

LGCB Board of Directors' Meeting, (Pages 1:1 to 41:24)

1:1 LOUISIANA GAMING CONTROL BOARD

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3 BOARD OF DIRECTORS' MEETING

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8 THURSDAY, AUGUST 16TH, 2018

9

10 Louisiana State Capitol

11 House Committee Room 1

12 900 North Third Street

13 Baton Rouge, Louisiana

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17 TIME: 10:00 A.M.

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1 APPEARANCES

2

3 FRANKLIN AYRES BRADFORD
(Vice-Chairman) (Economic Planner)

4 Fifth Congressional District
June 30, 2019

5

6 MARK STIPE
(Attorney)

7 Seventh Congressional District
June 30, 2020

8

9 JAMES SINGLETON
(Public/Business Administration)

10 Second Congressional District
June 30, 2020

11

12 CLAUDE D. JACKSON
(At large)

13 Fourth Congressional District
June 30, 2018

14

15 ROBERT W. GASTON, III
(At Large)

16 Sixth Congressional District
June 30, 2021

17

18 JULIE BERRY
(CPA)

19 Third Congressional District
June 30, 2018

20

21 ELTON M. LAGASSE

(At Large)

22 First Congressional District

June 30, 2021

23

24 CAPTAIN GLEN HALE

Louisiana State Police

25

3

1 APPEARANCES CONTINUED

2

3 MICHAEL LEGENDRE

Office of Charitable Gaming

4 Director

5

6 LANA TRAMONTE

Executive Assistant

7

8 TRUDY SMITH

Confidential Assistant

9

10 REPORTED BY:

11 BRITTANY E. VIDRINE, CCR, RPR

Baton Rouge Court Reporters

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14	Riverboat Inspection of the	
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23 No. R011000801

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6

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1 I. CALL TO ORDER

2 VICE CHAIRMAN BRADFORD: Good
3 morning. I'd like to call the August
4 meeting of the Gaming Control Board to
5 order.

6 Ms. Tramonte, would you call the
7 roll, please?

8 MS. TRAMONTE: Chairman Jones?

9 CHAIRMAN JONES: (No response.)

10 MS. TRAMONTE: Mr. Bradford?

11 VICE CHAIRMAN BRADFORD: Here.

12 MS. TRAMONTE: Mr. Stipe?

13 MR. STIPE: Here.

14 MS. TRAMONTE: Mr. Singleton?

15 MR. SINGLETON: Here.

16 MS. TRAMONTE: Mr. Jackson?

17 MR. JACKSON: Here.

18 MS. TRAMONTE: Mr. Gaston?

19 MR. GASTON: Here.

20 MS. TRAMONTE: Ms. Berry?

21 MS. BERRY: Here.

22 MS. TRAMONTE: Mr. Patrick?

23 MR. PATRICK: (No response.)

24 MS. TRAMONTE: Mr. Lagasse?

25 MR. LAGASSE: Here.

8

1 MS. TRAMONTE: Colonel Reeves?

2 CAPTAIN HALE: Captain Hale for
3 Colonel Reeves.

4 MS. TRAMONTE: Secretary Robinson?

5 MR. LEGENDRE: Michael Legendre here
6 for Secretary Robinson.

7 II. PUBLIC COMMENTS

8 VICE CHAIRMAN BRADFORD: We do have
9 a quorum. Thank you for being here.
10 Chairman Jones is not available to be
11 here today. Board member Richard Patrick
12 is in the hospital, and they're good
13 friends and he's gone to visit with him
14 in Shreveport. I don't really have a lot
15 of details on that at this moment, but
16 we -- our prayers go out to Richard and
17 his family and hoping for recovery --
18 good recovery there.

19 As we begin, are there any public
20 comments on any matter that is on the
21 Board's agenda today? Mr. Duty.

22 MR. DUTY: Good morning board
23 members. My name is Wade Duty. I'm the
24 Executive Director of the Louisiana
25 Casino Association, and I have just two

9

1 limited comments on a matter that will be
2 on your agenda later on with respect to
3 the administrative rules. The good news
4 is, this is not a complaint, this is just

5 an observation and, kind of, a
6 clarification that I think we have now
7 established through discussions with the
8 Attorney General's office relative to
9 Rule 2110. This is the mandate that
10 facility plans be submitted for boats
11 that are going to make the transition
12 from water-based to land, and it calls
13 for the continuing updating of facility
14 plan changes.

15 We just wanted to have an
16 understanding; I think we arrived at that
17 this morning with respect to that there's
18 a common sense threshold that we're
19 altering our gaming space or altering
20 publically accessible areas that
21 certainly has the continuing obligation
22 to include those floor plan changes. But
23 if we're remodeling a broom closet,
24 frankly, does anyone care. So I think
25 we've established that.

10

1 And the second comment I had was
2 that we wanted to extend our appreciation
3 to the Attorney General's office, the
4 State Police and the Board staff for
5 working with us and accommodating a lot
6 of concerns that we addressed, because
7 this is a major piece of legislation that

8 you're well aware of. Louisiana has not
9 addressed this subject since it began
10 gaming in the early 1990s. So I suspect
11 we did not get everything perfect on our
12 first run, but if we view this as kind of
13 an economic partnership moving forward,
14 we are the regulated industry and we
15 recognize the role of the regulator. But
16 I think we're on a -- kind of some new
17 ground here, and we're encouraged by this
18 and we look forward to developing some
19 facilities that will -- will do you
20 proud. So thank you.

21 VICE CHAIRMAN BRADFORD: Thank you,
22 Mr. Duty. I think we all are looking
23 forward to things that may be happening
24 as a result of the new legislation
25 allowing boats to get out of the river.

11

1 Appreciate your leadership in that area.

2 MR. DUTY: Thank you.

3 III. APPROVAL OF THE MINUTES

4 VICE CHAIRMAN BRADFORD: Approval of
5 the minutes. Is there a motion to waive
6 the reading and approve the minutes?

7 MS. BERRY: So moved.

8 MR. GASTON: Second.

9 VICE CHAIRMAN BRADFORD: All right.

10 All in favor? Any opposed?

11 (No response.)

12 IV. REVENUE REPORTS

13 VICE CHAIRMAN BRADFORD: Hearing no
14 opposition, motion carries.

15 Next we'll have revenue reports.

16 MS. JACKSON: Good morning, Chairman
17 Bradford, board members. My name is
18 Donna Jackson with the Louisiana State
19 Police Gaming Enforcement Division.

20 The 15 operating riverboats
21 generated Adjusted Gross Receipts of
22 \$168,061,089 in July. This total
23 represents a decrease of \$1 million or
24 .5% from last month and a decrease of
25 almost \$12 million or 6.6% from last

12

1 July.

2 This July had one less Saturday than
3 last July, which could have impacted the
4 numbers. At least some of the decrease
5 in the Baton Rouge market is likely due
6 to the smoking ban that went into effect
7 June 1st in Baton Rouge.

8 During July the state collected fees
9 totaling \$36,133,134.

10 Next is a summary of the July 2018
11 gaming activity for Harrah's New Orleans
12 found on page 3.

13 During July Harrah's generated

14 \$23,545,876 in gross gaming revenue, a
15 slight decrease of .7% from last month,
16 and a decrease of 2% from last July.

17 During July the state received
18 \$5,095,890 in minimum daily payments.

19 Next I will present the revenues for
20 Slots at the Racetracks. During July
21 the 4 racetrack facilities combined
22 generated Adjusted Gross Receipts of
23 \$30,806,801, a decrease of \$1 million or
24 3% from last month, and a decrease from
25 last July of \$700,000 or 2.3%.

13

1 During July the state collected
2 \$4,673,392 in fees.

3 Overall in July, Riverboats, Land
4 Based and Slots at the Racetracks
5 combined generated \$222 million in AGR
6 and \$46 million in state fees. These
7 revenues represent a decrease from July
8 of 2017 of 6%.

9 Any questions before I present the
10 Harrah's employee information?

11 CHAIRMAN JONES: Questions? No
12 questions?

13 (No response.)

14 MS. JACKSON: Harrah's New Orleans
15 is required to maintain at least 2,400
16 employees and a biweekly payroll of

17 \$1,750,835. This report covers pay
18 periods in July 2018. For the first pay
19 period, the division verified 2,625
20 employees with a payroll of \$2,203,000.

21 For the second pay period, the
22 division verified 2,640 employees with a
23 payroll of \$2,191,000; therefore,
24 Harrah's met the employment criteria
25 during July.

14

1 VICE CHAIRMAN BRADFORD: Board
2 members, any questions concerning revenue
3 reports? No questions?

4 (No response.)

5 VICE CHAIRMAN BRADFORD: Thank you
6 very much.

7 Next we'll move to compliance
8 reports. Oh, I'm sorry, Mr. Bossier. I
9 took you right out of the agenda.

10 MR. BOSSIER: I'm used to it.

11 Good morning, Chairman Bradford and
12 Board members. My name is Jim Bossier
13 with the Louisiana State Police Gaming
14 Enforcement Division here to report video
15 gaming statistics for July 2018 as shown
16 on page one of your handout.

17 Twenty new gaming licenses were
18 issued during July: Twelve bars, five
19 restaurants, one truck stop and two

20 device owners.

21 Ten new applications were received
22 by the Gaming Enforcement Division during
23 July and are currently pending in the
24 field: Five bars and five restaurants.

25 The Gaming Enforcement Division
15

1 assessed \$2,500 and collected \$6,000 in
2 fines during July. There are currently
3 \$1,500 in outstanding fines.

4 Please refer to page two of your
5 handout.

6 There are presently 12,897 video
7 gaming devices activated at 1,697
8 locations.

9 Net device revenue for July of 2018
10 was \$47.8 million, a \$1.4 million or 2.9%
11 decrease when compared to June 2018, and
12 a \$1.6 million increase or 3.4% when
13 compared to July 2017.

14 Net device revenue so far for fiscal
15 year 2019 is \$47.8 million, a
16 \$1.6 million or 3.4% decrease when
17 compared to fiscal year 2018.

18 Page three of your handout shows a
19 comparison of net device revenue.

20 Total franchise fees collected for
21 July 2018 were \$14.3 million, a \$400
22 thousand decrease when compared to June

23 2018 and a \$500 thousand increase when
24 compared to July 2017.

25 Total franchise fees collected for
16

1 fiscal year 2019 are \$14.3 million, a
2 \$500 thousand increase or 3.3% when
3 compared to fiscal year 2018.

4 Page four of your handout shows a
5 comparison of franchise fees.

6 Does anybody have any questions?

7 CHAIRMAN JONES: Board members, any
8 questions on the revenue?

9 (No response.)

10 VICE CHAIRMAN BRADFORD: No
11 questions, Mr. Bossier. Thank you, sir.

12 MR. BOSSIER: Thank you.

13 CHAIRMAN JONES: Appreciate it.

14 Now we'll move to compliance
15 reports.

16 V. COMPLIANCE REPORTS

17 MR. GATHE: Good morning, Vice
18 Chairman Bradford, Board members. I'm
19 Jeremy Gathe, Assistant Attorney General.

20 Today I'll present the staff reports
21 on riverboat and racetrack casino
22 licensees compliance with employment and
23 procurement condition for the second
24 quarter of 2018.

25 I'll begin with the riverboats. The

1 second quarter reports are taken from
2 figures reported by the 15 operating
3 riverboats to the Louisiana Gaming
4 Control Board. In the second quarter of
5 2018, approximately 13,566 people were
6 employed by the riverboat industry, of
7 that number, 13,303 were Louisiana
8 residents, 8,463 were minorities, and
9 7,758 were women.

10 Five licensees achieved total
11 compliance this quarter, and those
12 licensees are Golden Nugget, L'Auberge
13 Casino & Hotel Baton Rouge, Boomtown
14 New Orleans, Isle of Capri Casino
15 St. Charles [sic], and Eldorado Resort
16 Shreveport.

17 Next I'll address employment. Five
18 licensees did not meet their total
19 employment goals, and those licensees are
20 DiamondJacks Casino and Resort which
21 achieved 423 out of a goal of 650, Belle
22 of Baton Rouge Casino achieved 440 out of
23 a goal of 450. Hollywood Casino achieved
24 383 out of a goal of 450. Amelia Belle
25 achieved 310 out of a goal of 325, and

1 Boomtown Casino Bossier achieved 505 out
2 of a goal of 650.

3 All licensees either met or exceeded
4 their goals in all of the subcategories
5 under the main category of employment
6 with the exception of Treasure Chest who
7 failed to meet its female employment
8 goal. It achieved 49.1 out of a goal of
9 51.86 percent.

10 Next I'll address procurement. The
11 licensees are grouped according to three
12 subcategories which appear in your
13 report. Those categories are Louisiana,
14 minority and female procurement. Under
15 Louisiana procurement, three licensees
16 did not achieve compliance with its
17 voluntary conditions, and those licensees
18 are Amelia Belle, which achieved 73.5 out
19 of a goal of 80 percent, Margaritaville
20 Resort Casino, which achieved 85.1 out of
21 a goal of 90 percent, and L'Auberge Lake
22 Charles achieved 78.6 out of a goal of 80
23 percent.

24 Under minority procurement, two
25 licensees did not achieve compliance with

19

1 its voluntary conditions, and those
2 licensees are Sam's Town, which achieved
3 20.6 out of goal of 25 percent and
4 Horseshoe which achieved 21.9 out of a
5 goal of 35 percent.

6 For female procurement all licensees
7 either met or exceeded their goals.

8 Are there any questions with the
9 riverboats?

10 VICE CHAIRMAN BRADFORD: Questions?
11 Seeing none.

12 (No response.)

13 MR. GATHE: In the second part of
14 2018 approximately 1,465 people were
15 employed by the racetrack casino
16 industry, of that number, 1,241 were
17 Louisiana residents, 752 were minorities
18 and 852 were women.

19 Two racetrack casinos achieved total
20 compliance this quarter, and they are
21 Evangeline Downs and Fair Grounds.

22 Delta Downs did not achieve its
23 Louisiana employment condition. It
24 achieved 65 out of the 80 percent
25 condition. And Louisiana Downs did not

20

1 achieve its female employment condition.

2 It achieved 55.1 out of a 60 percent
3 condition.

4 Are there any questions regarding
5 the racetracks?

6 VICE CHAIRMAN BRADFORD: Any
7 questions?

8 (No response.)

9 VICE CHAIRMAN BRADFORD: No
10 questions. Thank you very much.

11 MR. GATHE: Thank you.

12 VICE CHAIRMAN BRADFORD: Next we
13 will move to casino gaming issues, and we
14 will consider items A and B at the same
15 time, consideration of a request for
16 manning variance and the Certificate of
17 Compliance for Louisiana Casino Cruises,
18 Inc., doing business as Hollywood Casino
19 Baton Rouge, No. R011700193.

20 VI. CASINO GAMING ISSUES

21 MS. LANDRY: Good morning Vice
22 Chairman Bradford and Board members. I'm
23 Assistant Attorney General Lisha Landry,
24 with me is Mr. John Francic of ABSC.
25 We're here in the matter of the approval

21

1 of the manning variance for Louisiana
2 Casino Cruises, Inc., doing business as
3 Hollywood Casino.

4 On July 6th, 2018, Hollywood Casino
5 requested a manning variance for its
6 riverboat, which includes the removal of
7 one riverboat technician and two security
8 personnel. And on June 6th, 2018, ABSC
9 began the inspection process for the
10 approval of Hollywood Casino's
11 Certificate of Compliance.

12 For more on this, I now turn the
13 presentation over to Mr. Francic.

14 MR. FRANCIC: Morning, Board
15 members. John Francic with ABSC
16 Consulting here to report on a request of
17 change of Hollywood's manning variance.

18 Based on the current levels of
19 patrons onboard the gaming vessel, the
20 review consisted of risk scenarios of
21 fire response, evacuation of the vessel,
22 medical distress, bomb threats and
23 extreme weather conditions and percent of
24 water.

25 The revised manual would provide

22

1 adequate resources to safeguard the
2 public. It is the recommendation of ABS
3 Consulting that the revised manning
4 variance for Hollywood be approved.

5 And the inspection happened for the
6 Certificate of Compliance on June 6th to
7 conduct the annual inspection in
8 accordance with the alternate inspection
9 of riverboat gaming vessels in the State
10 of Louisiana. The inspectors, Doug
11 Chapman and Keith Nelson did review fire
12 protection with many egress routes,
13 mooring systems, and conducted a fire
14 drill.

15 There were a few deficiencies found
16 during inspection that are found on page
17 six of your report. A followup to all of
18 the deficient items was done on July 10.
19 All of the deficient items were corrected
20 and found satisfactory.

21 The 2018 annual surveys required by
22 the Louisiana Gaming Control Board is
23 complete and does not present any safety
24 concerns to its patrons or employers on
25 the riverboat. It's the recommendation

23

1 of ABS Consulting that Hollywood Casino
2 be issued the Certificate of Compliance.

3 MS. LANDRY: We now present these
4 findings to the Board and request that
5 upon the Board's accepting the report as
6 submitted by ABSC will move to the
7 approval of the manning variance for
8 Hollywood Casino and also the issuance of
9 Hollywood Casino's Certificate of
10 Compliance.

11 VICE CHAIRMAN BRADFORD: Any
12 questions from the Board? If not, in
13 just a second we'll need a motion to
14 accept ABSC's recommendation for
15 riverboat staffing for Hollywood Casino
16 Baton Rouge's riverboat gaming vessel,
17 which will be incorporated into the

18 Certificate of Compliance and to issue
19 the Certificate of Compliance.

20 Is there a motion?

21 MR. SINGLETON: (Makes a motion.)

22 MR. GASTON: I'll move.

23 VICE CHAIRMAN BRADFORD:

24 Mr. Singleton moves and Mr. Gaston
25 seconds. Any opposition?

24

1 (No response.)

2 VICE CHAIRMAN BRADFORD: If not,
3 motion passes. Thank you very much.

4 Next we will consider the
5 Certificate of Compliance for the
6 alternative -- Alternate Riverboat
7 Inspection of the gaming vessel PNK
8 Baton Rouge Partnership doing business as
9 L'Auberge Casino & Hotel Baton Rouge
10 No. R011000801.

11 MS. LANDRY: Assistant Attorney
12 General, Lisha Landry and John Francic
13 with ABSC here again in the matter of the
14 issuance of the Certificate of Compliance
15 to PNK Baton Rouge Partnership doing
16 business as L'Auberge Casino & Hotel
17 Baton Rouge.

18 On June 26th, 2018, ABSC began the
19 inspection process for the approval of
20 L'Auberge Casino's Certificate of

21 Compliance. For more on this, I now turn
22 the presentation over to Mr. Francic.

23 MR. FRANCIC: Board members, I'm
24 John Francic with ABS Consulting here to
25 report the annual certification for

25

1 L'Auberge Baton Rouge Casino.

2 The inspectors Jeff Boyle and Pete
3 Bullard did on June 26th and 27th at
4 L'Auberge Baton Rouge Casino conducted
5 the annual inspection in accordance with
6 the Alternative Inspections Program.

7 Surveyors reviewed fire protection
8 measures, life-saving equipment and
9 egress routes, training records and
10 conducted a fire drill. The deficiencies
11 noted are on page nine, ten, and eleven
12 of your report. The deficiencies were
13 cleared on July 31st. The 2018 annual
14 surveys that's required by the Louisiana
15 Gaming Control Board is complete and
16 presents no safety concerns to its
17 patrons or employees on the riverboat.

18 It is the recommendation of ABS
19 Consulting that L'Auberge Baton Rouge be
20 issued the Certificate of Compliance.

21 MS. LANDRY: And we now present
22 these findings to the Board and request
23 that upon the Board's accepting the

24 report investigated by ABSC, we move to
25 the issuance of L'Auberge Casino's

26

1 Certificate of Compliance.

2 VICE CHAIRMAN BRADFORD: Thank you.

3 Any questions from the Board?

4 (No response.)

5 MR. GASTON: Moved.

6 VICE CHAIRMAN BRADFORD: We have a

7 motion to issue a Certificate of

8 Compliance for L'Auberge Casino & Hotel

9 Baton Rouge. Is there a second?

10 MR. SINGLETON: (Makes motion.)

11 VICE CHAIRMAN BRADFORD:

12 Mr. Singleton. Any opposition?

13 (No response.)

14 VICE CHAIRMAN BRADFORD: Motion is

15 approved. Thank you, sir.

16 Next we'll move to rulemaking. The

17 agenda item is the consideration of

18 institution of rulemaking procedures for

19 agenda items VII A through I as outlined

20 in the agenda. And Dawn --

21 VII. RULEMAKING

22 MS. HIMEL: Yes. Thank you, Vice

23 Chairman. Assistant Attorney General

24 Dawn Himel here presenting the

25 instituting of rulemaking procedures.

27

1 The proposed rule changes are based
2 on Act 469 of the 2018 legislative
3 session. Additionally there were some
4 changes in LAC 42:III.1701 based on Act
5 575 of the 2018 legislative session. 469
6 and 575 both required the Board to make
7 rules in accordance with the new laws.
8 Act 469 allows riverboat licensees to
9 relocate their designated gaming areas to
10 facilities. It did change some
11 definitions, changed riverboat reporting
12 requirements and modified riverboat
13 designated gaming areas.

14 Act 575 changed the designating
15 gaming areas for licensed eligible
16 facilities, so rules were required for
17 that as well.

18 The necessary changes are all part
19 two, part three of Title 42, they include
20 adoption of Chapter 24 specifically 2401,
21 adoption of 2704 and amendments to 110,
22 1710, Chapter 21, Chapter -- sorry, 2704
23 and 2910.

24 If the Board has no questions, a
25 motion to institute rulemaking procedures

28

1 is needed for agenda item numbers VII A
2 through I.

3 VICE CHAIRMAN BRADFORD: Any

4 questions? Mark?

5 MR. STIPE: Mr. Duty's comment, I
6 guess, at the beginning of the meeting
7 dealt with the facility updates and
8 changes, and so I'll understand, the text
9 is an ongoing duty to inform the Division
10 of changes as they become available and
11 those changes are subject to approval by
12 the Board or Division. And, I guess, the
13 contours of that is what the discussions
14 were about; is that right?

15 MS. HIMEL: Yes. So Act 469 changed
16 the definition of riverboat to a vessel
17 to a vessel or a facility, and it really
18 set a definition for facility and
19 riverboat is where gaming may be
20 conducted. So whenever we're talking
21 about facility in here, it's really
22 about -- it's a big facility. I was
23 trying to, you know -- to not put it in
24 any other simpler terms. You know, we're
25 not talking about facilities in and of,

29

1 you know, business rooms, storage rooms,
2 stuff like that.

3 Now, whenever the applicants do
4 submit their big facility plans, that is
5 where -- that's going to be their
6 facility per Act 469 of where they can be

7 within so much of the berth to be on
8 land.

9 So that is the facilities. They do
10 have to submit all the plans and
11 specifications of that facility on land
12 to the Board or the Division for
13 approval.

14 Like he said, things like storage
15 room changes, whatever, are not things
16 that necessarily the Division has to come
17 in and preapprove.

18 Now, designated gaming areas, like
19 he said, acts of the public, things of
20 that nature, this requirement is already
21 in the law, but it only deals with the
22 vessel. So since riverboats will now be
23 facilities as well as vessels, we had to
24 make -- we just basically took the
25 language and said, whatever they were

30

1 doing before they need to do now. So the
2 same applicability as they were to their
3 vessels need to be made to their
4 facilities.

5 MR. STIPE: And we're starting a
6 comment period, so I assume that there's
7 people who feel there needs to be
8 clarity, they can provide comments to you
9 and your department.

10 MS. HIMEL: Correct. Comments do
11 need to be made by October 10th, 2018.

12 MR. STIPE: Okay. That's all I
13 have.

14 VICE CHAIRMAN BRADFORD: Any other
15 questions from the Board?

16 (No response.)

17 VICE CHAIRMAN BRADFORD: If not,
18 we'll need a motion to institute the
19 rulemaking procedures for agenda item VII
20 A through I. Is there a motion?

21 MS. BERRY: So moved.

22 CHAIRMAN JONES: Ms. Berry. And a
23 second?

24 MR. JACKSON: (Makes motion.)

25 VICE CHAIRMAN BRADFORD: Mr. Jackson

31

1 . Ms. Tramonte, would you call the roll,
2 please?

3 MS. TRAMONTE: Mr. Stipe?

4 MR. STIPE: Yes.

5 MS. TRAMONTE: Mr. Singleton?

6 MR. SINGLETON: Yes.

7 MS. TRAMONTE: Mr. Jackson?

8 MR. JACKSON: Yes.

9 MS. TRAMONTE: Mr. Gaston?

10 MR. GASTON: Yes.

11 MS. TRAMONTE: Ms. Berry?

12 MS. BERRY: Yes.

13 MS. TRAMONTE: Mr. Lagasse?

14 MR. LAGASSE: Yes.

15 MS. TRAMONTE: Vice Chairman
16 Bradford?

17 VICE CHAIRMAN BRADFORD: Yes. And
18 the motion carries.

19 MS. HIMEL: Thank you.

20 VICE CHAIRMAN BRADFORD: Thank you,
21 Dawn.

22 Next we will move to consideration
23 of appeals. The first item is Keithen
24 Billew. Is Mr. Keithen Billew present?
25 Mr. Billew? He's not present. At this

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1 time, we'll introduce the counsel for the
2 Division to present the Division's
3 argument in this appeal.

4 VIII. CONSIDERATION OF APPEAL IN THE FOLLOWING

5 MR. GATHE: Good morning, Vice
6 Chairman Bradford, board members. I'm
7 Assistant Attorney General Jeremy Gathe,
8 and today we're here at the request of
9 Mr. Billew's appeal to the hearing
10 officer's decision to revoke his gaming
11 permit.

12 As this Board knows, gaming by
13 statute is a highly regulated industry.
14 The holding of a gaming privilege -- I'm
15 sorry -- the holding of a gaming permit

16 is a privilege and not a right. And any
17 questionable criminal activity involving
18 a permittee subjects that individual's
19 permits to possible revocation, and
20 Mr. Billew is no different than any other
21 permittee.

22 The hearing officer revoked
23 Mr. Billew's permit on two grounds, the
24 first of which being him -- being his
25 general unsuitability, and the second,

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1 his pending criminal charges for monetary
2 instrument abuse.

3 With regards to his -- with regards
4 to the hearing officer's first ground and
5 Mr. Billew's general unsuitability, the
6 hearing officer's decision was correct.
7 The Division asserts that Mr. Billew has
8 an inability to conduct gaming activities
9 honestly. Regardless of the amount of
10 training he received or his ability to
11 identify counterfeit bills, which the
12 Division asserts Mr. Billew was able to
13 do given his past experience at another
14 Casino, the events surrounding
15 Mr. Billew's arrest of monetary
16 instrument abuse are, at minimum,
17 suspicious and very questionable
18 behavior.

19 As regulators in -- I'm sorry.
20 First, Mr. Billew lied to the Division.
21 He initially denied knowing the three
22 coconspirators in a pre-arrest interview.
23 He later recanted that statement and
24 admitted to knowing them.

25 Also further investigation revealed

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1 that Mr. Billew knew and had ties to two
2 of his coconspirators. He was friends
3 with them on Facebook.

4 Finally, video surveillance shows
5 that on the date of the offense the
6 coconspirators only gamed at Mr. Billew's
7 table. If Mr. Billew was not working his
8 shift, the coconspirators were not
9 playing nor were the coconspirators
10 gaming at any of the other dealers'
11 tables.

12 As regulators in the gaming
13 industry, the Division and this Board
14 must ensure public trust, public trust
15 that gaming activities can be conducted
16 honestly and free and corrupt of -- I'm
17 sorry. And free of any corrupt or
18 criminal element.

19 All of these circumstances factored
20 together plays a significant role in the
21 hear officer's finding that Mr. Billew is

22 generally unsuitable from participating
23 in the gaming industry and poses a threat
24 to that public trust.

25 The second ground for the hearing

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1 officer's decision is centered around
2 Mr. Billew's criminal charges.
3 Mr. Billew was automatically disqualified
4 from holding a gaming permit based on his
5 pending charge of monetary instrument
6 abuse. This is a crime that's punishable
7 by more than one year imprisonment. It's
8 a crime that's involving fraud and a
9 crime that's involving theft.

10 The charges are also still pending
11 against Mr. Billew. It was not only
12 pending during the time of this hearing
13 but it is currently pending against him.

14 Our office has not learned of any
15 inclination from the District's
16 Attorney's office in Orleans Parish that
17 they plan on dismissing the matter.

18 Further, Mr. Billew had two
19 opportunities to contest the allegation
20 set forth in the notice at both the
21 suspension and revocation hearing, and at
22 neither hearing did Mr. Billew present
23 information showing that the charges
24 would be dismissed.

25 Pursuant to gaming law, these are

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1 all statutory qualifiers that renders
2 Mr. Billew unsuitable. The pendency of
3 these charges are sufficient cause for
4 the hearing officer to revoke
5 Mr. Billew's permit.

6 So in closing, the hearing officer
7 thoughtfully reviewed all of the
8 testimony in evidence presented at the
9 hearing and we believe that this -- that
10 his decision to revoke Mr. Billew's
11 permit based on pending criminal charges
12 and general unsuitability should be
13 affirmed.

14 VICE CHAIRMAN BRADFORD: Jeremy,
15 thank you very much. Questions?

16 MR. GASTON: Affirmation of the
17 hearing officer's decision.

18 VICE CHAIRMAN BRADFORD: Any
19 other -- see if there are any other
20 questions first just to make sure. There
21 any other questions?

22 MS. BERRY: I'd just like to state
23 that -- I understand Mr. Billew is
24 innocent until proven guilty, but I would
25 just like to state that these charges are

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1 the kind that we're going to take

2 extremely seriously, because it's our
3 duty to protect the citizens of the State
4 of Louisiana and the gaming industry
5 itself. And these particular charges
6 upset me to the most. And the fact that
7 he didn't even -- I was reading the
8 appeal minutes, and not showing up today
9 is something that, you know -- I
10 appreciate all the work y'all do to keep
11 our casinos straightforward. Thank you.

12 VICE CHAIRMAN BRADFORD: Any other
13 questions?

14 (No response.)

15 We have a motion from Dr. Gaston to
16 affirm the hearing officer's decision to
17 revoke the license. Is there a second?

18 MR. JACKSON: Second.

19 VICE CHAIRMAN BRADFORD: Mr.
20 Jackson. Ms. Tramonte, please call the
21 roll. A vote of "yes" will be to affirm
22 the hearing officer.

23 MS. TRAMONTE: Mr. Stipe?

24 MR. STIPE: Yes.

25 MS. TRAMONTE: Mr. Singleton?

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1 MR. SINGLETON: Yes.

2 MS. TRAMONTE: Mr. Singleton?

3 MR. SINGLETON: Yes.

4 MS. TRAMONTE: Mr. Jackson?

5 MR. JACKSON: Yes.

6 MS. TRAMONTE: Mr. Gaston?

7 MR. GASTON: Yes.

8 MS. TRAMONTE: Ms. Berry?

9 MS. BERRY: Yes.

10 MS. TRAMONTE: Mr. Lagasse?

11 MR. LAGASSE: Yes.

12 MS. TRAMONTE: Vice Chairman

13 Bradford?

14 VICE CHAIRMAN BRADFORD: Yes.

15 Motion carries.

16 MR. GASTON: Mr. Chairman, Mike over

17 here on my right would like to try to

18 save his job and he has someone he wants

19 to introduce.

20 CHAIRMAN JONES: Mike, you're

21 welcome to do that or we can do it for

22 you. Before we adjourn, I was going to

23 recognize Secretary Robinson.

24 SECRETARY ROBINSON: Is this the

25 appropriate time?

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1 VICE CHAIRMAN BRADFORD: Sure.

2 SECRETARY ROBINSON: Thank you,

3 Dr. Gaston for putting my job on line

4 like that.

5 Assistant Chairman, Board members,

6 my honor to introduce to you Secretary

7 Kimberly Louis Robinson with the

8 Louisiana Department of Revenue.

9 VICE CHAIRMAN BRADFORD: We're very
10 pleased to have you join us. Thank you
11 very much.

12 SECRETARY KIMBERLY ROBINSON: Thank
13 you, Michael. And there is no danger of
14 his job being on the line, because he has
15 to come to these meetings, right. But
16 it's an honor to finally make a meeting.
17 So thank you-all for having me.

18 MR. GASTON: We knew you were here
19 checking on him because he says he's
20 coming to these meetings.

21 SECRETARY KIMBERLY ROBINSON:
22 Verifying his attendance.

23 VICE CHAIRMAN BRADFORD: Sorry we
24 didn't have a two hour meeting for you
25 today, but I'm sure you'll forgive us.

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1 SECRETARY KIMBERLY ROBINSON: I
2 appreciate that.

3 IX. ADJOURNMENT

4 VICE CHAIRMAN BRADFORD: Do I hear a
5 motion to adjourn?

6 MR. GASTON: Yes, sir.

7 VICE CHAIRMAN BRADFORD: Dr. Gaston.
8 Any second?

9 MR. SINGLETON: Second.

10 VICE CHAIRMAN BRADFORD: All in

11 favor?

12 ("Aye" in unison.)

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14 (CONCLUDED AT 10:32 A.M.)

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1 REPORTER'S CERTIFICATE

2 I, Brittany E. Vidrine, Certified Court

3 Reporter, do hereby certify that the foregoing is a

4 true and correct transcript of the proceedings on

5 August 16th, 2018, as taken by me in Stenographic

6 machine shorthand, complemented with magnetic tape

7 recording, and thereafter reduced to transcript, to

8 the best of my ability and understanding, using

9 Computer-Aided Transcription.

10 I further certify that I am not an

11 attorney or counsel for any of the parties, that I

12 am neither related to nor employed by any attorney

13 or counsel connected with this action, and that I

14 have no financial interest in the outcome of this
15 action.

16 Baton Rouge, Louisiana, this 19th day of
17 September, 2018.

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BRITTANY E. VIDRINE, CCR, RPR

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CCR NO. 2014025, RPR NO. 963689

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