

**MINUTES OF REGULAR MEETING - VIDEO  
OPEN SESSION  
May 29, 2014  
ILLINOIS GAMING BOARD  
CHICAGO, ILLINOIS**

NOTE: ITEMS IN **BOLDFACE PRINT** REFLECT OFFICIAL BOARD ACTIONS

On Thursday, May 29, 2014 a Regular Meeting - Video of the Illinois Gaming Board (“Board”) was held on the 5<sup>th</sup> floor at 160 N. LaSalle at the Michael J. Bilandic Building, Chicago, Illinois. The Open Session on Video Gaming started at approximately 10:33 A.M. Present were Chairman Aaron Jaffe, Members Lee Gould, Maribeth Vander Weele and Michael Holewinski.

**APPROVAL OF MINUTES –**

Member Gould moved that **the Board approve the open session minutes of its Regular Meeting of May 29, 2014.** Member Vander Weele seconded the motion. The Board approved the motion unanimously by roll call vote.

**CHAIRMAN’S COMMENTS –**

As you know in video gaming there are a lot of bad apples. In Illinois people want to make money without proper licensing. Many haven’t gone through the vetting process and have approached people even though they are not licensed.

Senate Bill 2797, sponsored by Senator Ira Silverstein and Representative Scott Drury is an essential piece of video gaming legislation. The bill establishes an exclusion list for video gaming. The video gaming exclusion list will operate in an identical manner to the riverboat gambling exclusion list administered without controversy by the IGB since the early 1990s. An exclusion list prohibits a small number of notorious individuals, often connected with organized crime, from engaging in all gaming-related activities. Every casino gaming jurisdiction in the United States has an exclusion list. In Nevada, the exclusion list has been credited with driving organized crime out of the casino industry. Based on the universality of exclusion lists in all gaming jurisdictions, there is absolutely no good reason to be against this legislation.

The exclusion list will also serve the important function of protecting licensed locations against entering into deals with unscrupulous operators. The names of persons on the list will be posted on the Illinois Gaming Board website. By checking this posted list, the locations will be warned not to do business with these individuals.

An exclusion list is crucial in the video gaming context because the huge number of locations and lack of continuous personal surveillance by Board agents makes day-to-day regulatory oversight more difficult, increasing the importance of ensuring that unacceptable individuals are excluded in advance. Posting the names of excluded individuals on the Board’s website will also serve the important function of protecting licensees from entering into deals with notorious individuals.

The bill's opponents repeatedly argued that it would result in a loss of employment by waitresses, bar tenders and other lower-level employees who might have a criminal past. The exclusion list is designed to keep out of gaming only a very small number of notorious individuals whose scope of activities is significant enough to threaten the integrity of gaming. Currently, there are approximately 21 individuals on the riverboat gambling exclusion list. A similarly small number of individuals could be expected to be placed on the video gaming exclusion list.

The Board's legal staff has worked diligently with JCAR staff on the language of the Board's proposed permanent rulemaking intended to supplement Senate Bill 2797. Despite the Board's utmost efforts to accommodate JCAR, 4 out of the 6 House JCAR members spoke against Senate Bill 2797 during House floor debate, a 5<sup>th</sup> JCAR member voted "no" on the bill, and the 6<sup>th</sup> House JCAR member, who was in the Speaker's chair, voted "present." In fact, comments by JCAR members speaking against the bill constituted the bulk of the House debate. One JCAR member went so far as to state that the IGB was attempting to make an end run around JCAR through this legislation. This is obviously the exact opposite of the truth.

Addressing the audience, Chairman Jaffe also stated that the industry should support this legislation as well as push for legislation to outlaw campaign contributions in the gambling industry.

#### **ADMINISTRATOR'S REPORT –**

The Administrator stated that there 17,575 video gaming terminals (the equivalent of positions at approximately 14 casinos) operational at 4,329 locations.

- **Novomatic Americas Sales LLC- Initial Manufacturer, Distributor and Supplier License Renewal**  
Based on staff's investigation, Member Holewinski moved to approve the Manufacturer, Distributor and Supplier Licenses of Novomatic Americas Sales LLC, effective May 29, 2014, for a term of one year, expiring in May 2015. Member Gould seconded the motion. The Board approved the motion unanimously by roll call vote.

#### **TERMINAL OPERATOR LICENSEE ITEMS –**

- **Terminal Operator Licensee Renewals**  
Based on staff's investigation, Member Vander Weele moved to **renew the Terminal Operator Licenses LZ Entertainment LLC and Tap Room Gaming, LLC, effective may 29, 2014 for a period of one year, expiring in May 2015.** Member Gould seconded the motion. The Board approved the motion unanimously by roll call vote.
- **A.S.A.P. Gaming, Inc. – Terminal Operator License Renewal**  
Based on staff's investigation, Member Gould moved to **renew the Terminal Operator License of A.S.A.P. Gaming, Inc., retroactive to April 2014 for a**

**period of one year, expiring in April 2015.** Member Vander Weele seconded the motion. The Board approved the motion unanimously by roll call vote.

- **Hyperactive Gaming, LLC – Terminal Operator License Renewal**  
Based on staff’s investigation, Member Holewinski moved **to renew the Terminal Operator License of Hyperactive Gaming, LLC, effective May 29, 2014 for a period of one year, expiring in May 2015.** Member Vander Weele seconded the motion. Member Gould abstained. The Board approved the Motion by a 3-0-1 vote.
- **Illinois Gaming Investors LLC – Terminal Operator License Renewal**  
Based on staff’s investigation, Member Gould moved **to renew the Terminal Operator License of Illinois Gaming Investors LLC, effective May 29, 2014 for a period of one year, expiring in May 2015.** Member Holewinski seconded the motion. Member Vander Weele abstained. The Board approved the Motion by a 3-0-1 vote.
- **Torch, LLC – Terminal Operator License Renewal**  
Based on staff’s investigation, Member Vander Weele moved **to deny the renewal of the Terminal Operator License of Torch, LLC.** Member Gould seconded the motion. The Board approved the motion unanimously by roll call vote.
- **Chicago Gaming Distributors, LLC – Initial Terminal Operator License**  
Based on staff’s investigation, Member Holewinski moved **to approve Chicago Gaming Distributors, LLC for a Terminal Operator License effective May 29, 2014 for a period of one year, expiring in May 2015.** Member Gould seconded the motion. The Board approved the motion unanimously by roll call vote.
- **Royal Flush Gaming, LLC – Initial Terminal Operator License**  
Based on staff’s investigation, Member Vander Weele moved **to deny Royal Flush Gaming, LLC for a Terminal Operator License.** Member Gould seconded the motion. The Board approved the motion unanimously by roll call vote.
- **Win Gaming, Inc.**  
Based on staff’s investigation, Member Holewinski moved **to deny Win Gaming, Inc. for a Terminal Operator License.** Member Vander Weele seconded the motion. The Board approved the motion unanimously by roll call vote.

#### **TECHNICIAN & TERMINAL HANDLER LICENSEE ITEMS –**

Based on staff’s investigation, Member Gould moved **to approve 1 application for Technician Licenses and 48 applications for Terminal Handler Licenses and that the Administrator issue a Notice of Denial to the following applicants: Robert Nowak, Michael Schupp, John Gavin and Ashok Purohit.** Member Vander Weele seconded the motion. The Board approved the motion unanimously by roll call vote.

## **VIDEO GAMING LOCATION LICENSEE ITEMS –**

- Based on staff's investigation, Member Vander Weele moved to approve **164 applications for Video Gaming Location Licenses, and that the Administrator issue a Notice of Denial to the following applicants:**
  - **Donald Johnson d/b/a Rail City Saloon**
  - **Ernesto Leon**
  - **Jetante Moore**
  - **Kelly Bush**
  - **Navarro Entertainment, Inc.**
  - **Peoria Speakeasy, Inc.**
  - **Ruchi 8, Inc.**
  - **Timothy James Bulak**
  - **Gayle's Monroe Tap, Inc.**
  - **Buddyz McHenry, Inc.**
  - **Don Kar, Inc.**
  - **James Shelton d/b/a Silver Moon**
  - **James Shelton d/b/a Jimbo's**
  - **Tommy's Sports Bar & Eatery, LLC**
  - **P.T.'s Mescher & Associates, LLC**
  - **Shelly Sheppard, Mikel Sheppard, Kimberly Rose d/b/a R Place Off Of 45**
  - **Sandbar Bar & Grille, Inc.**
  - **Livingston Gas & Grocery, Inc.**
  - **Ghanshym, Inc.**
  - **2James LLC**
  - **Sherman Athletic Club**
  - **Blue Ridge Club**
  - **S.A.T.T. Enterprises, LLC d/b/a B&R Grocery**
  - **Bravo Pizza of Poplar Grove, Inc. d/b/a Bravo Pizza of South Beloit**
  - **Bravo Pizza of Poplar Grove, Inc. d/b/a Bravo Pizza of Poplar Grove**
  - **1901 Halstead Street Deli, LLC**
  - **Shanika Cleveland**
  - **Luljeta Abdullai**
  - **Twisted Spoke Saloon Corporation d/b/a Twisted Spoke Saloon in Pekin**
  - **Mr. Lee's Pub Inc.**
  - **Kenneth E. King**
  - **Gino's Trattoria, Inc.**

Member Gould seconded the motion. The Board approved the motion unanimously by roll call vote.

**ADMINISTRATIVE REQUESTS FOR HEARING/REQUESTS TO REAPPLY –**

▪ **Requests for Hearing**

Based on staff's investigation, Member Holewinski moved **to deny the requests for hearing from DDLJ, Inc. and Ray Couch III.** Member Gould seconded the motion. The Board approved the motion unanimously by roll call vote.

▪ **Requests to Reapply**

Based on staff's investigation, Member Gould moved to approve the requests to reapply from S.T.M.P. Entertainment LLC, Wiley-Mumford Post #764 of the American Legion, Inc., La Malinche Bar and Grill Inc. and Alton Truck Stop LLC, and deny the request from Doc's Diner Inc. Member Vander Weele seconded the motion. The Board approved the motion unanimously by roll call vote.

At 10:58 A.M. Member Vander Weele motioned to adjourn and Member Gould seconded the motion. All Members voted in favor of adjournment.

Respectfully submitted,

Mary C. Boruta  
Secretary to the Administrator