



*State of Louisiana*  
*Gaming Control Board*

*BOBBY JINDAL*  
GOVERNOR

*DANE K. MORGAN*  
CHAIRMAN

**DECISION OF THE  
LOUISIANA GAMING CONTROL BOARD**

**IN RE: RALPH HYMEL, INC.  
D/B/A DADDY'S FRIED CHICKEN  
NO. 4500208554**

This is an appeal by Ralph Hymel, Inc. d/b/a Daddy's Fried Chicken from the decision of the Hearing Officer of the Louisiana Gaming Control Board, rendered on July 15, 2009, revoking its Type 2 Video Draw Poker license based on the licensee's failure to notify the Louisiana State Police ("Division") of the change in ownership and on the licensee's operation of the video gaming devices without a valid ATC permit.

**FINDING OF FACTS**

Daddy's Fried Chicken was licensed to operate video poker machines when 100% of its stock was transferred to John and Grail Howard on September 1, 2007. The Division was not notified of the transfer. The ATC permit expired on April 30, 2008 and remained invalid at the time of the hearing, July 15, 2009. Approximately, \$10,000 in gaming revenues was collected by Daddy's Fried Chicken between May 1, 2008 and November 11, 2008.

Daddy's Fried Chicken alleges in its appeal that John Howard, stockholder, informed the Division to disconnect and remove the gaming devices and should not be responsible for any miscommunication.

## LEGAL ANALYSIS

Only certain types of establishments may obtain a license to operate video gaming devices and each type of establishment must meet certain criteria in order to be considered a qualified establishment for the operation of video gaming devices. La. R. S. 27:306(A)(1) and La. R.S. 27:301(B)(8). An establishment which has been granted a Class A-Restaurant permit to sell alcoholic beverages for consumption on the premises of a restaurant is one type which is recognized by the legislature. La. R. S. 27:306(A)(2)(a) and La. R. S. 27:301(B)(12).

An individual having an ownership interest of more than five (5) percent in a licensed entity is required to meet all suitability requirements and qualifications for licensees. La. R. S. 27:310(D). Louisiana Revised Statute 27:310(C) provides, in pertinent part, that “[a]ll licensees and persons required to be qualified ... shall have a continuing duty to inform the Division of any action which they believe would constitute a violation” of the video gaming laws.

The legislature has expressed its desire that “video draw poker gaming activities are conducted honestly and are free from criminal and corruptive elements” and its interest “in providing strict regulation of all persons, practices, associations, and activities related to the operation of licensed establishments.” La. R.S. 27:306(A)(1).

The sale of Daddy’s Fried Chicken stock occurred seven months before the Division was made aware of this fact. Individuals, unknown to the Division, were operating a licensed establishment who had never met suitability. Furthermore, the licensed establishment was no longer qualified to operate video gaming devices after the expiration of its ATC permit. The permit expired in April 2008 and remained invalid at the time of the hearing, July 2009.

The licensee’s claim that the Division should have removed or disconnected the machines has no basis in law.

# ORDER

This matter having been considered by the Louisiana Gaming Control Board in open meeting of September 15, 2009:

**IT IS ORDERED THAT** the Hearing Officer's decision is **AFFIRMED**.

**THUS DONE AND SIGNED** on this the *15<sup>th</sup>* day of *September, 2009*

**LOUISIANA GAMING CONTROL BOARD**

BY:

  
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**DANE K. MORGAN, CHAIRMAN**

DKM/gac

LOUISIANA GAMING CONTROL BOARD  
I HEREBY CERTIFY THAT A COPIED  
COPY HAS BEEN MAILED OR SERVED ON  
ALL PARTIES THIS *16<sup>th</sup>* DAY  
OF *September*, *2009*

APPEAL DOCKET CLERK

