

COMMONWEALTH OF PENNSYLVANIA

GAMING CONTROL BOARD

* * * * *

PUBLIC MEETING

* * * * *

BEFORE: WILLIAM H. RYAN, JR., CHAIRMAN
Gregory C. Fajt, James B. Ginty, Annmarie
Kaiser, Keith R. McCall, Anthony C.
Moscato, Gary A. Sojka; Members
Christopher B. Craig, Representing Robert
McCord, State Treasurer
Robert Coyne, Representing Daniel P.
Meuser, Secretary of Revenue

HEARING: Wednesday, October 10, 2012
10:35 a.m.

LOCATION: Strawberry Square Complex
Second Floor
Harrisburg, PA 17101

WITNESSES: Joseph R. Moser, David Walls, Michael Cruz

Reporter: Kayla Bolze

DRAFT VERSION UNTIL APPROVED BY THE BOARD

Any reproduction of this transcript is prohibited
without authorization by the certifying agency.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

A P P E A R A N C E S

OFFICE OF CHIEF COUNSEL

R. DOUGLAS SHERMAN, ESQUIRE

Chief Counsel

STEPHEN S. COOK, ESQUIRE

Deputy Chief Counsel

OFFICE OF ENFORCEMENT COUNSEL

CYRUS PITRE, ESQUIRE

Chief Enforcement Counsel

MICHAEL ROLAND, ESQUIRE

Assistant Chief Enforcement Counsel

MELISSA POWERS, ESQUIRE

Assistant Enforcement Counsel

DUSTIN MILLER, ESQUIRE

Assistant Enforcement Counsel

CASSANDRA FENSTERMAKER, ESQUIRE

Assistant Enforcement Counsel

BETH A. MANIFESTO, ESQUIRE

Assistant Enforcement Counsel

JEFFREY P. HOEFLICH, ESQUIRE

Assistant Enforcement Counsel

PA Gaming Control Board

P.O. Box 69060

Harrisburg, PA 17106-9060

Counsel for the Pennsylvania Gaming Control Board

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

A P P E A R A N C E S (cont.)

MICHAEL D. FABIOUS, ESQUIRE

Ballard Spahr, LLP

1735 Market Street, 51st Floor

Philadelphia, PA 19103-7599

Counsel for Western Money Systems & Global Cash
Access

THOMAS C. BONNER, ESQUIRE

Greenwood Gaming Services Co.

2999 Street Road

Post Office Box 1000

Bensalem, PA 19020

Counsel for Greenwood Gaming & Entertainment, Inc.

GUY S. MICHAEL, ESQUIRE

Michael & Carroll, PC

1125 Atlantic Avenue, Suite 619

Atlantic City, NJ 08401

Counsel for International Gaming Technology

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

A P P E A R A N C E S (cont.)

DANIEL K. BRICMONT, ESQUIRE

Caroselli, Beachler, McTiernan & Conboy, LLC

20 Stanwix Street, Seventh Floor

Pittsburgh, PA 15222

Counsel for International Gaming Technology

ALAN C. KOHLER, ESQUIRE

Eckert, Seamans, Cherin & Mellott, LLC

213 Market Street, 8th Floor

Harrisburg, PA 17101-2132

Counsel for Pocono Downs Racing, LP

JAMES A. DOHERTY, III, ESQUIRE

Doherty Hayes, LLC

321 Spruce Street

1000 Bank Towers

Scranton, PA 18503

Counsel for DEQ Systems

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

A P P E A R A N C E S (cont.)

MARK S. STEWART, ESQUIRE
Eckert, Seamans, Cherin & Mellott, LLC
Post Office Box 1248
Harrisburg, PA 17101
Counsel for United States Playing Card Company

I N D E X

1		
2		
3	OPENING REMARKS	
4	By Chairperson Ryan	8 - 12
5	PRESENTATION	
6	By Ms. Yantis	12 - 13
7	By Mr. Rhen	13 - 17
8	Attorney Sherman	17 - 23
9	Attorney Cook	23 - 30
10	<u>WITNESS:</u> JOSEPH R. MOSER	
11	QUESTIONS BY BOARD	30 - 40
12	DISCUSSION AMONG PARTIES	40 - 42
13	PRESENTATION	
14	By Attorney Cook	42 - 47
15	<u>WITNESS:</u> DAVID WALLS	
16	QUESTIONS BY BOARD	47 - 61
17	PRESENTATION	
18	By Attorney Cook	61 - 63
19	By Ms. Hensel	63 - 74
20	DISCUSSION AMONG PARTIES	74 - 75
21	PRESENTATION	
22	By Attorney Miller	75 - 78
23	DISCUSSION AMONG PARTIES	78 - 79
24	QUESTIONS BY BOARD	79 - 85
25		

I N D E X (cont.)

1		
2		
3	PRESENTATION	
4	By Attorney Manifesto	85 - 87
5	DISCUSSION AMONG PARTIES	87 - 89
6	<u>WITNESS:</u> MICHAEL CRUZ	
7	QUESTIONS BY BOARD	89 - 93
8	DISCUSSION AMONG PARTIES	93 - 94
9	PRESENTATION	
10	By Attorney Powers	94 - 95
11	DISCUSSION AMONG PARTIES	95 - 97
12	QUESTIONS BY BOARD	97 - 101
13	DISCUSSION AMONG PARTIES	101 - 104
14	PRESENTATION	
15	By Attorney Manifesto	104 - 111
16	By Attorney Roland	111 - 113
17	By Attorney Miller	113
18	QUESTIONS BY BOARD	113 - 121
19	DISCUSSION AMONG PARTIES	121 - 124
20	PRESENTATION	
21	By Attorney Fenstermaker	124 - 131
22	DISCUSSION AMONG PARTIES	131 - 133
23	PRESENTATION	
24	By Attorney Hoeflich	133 - 135
25	DISCUSSION AMONG PARTIES	135 - 137

P R O C E E D I N G S

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

CHAIRMAN:

Good morning, ladies and gentlemen. My name is Bill Ryan. I'm Chairman of the Pennsylvania Gaming Control Board. Before we begin, I would like to ask everyone to please turn off cell phones, PDAs, and other electronic devices. Thank you.

The first order of business I think today, we have a quorum here, and I think the first thing we want to do is stand for the Pledge of Allegiance.

PLEDGE OF ALLEGIANCE RECITED

CHAIRMAN:

Thank you very much. At this time I would like to formally welcome the newest member of the Board, Annmarie Kaiser, who was an appointee of Governor Tom Corbett. I've had the pleasure of knowing Annmarie for a very long time, and I have no doubt that she is going to be a great asset to those of us on the Board and more importantly to the people of the Commonwealth of Pennsylvania.

Our first item on the agenda today will be the swearing in of Annmarie as a member of the Board. Administering the oath to Annmarie this

1 morning will be the Honorable Deborah Curcillo, Judge
2 of the Common Pleas Court of Dauphin County. With
3 Judge Curcillo is her daughter, Olivia, who will hold
4 the Bible for Annmarie. And it's certainly good to
5 note that present as a guest for Annmarie is the
6 Honorable Jim Cawley, Lieutenant Governor of the
7 Commonwealth of Pennsylvania. Welcome to Lieutenant
8 Cawley --- Lieutenant Governor Cawley. I put you in
9 the military, Jim.

10 Also present is someone I know very well,
11 a long time, Steven Aichele, Chief of Staff for
12 Governor Corbett, and Kenya Mann Faulkner, someone
13 else I know very well, worked with her in the Office
14 of Attorney General, Kenya Mann Faulkner, Inspector
15 General of the Commonwealth of Pennsylvania.

16 And with that, we'll proceed with the
17 swearing in. So, Judge, if you will, I'll turn it
18 over to you.

19 JUDGE DEBORAH CURCILLO:

20 Thank you.

21 CHAIRMAN:

22 Annmarie, why don't you go down into the
23 well, and we'll watch the proceedings.

24 JUDGE:

25 Good morning. Annmarie, if you would

1 raise your right hand and put your left hand on the
2 Bible and repeat after me; I ---

3 MS. KAISER:

4 I ---

5 JUDGE:

6 --- state your name ---

7 MS. KAISER:

8 --- Annmarie Kaiser ---

9 JUDGE:

10 --- do solemnly swear ---

11 MS. KAISER:

12 --- do solemnly swear ---

13 JUDGE:

14 --- that I will support ---

15 MS. KAISER:

16 --- that I will support ---

17 JUDGE:

18 --- obey and defend ---

19 MS. KAISER:

20 --- obey and defend ---

21 JUDGE:

22 --- the Constitution of the United

23 States ---

24 MS. KAISER:

25 --- the Constitution of the United

1 States ---

2 JUDGE:

3 --- and the Constitution of this

4 Commonwealth ---

5 MS. KAISER:

6 --- and the Constitution of this

7 Commonwealth ---

8 JUDGE:

9 --- and I will discharge my duties ---

10 MS. KAISER:

11 --- and I will discharge my duties ---

12 JUDGE:

13 --- with fidelity.

14 MS. KAISER:

15 --- with fidelity.

16 JUDGE:

17 Thank you.

18 CHAIRMAN:

19 Thank you, Your Honor. Thank you,

20 Olivia. And the dignitaries file out. We can begin

21 our business today. First of all, let me say that

22 prior to our public hearing today --- excuse me.

23 WHEREUPON, THE PUBLIC INPUT HEARING WAS HELD.

24 CHAIRMAN:

25 We will now begin our regularly scheduled

1 meeting by way of announcements. The Board held an
2 Executive Session via conference call on September
3 26th to discuss a personnel matter. We also held an
4 Executive Session yesterday, October 9th, to discuss
5 additional personnel-related matters and to conduct
6 quasi-judicial deliberations relating to matters being
7 heard and considered by the Board today.

8 First item, new business, human
9 resources, Claire Yantis. Claire?

10 MS. YANTIS:

11 Good morning, Chairman, Board members.
12 The Office of Human Resources has one motion before
13 you today. Mr. David Tepper has been selected for the
14 position of Law Clerk in the Office of Enforcement
15 Counsel (OEC). Mr. Tepper has completed PGCB
16 interview process, background investigation and drug
17 screening, and is being recommended for hire by Chief
18 Enforcement Counsel Cyrus Pitre. Unless you have any
19 questions, I ask that the Board consider a motion to
20 hire Mr. Tepper as indicated.

21 CHAIRMAN:

22 Any questions, comments from the Board?
23 Ex-officio members? May I have a motion?

24 MS. KAISER:

25 Mr. Chairman, I move that the Board

1 approve the applicant as proposed by the Director of
2 Human Resources.

3 CHAIRMAN:

4 Second?

5 MR. MOSCATO:

6 Second.

7 CHAIRMAN:

8 All in favor?

9 ALL SAY AYE

10 CHAIRMAN:

11 Opposed?

12 NO RESPONSE

13 CHAIRMAN:

14 Motion carries. Thank you, Claire. Next
15 will be Dave Rhen, our budget manager. Dave?

16 MR. RHEN:

17 Good morning.

18 CHAIRMAN:

19 Good morning, Dave.

20 MR. RHEN:

21 I'm here today for two purposes. First,
22 to present the 2013-14 budget request for your
23 consideration, and second, to provide an overview of
24 expenditures for the first quarter of this fiscal
25 year.

1 I'll start with the agency budget. The
2 Gaming Board's fiscal year of 2013-14 proposed budget
3 request is \$37,034,000. This is a \$936,000, or 2.6
4 percent increase over the current year budget of 36.1
5 million dollars. The budget increase is a result of
6 rising personnel costs including contractual raises, a
7 45 percent increase in pension costs to 15.2 percent
8 of salaries, and an 11.5 percent increase to health
9 benefits. Personnel costs are budgeted at \$31.3
10 million or 84 percent of the Board's overall request.
11 In order to limit the budget increase, we are holding
12 the complement at 319 employees, including currently
13 filled and vacant positions and seven additional
14 casino compliance representatives at the new Category
15 3 facility at Nemaocolin. The complement stood at 317
16 at the time the budget was put together.

17 Operating expenses are budgeted at \$5.5
18 million or 15 percent of the overall request, and
19 fixed assets are budgeted at \$244,000 or one percent
20 of the request. The operating and fixed asset budgets
21 essentially match the actual expenses from last fiscal
22 year. By category, real estate and office equipment
23 leases is the largest planned operating expense at
24 \$1.7 million or 32 percent of operating expenses.
25 This is followed by other operating expenses, which is

1 primarily databases used by the Bureau of
2 Investigations and Enforcement (BIE) for background
3 investigations at \$1.4 million or 25 percent.
4 Services at \$1.2 million or 22 percent are the third
5 largest operating expense, and services include
6 veteran assistance, with IT assistance development or
7 maintenance, state police, license applicant
8 fingerprints, inter-agency billing such as Comp
9 services, payroll, and our SAP system and legal
10 services. And lastly, telecommunications is the
11 fourth largest operating expense at \$480,000 or nine
12 percent of the operating budget.

13 This budget will be funded through a
14 combination of \$5.8 million in restricted revenue.
15 This includes fees for investigation, proceedings of
16 the Board and gaming lab charge-backs to manufacturers
17 and a \$31.3 million --- and \$31.3 million in
18 draw-downs from the escrow accounts funded by casino
19 operators. That concludes my presentation of the
20 budget. I'd be happy to take any questions or would
21 appreciate your consideration of a motion to approve
22 the budget request.

23 CHAIRMAN:

24 Any questions, comments from the Board?
25 Ex-officio members? May I have a motion?

1 MR. SOJKA:

2 Yes, Mr. Chairman. I'll move that the
3 Board approve the proposed Pennsylvania Gaming Control
4 Board budget for fiscal year 2013-14, as presented by
5 the budget manager.

6 MR. FAJT:

7 Second.

8 CHAIRMAN:

9 All in favor?

10 ALL SAY AYE

11 CHAIRMAN:

12 Opposed?

13 NO RESPONSE

14 CHAIRMAN:

15 The motion carries.

16 MR. RHEN:

17 Next, I have quick update of first
18 quarter expenses. This covers the period July 1st
19 through September 30th. For the first quarter, Board
20 expenditures totaled \$7,667,831. This is 3.2 percent
21 or \$214,000 lower than expenditures for the same
22 period last fiscal year. The decrease is primarily
23 due to timing differences in paying invoices and
24 having an average of 7 fewer employees on payroll so
25 far this fiscal year relative to this same period last

1 year.

2 By category, payroll expenditures totaled
3 \$6.5 million or 85 percent for the first --- or 85
4 percent of overall expenses for the first quarter.
5 Average payroll for the first quarter was \$1,090,000
6 per payroll, which is down approximately \$14,000 per
7 payroll from last fiscal year. And operating and
8 fixed asset expenses totaled \$1.1 million or 15
9 percent of overall expenses. The largest operating
10 and fixed asset expenses included in \$564,000 for our
11 rentals and leases, \$206,000 for our annual software
12 licenses, \$99,000 for voice and data communications
13 and \$81,000 for other operating expenses including
14 database searches for background investigations. That
15 concludes my report.

16 CHAIRMAN:

17 Any questions, comments from the Board?
18 Ex-officio members? Thank you, Dave.

19 MR. RHEN:

20 Thank you.

21 CHAIRMAN:

22 Next will be Doug Sherman, Chief Counsel.

23 ATTORNEY SHERMAN:

24 Good morning, Chairman, members of the
25 Board. Today the Board has three Petitions before it

1 for consideration. One of these matters was heard by
2 the Board earlier today with respect to the Sands
3 Project. The remaining matters will be considered on
4 the documents previously submitted. As to each of the
5 Petitions, the Board has in advance of this meeting
6 been provided with the Petitions, any responsive
7 pleadings of the OEC, as well as the complete
8 evidentiary record of each matter.

9 As I mentioned, the first matter is the
10 Sands Bethworks Petition which the Board heard
11 earlier, which in essence sought to relieve Sands of
12 complying with the monthly meeting requirement during
13 the build-out of the project. The OEC has indicated
14 there's no further objection to that Petition, and
15 it's appropriate for the Board's consideration of a
16 motion to grant the Petition.

17 CHAIRMAN:

18 Okay. Questions, comments from the
19 Board? Ex-officio members? May I have a motion?

20 MR. GINTY:

21 Mr. Chairman, I move that the Board issue
22 an Order to approve Sands Bethworks Gaming, LLC's
23 Petition as described by the Office of Chief Counsel
24 (OCC).

25 CHAIRMAN:

1 Second?

2 MS. KAISER:

3 Second.

4 CHAIRMAN:

5 All in favor?

6 ALL SAY AYE

7 CHAIRMAN:

8 Opposed?

9 NO RESPONSE

10 CHAIRMAN:

11 Motion carries.

12 ATTORNEY SHERMAN:

13 The next Petition before the Board is
14 Western Money Systems' and Global Cash Access' joint
15 request for assignment of Western Money Systems'
16 Manufacturer License to Global Cash Access. Western
17 Money Systems is the licensed Manufacturer, and Global
18 Cash Access is currently a licensed affiliate entity
19 of Western Money Systems. Regardless of the different
20 Licenses, both companies have been fully vetted by the
21 BIE in connection with their licenses.

22 In 2010, Global Cash acquired Western
23 Money Systems, becoming its 100 percent owner and
24 parent company. Global is now in the process of
25 transferring employees and merging the operations of

1 the two companies such that the entire operation will
2 operate under the banner of Global Cash. It's the
3 Global intent that Western Money Systems will, by the
4 end of December of this year, be dissolved and as a
5 result of the restructuring, be fully incorporated
6 into Global Cash.

7 The OEC has no objection to Western
8 Money's and Global Cash's request. And additionally,
9 the OCC believes the transfer is consistent with prior
10 Board precedent. I do note that Michael Fabius of the
11 Ballard firm is here on behalf of Western Money
12 Systems and Global Cash if there are any questions.
13 If not, it would be appropriate for the Board's
14 consideration of a Motion to approve the reassignment
15 of the Licenses.

16 CHAIRMAN:

17 Questions or comments from the Board?
18 Ex-officio members? May I have a motion?

19 MS. KAISER:

20 Mr. Chairman, I move that the Board issue
21 an Order to approve Western Money Systems' and Global
22 Cash Access' Petition for Reassignment of License, as
23 described by the OCC.

24 MR. MCCALL:

25 Second.

1 CHAIRMAN:

2 All in favor?

3 ALL SAY AYE

4 CHAIRMAN:

5 Opposed?

6 NO RESPONSE

7 CHAIRMAN:

8 Motion carries.

9 ATTORNEY SHERMAN:

10 And the final Petition is a request by
11 the OEC to place Chance Hartman on the Board's
12 Exclusion List. Mr. Hartman has waived his right to a
13 hearing, and the matter is ripe to be decided upon the
14 documents.

15 By way of background, in January of 2012,
16 Mr. Hartman, who was 20 years old at the time, entered
17 the Rivers Casino and engaged in gaming activity for
18 about nine hours prior to being recognized by
19 personnel of the Rivers of being under the age of 21.
20 Eventually when approached and asked for
21 identification, Mr. Hartman produced an expired
22 driver's license of another person, but eventually did
23 acknowledge his true identity, and the fact that he
24 was underage.

25 On July 3rd, 2012, the OEC filed a

1 Petition to place Mr. Hartman on the Exclusion List.
2 Mr. Hartman requested a hearing regarding this
3 placement, which was scheduled for August 21st, 2012.
4 However, on that date, he appeared and signed a Waiver
5 of his right to a hearing, agreeing that the matter
6 could be decided based upon the documentary record.
7 Part of the record in this proceeding is Mr. Hartman's
8 answer to the Petition in which he admitted that he
9 was underage and on the Rivers gaming floor on the
10 date in question. The matter is now appropriate for
11 the Board's decision.

12 CHAIRMAN:

13 Questions, comments from the Board?
14 Ex-officio members? May I have a motion?

15 MR. MCCALL:

16 Mr. Chairman, I move that the Board issue
17 an Order to approve the OEC's Petition as described by
18 the OCC. However, in granting this request to place
19 Chance Hartman on the Board's Exclusion List, I would
20 further move that Mr. Hartman may petition for removal
21 from the Exclusion List after one year.

22 CHAIRMAN:

23 Second?

24 MR. MOSCATO:

25 Second.

1 CHAIRMAN:

2 All in favor?

3 ALL SAY AYE

4 CHAIRMAN:

5 Opposed?

6 NO RESPONSE

7 CHAIRMAN:

8 The motion carries.

9 ATTORNEY SHERMAN:

10 Next presenting Withdrawals and Reports
11 and Recommendations is Deputy Chief Counsel Steve
12 Cook.

13 ATTORNEY COOK:

14 Good morning.

15 CHAIRMAN:

16 Good morning, Mr. Cook.

17 ATTORNEY COOK:

18 The Board has received two unopposed
19 Petitions to Withdraw the Applications or Surrender
20 the Credentials of the following individuals; Robert
21 W. Crowder, Jr. and Joseph Lepouski. The OEC has no
22 objection to these Withdrawals. As a result, if the
23 Board were to grant same, they'd be doing so without
24 prejudice. The matter is now ripe for the Board's
25 consideration.

1 CHAIRMAN:

2 Questions, comments from the Board?

3 Ex-officio members? May I have a motion?

4 MR. MOSCATO:

5 Mr. Chairman, I move that the Board issue
6 Orders to approve the Withdrawal and Surrender as
7 described by the OCC.

8 MR. SOJKA:

9 Second.

10 CHAIRMAN:

11 All in favor?

12 ALL SAY AYE

13 CHAIRMAN:

14 Opposed?

15 NO RESPONSE

16 CHAIRMAN:

17 The motion carries.

18 ATTORNEY COOK:

19 Next, before the Board for consideration
20 are four Reports and Recommendations received from the
21 Office of Hearings and Appeals (OHA), relative to
22 three Gaming Employee Permit Applications and one Non-
23 Gaming Employee Registration. These Reports and
24 Recommendations, along with the evidentiary hearing
25 for each, have been provided to the Board in advance

1 of this meeting.

2 Additionally, each individual involved
3 has been notified that the matter was coming before
4 the Board today and that they had the right to be
5 present to briefly address the Board. If any of these
6 people are present, and I believe a few of them are,
7 at least one or two of them, I'd ask them to come
8 forward when their matter is called.

9 The first Report and Recommendation
10 before the Board pertains to Vincent Harris. Mr.
11 Harris submitted a Gaming Employee Application on
12 March 26, 2012, seeking work as a security guard at
13 the SugarHouse Casino. In his application, Mr. Harris
14 disclosed a 1997 arrest for possession of a controlled
15 substance and possession of a firearm, of which he was
16 convicted in 2000 and sentenced to ten years of
17 prison. However, during the background investigation,
18 it was discovered that Mr. Harris also failed to
19 report other criminal activity that spanned from 1983
20 through 1987. The vast majority of Mr. Harris's
21 arrests were for drug-related charges.

22 Based on Mr. Harris having a felony
23 conviction within the last 15 years --- that is the
24 2000 conviction, as well as his other criminal
25 history, the OEC recommended him for a Denial or

1 recommended his Application be denied. A hearing was
2 requested and held on August 14th, 2012. Upon
3 completion of the hearing, the Hearing Officer issued
4 a Report and Recommendation finding that Mr. Harris
5 was ineligible to receive a Gaming Employee Permit
6 based on the Statutes, the Gaming Act's 15-year felony
7 prohibition for gaming applicants. This Report and
8 Recommendation is presently before the Board.

9 CHAIRMAN:

10 Questions or comments from the Board?

11 MR. SOJKA:

12 Just to make it clear, then, we have
13 absolutely no discretion in this matter, whatever do
14 we?

15 ATTORNEY COOK:

16 That's correct.

17 CHAIRMAN:

18 Ex-officio members? May I have a motion?

19 MR. SOJKA:

20 Yes, Mr. Chairman, I'll move that the
21 Board adopt the Report and Recommendation of the OHA
22 regarding Vincent Harris's Gaming Employee Permit
23 Application, as described by the OCC.

24 MR. FAJT:

25 Second.

1 CHAIRMAN:

2 All in favor?

3 ALL SAY AYE

4 CHAIRMAN:

5 Opposed?

6 NO RESPONSE

7 CHAIRMAN:

8 The motion carries.

9 ATTORNEY COOK:

10 Joseph Moser's Report and Recommendation
11 is the next matter before the Board. I believe Mr.
12 Moser's present. By way of background, Mr. Moser
13 submitted a Gaming Employee Application on May 16th,
14 2012, seeking work as a Table Games Dealer at Harrah's
15 Philadelphia Casino.

16 Mr. Moser disclosed in his Application
17 that he had a 2004 arrest and conviction in New Jersey
18 for dispensing marijuana, a March 2007 arrest for
19 underage drinking, a September 2007 arrest for DUI;
20 both of those also resulted in convictions according
21 to Mr. Moser. And finally a 2011 arrest for
22 destruction of public property, which also resulted in
23 a conviction, I believe, for obstruction of justice.

24 Based upon Mr. Moser's criminal history
25 and its belief that his 2004 conviction was a felony

1 under the Gaming Act which would, as we just
2 discussed, preclude licensure as a Gaming Employee,
3 OEC recommended his Application be denied.

4 Mr. Moser requested a hearing, which was
5 held on July 19th, 2012. Both the OEC and OEC (sic)
6 attended the hearing and submitted evidence into the
7 record. Mr. Moser testified at that hearing that in
8 January of 2006 he voluntarily entered a New Jersey
9 Drug Treatment Court program, an intensive and
10 expensive drug treatment court program relative to his
11 distribution of marijuana conviction. He completed
12 that program in June 2009. Mr. Moser also placed into
13 the record documents evidencing good character,
14 letters of recommendation, those sorts of things.

15 After reviewing the evidence presented,
16 the Hearing Officer issued a Report and Recommendation
17 recommending that the Board approve Mr. Moser's
18 Application for a Gaming Permit, as his 2004
19 conviction in New Jersey was not a felony under the
20 Gaming Act and therefore did not preclude him from
21 licensure. Essentially, the Hearing Officer found
22 that notwithstanding the criminal charges that I
23 alluded to earlier, Mr. Moser had done all the
24 necessary steps to become suitable under the Gaming
25 Act.

1 While the OCC agrees that Mr. Moser's
2 2004 New Jersey conviction was not a felony offense
3 precluding licensure, based alone on the Report and
4 Recommendation, it is the OCC's belief that there's
5 just not enough evidence into the record as to these
6 other criminal offenses for the Board to determine
7 whether Mr. Moser has fully rehabilitated himself. My
8 initial recommendation would have been to remand this
9 matter to the OHA for further fact-finding, although
10 since Mr. Moser's present, maybe we can delve into
11 that briefly today.

12 CHAIRMAN:

13 Sir, are you Joseph R. Moser?

14 MR. MOSER:

15 Yes.

16 CHAIRMAN:

17 All right. First thing, I assume you
18 want to speak to the Board?

19 MR. MOSER:

20 I would like that.

21 CHAIRMAN:

22 Okay. First, before you do that, I would
23 ask you to stand so that we can swear you as a
24 witness, and the first thing you should do is state
25 your name for the record and spell your last name.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

MR. MOSER:

Joseph R. Moser, M-O-S-E-R.

JOSEPH R. MOSER, HAVING FIRST BEEN DULY SWORN,
TESTIFIED AS FOLLOWS:

CHAIRMAN:

Okay. Mr. Moser, you can sit down. All right. Mr. Moser, you've heard the statements by Mr. Cook; did you not?

A. Yes.

CHAIRMAN:

All right. What do you want to tell the Board?

A. First and foremost, I just --- I want to thank you guys for giving me the opportunity to be here. I really appreciate it. This is something that I really want to do, and it's something I've been looking forward to for a long time. Like I said in the hearing previous, I mean, it was a big mistake that I made in my life at that period of time and without the structure of that program that was given to me that was provided from the State of New Jersey, I don't know if my life would have turned around. As far as the 2010 conviction, my understanding from my lawyer

1 was that I was to pay a fine and nothing was going to
2 be on my record, because it was --- it just wasn't me,
3 he got ---.

4 CHAIRMAN:

5 Excuse me, Mr. Moser, if I could ask.
6 You say your 2010 conviction?

7 A. Well, it happened, I believe, in 2010 as far as
8 what this says.

9 CHAIRMAN:

10 Was that where you were charged with
11 destruction of public property?

12 A. Yes.

13 CHAIRMAN:

14 What happened that caused you to get
15 arrested?

16 A. They said that somebody was trying to break into a
17 building. Later my lawyer got the surveillance
18 cameras of that building and proved that it was not
19 me.

20 CHAIRMAN:

21 But you were convicted?

22 A. I was convicted of a different charge.

23 CHAIRMAN:

24 What charge were you convicted of?

25 ATTORNEY COOK:

1 He was actually convicted of obstructing
2 administration of justice. He was originally ---.

3 CHAIRMAN:

4 Do you know anything of that charge?

5 A. That charge was because I was in the backseat of
6 the vehicle, and I was very upset. So, me and the
7 officer had some words.

8 CHAIRMAN:

9 After you were arrested?

10 A. Yes. And I understand the officer --- I mean,
11 everybody's going to say they're not guilty. If they
12 believed everybody, nobody would be in jail. But in
13 my case I really was not guilty, and I wasn't there.

14 MR. GINTY:

15 Was there any physical action between you
16 and the officer?

17 A. Oh, no. No, none whatsoever.

18 MR. GINTY:

19 You just ran at the mouth?

20 A. Yes.

21 MR. GINTY:

22 And he charged you with obstruction of
23 justice?

24 A. Yes.

25 CHAIRMAN:

1 What was the building? It says
2 destruction of public property.

3 A. It was a gym.

4 CHAIRMAN:

5 Were you in there?

6 A. Oh, the destruction of the property was the police
7 officer's vehicle, the backseat. He indicated that
8 damage was done on the backseat, and the fine was
9 indicated to pay for the damage of the backseat.

10 CHAIRMAN:

11 And your only --- what Court did this
12 happen in, Mr. Moser? Do you remember?

13 A. That was in Gloucester Township, I believe.

14 CHAIRMAN:

15 In the Township? Not in the County
16 Court?

17 A. Gloucester Township, isn't that the county --- oh,
18 no, no it wasn't county. It wasn't Woodbury.

19 CHAIRMAN:

20 And September 2007, you were arrested for
21 driving under the influence; is that correct?

22 A. Yes.

23 CHAIRMAN:

24 And you were convicted of that?

25 A. Yes.

1 CHAIRMAN:

2 Had your driving privileges suspended for
3 six months?

4 A. Yes.

5 CHAIRMAN:

6 What were you under the influence of?

7 A. Alcohol.

8 CHAIRMAN:

9 Did that cause you any problems with your
10 Drug Court probation?

11 A. At the time, yes, it did.

12 CHAIRMAN:

13 What kind of problems did it cause you?

14 A. I had to be remanded for 30 days in jail on a 30
15 day inpatient program.

16 CHAIRMAN:

17 You spent 30 days because of that?

18 A. Yes. It was under their strict policies. Any
19 time that you had a positive urine, or you failed a
20 breathalyzer or that you were remanded.

21 CHAIRMAN:

22 Did you have a drug dependency back then?

23 A. On marijuana, yes, I did.

24 CHAIRMAN:

25 On marijuana?

1 A. Yes.

2 CHAIRMAN:

3 Not cocaine?

4 A. No.

5 MR. GINTY:

6 I don't know what the correct word was,
7 but you graduated from the ---?

8 A. Yes. I successfully completed the program and
9 very few people actually do. It's a very tough
10 program.

11 CHAIRMAN:

12 Excuse me, sorry. Do you understand,
13 sir, that if you are licensed by the Board that you
14 can get a job? Has a job been offered to you at all?

15 A. Yes. Yes, I already went to class and everything
16 before my denial.

17 CHAIRMAN:

18 Who offered you the job?

19 A. Harrah's Chester.

20 CHAIRMAN:

21 And what position?

22 A. For black --- table games.

23 CHAIRMAN:

24 You're married; is that correct?

25 A. Yes.

1 CHAIRMAN:

2 Is that your wife sitting there?

3 A. Yes, it is.

4 MR. GINTY:

5 I have a question. Steve, this is for
6 you. The Hearing Officer found that --- let's see,
7 applicant concluded his probation approximately three
8 years ago, and but for the 2010 incident, parentheses,
9 which may not have been a crime at all under New
10 Jersey law; what does that mean?

11 ATTORNEY COOK:

12 I think what he's --- I don't know
13 exactly what it means, so I'm speculating a bit, but I
14 think he's equating with a summary offense in the
15 Commonwealth.

16 MR. GINTY:

17 And what kind of evidence did OEC
18 introduce in these hearings to show that Mr. Moser
19 had, in fact, been convicted of something?

20 ATTORNEY COOK:

21 The evidence was of, I believe, a
22 conviction; none of the factual information was put
23 into the record.

24 MR. SOJKA:

25 How old are you, Mr. Moser?

1 A. Twenty-six (26).

2 CHAIRMAN:

3 Mr. Fajt?

4 MR. FAJT:

5 Thank you, Mr. Chairman. Mr. Moser, when
6 I look back on your criminal history, the 2007 and the
7 four convictions; I can get over those. The one that
8 bothers me, quite frankly, is the 2011, and I want to
9 explore that a little bit more because of the recency
10 of that, and that's something this Board takes note
11 of. We understand problems in the past when you were
12 younger, and generally we can get over most of that
13 stuff. But in 2011, I want you to explain to me again
14 what happened. As I recall, you were at a gym. You
15 were in the back of a car; there was somebody else who
16 was trying to get in the gym or --- give me the scene
17 on what happened there.

18 A. All right. So, me and a couple friends, we went
19 out. And as I was passing through the gym on the way
20 back, somebody made a phone call that somebody was
21 trying to get into the gym. Now, I'm not going to
22 walk down the street lifting dumbbells. I mean,
23 there's nothing in a gym that I would need. So, the
24 officer comes up to me and he says --- and he starts
25 putting me under arrest, after a few questions.

1 CHAIRMAN:

2 You were walking?

3 A. Yes. Yes, I was walking.

4 MR. FAJT:

5 Walking past the building?

6 A. Yeah, through the complex. And somebody made a
7 call previous to that, before, saying that somebody
8 was near and around the gym, and it looked they were
9 trying to enter it.

10 MR. FAJT:

11 But you weren't in the gym?

12 A. No, I was not in the gym. I didn't try to enter
13 it at all, which the video proved, that my lawyer got.
14 And he then placed me under arrest for attempted
15 burglary, which later obviously was dropped. And as
16 he was putting me in the car, I started to get very
17 angry because it was not me. It wasn't me; I didn't
18 try to enter the building; I didn't go into the
19 building; I didn't even go near the building. And so
20 I became very angry and that --- and he charged me
21 with numbers of charges. I mean, the list was long.
22 And ---.

23 MR. FAJT:

24 We asked the question earlier. Did you
25 try to strike the officer? I mean, there must have

1 been some ---.

2 A. Never tried to strike the officer. The reason why
3 I got that conviction was because in the backseat, I
4 kept yelling through the window and asking the officer
5 to come to the window. In that time, he said that
6 damage was done to the side of the door of the
7 vehicle. And when the damage was done, they said that
8 they were going to charge me with this to pay for the
9 damage that was done to the side of the door.

10 MR. FAJT:

11 And what was the damage that was done?
12 Did you kick the door, did you ---

13 A. No, I was next to ---.

14 MR. FAJT:

15 --- maybe strike it with your hands that
16 had the handcuffs on?

17 A. I was striking it with my arm. I was flaring, and
18 I was hitting it with my arm --- well, with my
19 shoulder.

20 MR. FAJT:

21 And what was the damage to the door?

22 A. They did not specify the exact damage. They said
23 that it would come out to somewhere around \$900, which
24 later I received a check back from it for \$500.

25 MR. FAJT:

1 Okay. So, the damage was basically \$400?

2 A. Yes.

3 MR. FAJT:

4 Since 2011, any issues?

5 A. Nothing.

6 MR. FAJT:

7 Have you had any drug testing since you
8 graduated from the program in 2009?

9 A. From Harrrah's, and I would be willing to submit a
10 urine sample, hair sample, anything to them.

11 MR. FAJT:

12 Okay. Thank you.

13 CHAIRMAN:

14 Anyone else? Ex-officio members? May I
15 have a motion?

16 ATTORNEY COOK:

17 Just before we proceed, the Report and
18 Recommendation presently before the Board is that Mr.
19 Moser be granted licensure of a Gaming Employee
20 Permit, so to adopt the Report and Recommendation
21 would allow that and to reject the Report and
22 Recommendation would deny him licensure.

23 CHAIRMAN:

24 So, right now the Recommendation is that
25 Mr. Moser be granted the License?

1 ATTORNEY COOK:

2 Correct.

3 CHAIRMAN:

4 Mr. Fajt?

5 MR. FAJT:

6 Yes. Mr. Chairman, I move that the Board
7 adopt the Report and Recommendation of OHA regarding
8 Joseph Moser's Gaming Employee Permit Application as
9 described by the OCC. Obviously this will grant Mr.
10 Moser then a License to work at Harrah's. And let me
11 just say, Mr. Moser --- well, let me just --- I'll
12 make a comment afterwards. I'll leave the motion
13 stand as is.

14 MR. GINTY:

15 Okay. I'll be very happy to second that
16 motion.

17 CHAIRMAN:

18 All in favor?

19 ALL SAY AYE

20 CHAIRMAN:

21 Opposed? The motion carries. Greg?

22 MR. FAJT:

23 Yeah. Mr. Moser, first of all, thank you
24 for being here. We are taking a chance on you. And I
25 want you to realize that this is a great opportunity

1 to work in a casino, to earn a good living, and we
2 hope that you take that opportunity.

3 A. Thank you. I greatly appreciate it. I really do.
4 Thank you.

5 CHAIRMAN:

6 Okay. Thank you, sir.

7 ATTORNEY COOK:

8 The next Report and Recommendation before
9 the Board pertains to Linh Tan, who has sought
10 employment as a Table Games Dealer at Harrah's
11 Philadelphia. Ms. Tan filed a Gaming Employee
12 Application with the Board on January 24th, 2012.

13 The OEC issued a Notice of Recommendation
14 of Denial on April 12th, 2012, based upon the fact
15 that Ms. Tan was not current in filing of her
16 Pennsylvania state taxes. A hearing in this matter
17 was held on June 14th, 2012. OEC, along with one
18 witness, appeared and offered testimony and exhibits.
19 Ms. Tan also appeared via videoconference. She
20 testified that she was unaware that she had the
21 outstanding tax issue, and in the course of the
22 hearing, asked for --- asked the BIE agent and OEC how
23 she could take care of this matter to resolve her tax
24 issue and therefore be eligible for licensure. She
25 was given direction on how to do that. The Hearing

1 Officer thereafter adjourned the meeting, left the
2 record open for 30 days so Ms. Tan could address her
3 tax issue.

4 Subsequently, 31 days later on July 18th
5 --- or actually 33 days later, I guess, a status
6 report was filed by OEC indicating that Ms. Tan had
7 failed to supply her requested tax documents and that
8 a check had indicated that her tax issues remained.
9 As a result of that, the Hearing Officer closed the
10 record and issued a Report and Recommendation
11 recommending that her Application be denied due to the
12 tax problems. This Report and Recommendation is
13 presently before the Board.

14 CHAIRMAN:

15 Questions, comments from the Board?
16 Ex-officio members?

17 MR. GINTY:

18 I do. Just to be clear. She was advised
19 of the current Recommendation?

20 ATTORNEY COOK:

21 She received a copy of the Report and
22 Recommendation that's before the Board, and she also
23 received a Notice that the Board was taking it up
24 today.

25 MR. GINTY:

1 Okay. And she's not present?

2 ATTORNEY COOK:

3 As far as I know.

4 CHAIRMAN:

5 Is Linh Tan in the hearing room? Okay.

6 May I have a motion?

7 MR. GINTY:

8 Mr. Chairman, I move that the Board adopt
9 the Report and Recommendation of the OHA regarding
10 Linh Tan's Gaming Employee Permit Application as
11 described by the OCC.

12 CHAIRMAN:

13 Second?

14 MS. KAISER:

15 Second.

16 CHAIRMAN:

17 All in favor?

18 ALL SAY AYE

19 CHAIRMAN:

20 Opposed?

21 NO RESPONSE

22 CHAIRMAN:

23 The motion carries.

24 ATTORNEY COOK:

25 The final Report and Recommendation from

1 the OHA pertains to David Walls, who I believe is also
2 present, if he could come forward. Mr. Walls sought
3 employment as a barback at Harrah's Philadelphia
4 Racetrack and Casino, which would require a Non-Gaming
5 Employee Application to be approved.

6 Mr. Walls filed this Application with the
7 Board on May 16th, 2012. On his Application he
8 disclosed that he had a 2005 arrest and conviction for
9 selling drugs in which he was sentenced to two to five
10 of incarceration. During the BIE's background
11 investigation, it was discovered that Mr. Walls was,
12 in fact, arrested and convicted of crimes beginning in
13 July of 1996 and continuing through 2005, which
14 included but were not limited to drug-related
15 offenses, trespass, theft, burglary, assault and
16 possession of a firearm.

17 As a result of his criminal history, the
18 OEC issued a Notice of Recommendation of Denial to Mr.
19 Walls' Application. A hearing was requested and held
20 on August 15th, 2012. Both OEC and Mr. Walls appeared
21 and offered testimony. At that hearing, Mr. Walls was
22 represented by Counsel. At the hearing, Mr. Walls
23 testified that essentially he acknowledged his
24 criminal history, but that he's trying to turn his
25 life around. He testified he's completed various

1 vocational classes and a drug treatment program. He
2 also provided letters of reference and recommendations
3 going towards his work ethic. And he has also put
4 into the record a letter of appreciation from the
5 Department of Corrections relative to his saving the
6 life of another inmate while incarcerated, who was
7 choking.

8 Upon completion of the hearing, the
9 Hearing Officer issued a Report and Recommendation
10 stating that notwithstanding Mr. Walls's lengthy
11 criminal history, and the fact that he was just most
12 recently released from incarceration in early 2012,
13 that he put into the record substantial mitigating
14 circumstances and efforts --- substantial mitigating
15 evidence, which would allow the Hearing Officer to
16 recommend that he be found suitable for a Non-Gaming
17 Position, which is what this would be; it would be a
18 barback position or essentially helping a bartender at
19 the casino.

20 CHAIRMAN:

21 Are you David Walls, sir?

22 MR. WALLS:

23 Yes, sir.

24 CHAIRMAN:

25 And I take it from your presence that you

1 wish to address the Board?

2 MR. WALLS:

3 Yes.

4 CHAIRMAN:

5 All right. First thing you have to do is
6 stand to be sworn so if you'll stand, and first of
7 all, state your name and spell your last name for the
8 record.

9 MR. WALLS:

10 David Walls, W-A-L-L-S.

11 -----

12 DAVID WALLS, HAVING FIRST BEEN DULY SWORN, TESTIFIED
13 AS FOLLOWS:

14 -----

15 CHAIRMAN:

16 Okay. You may sit down, Mr. Walls.

17 Okay.

18 ATTORNEY COOK:

19 Before we proceed, Mr. Chairman, I'd just
20 maybe for the record state that Mr. Walls called me
21 yesterday, indicating he wanted to come here today.
22 He also indicated that his attorney is hospitalized, I
23 believe. I gave him the opportunity to defer this
24 proceeding to a later meeting so his attorney could be
25 present, but he chose to proceed without Counsel

1 today.

2 CHAIRMAN:

3 Mr. Walls, Mr. Cook just indicated your
4 attorney is unable to be present with you. He has
5 also indicated that you wish to proceed without your
6 attorney; is that correct?

7 A. Yes.

8 CHAIRMAN:

9 Do you understand that you can, if you
10 choose, have this continued or postponed until your
11 attorney is available?

12 A. Yes.

13 CHAIRMAN:

14 But you choose to go forward; is that
15 correct?

16 A. Yes.

17 CHAIRMAN:

18 Okay. Mr. Walls, why don't you tell the
19 Board what you think the Board should hear?

20 A. As Mr. Steve just pronounced, I do have a lengthy
21 record from the past. I came home February 21st,
22 2012. I've seeked employment everywhere that was
23 possible. My wife is a member of Harrah's Casino.
24 She's a supervisor also, and she asked me to give it a
25 shot. And I did. They gave me an interview, and I've

1 been chasing a job for a few months now because times
2 are really hard. I've been turned down numerous
3 times. I've changed in so many ways. I have no
4 desires to use drugs or commit a crime. And even my
5 wife working there is a struggle also, because I can't
6 help her provide or do anything for her as I'm
7 supposed to as a man.

8 When I went through my interview at
9 Harrah's, it gave me hope that I can do it. So, I
10 didn't stop, even though I was denied. I was just
11 asking for an opportunity to start my life over, to
12 hopefully build a career and earn honest money and
13 give back to my community.

14 It's been rough. And I have tried every angle I
15 could to look for other employments before I even took
16 the challenge at Harrah's. And it still --- even
17 McDonald's wouldn't work --- I ask that you all give
18 me a chance. I'm not asking to count money or work
19 behind windows with money or --- I'm not no thief. I
20 changed my life around for the better. At the time of
21 my crimes I was using; I didn't really realize what my
22 marriage was about. I didn't care about anything at
23 that time. But after doing the time that I did,
24 everything set in; I just can't keep living that life
25 anymore at home.

1 Once again, it's a struggle. It's hard. It's
2 hard to find employment. And I only filed for a
3 non-barback license. When I did the interview, and
4 when they said, welcome to Harrah's, I was so proud of
5 myself because I accomplished something, and I ran up
6 against 23 other people that was running for
7 interviews that day. And there was only four of us
8 there, and I was among that four, and that gave me
9 hope. And Harrah's is in my community. I just want
10 to be a speaker, let them know that they gave me a
11 chance with what I have, that anybody could do
12 whatever they want as long as they chase it.

13 CHAIRMAN:

14 Anything else, sir?

15 A. No.

16 CHAIRMAN:

17 Any questions or comments? Annmarie?

18 MS. KAISER:

19 Can you tell us a little bit about some
20 of the programs that you took advantage of to turn
21 your life around?

22 A. I did for like 40 sessions of AOD, the anger
23 management ---.

24 CHAIRMAN:

25 I'm sorry, sir. What's that?

1 A. For other drugs and alcohol.

2 CHAIRMAN:

3 What dependency did you have? Can you
4 tell the Board? What were you ---?

5 A. What I was using?

6 CHAIRMAN:

7 Yeah, just ---.

8 A. Cocaine.

9 CHAIRMAN:

10 Okay.

11 A. I did anger management, vocational class trainings
12 on how to do résumés, and evidently that's --- I put
13 one together as soon as I came home, and I submitted
14 it to Harrah's, the first one I ever did. I have
15 counseling; I have mentors; I have a good support
16 system now. Even detectives and lawyers, they backing
17 me 100 percent to make sure I'm on the right path. I
18 got somebody to talk to whenever I have problems,
19 anything's on my mind. That's probably about it.

20 MS. KAISER:

21 Thank you.

22 CHAIRMAN:

23 Anyone else?

24 MR. FAJT:

25 Yeah.

1 MR. SOJKA:

2 Go ahead.

3 MR. FAJT:

4 Steve, this is for you. Tell me again
5 about his disclosure of his criminal record ---

6 ATTORNEY COOK:

7 There was ---.

8 MR. FAJT:

9 --- or lack thereof.

10 ATTORNEY COOK:

11 Well, originally OEC recommended him for
12 a Denial in part because they thought he failed to
13 disclose his entire criminal history. The only thing
14 on his Application was his most recent conviction.
15 But at the time the hearing concluded, I believe OEC
16 dropped that allegation because the gentleman claimed
17 that he went in and in submitting the Application,
18 which is an online procedure, the computer froze up,
19 or he had some problems with the computer. And OEC
20 gave him the benefit of the doubt that he did, in
21 fact, try to report everything, but that's because he
22 was not familiar with the computer and that there may
23 have been some computer issues that not everything
24 registered.

25 MR. FAJT:

1 Mr. Walls, is that a correct statement of
2 the facts?

3 A. Yeah, I did an online application. Over the
4 phone, they called me in for an interview, did the
5 interview and then they had me sit down at a desk at
6 their computers. They were old computers, and I know
7 nothing about computers; I don't know how to work
8 them. I sat down and did the best I could. The
9 computer shut down twice on me. I thought it
10 registered the information. I called the lady; she
11 came back, rebooted it and gave me a code to punch in.
12 And that was it, and it said finished by the time
13 everything was done.

14 MR. FAJT:

15 Okay.

16 A. But then they asked for me to file paperwork for a
17 Non-Gamer's (sic) License. And when I did, it came
18 back denied for Non-Gamer's License, and they said
19 because basically I lied, and I never lied to them
20 once. So, I appealed it.

21 MR. FAJT:

22 What was the last criminal offense that
23 Mr. Walls was released from ---

24 ATTORNEY COOK:

25 It was a ---.

1 MR. FAJT:

2 --- in February '12?

3 ATTORNEY COOK:

4 It was a robbery-related situation. He
5 pleaded guilty to felony robbery, threatened to
6 intimidate (sic) serious injury, criminal conspiracy
7 for robbery, and he was sentenced to 24 to 59 months.

8 CHAIRMAN:

9 But it wasn't a felony?

10 ATTORNEY COOK:

11 Well, it was, but there's no felony
12 prohibition for a Non-Gaming Permit.

13 MR. GINTY:

14 And that was when?

15 ATTORNEY COOK:

16 The offense occurred in 2005.

17 MR. GINTY:

18 So, that's the one you served time for?

19 A. Yes.

20 MR. MCCALL:

21 Are you currently on probation?

22 A. Yes.

23 CHAIRMAN:

24 Are you on parole also?

25 A. It's parole, just supervised parole.

1 CHAIRMAN:

2 How long?

3 A. Five years, just somebody I can talk to. Nothing,
4 like, was really ever sentenced from it, just
5 something the Judge recommended for me.

6 CHAIRMAN:

7 You were sentenced in Pennsylvania; is
8 that correct?

9 A. Yes.

10 CHAIRMAN:

11 And you're familiar, I would assume,
12 minimum sentence, maximum sentence?

13 A. Yes.

14 CHAIRMAN:

15 Did you serve longer than the minimum
16 sentence on both those offenses?

17 A. Yes.

18 CHAIRMAN:

19 Why did you serve more than the minimum?

20 A. Because I wanted to complete my programs, that ---
21 my rehabilitation programs that I was doing up state,
22 and also I was working ---.

23 CHAIRMAN:

24 It wasn't for any problems you caused in
25 the prison?

1 A. Never had one misconduct, no fights, nothing.

2 MR. SOJKA:

3 Well, that's fine. And we are, I think,
4 all painfully aware in this society of the recidivism
5 rates for convicted persons and how difficult it is
6 when you get out. And we've read carefully the
7 programs you've taken and whatnot, but I know it's a
8 much more complex problem than that. You've touched
9 one issue, your marriage; that's helpful. Have you
10 moved out of your area?

11 A. Yes.

12 MR. SOJKA:

13 Did you do that specifically to break the
14 ties of your old neighborhood and your old
15 acquaintances?

16 A. Yes.

17 MR. MOSCATO:

18 Do you find that makes it easier for you
19 to reach toward this new life you've described?

20 A. Yes.

21 MR. SOJKA:

22 Okay. Are you still in close contact
23 with old friends, old acquaintances, old neighbors?

24 A. No, sir.

25 MR. SOJKA:

1 Okay. Thank you.

2 CHAIRMAN:

3 Anyone else?

4 MR. FAJT:

5 Yeah. Mr. Walls, I don't know what we're
6 going to do here, but I will caution you as I do with
7 many people that I come in contact that work in the
8 casino. And that is if we grant you your License, I
9 want you to be aware that there --- you won't be in
10 behind a cage, dealing with money per se, counting
11 money, but there will be money all around you. There
12 will be tips. There will be cash from people that
13 leave money on the bar while they go to the restroom.
14 There will be temptation. Everything in the casino is
15 on camera. Everything. And as I said, I don't know
16 what we're going to do here, but if your License is
17 granted, I just want you to know that you're going to
18 find temptation in that casino, and you're going to
19 have to be strong.

20 A. I'm ---.

21 CHAIRMAN:

22 Go ahead.

23 A. I wouldn't be that desperate. Because it wouldn't
24 be worth losing my wife or putting her job at
25 jeopardy, even though she went to bat for me also. My

1 marriage, I wouldn't --- it's not worth it.

2 MR. FAJT:

3 Are you still under drug testing as part
4 of your parole and probation?

5 A. Yes.

6 MR. FAJT:

7 And how often is that done?

8 A. Anytime he feels --- I actually ask him do you
9 want it; do you want me to take an urine. I don't ---
10 that's done.

11 CHAIRMAN:

12 Did you grow up in Chester?

13 A. Yes.

14 CHAIRMAN:

15 Where do you live now?

16 A. Sharon Hill, PA.

17 CHAIRMAN:

18 Okay. And you indicated your wife also
19 works at Harrah's?

20 A. Yes.

21 CHAIRMAN:

22 What does she do?

23 A. She's a supervisor of stewarding.

24 CHAIRMAN:

25 I'm sorry?

1 A. Supervisor of stewarding and EVS.

2 CHAIRMAN:

3 Okay. Do you have a firm offer of a
4 position at the back bar?

5 A. Well, this had --- in the process of me going
6 through these motions here, the barback position was
7 filled, so I talked to numerous supervisors at
8 Harrah's, and they said if you get granted your
9 License, we'll put you in another spot. And that's
10 where we are with that. They guaranteed me a spot
11 already two different times. We're just waiting on
12 the outcome of everything.

13 ATTORNEY COOK:

14 As a Non-Gaming Employee, he would not
15 have access to cash or anything related to gaming.

16 CHAIRMAN:

17 Isn't it also true, Steve, that in many
18 jurisdictions the position that we're talking about
19 here, barback, is not one that requires licensing?

20 ATTORNEY COOK:

21 That's true, and in fact, even we do not
22 require licensure for back-of-house positions. Some
23 of the casinos choose to license those people as
24 Non-Gaming anyway; but for example, a sous chef,
25 that's entirely back-of-house. We don't require

1 licensure of those people.

2 CHAIRMAN:

3 One final thing, sir. Mr. Fajt, the
4 gentlemen to my left, just told --- indicated to you
5 what you have to do if the Board were to give you a
6 License. Do you understand that you can't make any
7 mistakes? You can't have more run-ins with the law?

8 A. Yes.

9 CHAIRMAN:

10 All right. Any other questions?
11 Annmarie?

12 MR. FAJT:

13 Can we ask Steve what the Recommendation
14 just so we're clear?

15 CHAIRMAN:

16 Steve, could you give the Board what the
17 Recommendation is?

18 ATTORNEY COOK:

19 Sure. The Hearing Officer recommends
20 that he be granted a Non-Gaming Registration.

21 CHAIRMAN:

22 And may I have a motion?

23 MS. KAISER:

24 Chairman, I would move that the Board
25 adopt the Report and Recommendation of the OHA

1 regarding David Walls' Non-Gaming Employee
2 Registration Application as described by the OCC.

3 MR. MCCALL:

4 Second.

5 CHAIRMAN:

6 All in favor?

7 ALL SAY AYE

8 CHAIRMAN:

9 Opposed?

10 NO RESPONSE

11 CHAIRMAN:

12 Motion carries. All right. Mr. Walls,
13 the Board has granted you a License.

14 MR. SOJKA:

15 Good luck.

16 A. Thank you. I promise I won't let you all down.

17 CHAIRMAN:

18 Thank you very much.

19 ATTORNEY COOK:

20 The next matter before the Board pertains
21 to the Emergency Suspension of Nicholas
22 Repko-Moschini. Mr. Repko-Moschini was issued a
23 Gaming Employee Registration on October 5th, 2011, and
24 was employed as a security officer at Sands Bethworks
25 Gaming. On October 1st, 2012, BIE was notified by the

1 Bureau of Casino Compliance that Mr. Repko-Moschini
2 was arrested on September 28th, 2012, and charged with
3 33 felonies and one misdemeanor. The arrest and
4 charges filed against Mr. Repko-Moschini are all
5 related to illegal sexual contact with a 13-year-old
6 minor female.

7 As a result of these charges, the OEC
8 filed a Request for an Emergency Order of Suspension
9 of Mr. Repko-Moschini's Gaming Employee Permit. The
10 Order was signed by the Executive Director on October
11 3rd, 2012. Board regulations require a temporary
12 Emergency Order be presented to the Board for a full
13 evidentiary hearing, or that the matter be referred to
14 the OHA to conduct that hearing. In this case, the
15 OCC would recommend that the matter be remanded to the
16 OHA to conduct the evidentiary hearing, and that the
17 Emergency Order of Suspension remain in place until
18 the matter comes back up to the Board in the form of a
19 Report and Recommendation.

20 CHAIRMAN:

21 Questions, comments from the Board?
22 Ex-officio members? May I have a motion?

23 MR. FAJT:

24 Mr. Chairman, I move that the Board issue
25 an Order to continue to the Emergency Suspension of

1 Nicole (sic) Repko-Moschini's Gaming Employee Permit,
2 and that the matter be referred to the OHA for a
3 hearing to determine the validity of the Emergency
4 Suspension Order.

5 MR. GINTY:

6 Second.

7 CHAIRMAN:

8 All in favor?

9 ALL SAY AYE

10 CHAIRMAN:

11 Opposed?

12 NO RESPONSE

13 CHAIRMAN:

14 The motion carries.

15 ATTORNEY SHERMAN:

16 And that concludes all matters of the
17 OCC.

18 CHAIRMAN:

19 Thank you, gentlemen. Next, Susan
20 Hensel, Bureau of Licensing. Susan?

21 MS. HENSEL:

22 Thank you, Chairman Ryan and members of
23 the Board. Before the Board today will be motions
24 regarding one Supplier License, as well as 799
25 Principal, Key, Gaming and Non-Gaming Employees. In

1 addition, there will be the consideration of 16 Gaming
2 Service Provider applicants.

3 The first matter for your consideration
4 is the renewal of the Slot Machine Supplier License
5 for Advanced Gaming Associates, LLC. Advanced Gaming
6 Associates installs and services gaming equipment for
7 slot machine licensees within the Commonwealth. Its
8 principal place of business is in Huntingdon Valley,
9 Pennsylvania. The BIE has completed its
10 investigation, and the Bureau of Licensing has
11 provided you with the renewal background investigation
12 and suitability report. I have provided you with a
13 draft Order and ask that the Board consider the
14 approval of the renewal License for Advanced Gaming
15 Associates, LLC.

16 CHAIRMAN:

17 Any comments from the Enforcement
18 Counsel?

19 ATTORNEY PITRE:

20 Enforcement Counsel has no objection.

21 CHAIRMAN:

22 Questions, comments from the Board?

23 Ex-officio members? May I have a motion?

24 MR. MCCALL:

25 Mr. Chairman, I move that the Board

1 approve the renewal of Advanced Gaming Associates,
2 LLC's Slot Machine Supplier License.

3 CHAIRMAN:

4 Second?

5 MR. MOSCATO:

6 Second.

7 CHAIRMAN:

8 All in favor?

9 ALL SAY AYE

10 CHAIRMAN:

11 Opposed?

12 NO RESPONSE

13 CHAIRMAN:

14 The motion carries.

15 MS. HENSEL:

16 Also for your consideration are temporary
17 Principal and Key Employee Licenses. Prior to this
18 meeting, the Bureau of Licensing provided you with an
19 Order regarding the issuance of temporary Licenses to
20 two Principal and 17 Key Employees. I ask that the
21 Board consider the Order approving these Licenses.

22 CHAIRMAN:

23 Any comments from Enforcement Counsel?

24 ATTORNEY PITRE:

25 Enforcement Counsel has no objections.

1 CHAIRMAN:

2 Questions, comments from the Board?

3 Ex-officio members? May I have a motion?

4 MR. MOSCATO:

5 Mr. Chairman, I move that the Board
6 approve the issuance of temporary Principal and Key
7 Employee Credentials as described by the Bureau of
8 Licensing.

9 MR. SOJKA:

10 Second.

11 CHAIRMAN:

12 All in favor?

13 ALL SAY AYE

14 CHAIRMAN:

15 Opposed?

16 NO RESPONSE

17 CHAIRMAN:

18 The motion carries.

19 MS. HENSEL:

20 Next are Gaming Permits and Non-Gaming
21 Registrations. Prior to this meeting, the Bureau of
22 Licensing provided you with a list of 549 individuals
23 to whom the Bureau has granted temporary or full
24 occupation permits and 103 individuals to whom the
25 Bureau has granted registrations under the authority

1 delegated to the Bureau of Licensing. I ask that
2 Board consider a motion approving the Order.

3 CHAIRMAN:

4 Any comments from the Enforcement
5 Counsel?

6 ATTORNEY PITRE:

7 Enforcement Counsel has no objection.

8 CHAIRMAN:

9 Questions, comments from the Board?
10 Ex-officio members? May I have a motion?

11 MR. SOJKA:

12 Yes, Mr. Chairman. I'll move that the
13 Board approve the issuance of Gaming Employee Permits
14 and Non-Gaming Employee Registrations as described by
15 the Bureau of Licensing.

16 MR. FAJT:

17 Second.

18 CHAIRMAN:

19 All in favor?

20 ALL SAY AYE

21 CHAIRMAN:

22 Opposed?

23 NO RESPONSE

24 CHAIRMAN:

25 The motion carries.

1 MS. HENSEL:

2 In addition, we have recommendations of
3 Denial for three Gaming Employee and two Non-Gaming
4 Employee Applications. Prior to this meeting, the
5 Bureau of Licensing provided you with Orders
6 addressing these applicants, who the BIE and OEC have
7 recommended for denial. In each case, the applicant
8 failed to request a hearing within a specified time
9 period. I ask that the Board consider the Orders
10 denying the Gaming and Non-Gaming Employee applicants.

11 CHAIRMAN:

12 Any comments from Enforcement Counsel?

13 ATTORNEY PITRE:

14 Enforcement Counsel would request denial
15 in each instance.

16 CHAIRMAN:

17 Questions, comments from the Board?

18 Ex-officio members? May I have a motion?

19 MR. FAJT:

20 Mr. Chairman, I move that the Board
21 approve the denial of Gaming and Non-Gaming Employee
22 Applications as described by the Bureau of Licensing.

23 MR. GINTY:

24 Second.

25 CHAIRMAN:

1 All in favor?

2 ALL SAY AYE

3 CHAIRMAN:

4 Opposed?

5 NO RESPONSE

6 CHAIRMAN:

7 The motion carries.

8 MS. HENSEL:

9 We also have for your consideration
10 Withdrawal Requests for Key Employee, Gaming and
11 Non-Gaming Employees. In each case, the License,
12 Permit or Registration is no longer required due to
13 such circumstances as the employee accepting a job
14 offer with another employer. For today's meeting I
15 have provided the Board with the list of two Key, 99
16 Gaming and 22 Non-Gaming Employee Withdrawals for
17 approval. I ask that the Board consider the Orders
18 approving the list of Withdrawals.

19 CHAIRMAN:

20 Any comment from Enforcement Counsel?

21 ATTORNEY PITRE:

22 Enforcement Counsel has no objection.

23 CHAIRMAN:

24 Any questions, comments from the Board?

25 Ex-officio members? May I have a motion?

1 MR. GINTY:

2 Mr. Chairman, I move that the Board
3 approve the Withdrawals as described by the Bureau of
4 Licensing.

5 CHAIRMAN:

6 Second?

7 MS. KAISER:

8 Second.

9 CHAIRMAN:

10 All in favor?

11 ALL SAY AYE

12 CHAIRMAN:

13 Opposed?

14 NO RESPONSE

15 CHAIRMAN:

16 The motion carries.

17 MS. HENSEL:

18 In addition, we have an Order to certify
19 the following Gaming Service Providers; Alltel
20 Systems, Inc., Hornercom, Inc., and JL Turner Company.

21 I ask that the Board consider the Order approving
22 these Gaming Service Providers for certification.

23 CHAIRMAN:

24 Any comments from Enforcement Counsel?

25 ATTORNEY PITRE:

1 Enforcement Counsel has no objection.

2 CHAIRMAN:

3 Questions, comments from the Board?

4 Ex-officio members? May I have a motion?

5 MS. KAISER:

6 Mr. Chairman, I move that the Board issue
7 an Order to approve the Applications for Gaming
8 Service Provider Certification as described by the
9 Bureau of Licensing.

10 MR. MCCALL:

11 Second.

12 CHAIRMAN:

13 All in favor?

14 ALL SAY AYE

15 CHAIRMAN:

16 Opposed? The motion carries.

17 MS. HENSEL:

18 Next we have an Order regarding Gaming
19 Service Provider Registrations. The Bureau of
20 Licensing provided you with an Order and an attached
21 list of 12 registered Gaming Service Provider
22 Applicants. I ask that the Board adopt a motion
23 approving the Order registering these Gaming Service
24 Providers.

25 CHAIRMAN:

1 Any comments from Enforcement Counsel?

2 ATTORNEY PITRE:

3 Enforcement Counsel has no objection.

4 CHAIRMAN:

5 Questions, comments from the Board?

6 Ex-officio members? May I have a motion?

7 MR. MCCALL:

8 Mr. Chairman, I move that the Board issue
9 an Order to approve the applications for Gaming
10 Service Provider Registration as described by the
11 Bureau of Licensing.

12 CHAIRMAN:

13 Second?

14 MR. MOSCATO:

15 Second.

16 CHAIRMAN:

17 All in favor?

18 ALL SAY AYE

19 CHAIRMAN:

20 Opposed?

21 NO RESPONSE

22 CHAIRMAN:

23 The motion carries.

24 MS. HENSEL:

25 Finally, the Gaming Service Provider

1 Application for Golden Rock Entertainment & Travel,
2 Inc. is being recommended for Abandonment. This
3 company filed an application with the Board, but to
4 the best of the Bureau of Licensing's knowledge is no
5 longer in business. A company whose application is
6 abandoned is free to reapply at any time. I ask that
7 the Board consider the Order declaring Golden Rock
8 Entertainment & Travel, Inc.'s application abandoned.

9 CHAIRMAN:

10 Any comments from Enforcement Counsel?

11 ATTORNEY PITRE:

12 Enforcement Counsel has no objection.

13 CHAIRMAN:

14 Any questions, comments from the Board?

15 Ex-officio members? May I have a motion?

16 MR. MOSCATO:

17 Mr. Chairman, I move that the Board issue
18 an Order to approve the Abandonment of Golden Rock
19 Entertainment & Travel, Inc.'s application as
20 described by the Bureau of Licensing.

21 MR. SOJKA:

22 Second.

23 CHAIRMAN:

24 All in favor?

25 ALL SAY AYE

1 CHAIRMAN:

2 Opposed?

3 NO RESPONSE

4 CHAIRMAN:

5 The motion carries.

6 MS. HENSEL:

7 That concludes the matters of the Bureau
8 of Licensing.

9 CHAIRMAN:

10 Thank you, Susan. Next, Cyrus Pitre, our
11 Chief Enforcement Counsel. Cyrus?

12 ATTORNEY PITRE:

13 Good morning. We have 12 matters for the
14 Board's consideration today. They make up six Consent
15 Agreements, three Revocations and three Involuntary
16 Exclusions. The first matter is a Consent Agreement
17 between the OEC and Greenwood Gaming & Entertainment,
18 Inc. I see Mr. Bonner is at the table on behalf of
19 Greenwood. Dustin Miller will present the matter on
20 behalf of OEC.

21 ATTORNEY MILLER:

22 Mr. Bonner, good morning.

23 ATTORNEY BONNER:

24 Good morning, Mr. Chairman. Good
25 morning, Commissioners.

1 CHAIRMAN:

2 Could you do us a favor and just put your
3 name on the record ---

4 ATTORNEY BONNER:

5 Certainly.

6 CHAIRMAN:

7 --- and spell your last name?

8 ATTORNEY BONNER:

9 Thomas Bonner, B-O-N-N-E-R, General
10 Counsel for Greenwood Gaming.

11 CHAIRMAN:

12 Thank you.

13 ATTORNEY MILLER:

14 Good morning, Chairman Ryan, members of
15 the Board. At this time, the OEC has a Consent
16 Agreement prepared for the Board's approval. I'm
17 Dustin Miller on behalf of the OEC.

18 The Consent Agreement is between OEC and
19 Greenwood Gaming & Entertainment, doing business as
20 Parx Casino. This Consent Agreement arises from an
21 incident on March 16th, 2012, where a patron at Parx
22 Casino was allowed to gamble while being visibly
23 intoxicated.

24 Pursuant to Section 423, A6, B4, the
25 Board's regulations, the Slot Machine Licensee must

1 comply with its signed Statement of Conditions.
2 Condition 39 of Greenwood Gaming's Statement of
3 Conditions requires that Greenwood Gaming comply with
4 its approved Compulsive and Problem Gambling Plan.
5 Policy 18 of Greenwood Gaming's approved Compulsive
6 and Problem Gambling Plan outlines the duties and
7 responsibilities of different casino departments with
8 relation to procedures to prevent intoxicated patrons
9 from engaging in gaming activities.

10 Specifically with relation to the facts
11 of this case, Food and Beverage Department employees
12 and Table Games Department employees are required to
13 notify their supervisors upon observation of
14 intoxication. Per the policy, the supervisors are
15 then directed to contact the Security Department to
16 remove the patron from the gaming floor and arrange
17 for the patron to eat or to see them safely leave the
18 facility. In the instant matter, Food and Beverage
19 Department Supervisors were never notified that the
20 patron was exhibiting signs of intoxication, and Table
21 Games Department supervisors failed to alert the
22 Security Department to the presence of an intoxicated
23 patron after being advised by their subordinates.

24 The facts of the incident are as follows.
25 On March 16th, 2012, a patron entered Parx Casino at

1 approximately 10:44 a.m. and began to play Blackjack.
2 Between 11:08 a.m. and 4:51 p.m. the patron was served
3 ten bottled beers by three different Parkette servers
4 and consumed over eight of the bottled beers. The
5 patron continued to play Blackjack while consuming the
6 alcoholic beverages and began exhibiting signs of
7 intoxication at 1:31 p.m. when he fell asleep at the
8 Blackjack table. The patron awakened and continued to
9 play Blackjack.

10 Later, the patron was seen on
11 surveillance stumbling away from the Blackjack table
12 and knocking over and spilling beers on the Blackjack
13 table. Eventually Parx Casino table games personnel
14 confronted the patron regarding his conduct. At this
15 time they discovered that the patron had removed his
16 shoes. The patron then exhibited difficulty putting
17 his shoes back on while he sat on the floor and had to
18 be assisted exiting the casino by another patron at
19 4:51 p.m., when both were evicted.

20 After being escorted out of the casino,
21 the two evicted patrons attempted to regain entry to
22 Parx Casino and also Parx East. At 7:25 p.m. the
23 intoxicated patron did reenter Parx Casino and
24 remained on the casino floor until 8:31 p.m. when he
25 left the property by taxi.

1 On September 4th, 2012, the parties
2 entered into a Consent Agreement to settle this
3 outstanding compliance matter. This is Greenwood
4 Gaming & Entertainment's first Consent Agreement with
5 OEC related to an intoxicated patron being allowed to
6 gamble.

7 The terms of the agreement include a
8 provision that Greenwood Gaming & Entertainment, Inc.
9 shall institute polices and provide training, guidance
10 and reinforcement to employees to minimize the
11 opportunity for a similar incident of this nature from
12 occurring in the future. And also Greenwood Gaming &
13 Entertainment, Inc. shall pay a total fine of \$10,000.
14 Further, in accordance with the Board's billing
15 policy, Greenwood Gaming & Entertainment, Inc. will
16 pay a flat fee of \$2,500 in investigative fees. These
17 fines and fees shall be paid within five days of the
18 Consent Agreement being approved by the Board.

19 Counsel for Greenwood Gaming &
20 Entertainment, Inc., Tom Bonner, is in attendance
21 today to answer any questions you may have.

22 CHAIRMAN:

23 Mr. Bonner?

24 ATTORNEY BONNER:

25 Mr. Chairman, Mr. Miller, I believe, has

1 accurately recited the facts of this occurrence. I
2 personally reviewed the surveillance tapes and agree
3 with the findings, and for that reason we agree to
4 enter into the Consent Agreement.

5 I can assure you that we use incidents
6 like this, whether it's an intoxicated patron or
7 another incident involving a regulatory or policy
8 violation, for training purposes. And we've already,
9 through pre-shifting and additional training,
10 highlighted the importance of identifying signs of
11 intoxication and ceasing dealing to patrons who are at
12 the tables or removing them from the slot machines as
13 our approved plan requires.

14 We've also recently increased the
15 staffing in our Human Resources Department, which is
16 responsible for all training for every kind, including
17 this training. So, we have more resources available
18 to beef up the training in this and other areas. So,
19 we believe that we have taken this as a teaching
20 moment, as we say, and have used it as such. But we
21 agree to the Consent Agreement as proposed by OEC.

22 CHAIRMAN:

23 Any questions or comments from the Board?
24 Greg?

25 MR. FAJT:

1 One quick question. Thanks, Mr.
2 Chairman. Mr. Bonner, what is your policy when you
3 evict an intoxicated patron? In other words, do you
4 just throw them out and leave them to their own
5 devices to get in their car?

6 ATTORNEY BONNER:

7 No, sir.

8 MR. FAJT:

9 Do you call a cab ---

10 ATTORNEY BONNER:

11 Yes.

12 MR. FAJT:

13 --- do you call a family member?

14 ATTORNEY BONNER:

15 All of the above. One thing we don't do
16 is let a person leave with keys. In fact, we've had
17 incidents where our Security Officers have been
18 accused of being a little too physical with patrons
19 trying to get their keys from them. I've told them,
20 I'll take that case. So, we call a cab, or we make
21 sure that a family member is with the person, and we
22 actually watch them into the parking lot to make sure
23 that they don't get into the driver's seat. We're
24 extremely vigilant with respect to that.

25 MR. FAJT:

1 Thank you.

2 CHAIRMAN:

3 Gary?

4 MR. SOJKA:

5 Thank you, Mr. Chairman. Mr. Bonner,
6 I've got a couple other questions too. I have no real
7 problem with the Consent Agreement. And first of all,
8 I want to make sure --- this was a self-reported issue
9 by you folks?

10 ATTORNEY BONNER:

11 Unfortunately, this was not.

12 MR. SOJKA:

13 Okay.

14 ATTORNEY BONNER:

15 This was an incident --- and we actually
16 had to request the video of this from the Gaming
17 Control Board, because it wasn't brought to our
18 attention until more than seven days after the event,
19 and the regulations require that we keep video in this
20 area of the casino only for seven days. So, this was
21 one that was not self-reported because nobody picked
22 it up.

23 MR. SOJKA:

24 So, if no one picked it up, can we
25 assume, then that you at this time have no separate

1 and distinct problem with the Liquor Control Board for
2 having served a clearly intoxicated person?

3 ATTORNEY BONNER:

4 I am happy to say that we do not have
5 that problem with respect to this matter.

6 MR. SOJKA:

7 Okay. Good. One other issue. Has this
8 person taken any action against the casino? Has he
9 filed any kind of legal action against you for helping
10 him get in this compromised position?

11 ATTORNEY BONNER:

12 He has not.

13 MR. SOJKA:

14 Has he been charged with anything, public
15 drunkenness or anything of the sort?

16 ATTORNEY BONNER:

17 No, sir, he's not.

18 MR. SOJKA:

19 So, if we settle this Consent Agreement
20 as presented, this should be the end of this and you
21 have gained a training item?

22 ATTORNEY BONNER:

23 I believe that's accurate, Commissioner.

24 MR. SOJKA:

25 Thank you.

1 MR. GINTY:

2 Where were the State Police in all this?

3 ATTORNEY BONNER:

4 Commissioner, I don't know that the State
5 Police became involved in this. I believe that, as is
6 typically the case in an incident like this, with a
7 patron who has had too much to drink, our own Security
8 Department will remove the patron. Unless the patron
9 becomes violent and resists the effort, we don't
10 involve the State Police in matters like this. And
11 I'm fairly certain that in this case we did not
12 involve the State Police. So, no involvement and no
13 charges were brought against the patron.

14 CHAIRMAN:

15 Anything else? Thank you, Mr. Bonner.

16 ATTORNEY BONNER:

17 Thank you.

18 CHAIRMAN:

19 May I have a motion?

20 MR. SOJKA:

21 Yes, Mr. Chairman, I'll move that the
22 Board issue an Order to approve the Consent Agreement
23 between the OEC and Greenwood Gaming & Entertainment,
24 Inc. described by the OEC.

25 MR. FAJT:

1 Second.

2 CHAIRMAN:

3 All in favor?

4 ALL SAY AYE

5 CHAIRMAN:

6 Opposed?

7 NO RESPONSE

8 CHAIRMAN:

9 The motion carries.

10 ATTORNEY MILLER:

11 Thank you.

12 CHAIRMAN:

13 Thank you.

14 ATTORNEY BONNER:

15 Thank you, Commissioners.

16 ATTORNEY PITRE:

17 The next matter we have for the Board's
18 consideration is a Consent Agreement between the OEC
19 and International Game Technology. Beth Manifesto
20 will present the matter on behalf of OEC. I believe
21 representative Mr. Michael is coming forward right
22 now. I'm not familiar with the gentleman that he's
23 with, but nevertheless they're here on behalf of IGT.

24 CHAIRMAN:

25 Sir, could you just state your name and

1 put it on the record for us?

2 ATTORNEY MICHAEL:

3 Mr. Chairman, members of the Commission,
4 my name is Guy Michael, law firm Michael & Carroll.
5 With me is Dan Bricmont, Pennsylvania Counsel.

6 CHAIRMAN:

7 Okay. Enforcement Counsel?

8 ATTORNEY MANIFESTO:

9 Thank you. Beth Manifesto on behalf of
10 Enforcement Counsel. Good morning, Chairman Ryan,
11 members of the Board. OEC and International Gaming
12 Technology, hereafter referred to as IGT, are before
13 the Board to request acceptance of the Consent
14 Agreement and Stipulation of Settlement the parties
15 have negotiated.

16 The facts giving rise to the Consent
17 Agreement occurred on February 29th, 2012, when four
18 IGT progressive slot machines were being configured by
19 IGT technicians at Rivers Casino. Also present was
20 the PGCB's Bureau of Gaming Laboratory Operations or
21 GLO. During the setup process, the Gaming Lab
22 informed the IGT technician that progressive levels on
23 the submission forms that they were using, and which
24 were dated February 23rd of 2012 were incorrect and
25 did not match the settings on the machines. The IGT

1 employee stated he believed the machines were
2 correctly configured and that it was the paperwork
3 that was in error.

4 Because the progressive machines were
5 placed on the gaming floor with the initial and reset
6 amounts that were not submitted and approved by the
7 Board, a violation of Section 461A.12(F1) occurred.
8 The machines were live on the gaming floor for a
9 four-hour period prior to being taken out of service
10 by Rivers after it noticed the repeated winning of
11 high jackpot amounts. Due to the erroneous machine
12 setup, the payout by Rivers during the four hours was
13 \$21,514.50. Had the machines been correctly
14 configured, the total payout would have been \$477.

15 Rivers informed the Pennsylvania
16 Department of Revenue of this error, and on May 15th
17 of 2012, an adjusted gross tax revenue invoice was
18 generated, which included the \$11,570.63 due in tax on
19 the \$21,037.57 to correct the resulting previous
20 underpayment in tax. The OEC confirmed with the
21 Department of Revenue that Rivers has paid this tax;
22 this occurred on May 16th of 2012.

23 It should be stated that the patrons'
24 interests were not harmed as the elevated jackpots
25 were, in fact, paid out by the Rivers Casino, and

1 there was no evidence the error was committed with an
2 intent to defraud or cause harm to the State, Rivers
3 or Gaming in general. The settlement terms reached
4 require that IGT pay a civil penalty of \$5,000 to the
5 Board and a fee of \$2,500 for the costs incurred by
6 OEC, BIE and associated staff in relation to this
7 matter.

8 CHAIRMAN:

9 Any comments, Counselor?

10 ATTORNEY MICHAEL:

11 Just that we agree with Ms. Manifesto's
12 description of the incident. This was, unfortunately,
13 a mistake on the part of the technicians. As Ms.
14 Manifesto has stated and as the Consent Order says, it
15 was not done with any intention to engage in any
16 illicit activity. It was merely an error on their
17 part for which we apologize and agree to the fine.

18 CHAIRMAN:

19 Okay. Questions, comments from the
20 Board?

21 MR. SOJKA:

22 Just a couple. And I notice that we have
23 Mr. Cruz, the head of the Gaming Lab here, and one of
24 our resident statisticians. So, I'm a little --- I
25 just want to make sure I understand. The way you got

1 to the amount that was properly owed. And Mike, I
2 don't know that you ---.

3 CHAIRMAN:

4 He's the only one who can answer that
5 question.

6 MR. SOJKA:

7 He's the only one. And I'm not sure I
8 can articulate the question, but you can probably
9 judge already what's beginning to bother me. And that
10 is that the differential between what was paid out and
11 should have been paid out is not estimated in this
12 case. It's based on a straightforward statistical
13 analysis of what the --- the game and the lifetime of
14 the game would have been expected to pay out. But
15 since there is a random generator involved, we're
16 stuck with just an estimate of what might have
17 happened. Something very different could have
18 happened; right, if things had been in proper order?

19 MR. CRUZ:

20 Should I be sworn?

21 CHAIRMAN:

22 Mike, why don't you just give your name
23 for the record and be sworn?

24 MR. CRUZ:

25 My name is Michael Cruz, C-R-U-Z. I'm

1 the director of the Gaming Lab for PGCB.

2 -----

3 MICHAEL CRUZ, HAVING FIRST BEEN DULY SWORN, TESTIFIED
4 AS FOLLOWS:

5 -----

6 CHAIRMAN:

7 Thank you.

8 A. I believe the issue here was a decimal point
9 error. What was set up on the game was \$500 as the
10 lower amount. What should have been set up was \$5
11 When the technician was reading the paperwork that he
12 was using to set up the game, it was listed as 500
13 credits. He assumed that that meant \$500 as opposed
14 to 500 pennies, which would equate to \$5. I believe
15 what they had set up and how they calculated the tax
16 issue was they looked at what was the actual win based
17 on those --- the four hours of play, based on how many
18 times that those jackpots hit, and calculated that
19 difference for the tax purposes.

20 MR. SOJKA:

21 It didn't even need to be jackpots. Any
22 win ---.

23 A. Yeah, any one of those progressive wins. I
24 believe it was a four-level progressive, so there was
25 four different thresholds with the 500 or \$5 being the

1 lowest one. I believe any one of those jackpots that
2 were hit and which could be reviewed, was in question,
3 and each one of those was off by a factor of, I
4 believe, one hundred. So, I believe that's what
5 it ---.

6 MR. SOJKA:

7 But that's every payout, not every
8 jackpot. It's every payout that's affected; right?

9 A. For this specific incident, it was the progressive
10 only that was affected.

11 MR. SOJKA:

12 Oh, okay. I see, it's ---

13 A. The regular ---.

14 MR. SOJKA:

15 --- not the whole machine?

16 A. Yeah, the regular combinations had no effect on
17 these payouts. It was the progressive combinations
18 which in this game there was only four combinations,
19 that were set up for progressive use.

20 MR. SOJKA:

21 Well, you have actual data on what was
22 paid out?

23 A. Yes.

24 MR. SOJKA:

25 And of course the initial gross terminal

1 revenue calculation, which resulted in the erroneous
2 tax bill or tax payment, was based upon real data.

3 A. Yes.

4 MR. SOJKA:

5 But the real problem for me is to
6 determine the difference between what should have been
7 paid out and what was paid out, which would actually
8 increase the gross terminal revenue. You have to base
9 that not on any actual data, but it's a simple
10 statistical calculation based on the lifetime of the
11 machine's payout; is that right?

12 A. For this specific incident, because it was
13 progressive and only the progressive awards, we know
14 exactly when those progressives hit, so it's only
15 those specific combinations. And since this is only a
16 four-hour period and not four days or four weeks, they
17 were able to determine which actual combinations were
18 hit. Because a simple --- you know, a seven or two
19 sevens or a cherry that would've paid out maybe five
20 credits, that was not affected by this change, so you
21 don't have to look at the whole cycle of the game and
22 every combination. You just have to look at the
23 specific combinations that were hit, that were
24 affected.

25 MR. SOJKA:

1 Okay. So, this is really very
2 comforting, because that means then as --- in our role
3 in protecting the citizens of the Commonwealth of
4 Pennsylvania, the appropriate tax to which they are
5 due we now know is paid to them not on the basis of
6 calculating an average or anything of the sort, but
7 you have rock solid numbers, both on the reduction of
8 the gross terminal revenue and the amount that the
9 gross terminal revenue should have been, and the
10 appropriate tax calculation.

11 A. Yes. For this specific incident it was an actual
12 calculated amount as opposed to an average ---.

13 MR. SOJKA:

14 That's fortunate; isn't it? Because some
15 --- a mistake like this could be substantially more
16 difficult to deal with if something like this would
17 happen in the future?

18 ATTORNEY MICHAEL:

19 Conceivably it could be, but as Mr. Cruz
20 has pointed out the mistake was done in the re-setting
21 of the progressive aspect, which again, the
22 progressives have a record of precisely what the
23 performance of the game was, so it's able to
24 reconstruct.

25 MR. SOJKA:

1 That's very good. Thank you.

2 CHAIRMAN:

3 Okay. Any other questions? Comments?

4 May I have a motion?

5 MR. FAJT:

6 Mr. Chairman, I move that the Board issue
7 an Order to approve the Consent Agreement between the
8 OEC and IGT as described by the OEC.

9 MR. GINTY:

10 Second.

11 CHAIRMAN:

12 All in favor?

13 ALL SAY AYE

14 CHAIRMAN:

15 Opposed?

16 NO RESPONSE

17 CHAIRMAN:

18 The motion carries.

19 ATTORNEY MICHAEL:

20 Thank you very much.

21 CHAIRMAN:

22 Thank you all. Beth, thank you.

23 ATTORNEY PITRE:

24 Next matter that we have for Board's
25 consideration is a Consent Agreement between Pocono

1 Downs and the OEC. Melissa Powers will represent the
2 matter on behalf of the OEC. I see Mr. Kohler just
3 walked up, and he will be representing Pocono Downs in
4 this matter.

5 CHAIRMAN:

6 Okay. Enforcement Counsel?

7 ATTORNEY POWERS:

8 Yes?

9 CHAIRMAN:

10 Why don't you start?

11 ATTORNEY POWERS:

12 Thank you. It's Melissa Powers,

13 P-O-W-E-R-S.

14 CHAIRMAN:

15 Okay.

16 ATTORNEY POWERS:

17 What we have today is a Consent Agreement
18 between the OEC and Downs Racing, LP, doing business
19 as Mohegan Sun at Pocono Downs. The Consent
20 Agreements relates to a Service Level Agreement or SLA
21 between Downs Racing and Mohegan Sun Connecticut and
22 its IT department.

23 On June 3rd, 2009, the Board approved the
24 SLA subject to certain conditions set forth in a
25 stipulation entered into by Downs Racing and OEC. The

1 SLA provided for specific IT services that Mohegan Sun
2 Connecticut would provide to Downs Racing, and it was
3 in effect from February 12th, 2009, until January
4 31st, 2010, with an automatic renewal each year.
5 Paragraph 4E of the stipulation required Downs Racing
6 to seek Board approval of all renewals, including
7 automatic renewals.

8 However, Downs Racing failed to seek such
9 approval for the automatic renewals that occurred in
10 2010, 2011 and 2012. The only petitions filed by
11 Downs Racing with regard to the SLA have been a
12 Petition filed on March 25th, 2009, seeking approval
13 of that initial SLA, and also a Petition filed on May
14 24th, 2012, seeking approval of changes to the SLA, a
15 matter that is still pending before the Board. The
16 parties have agreed that within five days of the
17 Board's Order, Downs Racing shall pay a civil penalty
18 in the amount of \$3,000 and also \$2,500 for the costs
19 occurred by OEC and other staff in connection with
20 this matter.

21 CHAIRMAN:

22 Alan, why don't you put your name on the
23 record?

24 ATTORNEY KOHLER:

25 Good morning, Chairman and Commissioners.

1 Welcome, Commissioner Kaiser. My name's Alan Kohler,
2 K-O-H-L-E-R, with the firm of Eckert Seamans,
3 representing MSPD. And I want to introduce to the
4 Board this morning --- I believe he's appeared in the
5 past, but in case you don't remember, Fred Brown is
6 vice president of Information Technology, who is not a
7 lawyer; if he needs to answer questions he needs to be
8 sworn.

9 CHAIRMAN:

10 Any comments, Alan?

11 ATTORNEY KOHLER:

12 No. The facts were accurately recited by
13 Ms. Powers. This is a matter --- my experience with
14 Downs Racing Mohegan is that they do a great job with
15 their tickler system, if you will, in catching these
16 types of regulatory notices, regulatory requirements.
17 In this case, a petition that had to be filed as a
18 result of a condition in the Order. This one simply
19 slipped through the cracks. We don't have an excuse
20 before you today. We don't think at the end of the
21 day that it caused any harm, but --- and when we did
22 decide to make any --- make changes to the SLA, we
23 came in and filed a Petition, but nevertheless, the
24 condition reads clearly, and we blew this one.
25 Accordingly, we agreed to the terms of the Consent

1 Agreement and the Proposed Findings.

2 CHAIRMAN:

3 Okay. Questions, comments from the
4 Board?

5 MR. GINTY:

6 Yeah, I have a couple. I guess this is
7 to Enforcement Counsel. Is this a standard provision
8 that we require all the casinos to abide by?

9 ATTORNEY PITRE:

10 This is only the second casino that we
11 had the Service Level Agreement with. The other
12 casino, yes, we did, put that requirement. And that
13 requirement was because the Service Level Agreements
14 were new at that time to Pennsylvania, and it allowed
15 remote access by employees in other locations in other
16 jurisdictions. So, we always require those employees
17 in other jurisdictions that have remote access to be
18 licensed. The other casino that had a Service ---
19 this type of agreement, we did require them to
20 petition in the beginning, and then as we became
21 comfortable with what they were doing, we allowed them
22 to stop petitioning. We planned to do the same thing
23 here with Mohegan, obviously, but the petitions never
24 came and ---.

25 MR. GINTY:

1 What is a Service Level Agreement, to
2 describe it?

3 ATTORNEY PITRE:

4 Well, it varies from casino to casino.
5 But I mean, Mr. Kohler, I don't know if he wants to
6 get into details of this. He's free to do so. We're
7 prepared to discuss it, if the Board would like.

8 ATTORNEY KOHLER:

9 I mean, very generally --- if you want to
10 go into detail we can, but it's like, Commissioner,
11 taking you back to your PUC days, it's sort of like an
12 affiliated --- in this case, it's sort of like an
13 affiliated interest agreement, and in this case,
14 pertaining to the IT services that are being provided
15 by the parent to the subsidiary. Obviously, Mohegan
16 has a very large casino in Connecticut. They have
17 their ITs centralized there, and they're in a position
18 to support the IT services in Wilkes-Barre.
19 Essentially, it's an internal agreement and required
20 to be submitted by our general Statement of
21 Conditions.

22 MR. GINTY:

23 I recall those agreements which we
24 approved, I understand.

25 ATTORNEY KOHLER:

1 As I believe Melissa recited, you
2 approved the original agreement in 2009. We now have
3 before you a modified agreement, but what we failed to
4 do --- the terms of the original agreement were that
5 it renewed annually.

6 MR. GINTY:

7 So, that would have been 2000 and ---.

8 ATTORNEY KOHLER:

9 It automatically renewed annually, so
10 there was no --- as we moved forward from 2009 to, for
11 example, 2010, there was no new paper. There was no
12 new provision. There was no new agreement. But under
13 the terms of the original agreement, there was an
14 automatic renewal. And that's what we failed to
15 petition. I mean, the only thing I ---.

16 MR. GINTY:

17 I'm confused. Why did you have to
18 petition for an automatic renewal?

19 ATTORNEY KOHLER:

20 Because the terms of the Order approving
21 the original SLA agreement ---

22 MR. GINTY:

23 Right.

24 ATTORNEY KOHLER:

25 --- had a condition that required us to

1 get approval for automatic renewals.

2 ATTORNEY PITRE:

3 See, at the time --- I don't know if you
4 remember, Commissioner Ginty, but at the time we
5 didn't have the comfort level with Mohegan Sun,
6 so ---.

7 MR. GINTY:

8 I understand. I mean automatic to me
9 means automatic.

10 ATTORNEY PITRE:

11 Well, it only means automatic if the
12 Board says, okay, it's fine. I mean, if the Board
13 decided at that time, well, we don't like what you're
14 doing or if there'd been problems, obviously we would
15 have objected to them moving forward with this. But
16 thankfully there were no problems. We looked ---
17 basically, it was a minor headache because we had to
18 go back three years and review everything and then
19 come up to speed on what they want to do now. So,
20 they're fine.

21 MR. GINTY:

22 Right. And I'm just trying to --- I mean
23 this is a fairly minor matter, but Mohegan indicated
24 that its tickler system didn't address this, but what
25 about our tickler system? You know, after the first

1 time they failed to come to us for renewal --- you
2 know, do we have a tickler system which would have
3 prompted us to go ask them where the renewal was?

4 ATTORNEY PITRE:

5 You want me to answer that? I'll answer
6 it.

7 MR. GINTY:

8 Go ahead. I assume the answer is no.

9 ATTORNEY PITRE:

10 No, we don't have a tickler system. Our
11 tickler system is my secretary trying to keep track of
12 thousands of matters that occur on a daily basis.
13 That's why we put the onus on the industry a lot of
14 times, because if I have to keep track of industry the
15 way I keep track of my children, then it's going to
16 require a lot more staffing and a lot more expense.

17 MR. GINTY:

18 All right. When we come up to speed on
19 our new computer system maybe all of this will be
20 taken care of but I mean --- okay. Those are the
21 questions I had.

22 CHAIRMAN:

23 Okay. Thank you, Jim. Anybody else have
24 any questions?

25 MR. FAJT:

1 Thank you for your honesty, Cyrus.

2 CHAIRMAN:

3 May I have a motion?

4 MR. GINTY:

5 Yes, Mr. Chairman, I move that the Board
6 issue an Order to approve in part the Consent
7 Agreement between OEC and Downs Racing, LP, as
8 described by the OEC. Specifically, however, I would
9 move that Downs Racing pay only the \$2,500
10 investigative costs agreed to and that they be
11 relieved from paying any civil penalty.

12 CHAIRMAN:

13 Second?

14 MS. KAISER:

15 Second.

16 CHAIRMAN:

17 All in favor?

18 ALL SAY AYE

19 CHAIRMAN:

20 Opposed?

21 NO RESPONSE

22 CHAIRMAN:

23 The motion carries.

24 ATTORNEY KOHLER:

25 Thank you.

1 CHAIRMAN:

2 Mr. Kohler, you did better than you
3 thought.

4 ATTORNEY KOHLER:

5 That's a first.

6 ATTORNEY PITRE:

7 The next three matters that we have for
8 the Board's consideration all arise out of the same
9 instance, so I would ask for the Board's --- to make
10 this a little easier, that all parties come up. They
11 are DEQ Systems. Mr. Jim Dougherty is here on behalf
12 of DEQ. Greenwood Gaming; Mr. Bonner is here on
13 behalf of Greenwood.

14 CHAIRMAN:

15 Cyrus, why don't we ask ---

16 ATTORNEY PITRE:

17 Each one --- that's fine.

18 CHAIRMAN:

19 --- to put on the record their names,
20 spell their last name and which party they represent,
21 just to make it as easy as we can on the court
22 reporter?

23 ATTORNEY PITRE:

24 Okay. Do you want to go ahead, Jim?

25 ATTORNEY DOUGHERTY:

1 Good morning, Mr. Chairman, members. My
2 name is Jim Dougherty from the law firm of Dougherty
3 and Hayes, and I represent DEQ Systems Corporation.

4 CHAIRMAN:

5 Mr. Bonner?

6 ATTORNEY BONNER:

7 Good morning again, Chairman and
8 Commissioners. Thomas Bonner, B-O-N-N-E-R,
9 representing Greenwood Gaming.

10 ATTORNEY STEWART:

11 Good morning, Mr. Chairman and
12 Commissioners. Mark Stewart with Eckert Seamans.
13 That's S-T-E-W-A-R-T, and I represent the United
14 States Playing Card Company.

15 CHAIRMAN:

16 Beth?

17 ATTORNEY MANIFESTO:

18 Thank you.

19 CHAIRMAN:

20 Why don't you go ahead?

21 ATTORNEY MANIFESTO:

22 We've moved on to good afternoon, and my
23 last name is spelled Manifesto, M-A-N-I-F-E-S-T-O.
24 The next three Consent Agreements appearing on the
25 meeting agenda are the result of violations arising

1 out of the same series of events. Each company
2 involved in today's meeting was handled by a separate
3 OEC attorney. Unless the Board would prefer
4 otherwise, the factual scenario for all three matters
5 I will read into the record, and subsequently the
6 terms of the respective Consent Agreements will be
7 presented by the appropriate OEC attorney. Is that
8 acceptable?

9 CHAIRMAN:

10 Go ahead.

11 ATTORNEY MANIFESTO:

12 Okay. In the facts presented today, I
13 will also mention TDN Money Systems, Inc. Due to a
14 scheduling conflict, the representatives of TDN, who
15 wanted to address the Board, but could not be here
16 today ---. Therefore they requested that it be
17 presented at a future Board meeting.

18 The facts of this matter are as follows.
19 DEQ is a conditionally licensed manufacturer applicant
20 presently pending before the Board for complete
21 licensure. DEQ submitted an initial Manufacturer
22 Application and discloser form, which was received by
23 the Board on September 20th of 2010. DEQ was approved
24 for its conditional Table Game Device Manufacturer
25 License by the Board on April 14th of 2011.

1 The other involved parties are Greenwood
2 Gaming & Entertainment, Inc., conducting business as
3 Parx Casino. It is a category one license facility.
4 Parx utilizes the Baccarat Bee shoe, which is
5 manufactured by United States Playing Cards or USPC
6 and its casino for licensed gaming activity. United
7 States Playing Cards is the holder of a Table Games
8 Manufacturer License which was issued by the Board on
9 November 22nd of 2011. TDN Money Systems, Inc. is the
10 holder of a Supplier License originally issued by the
11 PGCB on December 2nd of 2007.

12 The product which is at the center of
13 this event is the EZ Trak system, which is
14 manufactured by DEQ. EZ Trak is a licensed trademark
15 of DEQ. The EZ Trak system is an electronic
16 informational display used by players during the game
17 of Baccarat. The EZ Trak system is compatible with
18 the USPC's Bee shoe, and when used in conjunction with
19 the Bee shoe, the display provides statistical data
20 which players may utilize, such as the last shoe
21 result; the table minimum and maximum bet; the numbers
22 and percentages for player, banker, and tie bets;
23 traditional Asian scoring and simplified scoring
24 formats; the naturals banker and player pairs for the
25 current and prior shoe; as well as the number of hands

1 per current and prior shoe.

2 A brief synopsis of the actions and
3 agreements which have led to these three Consent
4 Agreements is as follows. On December 15th of 2010,
5 representatives from Parx and USPC signed a License
6 Order for 14 EZ Trak systems. This License Order was
7 integrated into a License Agreement dated December
8 22nd, 2010, wherein Parx agreed to pay USPC \$250 a
9 month for each EZ Trak system that it leased from
10 USPC. USPC distributed and Parx took possession of 14
11 EZ Trak systems on December 17th of 2010.

12 DEQ, prior to its receipt of its
13 conditional License, contracted with two PGCB licensed
14 companies. First, on December 16th of 2010, DEQ
15 entered into a Service Agreement with TDN Money
16 Systems, Inc. in which TDN would receive payment for
17 each EZ Trak system it installed, as well as payment
18 for fees and expenses accrued through the providing of
19 ongoing technical support and servicing of equipment
20 within the Commonwealth. On or about December 22nd of
21 2010, the EZ Trak systems were installed on the Parx
22 gaming floor for use within the Commonwealth. TDN
23 began billing DEQ on January 10th, 2011, for
24 installation and/or maintenance of the EZ Trak systems
25 on the Parx gaming floor. This service and billing

1 continued through April 14th, 2011.

2 The second agreement involving DEQ was
3 signed on December 9th, 2010. The parties executing
4 the agreement were DEQ and USPC. This was a License
5 Agreement in which DEQ conferred USPC the right to
6 distribute the EZ Trak system in Pennsylvania. The
7 agreement provided that USPC would pay a monthly
8 royalty of \$250 to DEQ for each EZ Trak system leased
9 within the State of Pennsylvania. Parx was the only
10 licensed casino to which DEQ's products were
11 distributed by USPC between December of 2010 and April
12 14th of 2011.

13 As part of the agreement with Parx, USPC
14 agreed to supply the systems for 30 days at no cost,
15 and DEQ agreed to not charge royalties for this 30-day
16 period as well. Thereafter, beginning on January 22nd
17 of 2011, a 30-day billing cycle was instituted. On
18 April 27th of 2011, after DEQ received its Conditional
19 Manufacturer License from the Board, it entered into
20 an Assignment and Termination Agreement with USPC,
21 concluding the License Agreements.

22 As a result of the aforementioned
23 agreements and actions, the EZ Trak system was
24 utilized for live gaming activity by the public at
25 Parx Casino from December 17th, 2010 through April

1 14th, 2011, without Board approval in violation of the
2 Act.

3 And I should say that Parx Casino
4 received the EZ Trak systems on December 17th; I
5 believe they went live on the 22nd.

6 ATTORNEY BONNER:

7 That's correct.

8 ATTORNEY MANIFESTO:

9 The DEQ violation. Prior to April 14th,
10 of 2011, DEQ had not been licensed or authorized by
11 the Board to provide its products or services to any
12 licensed facility in the Commonwealth. As a result,
13 DEQ's products were not authorized for use in the
14 Commonwealth. By entering into the contract to lease
15 its EZ Trak system prior to April 14th of 2011 to USPC
16 for distribution and use in the State of Pennsylvania,
17 DEQ then violated four PA CS Section 1317.1(e)(1).

18 Furthermore, through its actions, DEQ participated in
19 the violation of four PA CS Section 1317(e)(2) by
20 manufacturing, distributing and causing its
21 unauthorized table game device and/or associated
22 equipment to be made available for use on the Parx
23 gaming floor from December 22nd to April 14th of 2011.

24 During the investigation of this matter,
25 BIE did not detect any evidence or suggestion that DEQ

1 sought to mislead the PGCB or avoid the licensing or
2 fee requirements. Furthermore, all parties cooperated
3 fully with the inquiry into the facts and
4 circumstances surrounding these events and agreements.

5 DEQ's terms are as follows. The OEC and
6 DEQ respectfully the Board approve the proposed
7 Consent Agreement and Stipulation of Settlement, which
8 require DEQ to submit to the OEC and the Board a copy
9 of the policies and controls it has enacted to prevent
10 similar violations; that DEQ pay a civil penalty in
11 the amount of \$18,000 and a fee of \$2,500 for costs
12 incurred by OEC, BIE and other staff in connection
13 with the investigation, assessment and settlement of
14 this incident.

15 ATTORNEY PITRE:

16 That's the DEQ matter for the Board's
17 consideration.

18 CHAIRMAN:

19 Okay. Probably we can take these one at
20 a time, although --- okay.

21 MR. SOJKA:

22 It's better to take them together; isn't
23 it?

24 ATTORNEY PITRE:

25 I mean, we won't read the facts back into

1 the record. We'll just read what the penalty and what
2 they ---.

3 CHAIRMAN:

4 Okay. All right. I'll tell you what.
5 Why don't we put on the record all three? I think
6 Gary's right; it's probably easier to deal with all
7 this at one time. We will vote on each Consent Decree
8 separately because that makes sense, but this way this
9 is all in one transaction that all the parties,
10 including the one that's not here today are involved
11 in ---. So, it's just easier, I think, to do it that
12 way.

13 ATTORNEY ROLAND:

14 Mr. Chairman, if I may, Michael Roland,
15 again. Members of the Board, I'll be handling the
16 United States Playing Card portion of this fact
17 pattern. Thankfully, I don't have to give all that
18 back to you; I'm very grateful. I'll simply say
19 that ---.

20 CHAIRMAN:

21 What can you tell us in addition to what
22 Beth already told us?

23 ATTORNEY ROLAND:

24 In addition, regarding USPC, how they fit
25 into the scenario, as you're already aware, they

1 manufacture the Bee shoe product, and their
2 involvement starts really when they enter into the
3 contractual agreement with DEQ and Parx to provide the
4 EZ Trak system. It's OEC's position that by
5 contracting with both DEQ and Parx and by distributing
6 what is basically an unauthorized EZ Trak system to
7 Parx and ultimately the general gaming public, that
8 USPC caused a violation of both 1317.1(e)(1) and
9 1317.1(e)(2) of the Act.

10 Regarding the specific components of
11 their Consent Agreement, both parties have agreed that
12 within five days of the Board approving this Consent
13 Agreement, if that should happen, United States
14 Playing Cards will pay a civil penalty of \$10,000 for
15 the alleged violations described. Additionally, also
16 within five days, should the Board adopt a Consent
17 Agreement, there would be a \$2,500 penalty that goes
18 with costs incurred by OEC, BIE and other related
19 staff in connection to this matter. And finally, USPC
20 has agreed that they'll --- immediately will institute
21 polices and controls providing training and guidance
22 to its employees, which will minimize the opportunity
23 for the occurrence of similar incidents in the future.
24 I believe Mr. Miller will be presenting the last one.

25 CHAIRMAN:

1 All right. So, Dustin, you'll tell us
2 about Greenwood?

3 ATTORNEY MILLER:

4 Yes. Yes, I'm handling the Parx portion
5 of the matter. Parx committed a violation of the Act
6 Section 1317(e)(2) and also Condition 3 of their Table
7 Games Statement of Conditions when they entered into a
8 contract with US Playing Cards to order and receive
9 the associated equipment, the EZ Trak system from DEQ,
10 an unlicensed Manufacturer, and they employed the EZ
11 Trak system on their gaming floor for use by the
12 public.

13 OEC and Parx respectfully request that
14 the Board approve the proposed Consent Agreement and
15 Stipulation of Settlement, which requires Parx to pay
16 a civil penalty of \$12,000 and a fee of \$2,500 for
17 costs incurred by OEC, BIE and other staff in
18 connection with the investigation, assessment and
19 settlement of this incident.

20 CHAIRMAN:

21 All right. I guess at this point, then,
22 we can open this up to the Board and Ex-officio
23 members. Any questions? Tony?

24 MR. MOSCATO:

25 Thank you, Mr. Chairman. I'm curious;

1 how did OEC become aware that this happened?

2 ATTORNEY PITRE:

3 Two different ways. Through the BIE
4 background investigation, contracts were gathered and
5 the BIE investigated and noted it in his background
6 investigation report.

7 Additionally through the Bureau of
8 Licensing, the Director of Licensing contacted me with
9 regard to something one of her analysts spotted and
10 relayed that information to me. It was included in a
11 report that was forwarded to her. And therefore, we
12 opened up the investigation to see what, if any, came
13 of it. It started out with DEQ and then it led to,
14 from there, to United States Playing Cards, Parx and
15 TDN. And then agents that were responsible for those
16 various entities went out and gathered documents as it
17 relates to those.

18 I can say that from the very beginning,
19 because --- that DEQ was upfront. I don't think there
20 was any intention --- well, I know there was no
21 intentional violation of the Act. It was simply
22 ignorance of the law as it relates to Pennsylvania and
23 their understanding of what they could do and could
24 not do. I think they were under the misunderstanding
25 that if the Lab didn't have to test their device, that

1 it could be distributed through a licensed
2 Manufacturer. That was an erroneous misunderstanding.
3 They understand that now, obviously. The EZ Trak
4 system did not compromise the integrity of any game.
5 It's a display system. We didn't receive any patron
6 complaints, so we took all that into consideration
7 when dealing with this. But that's how --- to answer
8 your question, how we discovered it.

9 CHAIRMAN:

10 Thank you. Anyone else?

11 MR. SOJKA:

12 Just a couple.

13 CHAIRMAN:

14 Okay. Gary.

15 MR. SOJKA:

16 First of all, I thank you for that
17 summary. That helps. But each of the penalties,
18 financial penalties, for each of the three entities,
19 has two components. It has the investigative
20 component; that's the same for all three, and I think
21 that's part of our practice now. We have a lump sum,
22 and I have no issue with that.

23 But it's the other part. It's the civil
24 penalty part. There are three entities all involved
25 in a problem, and they have three different-sized

1 penalties; \$18, \$10 and \$12,000. Am I correct in
2 assuming those numbers imply degrees of culpability?
3 Is the \$18,000 firm more culpable in this problem than
4 the \$10,000?

5 ATTORNEY PITRE:

6 The way I looked at it, I looked at the
7 actions. DEQ wasn't licensed, obviously, so they made
8 \$10,500 from their machines being out there. So,
9 obviously we wanted to cover the \$10,500.

10 MR. SOJKA:

11 So, that sets your base?

12 ATTORNEY PITRE:

13 So, that covers the \$8,000 and \$2,500;
14 okay, that they'll be sending back to the
15 Commonwealth. But then I looked at the number of
16 contracts that they into, and we find in \$5,000 per
17 contract that was followed through on. So, we
18 reviewed those --- the contract between DEQ and United
19 States Playing Cards is \$5,000 because they actually
20 followed through on that contract and distributed
21 those products to US Playing Cards. The contract
22 between DEQ and TDN is another \$5,000 penalty because
23 they're entering into that contract with TDN to
24 service the products on the Parx gaming floor. And I
25 can say to the benefit of the Commonwealth because had

1 those machines experienced problems from not being
2 serviced, we'd be in a whole different scenario with
3 patrons and everything else, but ---. So, that was a
4 \$5,000 penalty for that.

5 MR. SOJKA:

6 So, again, I'm trying to ---.

7 ATTORNEY PITRE:

8 So, that's ---.

9 MR. SOJKA:

10 What you just said then is very
11 consistent with your earlier statement that said you
12 saw no conspiracy to subvert the regulations or
13 anything of that sort. So, it isn't a matter of
14 culpability. It's simply a matter of the number of
15 transactions involved?

16 ATTORNEY PITRE:

17 It's the number of transactions and the
18 different --- the activity. We looked at the overall
19 activity. United States Playing Cards didn't make any
20 money through these transactions. Obviously, it did
21 make their Bee shoe more attractive or --- I guess to
22 Parx or maybe to the patrons, but United States
23 Playing Cards entered into a contract with DEQ. They
24 entered into a contract with Parx, so it's \$5,000 for
25 following through on both of those contracts, each one

1 of those contracts.

2 MR. SOJKA:

3 And so their action that deserves penalty
4 is simply their failure to be careful about dealing
5 only with properly licensed entities?

6 ATTORNEY PITRE:

7 Yeah, and I don't think --- and legal
8 Counsel can correct me if I'm wrong, but I don't think
9 any one of these entities at any time consulted legal
10 counsel to ensure that they were --- they just thought
11 it was okay, what they were doing.

12 MR. SOJKA:

13 To play devil's advocate, and I certainly
14 don't want to take money away from the Commonwealth,
15 but could you not make the argument that Parx is
16 running a casino; they're dealing with at least one
17 properly licensed entity; they want a product; they
18 thought they were getting it. What did they do wrong?
19 Should everybody, every time make sure that all
20 parties, especially these complex things, be properly
21 licensed? That was their error for which they're
22 paying a penalty?

23 ATTORNEY PITRE:

24 Well, Parx was well aware that DEQ was
25 not licensed.

1 MR. SOJKA:

2 Okay. Well, that takes care of
3 everything. Thank you.

4 CHAIRMAN:

5 That shortens that.

6 MR. SOJKA:

7 That shortens that.

8 CHAIRMAN:

9 Okay. Anybody else?

10 MR. GINTY:

11 Do you want to address that, Mr. Bonner?

12 ATTORNEY BONNER:

13 I don't know what's more aggravating,
14 Commissioners, a case in which legal counsel was
15 sought, advice was given, and it's disregarded; or the
16 case like this where they didn't even ask us because
17 they know the answer they're going to get; they know
18 they're not going to like it. And I'm not trying to
19 clean our skirts, but it depends on who Parx is; okay?
20 Clearly the house folks knew that they wanted to get
21 their product. I don't know if they were aware of the
22 licensing niceties, as certainly as Cyrus indicates,
23 but clearly somebody at Parx signed those pieces of
24 paper. That person's not longer there; not for this
25 reason. But I can tell you, I like the \$10,000 figure

1 fee for US Playing Card a lot better than the \$12,000
2 for Parx. And following Commissioner Sojka's analogy,
3 we only signed one contract, so that's maybe only
4 worth five grand.

5 ATTORNEY PITRE:

6 Activity.

7 ATTORNEY BONNER:

8 But we're willing to accept the Consent
9 Agreement as proposed.

10 MR. GINTY:

11 I just have a comment. I mean, I --- you
12 guys aren't small players in this, addressing the
13 attorneys but ---. Have you taken remedial actions
14 with your marketeers, or your --- and this goes to QED
15 (sic), I mean, you had a License Petition for a
16 License pending. It wasn't granted, so you couldn't
17 sell your product. So, you hooked up with US Playing
18 Cards so you could get your product into Parx. I
19 mean, that's what you did, and I think Cyrus has been
20 very, very easy on you guys.

21 ATTORNEY PITRE:

22 I am being soft.

23 MR. GINTY:

24 You are being soft.

25 ATTORNEY PITRE:

1 I am, and that's after taking a close
2 look at each one of the entities and talking to staff,
3 who had discussions with them. So, I could see the
4 misunderstanding in the eagerness to get table games.
5 Because remember, we were --- table games had just
6 come online, so there was a lot of eagerness.

7 MR. GINTY:

8 All right. I think you guys are getting
9 off very light here.

10 ATTORNEY PITRE:

11 I'm trying to get a consensus with the
12 full Board.

13 MR. GINTY:

14 And take it back to your companies that,
15 you know, we're not going to tolerate this kind of ---
16 at least I'm not going to tolerate this kind of
17 nonsense. So, that's my comment.

18 CHAIRMAN:

19 Thank you. Anyone else? Should I ask
20 Counsel for the other two if they have any comment or
21 would you rather just stand pat and we'll go from
22 there? Good. Okay. We have three of these
23 agreements. We will take the one involving DEQ
24 Systems first. May I have a motion?

25 MS. KAISER:

1 Mr. Chairman, I move that the Board issue
2 an Order to approve the Consent Agreement between OEC
3 and DEQ Systems as described by the OEC.

4 MR. MCCALL:

5 Second.

6 CHAIRMAN:

7 All in favor?

8 ALL SAY AYE

9 CHAIRMAN:

10 Opposed?

11 NO RESPONSE

12 CHAIRMAN:

13 The motion carries. Next, United States
14 Playing Card Company. May I have a motion?

15 MR. MCCALL:

16 Mr. Chairman, I move that the Board issue
17 an Order to approve the Consent Agreement between the
18 OEC and United States Playing Card Company as
19 described by the OEC.

20 CHAIRMAN:

21 Second?

22 MR. MOSCATO:

23 Second.

24 CHAIRMAN:

25 All in favor?

1 ALL SAY AYE

2 CHAIRMAN:

3 Opposed?

4 NO RESPONSE

5 CHAIRMAN:

6 The motion carries. Greenwood Gaming &
7 Entertainment, Inc. May I have a motion?

8 MR. MOSCATO:

9 Mr. Chairman, I move that the Board issue
10 an Order to approve the Consent Agreement between the
11 OEC and Greenwood Gaming & Entertainment, Inc. as
12 described by the OEC.

13 MR. SOJKA:

14 Second.

15 CHAIRMAN:

16 All in favor?

17 ALL SAY AYE

18 CHAIRMAN:

19 Opposed?

20 NO RESPONSE

21 CHAIRMAN:

22 The motion carries. Thank you,
23 gentlemen. Okay. Next would be Revocations and
24 Suspensions; is that correct, Cyrus?

25 ATTORNEY PITRE:

1 That's correct, Chairman. Next we have
2 the Revocation of Mr. Jason McGarrigle. Cassie
3 Fenstermaker will handle the matter on behalf of OEC.
4 If Mr. McGarrigle is present, I ask that he come
5 forward.

6 CHAIRMAN:

7 Okay. You can proceed.

8 ATTORNEY FENSTERMAKER:

9 Thank you. Good afternoon, Chairman
10 Ryan, members of the Board. I'm Cassandra
11 Fenstermaker, F-E-N-S-T-E-R-M-A-K-E-R, Assistant
12 Enforcement Counsel.

13 The first matter I have for the Board
14 today is a Revocation of Jason McGarrigle's Gaming
15 Employee Occupation Permit. On July 12, 2012, the OEC
16 filed a Complaint for Revocation against Jason
17 McGarrigle, a former security guard at Parx Casino.
18 OEC sought the Revocation of Mr. McGarrigle's Gaming
19 Employee Occupation Permit following his conviction
20 for robbery after he used a knife to hold up a
21 7-Eleven in Bensalem Township.

22 Service was effectuated by first class
23 and certified mail. Mr. McGarrigle did not respond to
24 the Complaint within 30 days, and therefore, pursuant
25 to Board regulations, all facts alleged in the

1 Complaint are deemed admitted. The OEC filed a
2 Request for Default Judgment on September 14th, 2012,
3 in this matter and at this time requests that Jason
4 McGarrigle's Gaming Employee Occupation Permit be
5 revoked.

6 CHAIRMAN:

7 Is Jason McGarrigle in the hearing room?
8 May I have a motion?

9 MR. SOJKA:

10 Yes, Mr. Chairman, I'll move that the
11 Board issue an Order to approve the Revocation of
12 Jason McGarrigle's Gaming Employee Permit as described
13 by the OEC.

14 MR. FAJT:

15 Second.

16 CHAIRMAN:

17 All in favor?

18 ALL SAY AYE

19 CHAIRMAN:

20 Opposed?

21 NO RESPONSE

22 CHAIRMAN:

23 The motion carries.

24 ATTORNEY FENSTERMAKER:

25 Thank you. The next matter I have is a

1 Complaint for Revocation for a Non-Gaming Employee
2 Registration. On July 5th, 2012, the OEC filed a
3 Complaint for Revocation against Christopher Smith, a
4 former engineer --- and that's an EVS employee --- at
5 the Rivers Casino.

6 OEC sought the Revocation of Mr. Smith's
7 Non-Gaming Employee Revocation (sic) following his
8 convictions for robbery, possession of firearms not to
9 be carried without a license, receiving stolen
10 property, possession of marijuana, three counts of
11 burglary, three counts of criminal mischief and
12 criminal intent. Mr. Smith was charged with armed
13 robbery of a convenience store originally, and during
14 a search of his apartment, police discovered the
15 stolen property resulting in the subsequent charges.

16 Service was effectuated by first class
17 and certified mail. Mr. Smith did not respond to the
18 Complaint within 30 days, and therefore, pursuant to
19 Board regulations, all facts alleged in the Complaint
20 are deemed admitted. The OEC filed a Request for
21 Default Judgment on September 5th, 2012, in this
22 matter and at this time requests that Christopher
23 Smith's Non-Gaming Employee Registration be revoked.

24 CHAIRMAN:

25 Is Christopher Smith in the hearing room?

1 May I have a motion?

2 MR. FAJT:

3 Mr. Chairman, I move that the Board issue
4 an Order to approve the Revocation of Christopher
5 Smith's Non-Gaming Employee Registration as described
6 by the OEC.

7 MR. GINTY:

8 Second.

9 CHAIRMAN:

10 All in favor?

11 ALL SAY AYE

12 CHAIRMAN:

13 Opposed?

14 NO RESPONSE

15 CHAIRMAN:

16 The motion carries.

17 ATTORNEY FENSTERMAKER:

18 The final Revocation I have is for James
19 Titus. On July 2nd, 2012, the OEC filed a Complaint
20 for Revocation against James Titus, Jr., a former
21 security guard at Mount Airy Casino. OEC sought the
22 Revocation of Mr. Titus's Gaming Employee Occupation
23 Permit following his convictions for theft by unlawful
24 taking and false reports to law enforcement. Mr.
25 Smith was criminally charged after removing a ---.

1 MR. SOJKA

2 Mr. Titus?

3 ATTORNEY FENSTERMAKER:

4 Mr. Titus, I'm sorry, was criminally
5 charged after removing a vehicle sub-frame from his
6 in-laws' yard. Service was effectuated by first class
7 mail. Mr. Titus did not respond to the Complaint
8 within 30 days, and therefore, pursuant to Board
9 regulations, all facts alleged in the Complaint are
10 deemed admitted. The OEC filed a Request for Default
11 Judgment on September 5th, 2012, in this matter, and
12 at this time requests that James Titus, Jr.'s Gaming
13 Employee Occupation Permit be revoked.

14 CHAIRMAN:

15 Is James Titus in the hearing room? Any
16 questions, comments, from the Board? Ex-officio
17 members? May I have a motion?

18 MR. GINTY:

19 Mr. Chairman, I move that the Board issue
20 an Order to approve the Revocation of James Titus's
21 Gaming Employee Permit as described by the OEC.

22 CHAIRMAN:

23 Second?

24 MS. KAISER:

25 Second.

1 CHAIRMAN:
2 All in favor?

3 ALL SAY AYE

4 CHAIRMAN:
5 Opposed?

6 NO RESPONSE

7 CHAIRMAN:
8 The motion carries.

9 ATTORNEY FENSTERMAKER:
10 I now have two Exclusions for your
11 consideration, and they're both related to the same
12 incident.

13 On July 17th, 2012, the OEC filed a
14 Petition seeking the Exclusion of Iris Cruz from all
15 Commonwealth casinos. OEC sought the Exclusion after
16 discovering that Ms. Cruz, who is currently under the
17 age of 21, had entered Harrah's gaming floor and had
18 participated in a physical altercation on the gaming
19 floor involving numerous individuals.

20 Service was effectuated by first class
21 and certified mail. Ms. Cruz did not respond to the
22 Complaint within 30 days, and therefore, pursuant to
23 Board regulations, all facts alleged in the Complaint
24 are deemed admitted. The OEC filed a Request for
25 Default Judgment on September 6th, 2012, in this

1 matter, and at this time requests that Iris Cruz be
2 added to the Board's Excluded Persons List.

3 CHAIRMAN:

4 Is Iris Cruz in the hearing room?
5 Questions, comments from the Board? Ex-officio
6 members? May I have a motion?

7 MS. KAISER:

8 Mr. Chairman, I move that the Board issue
9 an Order to approve the addition of Iris Cruz to the
10 Pennsylvania Gaming Control Board Involuntary
11 Exclusion List as described by the OEC, and that after
12 Ms. Cruz's 22nd birthday on August 1st, 2014, she may
13 petition the Board for removal from the List.

14 MR. MCCALL:

15 Second.

16 CHAIRMAN:

17 All in favor?

18 ALL SAY AYE

19 CHAIRMAN:

20 Opposed?

21 NO RESPONSE

22 CHAIRMAN:

23 The motion carries.

24 ATTORNEY FENSTERMACHER:

25 The final matter I have before the Board

1 is for Juanisha Flood. On July 17th, 2012, the OEC
2 filed a Petition seeking the Exclusion of Juanisha
3 Flood. OEC sought the Exclusion after discovering
4 that Ms. Flood, who was under the age of 21 at the
5 time of the incident, had entered Harrah's gaming
6 floor and had participated in a physical altercation
7 on the gaming floor involving numerous individuals.

8 Service was effectuated by first class
9 and certified mail. Ms. Flood did not respond to the
10 Complaint within 30 days, and therefore all facts
11 alleged in the Complaint are deemed admitted. The OEC
12 filed a Request for Default Judgment on September 6th,
13 2012, in this matter, and at this time requests that
14 Juanisha Flood be added to the Board's Excluded
15 Persons List.

16 CHAIRMAN:

17 Is Juanisha Flood in the hearing room?
18 Comments, questions from the Board?

19 MR. SOJKA:

20 I am going to make a comment. We moved
21 quickly on that other one, and we're here now. We
22 have established a precedent that when we have
23 underage persons on the gaming floor, we put them on
24 the Involuntary Exclusion List and make it clear that
25 one year after their 21st birthday, they can appeal

1 that. Those are generally cases where the event that
2 triggers it is simply being underage. In these two
3 cases, these folks misbehaved badly, I think, in a
4 casino, and I'm wondering if we aren't being too
5 lenient here. I'm just going to raise that question.

6 MR. FAJT:

7 Well, it's funny, because I was thinking
8 the same thing, but I think the bottom line is, after
9 a year they have to come before the Board. The facts
10 of the case will be laid out then, and I think we'll
11 take that into account.

12 MR. SOJKA:

13 I believe you will cause me to take that
14 into account. Thank you.

15 CHAIRMAN:

16 Okay. Any other comments, questions?
17 May I have a motion?

18 MR. MCCALL:

19 Mr. Chairman, I move that the Board issue
20 an Order to approve the addition of Juanisha Flood to
21 the Pennsylvania Gaming Control Board Involuntary
22 Exclusion List as described by the OEC, and that Ms.
23 Flood may petition the Board for removal from this
24 List after one year.

25 CHAIRMAN:

1 Second?

2 MR. MOSCATO:

3 Second.

4 CHAIRMAN:

5 All in favor?

6 ALL SAY AYE

7 CHAIRMAN:

8 Opposed?

9 NO RESPONSE

10 CHAIRMAN:

11 The motion carries.

12 ATTORNEY FENSTERMAKER:

13 Thank you.

14 CHAIRMAN:

15 Thank you, Cassandra.

16 ATTORNEY PITRE:

17 The next matter we have for the Board's
18 consideration is to consider the placement of Nakia
19 Jones on the Board's Involuntary Exclusion List. Jeff
20 Hoeflich will present the matter on behalf of OEC.

21 ATTORNEY HOEFLICH:

22 Good afternoon, Jeff Hoeflich, H-O-E,
23 F as in Frank, L-I-C-H.

24 The next matter before the Board today is
25 a Request of Nakia D. Jones on the Board's Excluded

1 Persons List. The OEC filed a Petition to place Ms.
2 Jones on the Exclusion List for stealing a patron's
3 ATM card then withdrawing \$300 from his bank account
4 on April 19th, 2012.

5 Ms. Jones was attending Valley Forge
6 Casino Resort with a male guest when she oversaw him
7 enter his PIN number for his debit card while at an
8 ATM machine. Afterward, while the male patron was
9 away from the table, Ms. Jones reached into his jacket
10 and removed the debit card he had used to withdraw the
11 funds. She then used the ATM card and later played
12 Blackjack with the stolen money. Ms. Jones was
13 eventually detained by security and returned the money
14 she had taken from the patron. Ms. Jones was evicted
15 from the casino, and the male patron refused to press
16 charges.

17 This is the not the first time Ms. Jones
18 has been involved in mischief in a Pennsylvania
19 casino. Ms. Jones was previously evicted from
20 SugarHouse Casino when she was caught bet capping on
21 November 26th, 2010. Although the casino did not
22 press charges, Ms. Jones was evicted from the
23 establishment. On June 1st, 2012, Ms. Jones attempted
24 to enter SugarHouse Casino, even though she was
25 evicted from the premises. Casino personnel removed

1 Ms. Jones from the casino floor, and she was charged
2 with simple trespass. Just two weeks later, Ms. Jones
3 tried to enter SugarHouse casino again, at which time
4 she was charged with defiant trespass.

5 OEC's Petition was filed on July 12th,
6 2012. The Petition was promptly served and Ms. Jones
7 --- by both certified and first class mail. Ms. Jones
8 did not respond to filing in any way. Due to Ms.
9 Jones's failure to respond, the averments in the
10 Petition are deemed to be admitted as fact, and her
11 right to a hearing has been waived. On September
12 10th, 2012, the OEC filed a Request to Enter Judgment
13 upon Default.

14 The matter is now before the Board to
15 consider the Placement of Nakia D. Jones on the
16 Board's Excluded Persons List.

17 CHAIRMAN:

18 Is Nakia Jones in the hearing room?
19 Questions, comments from the Board? May I have a
20 motion?

21 MR. MOSCATO:

22 Mr. Chairman, I move that the Board issue
23 and Order to approve the addition of Nakia Jones to
24 the PGCB Involuntary Exclusion List as described by
25 the OEC.

1 MR. SOJKA:

2 Second.

3 CHAIRMAN:

4 All in favor?

5 ALL SAY AYE

6 CHAIRMAN:

7 Opposed?

8 NO RESPONSE

9 CHAIRMAN:

10 Motion carries. Thank you. Okay. I
11 believe that concludes today's meeting. Our next
12 scheduled Public Meeting will be held here on November
13 8th at 10:00 a.m.

14 Any final comments from the Board or
15 Ex-officio members? May I have a motion to adjourn?

16 MR. SOJKA:

17 So moved.

18 MR. FAJT:

19 Second.

20 CHAIRMAN:

21 Meeting is adjourned. Thank you all very
22 much.

23

24 * * * * *

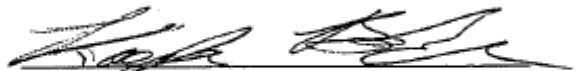
25 MEETING CONCLUDED AT 12:33 P.M.

* * * * *

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

CERTIFICATE

I hereby certify that the foregoing proceedings, meeting before Chairman Ryan was reported by me on 10/10/2012 and that I Kayla Bolze read this transcript and that I attest that this transcript is a true and accurate record of the proceeding.


Court Reporter