



STATE OF MAINE
Department of Public Safety
Gambling Control Board
87 State House Station
Augusta, Maine
04333-0087

JANET T. MILLS
GOVERNOR
MICHAEL SAUSCHUCK
COMMISSIONER

TIMOTHY S. DOYLE
CHAIRMAN
MILTON CHAMPION
EXECUTIVE DIRECTOR

Gambling Control Board
Minutes of May 19, 2020 Board Meeting
Held online via Zoom application.

CALL TO ORDER

Chairman Tim Doyle called the meeting to order at 9:00 am via Zoom application online due to the current Coronavirus pandemic.

MEMBERS PRESENT ONLINE

Timothy Doyle, Board Chair

Alfred Skolfield

Greg McNeal

Robert Harmon

Barbara Dresser

STAFF PRESENT ONLINE

Milton Champion, Executive Director

Vicki Gardner, Inspector Supervisor

Mallory Reilly, Office Specialist I

James Horr, Auditor

Det. Don Armstrong

Katie Johnson, Assistant Attorney General

Ron Guay, Assistant Attorney General

MINUTES REVIEW AND APPROVAL

February 2020 Meeting Minutes

Motion: The Board approves the February 2020 minutes as printed.

Members

Tim Doyle: YEA

Barbara Dresser: YEA

Bob Harmon: YEA

Al Skolfield: YEA

Greg McNeal: YEA

The motion passed 5 in favor, 0 opposed.

EXECUTIVE DIRECTOR'S REPORT

Executive Director Milton Champion provides his report to the Board. In February 2020 there were 10 Shipments of machines and/or associated equipment shipped to or from licensed

facilities. On site inspectors completed 684 observations and 34 checklists. Three formal complaints of potential violations and eight minor violations being monitored from our activity log. There was 1 patron complain and 0 dispositions of formal reports sent to members for review per statute. There were 9 self-exclusions.

For the month of February 2020, the Unit has identified an increase of 9.7% in total tax revenue for both facilities versus February 2019. Year to date has been an identified increase of 13.0 % versus last year at the same time. Oxford reported an 7.93% win for the month of February from slots and 23.0% win from table games. Oxford's payback percentage was 92.1%. Average gross win per machine of \$220.03. Hollywood reported a 10.2% average win for the month of February from slots and 32.2% win from table games. Hollywood's payback percentage was 89.8%. Average gross win per machine was \$157.56.

In March 2020 there were 8 Shipments of machines and/or associated equipment shipped to or from licensed facilities. On site inspectors completed 389 observations and 6 checklists. Zero formal complaints of potential violations and one minor violation being monitored from our activity log. There were 0 patron complaints and 0 dispositions of formal reports sent to members for review per statute. There were 3 self-exclusions.

For the month of March 2020, the Unit has identified a decrease of 56.8% in total tax revenue for both facilities versus March 2019. Year to date there has been an identified decrease of 14.4 % versus last year at the same time. Oxford reported an 7.84% win for the month of March from slots and 27.9% win from table games. Oxford's payback percentage was 92.2%. Average gross win per machine of \$125.34. Hollywood reported a 10.1% average win for the month of March from slots and 22.1% win from table games. Hollywood's payback percentage was 90.%. Average gross win per machine was \$74.59.

With facilities closed during the month of April 2020, there is nothing to report in the area of operations for April 2020.

Year to date there has been an identified decrease of 37.3 % versus last year at the same time.

STATE POLICE REPORT

Detective Armstrong informed the Board that due to the Casinos closings, there have not been any new Gaming Employee applications to investigate. He has investigated the renewals through the rest of the year and assisted any other regulatory agencies with their licensing requests.

Detective Armstrong completed a suitability investigation for Penn ADW LLC and Sportech (eBet Technologies).

UNFINISHED BUSINESS

Rules Appendix A for final adoption - The rules are not yet ready and will need to be put back out for additional public comment. Oxford Casino made comments on behalf of both facilities, and the breakdown was sent to Board members in advance. Director Champion went through the

comments and explained the changes he made in response to those comments. Language was inadvertently removed and through this process they are attempting to put that language back in. Both facilities weighed in on these comments. Jack Sours, Oxford Casino, wanted to be sure they could continue to use the slot monitoring system rather than rely on human notification, where errors could be made.

Motion: The Board approves the changes recommended by the Executive Director (including Jackpot reporting by the slot system as long as there is audible notification) on Rules Appendix A and approves the publication of Rules Appendix A for another round of public comments.

Members

Tim Doyle: YEA

Barbara Dresser: YEA

Bob Harmon: YEA

Al Skolfield: YEA

Greg McNeal: YEA

The motion passed 5 in favor, 0 opposed.

Rules Promotional Credits for final adoption - Title 8, Amusements in Sports, Chapter 31, Subsection 1001. Director Champion reminded the Board and the public on the definition of Promotional Credits, it means any non-cashable electronic thing of value used solely to play a slot machine and is provided by a Slot Machine Operator or Casino Operator to customers and is approved by the Gambling Control Board. Promotional Credits played by Slot Machine customers have no value attributed to their use and are for purposes of calculating gross slot machine income, net slot machine income and payback percentage.

Comments were submitted back in September 2019, there were comments submitted by Jack Sours, General manager of Oxford Casino, and Erica Denapole, Senior Product Compliance Engineer of Scientific Games. From those comments there was a second publication which was posted in February 2020 with comments due by March 2020. There were no comments submitted at that time. At this point The Director is seeking approval for final adoption of Chapter 29 Promotional Credits and other player incentives.

Motion: The Board approves the Rules pertaining to Promotional Credits as well as the basis statement for the Rule Package.

Members

Tim Doyle: YEA

Barbara Dresser: YEA

Bob Harmon: YEA

Al Skolfield: YEA

Greg McNeal: YEA

The motion passed 5 in favor, 0 opposed.

ADW application for approval - The Executive Director presented to the Board an application that was based off of the Casino Operator application. Board members gave their individual comments ahead of time resulting in the applications final draft.

Motion: Pursuant to the provisions of 8 M.R.S 1071(4), the Board approves the attached form of application for ADW licensing as Advance Deposit Wagering Application MGCB-3100.

Members

Tim Doyle: YEA

Barbara Dresser: YEA

Bob Harmon: YEA

Al Skolfield: YEA

Greg McNeal: YEA

The motion passed 5 in favor, 0 opposed.

Penn ADW LLC application for licensure - Vice President of Penn ADW LLC, Christopher McErlean, presented to the Board information about Penn ADW and how the company will be working with the State of Maine's Advance Deposit Wagering.

Motion: The Board finds Penn ADW LLC suitable for licensing and awards Penn ADW LLC a license to operate Advance Deposit Wagering in the State of Maine. The Board also approves the plan of operations as submitted by Penn ADW LLC.

Members

Tim Doyle: YEA

Barbara Dresser: YEA

Bob Harmon: YEA

Al Skolfield: YEA

Greg McNeal: YEA

The motion passed 5 in favor, 0 opposed.

Sportech/eBet Technologies application for Gaming Services Vendor licensure

Ken MacKenzie representing Sportech, presented materials and information to the Board about Sportech/eBet Technologies.

Motion: The Board finds that Sportech/eBet Technologies is suitable for licensing and awards Sportech/eBet Technologies a license as a Gaming Services Vendor.

Members

Tim Doyle: YEA

Barbara Dresser: YEA

Bob Harmon: YEA

Al Skolfield: YEA

Greg McNeal: YEA

The motion passed 5 in favor, 0 opposed.

Penn ADW LLC Contract Approval - A draft contract was circulated to the Board members; their comments were integrated into the draft. Negotiation sessions were scheduled with Penn National and a final draft of the contract was created.

*Motion: The Board approves Contract in Advantage CT#20200421*2903 with Penn ADW LLC for the provision of ADW services to the residents of the State of Maine.*

Members

Tim Doyle: YEA

Barbara Dresser: YEA

Bob Harmon: YEA

Al Skolfield: YEA

Greg McNeal: YEA

The motion passed 5 in favor, 0 opposed.

Scientific Games CSMS Contract – update

Ron Guay, AAG, informed the Board that they were working under a 2005 contract that has been extended before and would not be extended again. A new contract needs to be completed in time for July 1st. The final draft of the contract will be signed by Chairman Tim Doyle at a later date once the Office of IT has approved it, for now the Department is looking for a pre authorization by the Board to move forward with this draft of the Scientific Games Contract. Chairman Doyle asked that because the Board has no part in the department's budget but has a strong say in the Central Site Monitoring system, if the terms of the contract are financially within what the department expects and is negotiated. Director Champion believed that it is appropriate at this time as well as the Commissioner of DPS, Michael Sauschuck.

*Motion: The Board approves contract Advantage CT20200514*3305 for Central Site Monitoring services with the Scientific Games. The Board further authorizes any necessary changes to Rider C, occasioned by the final approval requirements imposed by either the State of Maine Office of Information Technology, or the State Procurement Review Committee, provided that, any changes to Rider C are not in conflict with Title 8 Chapter 31.*

Members

Tim Doyle: YEA

Barbara Dresser: YEA

Bob Harmon: YEA

Al Skolfield: YEA

Greg McNeal: YEA

The motion passed 5 in favor, 0 opposed.

Complaint Process Update

Commissioner, Michael Sauschuck, informed the Board that he would have more information for the next meeting in July, and that there have been a couple internal meetings to improve internal

processes. He assured the Board that they are still focused on this topic and they are always looking for ways to improve all aspects of their mission.

NEW BUSINESS

Covid-19 – Casino Reopening status

Commissioner, Michael Sauschuck informed the Board that the Casinos are following the CDC guidelines and they have solid plans around how to keep their employees and patrons safe. A lot of time and energy went into a step by step process of what the patrons can expect once they walk through the doors. Although Casinos would fall under Stage 3 of the Governor’s plan to reopen, there is no date set for when the Casinos will be reopening.

Both facilities General Managers weighed in on the reopening plans. Jack Sours, Oxford Casino GM, echoed the Commissioners thoughts and believes that they have put together a comprehensive plan for reopening in a way that would reflect their commitment to Public Safety. Austin Muchemore, Hollywood Casino GM, stated they are eager to get back to work while doing so safely.

PUBLIC COMMENT

N/A

Chairman Doyle gave an update on where the Board stands as far as the changing of hands for new Board members. Commissioner Sauschuck thanked the current Board members for staying on up to this point and stated that there is still no date planned for when the Legislature could return to make final decisions regarding new Board members.

ADJOURNMENT

Mr. Robert Harmon moves to adjourn. The motion is seconded by Mr. Greg McNeal. The motion carries unanimously.

The meeting adjourns at 10:57 AM. The next Board meeting will be held on July 21, 2020 at 9:00am.

Respectfully submitted by:

Mallory Reilly

Office Specialist I

Board approved: July 30, 2020