY KIMBERLY ROBINSON

Secretary, Department of Revenue

10

11 NATALIE THURMAN

Principal Assistant

12

13 REPORTED BY:

14 SHELLEY G. PAROLA, CSR, RPR

Baton Rouge Court Reporters

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1 I. CALL TO ORDER

2 CHAIRMAN NOEL: Let's get started.

3 We'll call the meeting to order. Before

4 we call --

5 COURT REPORTER: We lost you --

6 Mike, we lost your audio.

7 CHAIRMAN NOEL: I did want to

8 recognize we have two new Board Members,

9 Ms. Franchesca Hamilton-Acker, who

10 replaced Mr. Stipe from Lake --

11 Lafayette. I certainly would welcome

12 her to the Board. And we also have

13 Mr. Paul T. West from New Orleans, who

14 is replacing Mr. Jim Singleton. I'm not

15 sure if he made it on yet. I see a Paul

16 W., but I certainly want to thank them

17 for their service on the Board, welcome

18 them and certainly want to thank

19 Mr. Mark Stipe and Mr. Jim Singleton for

20 their many years of service on the

21 Board.

22 So having said that --

23 MS. ACKER: Thank you.

24 CHAIRMAN NOEL: Thank you.

25 -- I do want to -- and certify that,

1 you know, we -- our inability to hold a
2 meeting in public because of the ongoing
3 health crisis and consistent with the
4 Governor's orders, we are having this
5 meeting via teleconference.

6 So, Ms. Thurman, could you go ahead
7 and call the roll.

8 MS. THURMAN: Yes, sir.
9 Chairman Noel?

10 CHAIRMAN NOEL: Here.

11 MS. THURMAN: Mr. Avant? [No
12 response.]

13 Ms. Berry?

14 MS. BERRY: Here.

15 MS. THURMAN: Mr. Jackson? [No
16 response.]

17 Mr. Lagasse?

18 MR. LAGASSE: Here.

19 MS. THURMAN: Ms. Lewis?

20 MS. LEWIS: Here.

21 MS. THURMAN: Mr. Poole? [No
22 response.]

23 Ms. Acker?

24 MS. ACKER: Here.

25 MS. THURMAN: Mr. West? [No

1 response.]

2 Colonel Reeves? [No response.]

3 And, Secretary Robinson?

4 SECRETARY ROBINSON: Present.

5 CHAIRMAN NOEL: And I see Mr. Avant
6 on the screen.

7 MS. THURMAN: Yes, sir, I do. He
8 was muted. I do. I recognize him.

9 CHAIRMAN NOEL: We have a quorum.

10 MS. THURMAN: Yes, we do.

11 CHAIRMAN NOEL: Thank you.

12 II. PUBLIC COMMENT

13 CHAIRMAN NOEL: We'll move to Public
14 Comment. Is there any public comment on
15 any of the matters that are before the
16 Board today? And I don't know that we
17 received any written public comment, but
18 we certainly want to make that
19 opportunity available.

20 III. APPROVAL OF MINUTES

21 CHAIRMAN NOEL: Okay. Well, we'll
22 move on next to our minutes. I'd like
23 to see if we have a motion to waive
24 reading and approve the minutes of the
25 June 15th, 2020, meeting.

10

1 MR. LAGASSE: So moved.

2 MS. BERRY: I'll second.

3 CHAIRMAN NOEL: Thank you.

4 All in favor say "aye."

5 [Collective "aye."]

6 Any opposed? [No response.] No
7 opposition, motion carries.

8 IV. REVENUE REPORTS

9 CHAIRMAN NOEL: The next item,
10 Revenue Reports, State Police, I believe
11 Ms. Jackson.

12 MS. JACKSON: Yes, good morning,
13 Chairman Noel and Board Members. My
14 name is Donna Jackson with Louisiana
15 State Police Gaming Enforcement
16 Division.

17 The casinos are operating at 50
18 percent capacity with 75 percent of
19 gaming positions in operation, with the
20 exception of Harrah's New Orleans and
21 Fair Grounds which are at 25 percent
22 capacity.

23 The 14 operating riverboats
24 generated Adjusted Gross Receipts of
25 \$132,044,556 in June. This total

11

1 represents an increase of \$72 million
2 from last month when most riverboats
3 were open for only 14 days and a
4 decrease of \$19.7 million or 13 percent
5 from last June. As information, this
6 June had one less Saturday and Sunday
7 than last June.

8 Adjusted Gross Receipts for fiscal

9 year 2019-2020 are \$1,456,000,000, a
10 decrease of \$407 million or 22 percent
11 from fiscal year 2018-2019.

12 During June the State collected fees
13 totaling \$28.4 million. As of
14 June 30th, 2020, the State collected
15 \$313 million in fees for fiscal year
16 2019-2020, which is \$87.5 million less
17 than last fiscal year.

18 Next is a summary of the June 2020
19 gaming activity for Harrah's New Orleans
20 found on page three. Harrah's reopened
21 on June 13th and generated \$5,609,758 in
22 gross gaming revenue. These revenues
23 represent a decrease from last June of
24 \$16.8 million or 75 percent.

25 Revenues for fiscal year 2019-2020

12

1 are \$210.3 million, a decrease of
2 \$81 million or 28 percent from fiscal
3 year 2018-2019. During June the State
4 received, \$14,958,904 in minimum daily
5 payments. This amount includes payments
6 for April, May and June due to Harrah's
7 receiving approval to defer the payments
8 during the closure.

9 As of June 30th, 2020, the State
10 collected \$60,040,872 in fees for fiscal
11 year 2019-2020.

12 Next I'll present the revenues for
13 Slots at the Racetracks. During June
14 the four racetrack facilities combined
15 generated Adjusted Gross Receipts of
16 \$26,744,164, an increase of \$16 million
17 from last month but a decrease of
18 \$3.3 million or 11 percent from last
19 June.

20 Adjusted Gross Receipts for fiscal
21 year 2019-2020 are \$277 million, a
22 decrease of \$77.7 million or 22 percent
23 from fiscal year 2018-2019.

24 During June the State collected
25 \$4.1 million in fees. As of June 30th,

13

1 2020, the State collected over
2 \$42 million in fees for fiscal year
3 2019-2020, down \$11.8 million or
4 22 percent from last fiscal year.

5 Overall in June, Riverboats, Land
6 Based and Slots at the Racetracks
7 combined generated \$164 million in AGR,
8 which represents a decrease from
9 June 2019 of 19 percent.

10 Are there any questions before I
11 present the video gaming statistics?

12 [No response.]

13 One new video gaming license, a
14 device owner's, was issued during June.

15 Two new Type 1 or bar applications were
16 received by the Gaming Enforcement
17 Division during June and are currently
18 pending in the field.

19 The Gaming Enforcement Division
20 assessed no fines in June but collected
21 \$7,000 in civil penalties. There are
22 presently \$2,750 in outstanding fines.

23 As of June 30th, there were 12,669
24 video gaming devices activated at 1,567
25 locations. Net device revenue for

14

1 June 2020 was \$60.6 million, a
2 \$36.7 million increase when compared to
3 May 2020, and a \$10.7 million increase
4 when compared to June 2019.

5 Net device revenue for fiscal year
6 2019-2020 is \$528.6 million, a decrease
7 of \$82 million or 13.4 percent when
8 compared to fiscal year 2018-2019.

9 Total franchise fees collected
10 during June 2020 were \$18.3 million, an
11 increase of \$11 million when compared to
12 May 2020, and a \$3.4 million increase
13 when compared to June 2019.

14 Total franchise fees collected for
15 fiscal year 2019-2020 are \$158.7
16 million, a decrease of \$24.2 million or
17 13.2 percent when compared to fiscal

18 year 2018-2019.

19 In summary, revenue for all four
20 gaming venues combined in fiscal year
21 2019-2020 is down \$648 million or
22 21 percent with fees to the state being
23 down \$126.6 million or 18 percent when
24 compared to last fiscal year.

25 Any questions?

15

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

4 Thank you, Ms. Jackson.

5 One thing to note based on the
6 Governor's Executive Order from this
7 past weekend regarding bars, the devices
8 that were in operation at bars were
9 disabled, so that will -- will have an
10 impact on July's numbers. I believe,
11 you know, it's close to 2,000,
12 perhaps -- 2,000 machines that were
13 disabled.

14 V. CASINO GAMING ISSUES

15 A. Consideration of Application for Shelf
16 Approval of Debt Transactions by Boyd Gaming
17 Corporation

18 CHAIRMAN NOEL: All right. We'll
19 move on to our Casino Gaming Issues.
20 First one will be, Consideration of

21 Application for Shelf Approval of Debt
22 Transactions by Boyd Gaming Corporation.

23 MS. MOORE: Chairman Noel, Board
24 Members, for the record I am Assistant
25 Attorney General Charmaine Moore.

16

1 Boyd Gaming Corporation, which is
2 the parent company of five Louisiana
3 casino licensees, namely riverboat
4 licensees Amelia Belle, Sam's Town and
5 Treasure Chest and slots licensees,
6 Evangeline Downs and Delta Downs, has
7 petitioned the Board for approval of a
8 shelf for debt financing in the amount
9 of \$7.5 million -- billion dollars,
10 sorry.

11 Section 2525 of Title 42 allows
12 publicly-traded companies meeting
13 certain criteria to be granted shelf
14 approval for a period not to exceed -- a
15 period of three years subject to any
16 conditions or limitations as determined
17 by the Board. A shelf approval for Boyd
18 will allow the company to enter into
19 debt transactions without prior Board
20 approval up to the amount approved by
21 the Board on the condition that the
22 Board is notified within ten days of the
23 transaction, and thereafter the company

24 provides copies of all executed
25 documents to audit for review. Boyd has

17

1 previously received Board approval for a
2 shelf in 2014 and 2017.

3 At this time State Police Auditor,
4 Trnessia Ware, will present Audit's
5 review and findings to the Board.

6 MS. WARE: Good morning, Chairman
7 Noel and Members of the Board. My name
8 is Trnessia Ware with Louisiana State
9 Police Corporate Securities Audit.

10 Janet Boles, local counsel for Boyd
11 Gaming, submitted a letter to the Board
12 on May 27th, 2020, seeking shelf
13 approval of debt transactions up to
14 \$7.5 billion for a period of three
15 years. Boyd anticipates using the
16 proceeds for any future indebtedness for
17 refinancing of existing outstanding
18 debt, repayment of amounts outstanding
19 under Body's revolving credit facility
20 and general corporate purposes including
21 working capital.

22 Boyd's long-term debt schedule is
23 shown on page four of your report.
24 May 31st, 2020, Boyd's long-term debt
25 approximated \$5 billion. With

18

1 \$945.5 million available under the bank
2 credit facility as of March 31st, 2020,
3 Boyd has borrowed \$865 million from the
4 revolving credit facility.
5 \$64.9 million was borrowed on the swing
6 loan and \$12.6 million allocated to
7 support various letters of credit.

8 As a precautionary measure to
9 increase liquidity during the
10 uncertainty of COVID-19, Boyd increased
11 the borrowings on its revolving credit
12 facility by \$670 million on March 16th,
13 2020. Boyd projects sufficient cash
14 flows from operations to maintain its
15 debt.

16 In conclusion, other than the
17 unknown economic impact of COVID-19, no
18 financial issues came to our attention
19 to preclude the Board's approval of
20 Boyd's shelf application.

21 Representatives of Boyd Gaming are
22 in attendance today and also available
23 for questioning regarding this
24 transaction.

25 Are there any questions?

19

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

3 Ms. Boles, did you have anything you

4 needed to add?

5 MS. BOLES: No, sir. I just
6 appreciate your timely handling this
7 matter. It was -- I should have renewed
8 it in May, and it failed to -- I missed
9 the deadline for many reasons, but
10 hopefully we'll get that resolved today.

11 CHAIRMAN NOEL: Thank you.

12 If there are no questions from the
13 Board, our next step would be a motion
14 to adopt the Resolution.

15 MR. LAGASSE: Mr. Lagasse moves to
16 adopt the present Resolution.

17 CHAIRMAN NOEL: Thank you.

18 A second?

19 MS. BERRY: I'll second, Ms. Berry.

20 CHAIRMAN NOEL: Okay, thank you.

21 Ms. Thurman, could you go ahead and
22 read the Resolution into the record.

23 MS. THURMAN: On the 16th day of
24 July 2020, the Louisiana Gaming Control
25 Board did, in a duly noticed public

20

1 meeting, consider the amended
2 application of approval of debt
3 transactions filed by Boyd Gaming
4 Corporation.

5 Upon motion duly made and seconded,
6 the Board adopted the following

7 Resolution:

8 Be it resolved that Boyd Gaming
9 Corporation's application for shelf
10 approval for debt transactions be and is
11 hereby approved subject to the following
12 terms and conditions:

13 For a period of three years
14 beginning July 16th, 2020, Boyd Gaming
15 Corporation is granted approval pursuant
16 to LAC 42:III.2525 to enter into debt
17 transactions as defined in LAC
18 42:III.2522 not to exceed a cumulative
19 total of \$7.5 billion. For purposes of
20 this shelf approval, the cumulative
21 total of \$7.5 billion shall include debt
22 currently existing or approved in
23 earlier debt transactions.

24 Second, within ten days of
25 consummation of a debt transaction,

21

1 including amendments and modifications
2 of existing debt transactions, Boyd
3 Gaming Corporation shall provide a term
4 sheet or executive summary of the debt
5 transaction and an executed copy of the
6 documents evidencing the debt
7 transaction to the Louisiana State
8 Police Gaming Enforcement Division Audit
9 Section, Corporate Securities Unit.

10 Third, this shelf approval may be
11 rescinded by the Chairman of the Board
12 upon issuance of a written notice of
13 rescission setting forth the reasons
14 therefore. The rescission shall remain
15 in effect until lifted by the Board upon
16 such terms as are satisfactory to the
17 Board.

18 Fourth, this shelf approval shall
19 expire on July 16th, 2023.

20 It is hereby further resolved that
21 the Chairman of the Louisiana Gaming
22 Control Board be delegated the authority
23 to issue a written rescission of the
24 shelf approval in accordance with LAC
25 42:III.2525.E and as provided

22

1 hereinabove.

2 Thus done and signed in Baton Rouge,
3 Louisiana, this 16th day of July 2020.

4 CHAIRMAN NOEL: Thank you,
5 Ms. Thurman.

6 Before we move to vote, I'd like to
7 recognize Mr. Jackson has made it,
8 Mr. Poole and Mr. West. So it looks
9 like we have everyone here.

10 Just a reminder, we're going to take
11 a roll call vote for this so please,
12 Board Members, unmute your phones. A

13 "yes" vote would be in favor of the
14 Resolution -- the approval and, of
15 course, a "no" would be opposed to the
16 motion.

17 So, Ms. Thurman, if you could go
18 ahead and call the roll.

19 MS. THURMAN: Mr. Avant?

20 CHAIRMAN NOEL: He needs to unmute.

21 There we go.

22 MR. AVANT: Yes.

23 MS. THURMAN: Ms. Berry?

24 MS. BERRY: Yes.

25 MS. THURMAN: Mr. Jackson?

23

1 MR. JACKSON: Yes.

2 MS. THURMAN: Mr. Lagasse?

3 MR. LAGASSE: Yes.

4 MS. THURMAN: Ms. Lewis?

5 MS. LEWIS: Yes.

6 MS. THURMAN: Mr. Poole?

7 MR. POOLE: Yes.

8 MS. THURMAN: Ms. Acker?

9 MS. ACKER: Yes.

10 MS. THURMAN: Mr. West?

11 MR. WEST: Yes.

12 MS. THURMAN: Chairman Noel?

13 CHAIRMAN NOEL: Yes.

14 MS. THURMAN: It's unanimous.

15 MS. BOLES: Thank you so much.

16 CHAIRMAN NOEL: Thank you, the
17 motion carries.

18 B. Certification of Certificate of Compliance for
19 the Alternate Riverboat Inspection of the
20 gaming vessel of Bossier Casino Venture, Inc.,
21 d/b/a Margaritaville Resort Casino - No.
22 R011000841

23 CHAIRMAN NOEL: Okay. We'll move to
24 our next item under casino issues,
25 Certificate of Compliance --

24

1 Certification of Certificate of
2 Compliance for the Alternate Riverboat
3 Inspection of the gaming vessel Bossier
4 Casino Venture, Incorporated, doing
5 business as Margaritaville Resort
6 Casino, RO11000841.

7 Do we have a representative from ABS
8 Consulting Maritime Services to give us
9 a presentation?

10 MS. LANDRY: Hi, morning, Chairman
11 Noel and Board Members. I'm Assistant
12 Attorney General Lisha Landry. Joining
13 me today is Mr. John Francic of ABSG
14 Consulting, and we're here in the matter
15 of the issuance of the annual
16 Certificate of Compliance to Bossier
17 Casino Venture, LLC, doing business as
18 Margaritaville Resort Casino which is

19 located in Bossier City, Louisiana.

20 On May 4th, 2020, ABSG began the
21 inspection process for the approval of
22 Margaritaville's annual Certificate of
23 Compliance, and on June 15th, 2020, the
24 Board issued a temporary Certificate of
25 Compliance to Margaritaville to allow

25

1 additional time to resolve several
2 outstanding discrepancies. ABSG has now
3 issued a supplemental report addressing
4 these outstanding discrepancies, and Mr.
5 Francic will now provide the details on
6 that supplemental report.

7 MR. FRANCIC: Morning, Chairman and
8 Board Members. I'm John Francic of ABS
9 Consulting here to report the status of
10 the annual certification for
11 Margaritaville Casino.

12 On June 19th documentation was
13 received from Margaritaville from a
14 third party vendor that service the fire
15 alarm system, fire pump, replace clean
16 agent hoses and service to clean agent
17 system. Reports were found
18 satisfactory.

19 The 2020 annual survey as required
20 by Louisiana Gaming Control Board is now
21 complete, and it is the recommendation

22 of ABSG Consulting that Margaritaville
23 Casino be issued a Certificate of
24 Compliance.

25 MS. LANDRY: We now present these

26

1 findings to the Board, and request that
2 upon the Board's accepting the report
3 submitted by ABSG (inaudible), the
4 issuance of the annual Certificate of
5 Compliance to Margaritaville Resort
6 Casino which expires on June 30th, 2021.

7 CHAIRMAN NOEL: Thank you.

8 Do we have any questions from the
9 Board?

10 MR. JACKSON: Motion to approve by
11 Claude Jackson.

12 CHAIRMAN NOEL: Thank you,
13 Mr. Jackson. So we have a -- a motion.

14 MR. POOLE: Second.

15 CHAIRMAN NOEL: And seconded.

16 So all in favor say "aye."

17 [Collective "aye."]

18 Any opposed? [No response.]

19 Hearing no opposition, the motion
20 carries. Thank you.

21 C. Certification of Certificate of Compliance for
22 the Alternate Riverboat Inspection of the
23 gaming vessel of Belle of Orleans, LLC, d/b/a
24 Amelia Belle Casino - No. RO13600020

25 CHAIRMAN NOEL: Our last item on the

27

1 casino gaming issue agenda is
2 Certification of Certificate of
3 Compliance for the Alternate Riverboat
4 Inspection of the gaming vessel of Belle
5 of Orleans doing business as Amelia
6 Belle Casino, No. RO13600020.

7 MR. GATHE: Good morning, Chairman
8 Noel and Board Members. I'm Assistant
9 Attorney General Jeremy Gathe. Joining
10 me is Mr. John Francic of ABSG
11 Consulting. We're here in the matter of
12 the issuance of a temporary Certificate
13 of Compliance to Belle of Orleans, LLC,
14 doing business as Amelia Belle Casino.

15 On June 3rd, 2020, ABSG began the
16 inspection process for the approval of
17 Amelia Belle Casino's annual Certificate
18 of Compliance. Amelia Belle is
19 requesting an extension of time to
20 resolve discrepancies noted by ABSG
21 during its initial inspection.

22 Mr. Francic will provide the details
23 of ABSG's inspection.

24 MR. FRANCIC: Morning, Chairman and
25 Board Members. I'm John Francic with

28

1 ABSG Consulting here to report the

2 annual certification for Amelia Belle
3 Casino.

4 The inspectors, Doug Chapman and
5 Pete Bullard, did, on June 3rd, attend
6 the Belle -- Belle of Orleans Casino to
7 conduct an annual inspection in
8 accordance with Louisiana Gaming Control
9 Board Alternate Inspection program.

10 The inspectors reviewed fire
11 protection measures, egress routes,
12 observed emergency lighting, tested
13 emergency generator, inspected the
14 mooring system and conducted a fire
15 drill. The third party vendors were
16 delayed from servicing the escalators
17 and elevators but repair and maintenance
18 are scheduled within the next couple of
19 weeks. There are no life safety issues
20 to -- with the current deficiencies.

21 The 2020 annual survey as required
22 by the Louisiana Gaming Control Board is
23 not complete, and is it the
24 recommendation of ABSG Consulting that
25 Amelia Belle Casino's Certificate of

29

1 Compliance be extended for 30 days.

2 MR. GATHE: We now present these
3 findings to the Board and request that
4 upon the Board accepting the report

5 submitted by ABSG, you'll move for the
6 issuance of a temporary Certificate of
7 Compliance to Amelia Belle Casino which
8 will expire on August 31st, 2020.

9 CHAIRMAN NOEL: Thank you.

10 Any questions of the Board? No
11 questions.

12 Do I have a motion to issue the
13 temporary Certificate of Compliance
14 which will expire August 31, 2020?

15 MS. LEWIS: I'll make the motion,
16 Julie Lewis.

17 CHAIRMAN NOEL: Thank you, Julie.

18 MR. AVANT: Second Avant.

19 CHAIRMAN NOEL: Mr. Avant, thank you
20 for the second.

21 All right. All in favor say "aye."

22 [Collective "aye."]

23 Any opposed? No opposition.

24 VI. RULEMAKING

25 A. Consideration of institution of rulemaking

30

1 procedures for promulgation of LAC Title
2 42, Part VII, Sections 101-1303 (Louisiana
3 Fantasy Sports)

4 B. Consideration of institution of rulemaking

5 procedures for amendment of LAC 42:III.102
6 (Issuance and Renewal of Licenses by the
7 Department)

- 8 C. Consideration of institution of rulemaking
- 9 procedures for amendment of LAC 42.III.104
- 10 (Delegation to Chairman)
- 11 D. Consideration of institution of rulemaking
- 12 procedures for amendment of LAC 42.III.105
- 13 (Civil Penalties)
- 14 E. Consideration of institution of rulemaking
- 15 procedures for amendment of LAC 42.III.107
- 16 (Standards of Conduct and Ethical Rules)
- 17 F. Consideration of institution of rulemaking
- 18 procedures for amendment of LAC 42.III.120
- 19 (Application and Reporting Forms)
- 20 G. Consideration of institution of rulemaking
- 21 procedures for amendment of LAC 42.III.1907
- 22 (Construction of Regulations and
- 23 Administrative Matters)

24 CHAIRMAN NOEL: The next item on the
25 agenda is Rulemaking, Consideration of

31

1 institution of rulemaking procedures for
2 agenda items 6A through 6G as outlined
3 in the agenda. These are the
4 regulations for fantasy sports contest.

5 I think Ms. Himel with the Attorney
6 General's Office will present this.

7 MS. HIMEL: Good morning, Chairman
8 and Board Members. I am Assistant
9 Attorney General Dawn Himel to present
10 these rules.

11 As a result of Act 322 of the 2018
12 regular legislative session and Act 141
13 of the 2020 regular legislative session
14 and a vote of the people, fantasy sports
15 has been authorized in this state upon
16 rule promulgation.

17 Act 141 of the 2020 regular session
18 required this Board to initiate
19 rulemaking for fantasy sports prior to
20 August 1st of this year, which brings
21 these rules before you today.

22 The rule changes allow for the
23 conducting licensing application
24 enforcement and regulation of fantasy
25 sports contests in accordance with the

32

1 law.

2 The proposed rule changes are as
3 follows: Create LAC Title 42, Part 7,
4 Sections 101 through 1303, Louisiana
5 Fantasy Sports Contests, amend LAC
6 42:III.102, Issuance and Renewal of
7 Licenses by the Department; 105 (Civil
8 Penalties) and 107, (Standards of
9 Conduct and Ethical Rules.)

10 By adding the Louisiana Fantasy
11 Sports Contest Act, LA R.S. 27:301, et
12 seq., and changing the citation for
13 video poker to LA R.S. 27:401, et seq;

14 amend LAC 42.III.104, (Delegation to
15 Chairman) by maintaining the Board's
16 exercise, all powers and authority to
17 issue fantasy sports contests to
18 operator licenses and to approve
19 transfers of ownership interest in a
20 fantasy sports operator rather than
21 delegate such powers to the Chairman;
22 amend LAC 42:III.3120, (Application and
23 Reporting Forms) adding preliminary
24 forms for fantasy sports; amend LAC
25 42:III.1907 (Construction of the

33

1 Regulations and Administrative Matters)
2 by changing the citation from Chapter 6
3 to Chapter 8 to accurately reflect the
4 changes that were made by the
5 legislature.

6 Should the Board approve a motion to
7 institute the rulemaking procedures
8 today, next our office will send the
9 fiscal and economic impact statement
10 (inaudible) notice of intent with the
11 required forms to the legislative fiscal
12 office by Monday. Before August 10th,
13 we will send the insertion order, notice
14 of intent, impact statements and
15 (inaudible) to the legislative oversight
16 committees following that, the Register

17 should publish the notice on
18 August 20th.

19 There will be a public comment
20 period from August 20th through
21 September 10th. If no public comments
22 are received, the second reports will be
23 sent to the legislative oversight
24 committees on September 11th, then they
25 will have 30 days to review and hold

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1 hearings on the rules if they so choose.
2 If they do not hold hearings, the Board
3 will be able to place the rules on its
4 agenda for the October board meeting for
5 adoption. Once the rules are adopted,
6 our office will send the final rules to
7 the Register by November 10th, and the
8 Register will publish the final rules on
9 November 20th. Please note that this
10 time line presumes that no hearings are
11 called and no substantive changes are
12 made to the rules.

13 And if the Board has no questions, a
14 motion to institute rulemaking
15 procedures is needed.

16 MR. LAGASSE: Lagasse moves on as
17 read.

18 CHAIRMAN NOEL: Do we have a second?

19 MR. POOLE: Lamar Poole as a second.

20 CHAIRMAN NOEL: Thank you, Mr.
21 Poole.
22 Okay, Ms. Thurman, I'm going to ask
23 you to call the roll. I'll give it a
24 second for the Board Members to unmute
25 their phones.

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1 MS. THURMAN: Mr. Avant?
2 MR. AVANT: Yes.
3 MS. THURMAN: Ms. Berry?
4 MS. BERRY: Yes.
5 MS. THURMAN: Mr. Jackson?
6 MR. JACKSON: Yes.
7 MS. THURMAN: Mr. Lagasse?
8 MR. LAGASSE: Yes.
9 MS. THURMAN: Ms. Lewis?
10 MS. LEWIS: Yes.
11 MS. THURMAN: Mr. Poole?
12 MR. POOLE: Yes.
13 MS. THURMAN: Ms. Acker?
14 MS. ACKER: Yes.
15 MS. THURMAN: Mr. West?
16 MR. WEST: Yes.
17 MS. THURMAN: Chairman Noel?
18 CHAIRMAN NOEL: Yes. Thank you.
19 MS. THURMAN: Unanimous.

20 VII. CONSIDERATION OF THE FOLLOWING SETTLEMENTS:

21 1. In Re: Changes Restaurant, LLC, d/b/a
22 Changes Restaurant - No. 3800217750

23 CHAIRMAN NOEL: So, all right, we
24 will move to our last item -- items on
25 the agenda in regard to consideration of

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1 settlements. Up first will be Changes
2 Restaurant, LLC, doing business as
3 Changes Restaurant, LLC, No. 3800217750.

4 MR. LEWIS: Morning, Chairman Noel,
5 Board Members. I'm Assistant Attorney
6 General Kanick Lewis, Jr., here in the
7 settlement of Changes Restaurant, LLC,
8 doing business as Changes Restaurant,
9 which holds a Type 2 video draw poker
10 gaming license.

11 The settlement addresses the late
12 submission of annual forms and fees that
13 are required to be submitted to the
14 Division no later than July 1st of each
15 year. The licensee did not submit its
16 annual forms and fees until
17 November 4th, 2019, which gave rise to a
18 violation of gaming law. The civil
19 penalty contained in the settlement is
20 \$750 which is an amount that is well
21 established for violations of this type
22 The settlement has been signed by the
23 hearing officer and is now before this
24 Honorable Board for final approval.

25 I will be happy to answer any

1 questions that you have at this time.

2 Thank you.

3 CHAIRMAN NOEL: Thank you, Mr.

4 Lewis.

5 Do we have any questions for

6 Mr. Lewis? [No response.]

7 All right, no questions.

8 Then do we have a motion to approve

9 the settlement?

10 MR. AVANT: So moved, Avant.

11 MR. LAGASSE: Second Lagasse.

12 CHAIRMAN NOEL: Thank you.

13 All in favor say, "aye."

14 [Collective "aye."]

15 Any opposed? [No response.]

16 CHAIRMAN NOEL: No opposition, the

17 motion carries, thank you. All right.

18 2. Young's Garden, Inc., d/b/a Young's Garden -

19 No. 2605209041

20 CHAIRMAN NOEL: All right, the

21 second item up for settlement is Young's

22 Garden doing business as Young's Garden,

23 No. 2605209041.

24 MR. GATHE: Chairman Noel, Board

25 Members, I'm Assistant Attorney General

1 Jeremy Gathe here in the matter of the

2 settlement of Young's Garden, Inc.,

3 doing business as Young's Garden, which
4 holds a Type 2 video draw poker gaming
5 license.

6 The settlement addresses the late
7 submission of annual forms and fees that
8 are required to be submitted to the
9 Division no later than July 1st of each
10 year. The licensee did not submit its
11 annual forms and fees until March 10,
12 2020, which gave rise to a violation of
13 gaming law.

14 The civil penalty contained in this
15 settlement is \$750 which is an amount
16 well established for violations of this
17 type. The settlement has been signed by
18 the hearing officer and is now before
19 the Board for final approval.

20 And I'd be happy to answer any
21 questions that you have at this time.

22 CHAIRMAN NOEL: Any questions
23 regarding the settlement? No questions.

24 Do we have a motion to approve the
25 settlement?

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1 MS. BERRY: Approve.

2 MR. JACKSON: Second by Jackson.

3 CHAIRMAN NOEL: Thank you. We'll --
4 we'll go one more time.

5 All in favor say "aye." [Collective

6 "aye."]

7 Any opposed? No opposition, motion
8 carries.

9 3. In Re: Coca-Cola Bottling Company United
10 Gulf Coast, LLC, d/b/a Baton Rouge
11 Coca-Cola; Lafayette Coca-Cola - No.
12 PO81702712

13 CHAIRMAN NOEL: Thank you. We'll
14 move to the last item for settlement,
15 Coca-Cola Bottling Company United Gulf
16 Coast, LLC, doing business as Baton
17 Rouge Coca-Cola; Lafayette Coca-Cola,
18 No. PO81702712.

19 MS. MURRAY: Good morning, Chairman
20 Noel, Board Members, I'm Assistant
21 Attorney General Alana Murray here in
22 the matter of the settlement of
23 Coca-Cola Bottling Company United Gulf
24 Coast, LLC, doing business as Baton
25 Rouge Coca-Cola and Lafayette Coca-Cola.

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1 With me this morning is Coca-Cola's
2 counsel, Mr. Mike Walsh.

3 MR. WALSH: Good morning.

4 MS. MURRAY: This settlement
5 addresses the non-gaming supplier's
6 failure to timely notify the Division of
7 an election to its board of directors,
8 of an election to VP, that two members

9 of the board of directors resigned and
10 for failing to timely submit a member of
11 the board of directors for suitability.

12 The settlement amount is \$3,500 and
13 takes into consideration all the factors
14 surrounding the violations committed by
15 the non-gaming supplier in this case.

16 The parties discussed the matter and
17 agreed to resolve it for the stated
18 amount. The settlement has been signed
19 by the hearing office and is now before
20 the -- this Honorable Board for final
21 approval.

22 I'd be happy to answer any questions
23 you may have at this time.

24 CHAIRMAN NOEL: Thank you.

25 Any questions? [No response.]

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1 Mr. Walsh, did you want to add
2 anything?

3 MR. WALSH: No, sir. This matter
4 was overlooked in Coca-Cola when they
5 changed internal people, and it sat on
6 somebody's desk. It was an inadvertent
7 mistake.

8 CHAIRMAN NOEL: Thank you.

9 No questions, and do we have a
10 motion to approve the settlement?

11 MR. LAGASSE: Yes, Lagasse moves on

12 it.

13 MS. ACKER: I'll second.

14 CHAIRMAN NOEL: Ms. Acker, thank you
15 for the second.

16 MS. ACKER: You're welcome.

17 CHAIRMAN NOEL: All in favor say
18 "aye." [Collective "aye."]

19 No opposition, that motion carries,
20 and the settlement's approved.

21 MR. WALSH: Thank you.

22 CHAIRMAN NOEL: That completes the
23 items on the agenda. I will tell you,
24 hopefully next month we can have an
25 in-person meeting, but really it's going

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1 to depend on how things go over the next
2 several weeks with -- with our health
3 crisis, so -- but I appreciate everyone
4 dialing in to Zoom and overcoming the
5 technical glitches, and I appreciate it.

6 VIII. ADJOURNMENT

7 CHAIRMAN NOEL: So having said all
8 that, do we have a motion to adjourn?

9 MR. JACKSON: Motion to adjourn by
10 Jackson.

11 CHAIRMAN NOEL: Thank you.
12 Second -- motion by Mr. Jackson,
13 seconded by Mr. West.

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

15 Any opposed? No opposition. And
16 our meeting is adjourned.

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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

9 used to indicate pauses, changes in thought,

10 and/or talkovers; that same is the proper method

11 for a Court Reporter's transcription of a

12 proceeding, and that dashes (--) do not indicate

13 that words or phrases have been left out of this

14 transcript;

15 That any words and/or names which could not

16 be verified through reference materials have been

17 denoted with the word "(phonetic)."

18

19

20

21

22

23

24 SHELLEY PAROLA

 Certified Court Reporter #96001

25 Registered Professional Reporter

 44

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 July 16,

7 2020, as taken by me in Stenographic machine

8 shorthand, complemented with magnetic tape

9 recording, and thereafter reduced to transcript,

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 21st day of

19 September, 2020.

20

21

SHELLEY G. PAROLA, CCR, RPR

22

CERTIFICATE NO. 96001

23

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