

Meeting, LGCB, (Pages 1:1 to 66:24)

1:1 LOUISIANA GAMING CONTROL BOARD MEETING

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6 THURSDAY, JUNE 16, 2022

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9 LOUISIANA STATE CAPITOL

10 HOUSE COMMITTEE ROOM 1

11 900 NORTH 3RD STREET

12 BATON ROUGE, LOUISIANA

13

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15

16 TIME: 10:00 A.M.

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1 APPEARANCES

2 RONNIE S. JOHNS, CHAIRMAN

(At-Large)

3 June 30, 2025

4 JULIE BERRY, VICE-CHAIRMAN

(CPA)

5 Third Congressional District

June 30, 2024

6

HARRY AVANT

7 (At-Large)

Fourth Congressional District

8 June 30, 2024

9 CLAUDE D. JACKSON

(At-Large)

10 Fourth Congressional District

June 30, 2027

11

O. LAMAR POOLE, JR.

12 (Economic/Community Planner)

Sixth Congressional District

13 June 30, 2025

14 JULIE A. LEWIS

(Investigative and Law Enforcement)

15 Fifth Congressional District

June 30, 2024

16

FRANCHESCA HAMILTON-ACKER

17 (Attorney)

Third Congressional District

18 June 30, 2026

19 RONALD J. SHOLES
(Public/Business Administration)

20 Second Congressional District
June 30, 2026

21

ASHLEY A. TRAYLOR

22 (At-Large)
First Congressional District

23 June 30, 2022

24

25

3

1 APPEARANCES (CONTINUED)

2 NATALIE THURMAN
Principal Assistant

3

HEATHER TEMPLET

4 Department of Revenue

5 MAJOR CHUCK McNEAL
Louisiana State Police

6

REPORTED BY:

7

KARLA H. MAYERS, CCR

8 Baton Rouge Court Reporters, LLC

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MILLER, EXECUTIVE DIRECTOR, LOUISIANA

ASSOCIATION ON COMPULSIVE GAMBLING

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1 I. CALL TO ORDER

2 CHAIRMAN JOHNS:

3 Okay. Good morning, everyone. It's
4 9:59, and so we're going to start a minute early
5 here. I would like to call to order the Louisiana
6 Gaming Control Board meeting for Thursday,
7 June 16, 2022.

8 Ms. Thurman, would you please call the
9 roll?

10 MS. THURMAN:

11 Chairman Johns?

12 CHAIRMAN JOHNS:

13 Here.

14 MS. THURMAN:

15 Ms. Berry?

16 MS. BERRY:

17 Here.

18 MS. THURMAN:

19 Mr. Avant?

20 MR. AVANT:

21 Here.

22 MS. THURMAN:

23 Mr. Jackson?

24 MR. JACKSON:

25 Here.

7

1 MS. THURMAN:

2 Mr. Poole?

3 MR. POOLE:

4 Here.

5 MS. THURMAN:

6 Ms. Lewis?

7 MS. LEWIS:

8 Here.

9 MS. THURMAN:

10 Ms. Hamilton-Acker?

11 MS. HAMILTON-ACKER:

12 Here.

13 MS. THURMAN:

14 Mr. Sholes?

15 MR. SHOLES:

16 Here.

17 MS. THURMAN:

18 Ms. Traylor?

19 MS. TRAYLOR:

20 Here.

21 MS. THURMAN:

22 Secretary Richard?

23 MS. TEMPLET:

24 Heather Templet for Secretary

25 Richard.

8

1 MS. THURMAN:

2 And Colonel Davis?

3 MAJOR McNEAL:

4 Major McNeal for Colonel Davis.

5 MS. THURMAN:

6 We have a quorum.

7 CHAIRMAN JOHNS:

8 We have a quorum. And thank you,

9 Members, for -- for being here today.

10 II. PUBLIC COMMENTS

11 CHAIRMAN JOHNS:

12 Members, at this time, and to members

13 of the audience, now is the time for public

14 comment. If there's anyone here today that would

15 like to make a public comment on anything that's

16 on the agenda, now is the time to come to the

17 table. So is there any public comment?

18 (NO RESPONSE)

19 CHAIRMAN JOHNS:

20 Okay. Seeing none, we're going to

21 move on. But, ladies and gentlemen, before we get
22 into the official business of the meeting today,
23 we have some special guests here that -- that we
24 would like to recognize.

25 We have three ladies up here at -- at

9

1 the head table. One of them has been around for
2 29 1/2 years, and the other two are brand new.
3 So -- but Ms. Geralyn Coleman. Geralyn, why don't
4 you stand up or wave.

5 MS. COLEMAN:

6 (Complying with request)

7 CHAIRMAN JOHNS:

8 Geralyn has been --

9 (APPLAUSE)

10 CHAIRMAN JOHNS:

11 Geralyn has been with the State for
12 29 1/2 years and has decided to -- to go to the
13 house and retire. Got -- got a new grandbaby on
14 the way. And -- but, Geralyn, I can tell you, --
15 I know I speak for the entire board and for a lot
16 of people in the industry and the citizens of this
17 state -- we thank you for your incredible work and
18 the dedication and the loyalty that you gave this
19 Board for so many, so many years.

20 So Geralyn is officially an employee
21 of the Attorney General's Gaming Division. And
22 Chris Hebert has been so kind to send her over to
23 our office and be a part of our staff for -- for a

24 long time. But, Geralyn, we're going to -- not
25 only are we going to miss your work, but we're

10

1 going to miss that smile and that laugh that you
2 have.

3 And Geralyn brings a lot of -- a lot
4 of joy into our office every day and brings a
5 great attitude to work every morning. And that --
6 I'll always be grateful. I've only known her for
7 ten months, but she's kind of like family now. So
8 the very best of luck to you.

9 MS. COLEMAN:

10 Thank you.

11 CHAIRMAN JOHNS:

12 And we hope that we'll continue to
13 see you somewhere, wherever life takes you.
14 Please stay in touch with us; so . . .

15 MS. COLEMAN:

16 Will do.

17 CHAIRMAN JOHNS:

18 Thank you again for your work. We
19 appreciate you.

20 MS. COLEMAN:

21 You're very, very welcome. Thank
22 y'all.

23 CHAIRMAN JOHNS:

24 Absolutely.

25 MS. COLEMAN:

11

1 Thank you very much.

2 (APPLAUSE)

3 CHAIRMAN JOHNS:

4 So I would like to introduce the
5 other two ladies at the table. The lady who will
6 be taking Geralyn's place is Farida Hernandez.
7 Farida, why don't you wave to everyone.

8 MS. HERNANDEZ:

9 (Complying with request)

10 CHAIRMAN JOHNS:

11 Farida comes to us from the private
12 sector. She was employed over at The Advocate and
13 has now agreed to come -- she's been training in
14 our office for a couple of weeks now, and she has
15 really caught on. I know she's going to do a
16 great job, and -- but you've got some huge shoes
17 to fill, Farida. But --

18 MS. HERNANDEZ:

19 Oh, I know.

20 CHAIRMAN JOHNS:

21 But welcome aboard. We look forward
22 to working with you. The next lady is
23 Lydia Browning. Lydia -- Lydia comes to us from
24 LSU. She's got about 15 years of State experience
25 over at LSU. She is filling a job opening that's

12

1 been open for a couple of years over at the Board,
2 but she will be assisting Ms. Thurman with a lot
3 of her duties. And, Lydia, we -- we welcome you

4 to the Board. We look forward to working with
5 you.

6 MS. BROWNING:

7 Thank you.

8 CHAIRMAN JOHNS:

9 And so to Farida and Lydia, welcome
10 to the Gaming Control Board.

11 MS. BROWNING:

12 Thank you.

13 MS. HERNANDEZ:

14 Thank you.

15 III. APPROVAL OF MINUTES

16 CHAIRMAN JOHNS:

17 Okay. All right. Members, before
18 you we have the minutes from the very last
19 meeting, which was the minutes of May 16, 2022. I
20 would like a motion to waive the reading of these
21 minutes and approve the minutes of May 16, 2022.

22 MS. BERRY:

23 So moved.

24 MR. POOLE:

25 (Indicating)

13

1 CHAIRMAN JOHNS:

2 Ms. Berry has moved that we waive
3 that reading and approve those minutes, and
4 Mr. Poole has seconded that motion. Is there any
5 opposition to that motion?

6 (NO RESPONSE)

7 CHAIRMAN JOHNS:

8 Hearing none, that motion carries.

9 IV. REVENUE REPORTS

10 CHAIRMAN JOHNS:

11 Okay. Let's move into revenue
12 reports. Ms. Jackson? Always the highlight of my
13 meeting. I always want to see what those numbers
14 look like. So good morning.

15 MS. JACKSON:

16 Good morning, Chairman Johns and
17 Board Members. My name is Donna Jackson with
18 Louisiana State Police, Gaming Audit Section.

19 In May, the 13 operating riverboats
20 generated adjusted gross receipts of \$156,966,489.
21 The State collected fees totaling \$33,747,794.
22 Adjusted gross receipts for fiscal year 2022 to
23 date are approximately \$1.66 billion, an increase
24 of \$202 million, or 14 percent, from fiscal year
25 2021. As of May 31, 2022, the State collected

14

1 \$356 million in fees for fiscal year 2022.

2 Page 2 shows the riverboat revenue
3 broken down by regional market. The overall
4 decrease from April was approximately \$4 million,
5 or 2.5 percent. Compared to last May, this
6 month's revenues represent a decrease of
7 \$11 million, or 6.6 percent.

8 Next is a summary of the May 2020 --
9 2022 gaming activity for Harrah's New Orleans,

10 found on page 3. Harrah's generated \$20,754,352
11 in gross gaming revenue. These revenues represent
12 a decrease from last month of \$6.2 million, or
13 23 percent, and a decrease of approximately
14 \$6 million, or 22.4 percent, from the same month
15 last year. During May, the State received
16 \$5,520,548 in minimum daily payments.

17 Adjusted gross receipts for fiscal
18 year 2022 to date are \$207.3 million, an increase
19 of \$18.7 million, or 10 percent, from fiscal year
20 2021. As of May 31, 2022, the State collected
21 almost \$56 million in fees for fiscal year 2022.

22 Next, I will present the revenues for
23 slots at the racetracks. During May, the four
24 racetracks facilities combined generated adjusted
25 gross receipts of \$29,577,048, a decrease of

15

1 \$1.2 million, or 3.9 percent, from April and a
2 decrease of \$3.7 million, or 11 percent, when
3 compared to the same month last year. During May,
4 the State collected \$4.5 million in fees.

5 Adjusted gross receipts for fiscal
6 year 2022 to date are \$302.8 million, an increase
7 of \$12 million, or 4 percent, from fiscal year
8 2021. As of May 31, 2022, the State has collected
9 almost \$46 million in fees for fiscal year 2022.

10 I will now move to the video gaming
11 information. There are 12,127 video gaming
12 devices activated at 1,432 locations. Net device

13 revenue for May 2022 was \$69,423,553, a decrease
14 of \$4 million, or 5.5 percent, when compared to
15 April and a decrease of \$8 million, or
16 10.6 percent, when compared to last May. Total
17 franchise fees for May 2022 totaled approximately
18 \$21 million, a decrease of \$1.2 million when
19 compared to April 2022 and a decrease of
20 \$2.6 million when compared to May 2021.

21 Net device revenue for fiscal year
22 2022 to date is \$764.4 million, an increase of
23 \$70 million, or 10 percent, when compared to
24 fiscal year 2021. Total franchise fees collected
25 for fiscal year 2022 to date are \$231 million, an

16

1 increase of \$20 million, or 9.4 percent, when
2 compared to last fiscal year.

3 Next, I will present the May revenue
4 for sportsbook. Fair Grounds commenced operations
5 on May 26, which brings the total retail
6 sportsbooks in operation to 16. During May, the
7 retail sportsbooks accepted approximately
8 \$28.5 million in sports wagers, resulting in net
9 proceeds of \$2.7 million and \$268,209 in State
10 taxes. The seven mobile sportsbook operators
11 accepted \$142.6 million in sports wagers,
12 resulting in net proceeds of \$22.6 million and
13 \$2.5 million in taxes paid to the State.

14 Finally, for daily -- daily fantasy
15 sports, gross revenues for May were \$901,000, with

16 a net revenue of approximately \$93,000 and taxes
17 of \$7,436. Are there any questions?

18 CHAIRMAN JOHNS:

19 Okay. Members, any questions for
20 Ms. Jackson? Any questions from the board?

21 (NO RESPONSE)

22 CHAIRMAN JOHNS:

23 Okay. Just a couple of observations
24 I would like to make. I have visited with a
25 number of the operators around the state in the

17

1 last couple of weeks by phone, and, you know,
2 there's some concern about what's going on with
3 the economy, the price of gasoline, people
4 traveling, the inflation rates, the high interest
5 rates. And so there is some concern, and I think
6 some of these numbers are starting to reflect some
7 of those concerns. So something that -- not that
8 we can do a whole lot about it, but something that
9 we're going to watch, and -- and we'll keep, you
10 know, a very close eye on those numbers.

11 I did find it interesting on the --
12 on the sportsbook numbers, particularly on -- on
13 mobile in May, we did about \$44 million less in
14 actual wagers written from the beginning of this
15 month, but the win ratio was up significantly,
16 1.8 percent in April, 15.9 percent in May. So,
17 consequently, while -- even though 44 million less
18 in wagering occurred, almost \$1 million more in --

19 no. Excuse me -- just a little bit more than --
20 than the month of April of 2022. So we collected
21 more taxes with \$44 million less in wagering.

22 So --

23 MS. JACKSON:

24 Right.

25 CHAIRMAN JOHNS:

18

1 -- that's what that win ratio

2 will do for you, so . . .

3 So, anyway, thank you very much. Oh,
4 and, also, just publicly, I'll say I did a little
5 calculation to date, because everybody is always
6 asking me how much is sports -- sports wagering
7 generating for state revenue. Through the end of
8 May, total taxes paid will be \$12,673,778, so
9 about 12.6 million in actual taxes paid between
10 retail and mobile. So we're off to a good start.

11 Ms. Jackson, thank you very much for
12 your work. We greatly -- greatly appreciate it.

13 MS. JACKSON:

14 You're welcome.

15 V. PRESENTATION ON PROBLEM GAMING BY JANET
16 MILLER, EXECUTIVE DIRECTOR, LOUISIANA
17 ASSOCIATION ON COMPULSIVE GAMBLING

18 CHAIRMAN JOHNS:

19 Okay. I do have an announcement.
20 Janet, come on up to the table and -- before I
21 introduce our next guest. I do want to announce

22 that the National Council on Problem Gambling has
23 approved the 1-800-GAMBLER hotline number and
24 has -- and has adopted it as one of its national
25 numbers. So according to our Louisiana gaming

19

1 statutes, these numbers that are approved by -- by
2 this counsel are actually approved as problem
3 gambling hotline numbers and will, therefore, be
4 approved here in Louisiana.

5 So -- so, ladies and gentlemen, today
6 we have with us a special guest, a lady that I've
7 known a long time. I've worked with her back in
8 the Legislature years -- for a number of years and
9 we've developed a very good working relationship.

10 But Janet Miller is the Executive
11 Director for the Louisiana Association of
12 Compulsive Gambling. She's located up in the
13 Shreveport/Bossier market, but she operates
14 statewide. Janet has been the Executive Director
15 since 2014. From 2008 until 2014, she was the
16 Deputy Executive Director. She began her work
17 there at this association in 1999. So, Janet,
18 welcome to --

19 MS. MILLER:

20 Thank you.

21 CHAIRMAN JOHNS:

22 -- to the Gaming Control Board this
23 morning, and we appreciate your hard work. This
24 is an issue that's definitely on our radar screen,

25 and the timing of you being here today is very,

20

1 very good; so . . .

2 MS. MILLER:

3 Thank you. In fact --

4 CHAIRMAN JOHNS:

5 We'll have to see. I'm not sure --

6 we may have a few comments or questions from the

7 board.

8 MS. MILLER:

9 In fact, I brought my phone so I do

10 not go over time, okay, because I assured

11 everybody. And in line with, as the chairman,

12 good morning, Chairman and Board and, obviously,

13 those of you who are special guests.

14 I wanted to add to the 1-800-GAMBLER

15 conversation, which we were looking at discussing

16 with you last month with one of the sports

17 wagering providers, was that we actually would

18 accept and agree with moving to one posted number

19 like that for Louisiana. We have been in those

20 negotiations the last ten years with the

21 National Council and think it would be best for

22 problem gamblers and their families to be able to

23 access, across the nation, one number but that

24 number gets routed to Louisiana to our help line

25 that we answer.

21

1 What I would ask for is to not post

2 the number too soon, until we have the routing and
3 everything set up to accept that number at our
4 help line. And that is something that we're
5 working on currently with the National Council.
6 And just so you know, we also answer the
7 National Council of Problem Gambling's help line
8 and have done so for almost 20 years as well.
9 So we're in -- working in tandem and
10 want that one number to be much easier to remember
11 for people, but we want to make sure that
12 everything is set up that it properly gets routed
13 to Louisiana, because as more and more states will
14 be using that number, then we don't want it to get
15 confusing and people get to the wrong place, which
16 is never a perfect system, with cell use
17 especially, but we do the best we can, and every
18 other state does as well. And there are 26 help
19 lines across the US, which makes it crazy if
20 you're traveling, and it would be very nice to
21 eventually move to 1(800) GAMBLER, if that is the
22 number everybody moves to, so that people can be
23 wherever they are and -- and just to remember, oh,
24 I need to call 800-GAMBLER. So we do support
25 that.

22

1 We have taken polls from patients, as
2 well as alumnae, staff, and family members over
3 the last two years to see, out of the three
4 numbers, which they believe would be easiest to

5 remember from the Louisiana Problem Gamblers
6 number, which would remain open, because it is
7 posted everywhere. So we will not shut that
8 number down. We would just route it through the
9 1(800) as well and have that come to us, or the
10 help line number for NCPG, which is
11 1(800) 522-4700, and they chose 800-GAMBLER as far
12 as ease of when you're stressed or when you're
13 looking for something. So I do support that
14 numeric organization. Our Board of Directors do
15 as well.

16 Bear with me a little bit. Just so
17 you know, as the Chairman said, we developed the
18 Louisiana Association of Compulsive Gambling in
19 1996 with the sole purpose to treat people who
20 need prevention, education, counseling, help find
21 services or resources. What we knew, when working
22 with the Louisiana Department of Health, the
23 Gaming Control Board, and all the gaming industry
24 during that time, was that people who wouldn't be
25 having fun with it anymore, who needed to talk to

23

1 someone like us, would need somewhere to go.
2 And so we actually opened in 1999
3 CORE Center of Recovery, the first residential
4 treatment center that is free for Louisiana
5 residents to attend as adults for problem gambling
6 or gambling disorder. What we have done with
7 that, since 1999, is treated over 6,000 people and

8 over probably 10,000 family members who have been
9 involved with that as well.

10 Also, we worked with the Louisiana
11 Department of Health, the different districts or
12 regions throughout the state to have counselors
13 and treatment and trainings for people who would
14 work with problem gambling. It is a different
15 type of addiction to work with, and I added this
16 part about LACG to your left of your packet.

17 I also gave Wade Duty one. He has
18 been a strong supporter, as their whole
19 organization has been, and so that's what he has
20 back there. You're probably wondering what I gave
21 him.

22 What I did want to mention was, in
23 2006, LACG launched with Bossier-Webster Parish a
24 pilot gambling treatment referral program. We did
25 that program for two years, and the program was

24

1 highly successful. Everybody who had a crime
2 directly related to their gambling -- of course,
3 they would have to admit that to the defense
4 attorney, to the judge, the prosecution. And so
5 in lieu of going to jail or prison, they were sent
6 to CORE and then followed for up to two years in
7 outpatient gambling counseling or longer if the
8 Court or we determined that, or the other parishes
9 did, for their health. It's highly successful,
10 and it was a great program that we would like to

11 have again, depending on if we have a judge and
12 some prosecutors and DAs that want to do that.

13 But in 2017, the Attorney General's
14 team, under the leadership of Chris Hebert, and,
15 certainly, Suzanne deserves much credit as well,
16 developed a program that's called the
17 Problem Gambling Resource Services. That program
18 is excellent in nature of helping not only those
19 who have problems but also lawyers, people in the
20 legal field. We know that there is a high rate of
21 stress and indication with those professionals who
22 may have also access to money. And so we want to
23 make sure we're educating them and providing
24 services. So I really appreciate the Attorney
25 General working with us and his Gaming Division

25

1 team, since 2017, on that.

2 Just so you know that also for about
3 20 years, as I stated earlier, LACG has worked
4 with the National Council, because we are the
5 state affiliate to the National Council. So our
6 Council is the voice for us in national things,
7 and I've been on the board and have been involved
8 with them since 2000.

9 What we want to do is work towards a
10 much more generalization of proper treatment and
11 help line services and work that we can do, not
12 only do in Louisiana but across the nation, so
13 that we can bring to the board different items, as

14 well as the industry, and working together, like
15 we always have in Louisiana, to make sure that our
16 people are taken care of, because most people we
17 know, almost 95 or 97 percent of the population
18 who gamble will never develop a problem with
19 gambling, but the 3 to 5 percent that do, then we
20 want to make sure we provide help for them and
21 resources and proper training from people who
22 understand this addiction and understand how to
23 speak to it and to help with that.

24 What has been a challenge,
25 certainly, -- since sports wagering has not ever

26

1 not been around. Right? It's always been around,
2 but it's been around now in a much more national,
3 fluid way -- is that it has increased the call
4 volume for the national number up about
5 13 percent. We're seeing that 13 percent call
6 volume and text and chat volume since 2021. We
7 are also seeing text and chat for the national
8 numbers going up about 43 percent. So as more
9 people are accessing their phones and doing things
10 with texts and chat online, we're able to answer
11 that at the help line, but, also, that is
12 exponentially going higher.

13 What you see on the right side of
14 your packet are -- is information for the last
15 five years for Louisiana. And what we put in
16 there was not all the information we gather from

17 every caller or certainly intake. An intake is a
18 process of somebody who says, I'll sit and talk to
19 you longer, than just some information to get a
20 resource to a support system or a counselor or
21 some kind of mechanism of help. So there is
22 someone who will give us more information. Well,
23 this is not only the call, text, and chats, but
24 it's also from the intakes.

25 What you will see in the pandemic

27

1 years of March -- for March 2020, when the
2 pandemic was announced and there was a shuttering
3 down of things, you will see a decrease of calls,
4 texts, and chats for the next year, year and a
5 half; however, what didn't decrease was the fact
6 that people started gambling at a higher rate when
7 they did go back, it seemed like.

8 So what they were reporting when they
9 started calling us again was, we thought because
10 we weren't gambling for a few months or six
11 months, however long, or the family would call us
12 oftentimes, that they were misled by that, by the
13 fact that they do have a problem. And so the --
14 the numbers also don't show the second part of
15 this.

16 In 2022 in January, when sports
17 wagering went online, we had over 800 calls,
18 texts, and chats from people who just want to know
19 about their sportsbook or their money that they

20 won. So, yes, they won some good money and stuff.
21 The problem was they thought we were it to call,
22 because we are a help line listed. Then it got
23 worse in February. It went over 2,000 calls,
24 texts, and chats. So our staff was ready to
25 probably leave the employment. So this is like,

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1 who are we working for? And I said, okay. Wait.
2 So I reached out, obviously, fairly
3 quickly in January, because that's a really high
4 call volume. We get casino calls, we get video
5 poker calls. We get stuff like that, and we
6 generate that in, but that's not in the numbers
7 that you have on the left, because it was so high,
8 and it was literally people -- sometimes we know
9 that -- when they call, we don't know if it's a
10 problem gambling call or if it's somebody for a
11 sportsbook now. Right? So we have to answer it
12 like it's a problem gambling call.

13 And so sometimes people will stay on
14 the phone and ask a few questions. That's nice.
15 Most of the time, they hang up or let us go. But
16 then in March, it -- it dropped down -- thank
17 you to the industry, sportsbooks, everybody I
18 contacted -- to about over 500.

19 We're still getting those calls,
20 which are not helpful to our team, who are not
21 wanting to do that kind of work when they have all
22 these other calls to answer to. But I do

23 appreciate that everybody I contacted, and even
24 your chairman as well -- everybody helped,
25 Wade Duty. Everybody was -- was working on this

29

1 from all the different providers as well.

2 I think it's important to notice
3 throughout the packet that I gave you, again, is
4 this is not all the information for the Louisiana
5 call line for five years, but we thought it might
6 be important for you to see that certain times of
7 certain higher call or contact and that -- and
8 that that doesn't necessarily mean anything other
9 than I think it means that people are willing to
10 get help and get services. What you can connect
11 it to is certain sports events.

12 March is usually our highest call
13 volume in the Louisiana Problem Gambling help
14 line. We do problem gambling awareness month. So
15 we have lots of activities, lots of events, lots
16 of community things in that. So it would generate
17 more looking and seeing that number, we believe.

18 But the two years it did not hit the
19 highest call volume was during the pandemic. We
20 did not do activities, as most people were not
21 comfortable with in-person events. We shifted
22 some to -- the next year, some social media
23 events, but it was not the same.

24 The other thing to note is that our
25 people that call us tell us other issues that are

1 going on, but the number one reason that it's
2 stayed consistent throughout the last five years,
3 and probably longer, if I look back at what I
4 polled for statistics, is a call for financial
5 stress, 77 percent of the callers.

6 So when we have someone who is under
7 financial stress, they're calling us, and that's
8 the number one reason, and so we want to get them
9 some help. And that's why we've added two
10 different components with treatment and services
11 for budget planning, financial help, resourcing
12 out there that people could also help them when
13 they stop gambling. That's a consistent stressor.

14 The males and females for Louisiana
15 are staying relatively the same amount of
16 percentage callers, but the two ethnicities that
17 call the most in the last five years, and it's
18 been that way most of the years we've been open
19 since 2000, and we've answered, so you know,
20 1.8 million calls, texts, and chats since 2000, is
21 that the top two ethnicities are Caucasian and
22 African-American. I've added the top five, but
23 they're not nearly, as you look at the other
24 ethnicities, as high a call volume or reaching
25 out.

1 And then I put in there the -- it's
2 important for us sometimes to note the game or the

3 play of choice that they do, and I put that
4 information in there, but also note that the age
5 of the gambler who is calling that says they have
6 a problem is going to a younger age now, as is
7 those that we're seeing that are showing up for
8 treatment. We're seeing more males in the age
9 range of 25 to 34 who are doing sports, sports
10 wagering, sports online, and it's a different way
11 to treat that addiction of that type versus
12 suiting up and going out to a casino and playing
13 or even going to some of the video poker places.

14 So we're gearing up to get different
15 training for people in Louisiana and working on
16 that to make sure that we're addressing the
17 changes as they come, because it's not going to go
18 away. And, again, most of the people who do
19 gamble do not have a problem, and so have fun and
20 entertain yourself. But those who have a problem
21 are the ones that we want to treat and get to and
22 help.

23 And so we want to make sure that
24 everybody understands that we are not for nor
25 against gambling. Our organization has never been

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1 in that business. We are about treating people
2 who need help for problem gambling and getting
3 them the best resources and treatment available.

4 So I am available by way of my card
5 that I left you. Sir, I may have gone four more

6 minutes. I apologize. I told them how long, and
7 so -- anyway, if you have any questions, I'll be
8 around, and I don't want to add any more time to
9 the meeting today. You're very busy. So thank
10 you for your time today, sir.

11 CHAIRMAN JOHNS:

12 Well, thank you, Ms. Miller. And,
13 like I said earlier, you and I have known each
14 other for a long time, and I recognized
15 immediately when I became chairman, the incredible
16 job that you and your program does.

17 MS. MILLER:

18 Thank you, sir.

19 CHAIRMAN JOHNS:

20 Am I not mistaken, but isn't there
21 some money in the State Capitol outlay budget this
22 year for the possibility of another program down
23 in the New Orleans area?

24 MS. MILLER:

25 We -- there is, and we -- I have had

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1 discussion with some of the people down there that
2 are looking to open a small center for the
3 New Orleans area, because it is a high call volume
4 area. We actually had CoreSouth, a treatment
5 center pre-Katrina, that LACG ran from 20 -- 2001
6 to 2005. So I think it's a great idea. And --
7 and so, hopefully, they will provide the best kind
8 of treatment for problem gambling.

9 CHAIRMAN JOHNS:
10 Well, I thank the Legislature for
11 recognizing that need and also to the governor for
12 not vetoing it, for allowing it to stay in
13 House Bill 2.

14 MS. MILLER:
15 I agree.

16 CHAIRMAN JOHNS:
17 No doubt that it's greatly needed,
18 and we're very appreciative of that. Members,
19 any -- any comments, any questions from the board?

20 MR. SHOLES:
21 Thank you, Mr. Chairman. I think you
22 actually discussed one of the issues I was most
23 concerned about, and that was the availability of
24 free services in the Orleans Parish area.
25 Assuming that this funding is available, how long

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1 will it take to get this program up and running in
2 Metro New Orleans?

3 MS. MILLER:
4 Well, when -- I sent information to
5 the Secretary of State and some other people
6 involved with these decisions. They already have
7 a place that's willing to put the unit there. So
8 they could actively -- and some treatment people
9 on board. So they could actively start it next
10 month, whenever they want to. They have the money
11 there. They have -- unless they don't have the

12 contract in hand and they're waiting for that, but
13 they should be able to start that next month, if
14 they wanted to.

15 MR. SHOLES:

16 And these are, in fact, free
17 services. Is that correct?

18 MS. MILLER:

19 They are supposed to be free
20 services, because we contract with the Louisiana
21 Department of Health. There are some places that
22 say they offer gambling treatment services around
23 the state, and then when the people show up there,
24 it's not free. That's because they're not a
25 contractor to provide the free services.

35

1 MR. SHOLES:

2 I would appreciate it if someone
3 could let us know when that -- when that program
4 gets up and running.

5 Ms. MILLER:

6 I will absolutely send that to the
7 chairman.

8 MR. SHOLES:

9 Thanks for that.

10 MS. MILLER:

11 Absolutely.

12 CHAIRMAN JOHNS:

13 And, Judge, I will tell you the way
14 that this works, the -- the money we're talking

15 about was not a direct appropriation in
16 House Bill 1. It was in the capitol outlay
17 budget. I think I'm correct in saying that.

18 MS. MILLER:

19 I believe so, yes.

20 CHAIRMAN JOHNS:

21 I think so. We had it in
22 House Bill 2. In order for that money to be
23 accessed, it's got to go through the State Bond
24 Commission at some point. It's got to be
25 recommended by the Governor's Office to be put on

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1 the agenda for the Bond Commission. In all just
2 my years of experience, probably the earliest you
3 would see that would probably be at the October
4 Bond -- there's normally a lot of -- a lot of
5 stuff on the Bond Commission in October --
6 September, October. And so I think that would be
7 about the earliest that you would see it go to the
8 Bond Commission.

9 And -- but the reality of going
10 through capital outlays, you're probably looking
11 at about a year to -- to have that -- that funding
12 in place, the program up and running and -- and it
13 actually working. But it could happen sooner, and
14 hopefully it will.

15 MS. MILLER:

16 And just -- and just so you know --

17 CHAIRMAN JOHNS:

18 But the good news is that -- that it
19 was part of -- the first time that I've seen money
20 in one of the two money bills for -- for this
21 issue. So I think that's good news.

22 MS. MILLER:

23 Just -- and just so you know, sir, we
24 actually have a program with Greyhound Bus Line
25 that -- LACG pays for Greyhound bus tickets for

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1 people to get to treatment and get home, because,
2 obviously, no one in New Orleans lives in the
3 Shreveport/Bossier area. So we do that and have
4 done that for most of the time we've been open.

5 And so -- and we have treated
6 people -- obviously, we're a statewide provider.
7 So we have accepted people from all over the state
8 and your area as well, and that's why we started
9 CoreSouth some years ago before Katrina hit.

10 So it's a -- it's a great plan, but
11 that's why they're working right now to get it
12 ready, so as soon as they get everything signed
13 and dotted and approved, they can open it.

14 MR. SHOLES:

15 Thank you.

16 CHAIRMAN JOHNS:

17 Absolutely. Thank you, Judge.

18 Ms. Miller, thank you for your presentation.

19 MS. MILLER:

20 Thank you.

21 CHAIRMAN JOHNS:
22 Very helpful. Just an incredible
23 program that -- I can't thank you and your staff
24 enough for the professionalism of what you do,
25 so . . .

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1 MS. MILLER:

2 Thank you, sir.

3 CHAIRMAN JOHNS:

4 You provide a great service to our

5 State. Thank you very much.

6 VI. CASINO GAMING ISSUES

7 CHAIRMAN JOHNS:

8 Okay, Members. We're going to move
9 on to Item No. VI on our agenda, the casino gaming
10 issues. Our first item on the agenda is the
11 consideration of the Petition of a Modification of
12 Debt Transaction for Churchill Downs Louisiana
13 Horceracing Company, LLC. Ms. Jackson, good
14 morning.

15 MS. JACKSON:

16 Good morning again, Chairman Johns,
17 Board Members. Again, I'm Donna Jackson with
18 Louisiana State Police, Gaming Audit Section.

19 In a noticed letter, dated
20 March 18, 2022, and by correspondence amending the
21 notice dated March 29, 2022, Churchill Downs
22 Louisiana Horceracing Company, LLC, notified the
23 board of the intent of its parent company,

24 Churchill Downs, Incorporated, to enter into new
25 financing by amendment of its existing credit

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1 agreement. Specifically, Churchill Downs proposed
2 to extend the maturity date and increase its
3 revolving credit facility under the existing
4 credit agreement from \$7 million to \$1.2 billion,
5 to enter into a new Delayed Draw Term Loan A
6 Facility in the amount of \$800 million under the
7 existing credit agreement, and to issue \$1 billion
8 to \$1.4 billion in the new senior unsecured bonds.

9 After a review of the proposed
10 transaction by the Attorney General's Office and
11 the Louisiana State Police, Gaming Audit Section,
12 it was determined that the issuance of the bonds
13 by Churchill Downs did not require board approval,
14 but the proposed new bank financing to be entered
15 into by amendment of Churchill Downs' existing
16 credit agreement requires board approval.
17 Additionally, when the licensee notified the board
18 of the proposed debt transaction, it also
19 requested that Churchill Downs, Incorporated, be
20 allowed to close the financing conditioned on
21 later board approval.

22 On March 30, 2022, Chairman Johns, by
23 letter, advised the licensee that the financing
24 could be closed pending board approval subject to
25 the following conditions: That the licensee would

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1 not pledge any collateral or execute any
2 guarantees until board approval; and that neither
3 Churchill Downs, Incorporated, nor any of its
4 subsidiaries, would pledge any of its ownership
5 interest in the licensee until Board approval of
6 the proposed financing was obtained.

7 On April 13, 2022, Churchill Downs
8 closed on the financing. This matter is now
9 before the board for its consideration and
10 approval.

11 The purpose of this transaction is to
12 finance Churchill Downs' acquisition of
13 substantially all of the assets of Peninsula
14 Pacific Entertainment, LLC, pursuant to a purchase
15 agreement with P2E for working -- working capital
16 requirements and other general corporate purposes,
17 including fees and expenses of the transaction.
18 The acquisition does not include any Louisiana
19 assets or property. The only considerations for
20 this board today relate to the financing.

21 JPMorgan Chase will remain the
22 administrative and collateral agent under the
23 credit facility. The guarantors and collateral
24 are substantially similar to Churchill's existing
25 credit agreement previously approved by the board.

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1 As of March 31, 2022, Churchill was in compliance
2 with all applicable covenants of its existing
3 credit agreement. Churchill projects sufficient

4 cash flows to service the debt in the foreseeable
5 future. In conclusion, no financial issues came
6 to our attention to preclude the board's approval
7 of this transaction.

8 If it is the board's pleasure to
9 approve the debt transaction, the Attorney
10 General's Office has prepared a resolution for
11 your consideration, and representatives of Fair
12 Grounds are in attendance today should you have
13 any questions for the company.

14 CHAIRMAN JOHNS:

15 Thank you, Ms. Jackson. For the
16 record, I may have possibly said Louisiana Downs.
17 That's not correct. It's Louisiana Horseracing
18 Company, and it's two completely separate
19 entities.

20 Members, Ms. Jackson did explain that
21 this acquisition involved the assets of P2E except
22 Louisiana properties. That property, we know here
23 in Louisiana, is DiamondJacks up in Bossier City.
24 So it's my understanding that Churchill Downs
25 acquired all the assets of P2E except DiamondJacks

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1 up in Bossier City. I think I'm pretty much
2 right.

3 MS. JACKSON:

4 I believe so. You'll see on page 3,
5 it has a listing of the -- of the properties that
6 it includes.

7 CHAIRMAN JOHNS:

8 Substantially, --

9 MS. JACKSON:

10 Substantially.

11 CHAIRMAN JOHNS:

12 -- all the other assets but it does

13 not include the DiamondJacks property, which we

14 know is a whole different issue before -- before

15 this board. It's pending right now. So any

16 questions from the board members?

17 (NO RESPONSE)

18 CHAIRMAN JOHNS:

19 We do have someone from Churchill

20 Downs that is here today. Mr. Waguespack, I

21 think, is here. Any questions for Mr. Waguespack?

22 (NO RESPONSE)

23 CHAIRMAN JOHNS:

24 Okay. I -- I have no questions,

25 Members. At this time I would entertain a motion

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1 that we adopt the resolution that's before you.

2 MR. SHOLES:

3 So moved.

4 CHAIRMAN JOHNS:

5 Judge Sholes has moved that we adopt

6 the resolution.

7 MR. AVANT:

8 (Indicating)

9 CHAIRMAN JOHNS:

10 And Mr. Avant has seconded that --
11 that motion. Ms. Thurman, would you please read
12 the resolution?

13 MS. THURMAN:

14 On the 16th day of June 2022, the
15 Louisiana Gaming Control Board did, in a duly
16 noticed public meeting, consider Churchill Downs
17 Louisiana Horceracing Company, LLC's, request for
18 approval of a modification to a prior approved
19 debt transaction, and upon motion duly made and
20 seconded, the Board adopted this resolution:

21 Whereas, on February 15, 2018, the
22 Board approved certain debt transactions to be
23 entered into by and between Churchill Downs, Inc.,
24 and JPMorgan Chase NA for the purpose of new debt
25 financing of Churchill Downs, Inc., as more

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1 particularly set forth in the resolution adopted
2 by the Board and executed by its Chairman on that
3 date; and

4 Whereas, on March 18, 2022,
5 Churchill Downs, Inc., requested Board approval of
6 certain modifications to the said debt
7 transactions; and

8 Whereas, the proposed modifications
9 to the refinancing of the outstanding indebtedness
10 of Churchill Downs, Inc., requires prior Board
11 approval.

12 Now, therefore, be it resolved that

13 an increase of its revolving credit facility from
14 \$700 million to \$1.2 billion and the transactions
15 contemplated thereby is hereby approved.

16 Be it resolved that a new Senior
17 Secured Term Loan A facility in the amount of
18 \$800 million is hereby approved.

19 Be it resolved that the perspective
20 incremental facilities, as more particularly
21 described in the existing credit agreement and the
22 transactions contemplated thereby, are hereby
23 approved.

24 Thus done and signed in Baton Rouge,
25 Louisiana, this 16th day of June 2022.

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1 CHAIRMAN JOHNS:

2 Thank you, Ms. Thurman. Members, we
3 have a motion by Judge Sholes to adopt this
4 resolution and seconded by Mr. Avant.

5 Ms. Thurman, would you please call the role?

6 MS. THURMAN:

7 Ms. Berry?

8 MS. BERRY:

9 Yes.

10 MS. THURMAN:

11 Mr. Avant?

12 MR. AVANT:

13 Yes.

14 MS. THURMAN:

15 Mr. Jackson?

16 MR. JACKSON:

17 Yes.

18 MS. THURMAN:

19 Mr. Poole?

20 MR. POOLE:

21 Yes.

22 MS. THURMAN:

23 Ms. Lewis?

24 MS. LEWIS:

25 Yes.

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1 MS. THURMAN:

2 Ms. Hamilton-Acker?

3 MS. HAMILTON-ACKER:

4 Yes.

5 MS. THURMAN:

6 Mr. Sholes?

7 MR. SHOLES:

8 Yes.

9 MS. THURMAN:

10 Ms. Traylor?

11 MS. TRAYLOR:

12 Yes.

13 MS. THURMAN:

14 Chairman Johns?

15 CHAIRMAN JOHNS:

16 Yes.

17 MS. THURMAN:

18 It's unanimous.

19 CHAIRMAN JOHNS:
20 By unanimous vote, this resolution is
21 adopted. Thank you, Mr. Waguespack for being here
22 today.

23 Okay, Members, we will move on to the
24 consideration of the plans and specifications of
25 Treasure Chest Casino.

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1 MR. MEEK:

2 Good morning, Chairman Johns.

3 CHAIRMAN JOHNS:

4 Good morning, Matthew. How are you
5 this morning?

6 MR. MEEK:

7 Doing well, doing well. Members of
8 the Board, I'm Assistant Attorney General
9 Matthew Meek, present today in the matter of
10 Treasure Chest Casino, LLC's, submission of their
11 architectural blueprints and plans of design.

12 On December 16, 2021, this board
13 considered and approved the licensee's request to
14 relocate its gaming operations to a landside
15 facility within 1,200 feet of its licensed berth.
16 On that date, the board adopted a resolution that
17 required the licensee to submit the architectural
18 blueprints and plans of design within 90 days of
19 that approval to move landside. The licensee did
20 timely submit those documents, and those plans are
21 up for your consideration today.

22 As a reminder, in addition to the
23 gaming floor, the landside facility will include a
24 multipurpose event center with seating for a
25 minimum of 300 people, a sports bar, a minimum of

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1 two -- a minimum of two restaurants, and a coffee
2 house or quick service food facility. The
3 Louisiana State Police, Gaming Enforcement
4 Division, and the Attorney General's Office
5 reviewed the plans and confirmed that they contain
6 all of the elements of the approved project.

7 If it is the board's pleasure to
8 approve the plans, a resolution has been drafted
9 for your consideration. The licensee will then
10 have 90 days from signature of that resolution to
11 submit their construction contracts, and then that
12 would be considered by the board at a future date.
13 A representative of the licensee is present today
14 to make a statement and answer any questions that
15 you may have.

16 CHAIRMAN JOHNS:

17 Okay. Thank you, Mr. Meek, and we
18 have someone from Boyd that's here this morning, I
19 think, with Treasure Chest. Good morning.

20 MS. BOLES:

21 Good morning, Mr. Chairman and Board
22 Members. Janet Boles on behalf of Boyd Gaming.
23 With me is Vince Schwartz, who is Regional
24 Vice-President on behalf of Boyd, and Kim Etland,

25 who is the GM and Vice-President of

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1 Treasure Chest.

2 CHAIRMAN JOHNS:

3 Good morning.

4 MS. ETLAND:

5 Good morning.

6 MR. SCHWARTZ:

7 Good morning. Glad to be in front of
8 your today. The project is moving forward. We're
9 certainly excited to take advantage of this
10 opportunity to move the property on land. You
11 know, a riverboat -- there's only so much you can
12 do with a steel riverboat to update it and upgrade
13 it, and it's been around for about 25 years. So
14 we are real excited to -- really excited to bring
15 it -- bring this project to light and move it on
16 land.

17 It is a pretty significant upgrade
18 and update to what we have today. Similar game
19 counts, a little -- a few more table games and a
20 few more slots perhaps, but the food and beverage
21 element is much better than we currently have
22 today. And then having an event center is going
23 to be very nice for a property that we've been
24 restricted by space for a long, long time.

25 We've been parking-challenged. If

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1 anybody has been to the facility, our parking is

2 on the dry side of the levy, with the facility
3 being on the water. So it's about a half-mile
4 walk or a half-mile bus ride. So -- so this --
5 this will really improve our offering and give us
6 a more competitive -- competitive and compelling
7 product in that market. So we are certainly
8 excited to be there.

9 CHAIRMAN JOHNS:

10 Well, thank you. Kim, good morning.

11 MS. ETLAND:

12 Good morning.

13 CHAIRMAN JOHNS:

14 Anything you would like to add or --

15 MS. ETLAND:

16 No. I think we are very excited to
17 get started.

18 CHAIRMAN JOHNS:

19 We are, too. So what's your
20 anticip -- if things go well, supply and -- if
21 supplies are available and the contractors on time
22 and -- when do you hope that you can open the
23 doors?

24 MR. SCHWARTZ:

25 We're -- we're targeting December of
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1 2023. It's a 15-month build is what we expect.
2 We've anticipated some of the supply chain issues
3 and have been addressing them kind of along the
4 way. We've already received City Council

5 approval, Planning Commission approval from the
6 City of Kenner, and really we're approaching the
7 permit stage, for the most part.

8 And so we're moving along pretty
9 good, and we're hoping to get a shovel in the
10 ground soon, very soon. We -- we are creating a
11 parking lot on some land that we own across the
12 street, and we shared that in our original plan
13 design. So we've cleared that land and kind of
14 moving through that process to create some
15 additional parking that we're going to displace as
16 part of the construction project. So we are -- we
17 are ready -- almost ready.

18 CHAIRMAN JOHNS:

19 Well, Members, we have -- we've
20 looked at their -- their architectural plans very
21 closely. Very impressive. Really excited about
22 what y'all are doing, and thank you to Boyd Gaming
23 for making this kind of a commitment. This is
24 actually the third property, I think, statewide
25 to -- that was moving from a legacy riverboat

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1 to -- to a land-based property, the first one,
2 of course, being Horseshoe in the -- in the
3 Lake Charles area. Hollywood here in Baton Rouge
4 is going up right now, and now -- now the
5 Treasure Chest. So we're excited about it, and we
6 thank you for that commitment.

7 Any questions from the board? Any --

8 anybody?

9 MS. BERRY:

10 I'll make a motion to accept the
11 resolution.

12 CHAIRMAN JOHNS:

13 Okay.

14 MR. SHOLES:

15 Second.

16 CHAIRMAN JOHNS:

17 Okay. All right. So who seconded on
18 that?

19 MS. BERRY:

20 Judge Sholes.

21 CHAIRMAN JOHNS:

22 Judge Sholes. Okay. So we do have
23 a -- we have no questions.

24 MS. BOLES:

25 Thank you so much.

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1 CHAIRMAN JOHNS:

2 We do have a motion to adopt this
3 resolution by Ms. Berry, seconded by Judge Sholes.
4 And so I'll ask Ms. Thurman to read the
5 resolution.

6 MS. THURMAN:

7 On the 16th day of June 2022, the
8 Louisiana Gaming Control Board did, in a duly
9 noticed public meeting, consider the issue of
10 Treasure Chest Casino, LLC's, submission of the

11 architectural blueprints and plans of design and
12 construction of the approved project, as required
13 by Condition 2(A) of the petition for approval of
14 relocation and -- of gaming operations and for
15 modification of license conditions, and upon
16 motion duly made and seconded, the Board adopted
17 this resolution:

18 Be it resolved that the architectural
19 blueprints and plans of design submitted for the
20 approved project, in accordance with
21 Condition 2(A) be deemed submitted and accepted,
22 and Licensee is authorized to proceed with the
23 project.

24 Thus done and signed in Baton Rouge,
25 Louisiana, this 16th day of June 2022.

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1 CHAIRMAN JOHNS:

2 Okay. Thank you, Ms. Thurman.

3 Members, we have a motion by Ms. Berry, seconded
4 by Mr. Sholes, to adopt this resolution. So,
5 Ms. Thurman, would you call the roll?

6 MS. THURMAN:

7 Ms. Berry?

8 MS. BERRY:

9 Yes.

10 MS. THURMAN:

11 Mr. Avant?

12 MR. AVANT:

13 Yes.

14 MS. THURMAN:

15 Mr. Jackson?

16 MR. JACKSON:

17 Yes.

18 MS. THURMAN:

19 Mr. Poole?

20 MR. POOLE:

21 Yes.

22 MS. THURMAN:

23 Ms. Lewis?

24 MS. LEWIS:

25 Yes.

55

1 MS. THURMAN:

2 Ms. Hamilton-Acker?

3 MS. HAMILTON-ACKER:

4 Yes.

5 MS. THURMAN:

6 Mr. Sholes?

7 MR. SHOLES:

8 Yes.

9 MS. THURMAN:

10 Ms. Traylor?

11 MS. TRAYLOR:

12 Yes.

13 MS. THURMAN:

14 Chairman Johns?

15 CHAIRMAN JOHNS:

16 Yes.

17 MS. BOLES:

18 Thank you very much.

19 CHAIRMAN JOHNS:

20 By unanimous vote, this resolution is
21 hereby adopted. Thank you very much. Please
22 express our thanks to Mr. Boyd and to
23 Mr. Keith Smith, also, for their commitment to
24 this project. So --

25 MS. BOLES:

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1 Thank you.

2 CHAIRMAN JOHNS:

3 -- thank y'all very much.

4 MS. ETLAND:

5 Thank you.

6 MR. SCHWARTZ:

7 Thank you. Appreciate it.

8 VII. VIDEO GAMING ISSUES

9 CHAIRMAN JOHNS:

10 All right, Members. We're going to
11 move on to consideration of the transfer of
12 interest in the truckstops. Okay. We're moving
13 on to video gaming issues. Mr. Pitre, good
14 morning.

15 MR. PITRE:

16 Good morning, Chairman Johns and
17 Board Members.

18 CHAIRMAN JOHNS:

19 Members, we have, actually, three

20 items of transfer of interest. We'll actually
21 present all of them at one time and vote on these
22 in globo.

23 MR. PITRE:

24 All right. Chairman and Board
25 Members, I'm Assistant Attorney General

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1 Earl Pitre, Jr., appearing before the board in the
2 matter of the transfer of ownership interest of
3 LSM Gaming, Incorporated, doing business as
4 Minden Truckstop & Casino. LSM Gaming,
5 Incorporated, is also a member of WY Properties,
6 LLC, doing business as Logansport Truck Stop &
7 Casino, and United Ventures Unlimited, LLC, doing
8 business as Flashback Casino. The transfer of
9 ownership interest in LSM Gaming, Incorporated,
10 resulted in an indirect transfer of interest in
11 WY Properties, LLC, and United Ventures Unlimited,
12 LLC. All are Type 5 video gaming licensees.

13 On November 6, 2021, LSM Gaming
14 issued 10 percent of its outstanding shares to
15 Stan Guidroz. James Worthy, Jr., retains
16 90 percent of the outstanding shares in
17 LSM Gaming.

18 On November 1, 2021, in a Management
19 Agreement and a Consulting Agreement,
20 Toucan Management, LLC, agreed to provide
21 consulting and management services to LSM Gaming,
22 Incorporated. Stan Guidroz is the sole member of

23 Toucan Management, LLC.
24 LSM Gaming, Incorporated, has a
25 75 percent membership interest in WY Properties,

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1 LLC, and a 50 percent membership interest in
2 United Ventures Unlimited, LLC. Stan Guidroz will
3 indirectly hold a 7.5 percent interest in
4 WY Properties, LLC, and a 5 percent interest in
5 United Ventures Unlimited, LLC.

6 Criminal Investigator William Landry
7 conducted the suitability investigation and
8 updated suitability checks on the associated
9 persons. He also conducted an investigation of
10 the transfers of interest. He is here today and
11 will present the Office of State Police's
12 findings.

13 MR. LANDRY:

14 Good morning, Chairman Johns and
15 Board Members.

16 CHAIRMAN JOHNS:

17 Good morning.

18 MR. LANDRY:

19 I conducted the suitability
20 investigation on Ruthy Guidroz, and I found no
21 information that would prevent her from
22 participating in the gaming industry. I also
23 conducted the updated suitability on Stan Guidroz,
24 who had previously been -- met suitability on
25 various licenses and found nothing that would

1 prevent him from continuing participating in the
2 gaming industry. I also conducted the
3 investigations of transfer of interests, and I
4 found nothing that would prevent approval of the
5 transfer of -- or continued licensing of the
6 licensees.

7 MR. PITRE:

8 The Office of the Attorney General
9 has reviewed the file compiled as a result of the
10 investigation conducted by the Office of State
11 Police. Our review indicates that no information
12 has been found to preclude approval of the
13 transfers.

14 CHAIRMAN JOHNS:

15 Okay. Thank you, gentlemen. Any
16 questions from the board members? Any questions?

17 MR. JACKSON:

18 Mr. Chairman, I make a motion that we
19 approve all three of those transfers.

20 CHAIRMAN JOHNS:

21 Mr. Jackson has moved that we approve
22 the transfers of interest.

23 MS. LEWIS:

24 (Indicating)

25 CHAIRMAN JOHNS:

1 And Ms. Lewis has seconded that
2 motion. Is there any discussion on the motion to

3 approve?

4 (NO RESPONSE)

5 CHAIRMAN JOHNS:

6 Is there any objection to the motion

7 to approve?

8 (NO RESPONSE)

9 CHAIRMAN JOHNS:

10 Hearing none, the transfers of

11 interest are hereby approved. Thank you,

12 gentlemen, for your work.

13 MR. PITRE:

14 Thank you. Thank you.

15 MR. LANDRY:

16 Appreciate it.

17 VIII. RULEMAKING

18 CHAIRMAN JOHNS:

19 Okay. We're going to move on to

20 rulemaking. Good morning, Ms. Himel.

21 MS. HIMEL:

22 Good morning, Chairman Johns, Members

23 of the Board. I'm Assistant Attorney General

24 Dawn Himel, here in the matter of the rule items

25 on the agenda today. I will be taking up all of

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1 the rule items listed on the agenda, A through J.

2 At its meeting on March 14, 2022, the

3 board voted to institute promulgation procedures

4 for these regulations, and following institution,

5 we caused notices of intent to be published,

6 directing all individuals with public comments to
7 make said comments to the Attorney General's
8 Office. During the public comment period, no
9 comments were made; therefore, as part of the
10 promulgation process, reports were submitted to
11 the House and Senate oversight committees.

12 The first reports detail the
13 substance of the proposed rules, and the second
14 report simply indicated that no public comments
15 were received. The committees were given 30 days
16 in which to call hearings in order to satisfy any
17 concerns that they might have. Since they did not
18 call any oversight committee hearings, the default
19 is to approve the process; therefore, this is
20 before the board today for final promulgation. If
21 the Board votes to approve them today, a motion to
22 adopt the rules is needed, and they will be sent
23 to the Registrar's Office and promulgated and
24 published in next month's -- so it will be July 20
25 is when they will be finalized.

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1 CHAIRMAN JOHNS:

2 Okay. And so some of these rules
3 actually fall right into place with what
4 Ms. Miller presented to us today with self -- you
5 know, one of them is the self-exclusion program,
6 the 1(800) -- the number -- the advertising
7 mandate. So okay. Any questions from the Board
8 on the proposed rules? Judge?

9 MR. SHOLES:
10 Self-exclusion, if a person decides
11 to self-exclude for any particular reason but then
12 later, after a passage of time, feels they're
13 prepared to go back, what's the process, and how
14 long does it take to get off the self-exclusion
15 list?

16 MS. HIMEL:
17 So they're on the self-exclusion list
18 for a minimum of five years. They do have to go
19 to -- I'm not sure if it's a psychologist or a
20 psychiatrist, but they do have to get
21 psychologist -- a mental health evaluation to make
22 sure that they are safe for themselves to reenter,
23 you know, the gaming industry, in order to
24 participate.
25 Once they do that, they have to go

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1 before the hearing officer. It is a closed
2 hearing in which they consider all the testimony.
3 They might talk to the person, and they look at
4 the psychologists' reports to show that they did
5 complete the psychologist review. And then if the
6 hearing officer determines that they should be
7 able to be removed, then they have them removed
8 from the self-exclusion list, and they are allowed
9 to game again.

10 MR. SHOLES:
11 Thank you.

12 CHAIRMAN JOHNS:

13 Okay. Thank you, Judge. Any further
14 questions for Ms. Himel?

15 (NO RESPONSE)

16 CHAIRMAN JOHNS:

17 Okay. I would entertain a motion
18 that we adopt the rulemaking procedures in
19 Section VIII, A through J.

20 MS. HAMILTON-ACKER:

21 So moved.

22 CHAIRMAN JOHNS:

23 Ms. Hamilton-Acker has moved that we
24 adopt these rulemaking procedures.

25 MS. TRAYLOR:

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1 (Indicating)

2 MR. JACKSON:

3 Second.

4 CHAIRMAN JOHNS:

5 Ms. Traylor has seconded that motion.

6 Is there any discussion on the motion?

7 (NO RESPONSE)

8 CHAIRMAN JOHNS:

9 Is there any objection to the motion?

10 (NO RESPONSE)

11 CHAIRMAN JOHNS:

12 Hearing none, that motion carries.

13 IX. ADJOURNMENT

14 CHAIRMAN JOHNS:

15 Okay. Members, I think our agenda is
16 clear. I just want to, first -- in closing, I
17 want to congratulate board members, Ms. Traylor,
18 Mr. Jackson, and Judge Sholes for confirmation by
19 the Senate a couple of weeks ago, along with
20 myself. So we are official now, and -- so thank
21 you very much for going through that tedious
22 process. And tedious is kind of a mild word --
23 word to put it, so -- but thank you very much for
24 going through that. Is there any other business
25 to come before the board?

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1 (NO RESPONSE)

2 CHAIRMAN JOHNS:

3 I would entertain a motion that we
4 adjourn. Mr. Jackson, --

5 MR. JACKSON:

6 So moved.

7 CHAIRMAN JOHNS:

8 -- I know Mr. Jackson -- so moved.

9 MS. LEWIS:

10 (Indicating)

11 CHAIRMAN JOHNS:

12 Any objection to that motion?

13 (NO RESPONSE)

14 CHAIRMAN JOHNS:

15 Hearing none, we are hereby

16 adjourned. Thank you very much.

17 (OFF THE RECORD AT 10:59 A.M.)

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1 REPORTER'S CERTIFICATE

2 I, Karla H. Mayers, a Certified Court
Reporter in and for the State of Louisiana, do
3 hereby certify that the foregoing is a true and
correct transcript of the proceedings held at this
4 Louisiana Gaming Control Board meeting on the 16th
day of June, 2022, as set forth in the forgoing 65
5 pages.

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

8 I further certify that the transcript has
been prepared in compliance with transcript format
9 guidelines required by statute or by rules of the
board and that I have been informed about the
10 complete arrangement, financial or otherwise, with
the person or entity making arrangements for
11 deposition services.

I further certify that I have acted in
12 compliance with the prohibition on contractual
relationships, as defined by Louisiana Code of
13 Civil Procedure Article 1434 and in rules and
advisory opinions of the board.

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

17 This certification is valid only for this
transcript accompanied by my original signature
18 and original seal on this page.

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21
22
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24 _____
Karla H. Mayers, CCR
Certificate No. 94023