



State of Louisiana
Gaming Control Board

BOBBY JINDAL
GOVERNOR

DANE K. MORGAN
CHAIRMAN

**DECISION OF THE
LOUISIANA GAMING CONTROL BOARD**

**IN RE: HORACE'S BAR, LLC D/B/A HORACE'S BAR *Consolidated With*
HORACE'S BAR, LLC D/B/A HORACE'S BAR
NO.'s 3601115643 & 3601616128**

Horace's Bar, LLC d/b/a Horace's Bar ("Horace's Bar") holds a Type 1 (bar) video gaming license, No. 3601115643, and has applied for a Type 6 (device owner) video gaming license, Application No. 3601616128. The Louisiana Office of State Police ("Division") recommended the revocation of the Type 1 license, the denial of the Type 6 license application and the finding of unsuitability of Horace Spurlock, Jr. A hearing was requested and held regarding the recommendations. The Hearing Officer of the Louisiana Gaming Control Board ("Board"), in a decision dated September 26, 2011, ordered the revocation of the Type 1 license, the denial of the Type 6 license application and found Horace Spurlock, Jr. unsuitable.

The reasons for the judgment were a finding that Horace's Bar failed to submit required suitability information and the mandated transfer fee of \$1,000 and that Mr. Spurlock was unwilling to comply with gaming laws and regulations.

Horace's Bar and Mr. Spurlock appeal from the decision and request that the decision be reversed.

LEGAL ANALYSIS

We adopt the Hearing Officer's "Findings of Fact" and "Applicable Law" and agree with his decision.

Horace Spurlock, Jr. and Lisa Spurlock have not provided the Division with any documents evidencing a transfer of Geraldine Spurlock's interest in Horace's Bar, LLC prior to her death. The last expression of the ownership interest shows Geraldine Spurlock having a 60% interest in Horace's Bar, LLC. Upon her death, her interest was acquired by her heirs. Louisiana Civil Code article 935 provides, "Immediately at the death of the decedent, universal successors acquire ownership of the estate and particular successors acquire ownership of the things bequeathed to them." Suitability documents for these owners and the executor have not been provided nor has the \$1,000 transfer fee as required by La. R.S. 27:311(H)(5). Horace Spurlock, Jr. has been given ample opportunity and time to provide any documentation needed and has refused to do so.

Additionally, Horace Spurlock, Jr. and Lisa Spurlock, have given conflicting accounts of the ownership in Horace's Bar, LLC. Horace Spurlock, Jr. has "demonstrated a reluctance or inability to comply with the requirements set forth in ... rules and the Act, particularly after repeated warnings" and has failed "to respond in a timely manner to communications from the Division." L.A.C. 42:XI.2417(C)(1).

ORDER

This matter having been considered by the Louisiana Gaming Control Board in open meeting of November 17, 2011:


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

THUS DONE AND SIGNED on this the 17th day of *November*, 2011.

LOUISIANA GAMING CONTROL BOARD

BY:


DANE K. MORGAN, CHAIRMAN

LOUISIANA GAMING CONTROL BOARD
I HEREBY CERTIFY THAT A CERTIFIED
COPY HAS BEEN MAILED OR SERVED ON
ALL PARTIES THIS 18th DAY
OF November, 2011
APPEAL DOCKET CLERK


**STATE OF LOUISIANA
GAMING CONTROL BOARD**

**ADMINISTRATIVE HEARING
AUGUST 1, 2011**

**HEARING OFFICER
RICHARD L. REYNOLDS**

**IN RE: HORACE'S BAR, LLC
D/B/A HORACE'S BAR
#3601115643
CONSOLIDATED WITH
HORACE'S BAR, LLC
D/B/A HORACE'S BAR
#3601616128**

TRUE COPY

Representative
Louisiana Gaming Control Board

**IN RE: HORACE'S BAR, LLC
D/B/A HORACE'S BAR
NO: 3601115643**

CONSOLIDATED WITH

**HORACE'S BAR, LLC
D/B/A HORACE'S BAR
NO: 3601616128**

APPEARANCES:

For the State of Louisiana

Dawn Himel
Assistant Attorney General
1885 North 3rd Street, Ste. 500
Baton Rouge, LA 70802

Horace's Bar, LLC
d/b/a Horace's Bar
3601115643, 3601616128

John L. Young
Attorney at Law
915 St. Louis Street
New Orleans, LA 70112

STATEMENT OF THE CASE:

On May 26, 2011 the Louisiana Gaming Control Board issued a Notice of Recommendation of Revocation and Finding of Unsuitability against the Type 1 Video Poker license of Horace's Bar, LLC d/b/a Horace's Bar and a Notice of Recommendation of Denial of Original Application and Finding of Unsuitability of a pending Type 6 video draw poker gaming license for Horace's Bar, LLC d/b/a Horace's Bar.

The notices issued to Horace's Bar, LLC d/b/a Horace's Bar are due to its failure to submit requested information to the Louisiana Office of State Police and the failure of Horace's Bar, LLC d/b/a Horace's Bar to timely submit, due to the death of Geraldine Spurlock, the required \$1,000 membership transfer fee for transfer of ownership.

The suitability of Horace Spurlock, Jr. is questioned since he has demonstrated unwillingness to comply with the laws governing the regulation of video poker.

The hearing regarding this matter was conducted on August 1, 2011. John L. Young, counsel for Horace's Bar, LLC d/b/a Horace's Bar, was present at the hearing and represented Horace's Bar, LLC d/b/a Horace's Bar.

STATE'S EXHIBITS:

1. Notice of Recommendation of Revocation and Finding of Unsuitability
2. Certified Mail Return Receipt
3. Notice of Recommendation of Denial of Original Application and Finding of Unsuitability
4. Certified Mail Return Receipt
5. Video Gaming Application of Horace's Bar, LLC d/b/a Horace's Bar, License No. 3601115643
6. Address Lookup Results of Geraldine Spurlock; Video Gaming Application of Geraldine Spurlock d/b/a Horace's Bar, License No. 3601109286
7. Articles of Organization of Horace's Bar, LLC (August 2, 2006); Limited Liability Company Initial Report of Horace's Bar, LLC (August 2, 2006) (in globo)
8. Letter to Secretary of State with Supporting Documentation (April 29, 2008)
9. Video Gaming Application of Horace's Bar, LLC d/b/a Horace's Bar, License No. 3601616128 (March 30, 2010)
10. Personal History Questionnaire of Horace Spurlock, Jr. (March 29, 2010)
11. Certificate of Death of Geraldine Sholes Spurlock (July 12, 2010)
12. Certificate of Death of Horace Spurlock, Sr. (March 23, 2008)
13. Last Will and Testament of Geraldine Sholes Spurlock (February 4, 2008)
14. State Police 10 Day Notice Letter (July 19, 2010)
15. Proof of Personal Service (July 19, 2010)
16. Letter from Horace's Bar, LLC stating alleged changes in Membership and Management (July 21, 2010); Notice of Change of Member(s) and/or Manager(s) of Horace's Bar, LLC (May 14, 2010) (in globo)
17. State Police 10 Day Notice Letter (July 29, 2010)
18. Proof of Personal Service (July 29, 2010)

19. State Police Urgent Reminder Letter (August 5, 2010)
20. Certified Mail Receipt
21. State Police 10 Day Notice Letter (November 8, 2010)
22. Certified Mail Return Receipt
23. Letter from Horace Spurlock, Jr. (June 13, 2011)

HORACE'S BAR D/B/A HORACE'S BAR'S EXHIBITS:

None

FINDINGS OF FACT:

On July 26, 1996, Geraldine Spurlock applied for a Type 1 video gaming license as sole proprietor of a bar operated under the name "Horace's Bar." The application was approved and Mrs. Spurlock was issued video gaming license number 3601109286.

On July 7, 2008, the Louisiana Office of State Police received a Type 1 video gaming application for Horace's Bar, LLC d/b/a Horace's Bar in which it reported its membership to be as follows: Geraldine Spurlock (60%), Horace Spurlock, Jr. (20%), and Lisa Spurlock (20%). The application was for the same location licensed to Geraldine Spurlock, individually.

The Louisiana Office of State Police recommended approval of the Type 1 video gaming application submitted on July 7, 2008 for Horace's Bar, LLC d/b/a Horace's Bar and video gaming license number 3601115643 was issued. On November 19, 2008 the previous Type 1 video gaming license of Geraldine Spurlock, 3601109286, was administratively withdraw by the Louisiana Office of State Police when the current Type 1 video gaming license was issued.

On March 30, 2010, Horace's Bar, LLC submitted a Type 6 video draw poker gaming application. The application reported the membership of Horace's Bar LLC to be Horace Spurlock, Jr. (49%), Lisa Spurlock (49%), and Geraldine Spurlock (2%). No written act of conveyance was provided to the Division that reflected a transfer to Horace Spurlock, Jr. and Lisa Spurlock of Geraldine Spurlock's 58% membership interest of Horace's Bar, LLC.

The Louisiana Office of State Police was informed by phone on July 12, 2010 that Geraldine Spurlock had died earlier that day. On July 19, 2010, a 10-Day letter was hand delivered to Horace's Bar, LLC requesting, among other documentation, a copy of Geraldine Spurlock's last will and testament.

A review of Geraldine Spurlock's last will and testament that Geraldine Spurlock named Robert Spurlock as her executor and that her entire estate was bequeathed in equal shares to her four children, Tyrone Green, Sandra Spurlock Spears, Debra Spurlock Coleman, and Horace Spurlock, Jr.

On July 30, 2010, the Louisiana Office of State Police hand-delivered a 10-Day letter dated July 29, 2010, to Horace's Bar, LLC requesting suitability application forms for the executor and legatees named in Geraldine Spurlock's last will and testament, as well as the spouses of the legatees named in the will of Geraldine Spurlock. The 10-Day letter also requested a \$1,000 membership transfer fee for the transfer of ownership that occurred upon the death of Geraldine Spurlock.

On August 5, 2010, an Urgent Reminder letter was sent to Horace's Bar, LLC by the United State Postal Service, certified mail, return receipt requested. Horace Spurlock, Jr. signed as receiving the letter on August 9, 2010. This letter reiterated the requirement of Horace's Bar, LLC to provide the \$1,000 membership transfer fee as well as the requested suitability documentation for the executor and legatees of the deceased Geraldine Spurlock and their spouses. Horace's Bar, LLC has failed to supply both the requested suitability documentation and the required membership transfer fee.

Horace's Bar, LLC has failed to provide any facts of conveyance to evidence any transfers of ownership other than the transfer of ownership on April 29, 2008, that resulted in the ownership of Horace's Bar, LLC being Geraldine Spurlock, 60%, Horace Spurlock, Jr. , 20%, and Lisa Spurlock, 20%.

As of the hearing held on August 1, 2011, the suitability documentation requested of Horace's Bar, LLC has not been submitted to the Louisiana Office of State Police and the suitability of Horace's Bar, LLC remains incomplete.

APPLICABLE LAW:

Regarding suitability requirements, La. R.S. 27:310(B)(1)(a) and (c) provides:

“B. (1) No person shall be granted a license under the provisions of this Chapter unless the applicant has demonstrated to the division that he is suitable for licensing. For purposes of this Chapter, suitability means the applicant or licensee is:

(a) A person of good character, honesty, and integrity.

* * *

(c) Likely to conduct business as authorized by this Chapter in complete compliance with the provisions of this Chapter.”

La. R. S. 27:311(H)(5) provides regarding processing fee charged by the division:

“H. A processing fee shall be charged by the division as follows:

* * *

(5) Stock or membership sales or transfers of fifty percent or more of a licensed corporation or limited liability company, one thousand dollars.”

LAC 42:XI.2405(A)(9) and (12) provides regarding initial and renewal applications:

“A. Initial and Renewal Applications

* * *

9. All applicants shall provide all additional information requested by the division. If applicants fail to provide all additional information requested by the division, the application shall be considered incomplete.

* * *

12. Incomplete applications, including failure to pay fees may result in a delay or denial of a license.”

Regarding requirements for licensing, LAC 42:XI.2405(B)(1)(a) provides;

“B. Requirements for Licensing

1.a. No person shall be granted a license, and no license shall be renewed unless the applicant demonstrates to the division that he is suitable for licensing, and thereafter continues to maintain suitability, as provided in the Act.”

LAC 42:XI.2405(C)(1)(c), (e) and (i) provides regarding causes for disciplinary action:

“C. Additional Causes for Disciplinary Action

1. Further instances of conduct by a licensee or permittee where the division or board may sanction a licensee or permittee shall include but not be limited to when:

* * *

c. the licensee or permittee has demonstrated a reluctance or inability to comply with the requirements set forth in these rules and the Act, particularly after repeated warnings;

* * *

e. the division discovers incomplete or erroneous information as to a material or a substantial matter provided on an application or any item affecting the decision whether to license the applicant;

* * *

i. failure to respond in a timely manner to communications from the division or board;”

REASONS FOR JUDGMENT:

Horace’s Bar, LLC d/b/a Horace’s Bar has failed to comply with Louisiana gaming laws by failing to submit requested suitability information requested by the Louisiana Office of State Police regarding the executor and legatees of Geraldine Spurlock, and their spouses, following her death. The required membership transfer fee of \$1,000 for the transfer of ownership of Horace’s Bar, LLC d/b/a Horace’s Bar has not been timely submitted.

Due to the unwillingness of Horace Spurlock, Jr. to comply with the laws governing the regulation of video poker, Mr. Spurlock is deemed unsuitable to participate in the Louisiana video gaming industry. Accordingly, Horace’s Bar, LLC d/b/a Horace’s Bar fails to maintain the requirement of suitability for a Video Poker License.

ORDER

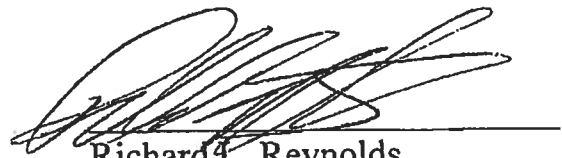
Considering the evidence herein;

IT IS ORDERED THAT the Type 1 Video Poker license of Horace's Bar, LLC d/b/a Horace's Bar, license number 3601115643, be revoked.

IT IS FURTHER ORDERED THAT the Type 6 video draw poker gaming license of Horace's Bar, LLC d/b/a Horace's Bar, license application number 3601616128, is denied.

IT IS FURTHER ORDERED THAT Horace Spurlock, Jr. be and is hereby deemed unsuitable to participate in the Louisiana video gaming industry in connection with the Type 1 Video Poker license of Horace's Bar, LLC d/b/a Horace's Bar, license number 3601115643, and the Type 6 Video Poker license for Horace's Bar, LLC d/b/a Horace's Bar, application number 3601616128.

Baton Rouge, Louisiana, this 27th day of September, 2011.



Richard L. Reynolds
Hearing Officer

LOUISIANA GAMING CONTROL BOARD
I HEREBY CERTIFY THAT A CERTIFIED
COPY HAS BEEN MAILED OR DELIVERED ON
ALL PARTIES THIS 27th DAY
OF September 2011
Bill Sims
SECRETARY, ADMINISTRATIVE HEARING OFFICE

cc: John L. Young
Dawn Hmel

A TRUE COPY ATTEST
LOUISIANA GAMING CONTROL BOARD
HEARING OFFICE
BATON ROUGE, LA 9.26.11
Bill Dornye
BY: CLERK