

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

STEVEN SILVER
CHAIRMAN
MILTON CHAMPION
EXECUTIVE DIRECTOR

Gambling Control Board

Minutes of August 15, 2023 Board Meeting

Held in person at Gambling Control Conference Room & online via Zoom application

CALL TO ORDER

Chair Steven Silver called the meeting to order at 9:02 am in person & via Zoom application online.

MEMBERS PRESENT

Steven Silver, Board Chair (remote)

Sari Greene (remote)

Chief Noel March

Joseph Hanslip (remote)

STAFF PRESENT

Amanda Spencer, Auditor

Milton Champion, Executive Director

Matthew Motti, Deputy Director

Det. Don Armstrong, MSP

Vicki Gardner, Inspector Supervisor

Mallory Reilly, Office Specialist

Jennifer Willis, Assistant Attorney General

Phillip Mantis, Assistant Attorney General

Phillip Mantis, Assistant Attorney General

MINUTES REVIEW AND APPROVAL

May 16, 2023, Meeting Minutes approval

Chair Steve Silver noted one minor correction to the minutes.

Board member Noel March moved to approve the May 2023 meeting minutes. Board member Sari Greene seconded the motion. Moved to roll call.

Members

Sari Greene: Yea
Noel March: Yea
Steven Silver: Yea
3 in favor, the motion passed.

<u>OPERATIONS REPORT – Inspector Vicki Gardner</u>

In May 2023 there were 14 Shipments of machines and/or associated equipment shipped to or from licensed facilities. On site inspectors completed 703 observations and 32 checklists. There were 5 self-exclusions. There were 8 minor violations that will continue to be monitored from the Unit's activity log. There were 0 patron complaints; and there were 2 formal complaints of potential violation placed on the dashboard.

Oxford Casino had 8 calls for service to Oxford PD, 6 in the parking lot or in the hotel lobby, and 12 were Casino related, including drugs, arrest on warrant, 911 hang-ups, and unwanted people. Oxford PD is now conducting walk-throughs of the Casino. Hollywood Casino had 24 calls for service to Bangor PD, 11 in the parking garage or outside, or in the hotel or lobby, and 13 in the casino, including theft,, , fraud, , , multiple people wanted out, 911 hang ups, and welfare checks.

In June 2023 there were 17 Shipments of machines and/or associated equipment shipped to or from licensed facilities. On site inspectors completed 739 observations and 32 checklists. There were 16 self-exclusions. There were 1 minor violation that will continue to be monitored from the Unit's activity log. There were 0 patron complaints; and there were 4 formal complaints of potential violation placed on the dashboard.

Oxford Casino had 9 calls for service to Oxford PD, 4 in the parking lot and hotel, and 5 were Casino related, including 911 hang-ups, threats, trespassing, assault, and weapons offense. Hollywood Casino had 17 calls for service to Bangor PD, 5 in the parking garage or outside, 7 in the hotel or lobby, and 5 in the casino, including disorderly conduct, trespass, intoxication, wanted out, and trespass.

In July 2023 there were 7 Shipments of machines and/or associated equipment shipped to or from licensed facilities. On site inspectors completed 636 observations and 35 checklists. There were 13 self-exclusions. There were 18 minor violation that will continue to be monitored from the Unit's activity log. There were 0 patron complaints; and there were 2 formal complaints of potential violation placed on the dashboard.

Oxford Casino had 20 calls for service to Oxford PD, 10 in the parking lot and hotel, and 10 were Casino related, including wanted outs, intoxication, theft, medical assistance, and Officer walk throughs. Hollywood Casino had 23 calls for service to Bangor PD, 16 in the parking garage or outside, and 7 in the casino, including wanted out, welfare check, 911 hang ups, drugs, and intoxications.

Chief Noel March asked if the PD walk throughs were a new partnership with the Casino and if walk throughs were imitated by the Casino. Inspector Supervisor Gardner said the walk throughs by local PD are a fairly new event, and welcome at any time by the Casinos.

FINANCIAL REPORT – Amanda Spencer

Tax Revenue increased by 2.94% for both facilities in May 2023 compared to 2022. Tax Revenue increased by 7.09% for both facilities in June 2023 compared to 2022. Tax Revenue increased by 1.00% for both facilities in July 2023 compared to 2022. Year to Date Total tax revenue collected through July 2023 was 3.58% higher than the prior year at this time and this amount totaled \$38,966,838.85.

During 2023, the Oxford casino reported total net win from Slot machines as: 8.04% for May, 7.7% for June and 8.15% for July. Reported total win from Table Games was 27.44% for May, 25.15% for June and 22.88% for July. This casino also reported slot machine payout percentages

of 91.96% for May, 92.3% for June and 91.85% for July, with Average gross wins per slot machine of: \$254.95 in May, \$271.49 in June and \$290.89 in July.

During 2023, the Hollywood casino reported a total net win from Slot machines as: 8.36% for May, 8.44% for June and 8.87% for July. Reported total win from Table Games was 19.28% for May, 22.99% for June and 20.22% for July. This casino also reported a payout percentage of 91.64% for May, 91.56% for June and 91.13% for July, with Average gross wins per slot machine of: \$193.13 in May, \$241.84 in June and \$258.49 in July.

In the area of Advanced Deposit Wagering, the unit observed a decrease of 10.4% for May 2023, a decrease of 12.0% for June 2023, and a decrease of 14.0% for July 2023, compared to the same months in 2022. Total year to date tax revenue collected by the end of July 2023 from in state and out of state races was \$141,858.77, a decrease of 6.7% compared to the same time last year.

EXECUTIVE DIRECTOR REPORT

LD 504 - This bill sets the initial application fee for a slot machine distributor that distributes no more than 50 machines per facility at \$50,000 and the annual renewal fee for those distributors is \$10,000. The bill is in the appropriations to be carried over to the regular session beginning in January 2024.

LD 731 - This ADW bill was approved by the Governor with an emergency preamble making this legislation effective on July 26, 2023. Rulemaking has initiated with a pre-legal review and propose language should be ready for Board review in September.

Director Champion reiterated his position on tax supporting documents. He will not accept screen shots, documents supporting the applicant's position must be on IRS or Maine Tax letter head. Pre-screening is important and applicants must understand that they must meet the regulated requirements in advance of submitting an application. Going forward these applications will be returned.

Director Champion requested that the agenda item related to Chapter 13 rulemaking be handled out of order to facilitate Board member Greene's participation in the discussion.

UNFINISHED BUSINESS

Chapter 13 rulemaking discussion -

The Rules were published in May 2023 and one comment was received during the comment period. The Board opted to entertain discussion of additional possible changes to the rules for re-publication, if necessary.

Board member March suggested that future applications for removal from the self-exclusion list be handled by the Director and the Unit rather than by the Board. Board member Greene supported this change and added that she does not feel the Board adds any value to the process. If it is returned to the Director the process may be more efficient and consistent, but that where the Director has any concerns, they could seek the input of the Board. Director Champion

added that if this change took place and he came across a scenario where the Patron was denied, then there would need to be an appeal system in place for that patron to be able to present their case to the Board. Lori Manson of AdCare also suggested that the Casinos should be asked if the patron has attempted to gain access while on the self-exclusion list, Chair Silver agreed this should be written into the rules explicitly.

The Board discussed additional possible changes to the rules as raised by a new draft circulated on behalf of Chief March. The discussion focused on Section 6(3)(B) and the Board agreed that two versions will be reviewed at the next meeting: one to be drafted based on newly proposed language and the second, the already-published version. The Board will review and vote whether to propose new language for re-publication or whether to finally adopt the alreadypublished version.

Board member Greene left the meeting at 9:56 am.

The Board discussed the casino self-exclusion list and the sports wagering unauthorized persons list and the possibility that a patron might be on one list and not the other.

LICENSE APPLICATIONS FOR REVIEW

(Renewal) USPC- United States Playing Card Co. – Gambling Services Vendor

Board member Noel March moved to approve USPC as a Gambling Services Vendor in the State of Maine. Board Chair Steve Silver seconded the motion. Moved to roll call.

Members

Noel March: Yea Joseph Hanslip: Yea **Steven Silver:** Yea

3 in favor, the motion passed.

(Renewal) AGS LLC - Table Games Dist.

Board member Joe Hanslip moved to approve AGS LLC as a Slot Machine Distributor in the State of Maine. Board member Noel March seconded the motion. Moved to roll call.

Members

Noel March: Yea Joseph Hanslip: Yea **Steven Silver:** Yea 3 in favor, the motion passed.

(Renewal) LNW Gaming - Table Games Dist.

Board member Joe Hanslip moved to approve LNW Gaming as a Table Games Dist. in the State of Maine. Board member Noel March seconded the motion. Moved to roll call.

Members

Noel March: Yea Joseph Hanslip: Yea **Steven Silver:** Yea

3 in favor, the motion passed.

(Initial) Surveillance Systems Integration Inc. – SSI – Gambling Services Vendor

Board member Noel March moved to approve SSI as a Gambling Services Vendor in the State of Maine. Board Chair Steve Silver seconded the motion. Moved to roll call.

Members

Noel March: Yea
Joseph Hanslip: Yea
Steven Silver: Yea

3 in favor, the motion passed.

(Initial) Interblock Gaming – Table Game Dist.

(Purchasing Aruze Gaming Assets)

Board member Joe Hanslip moved to approve Interblock Gaming as a table game distributor in the State of Maine. Board member Charmaine Brown seconded the motion. Moved to roll call.

Members

Noel March: Yea
Joseph Hanslip: Yea
Steven Silver: Yea
3 in favor, the motion passed.

11:00am The Board took a short 5 minute recess. Returning at 11:05am.

NEW BUSINESS

Table Game Discussion-

Inspector Supervisor, Vicki Gardner, said that Table Games were brought into the State in 2012 and in the past the Casinos have been allowed to swap out table games licenses between different tables, and the unused tables were transferred out of the State. Recently a casino requested to retain a table for future use, however that table would be no longer licensed and it then becomes an interpretation of §1018 and what the law requires. The Concern is that the unit does not have a tracking mechanism in which to track unlicensed tables.

Austin Muchemore, GM of Hollywood Casino informed the Board that he will pay the annual fee for each table game held in storage, if it means they are able to retain the tables for future use. Board vote is not necessary, Chair Silver does not see an issue with it.

New Table Games-

Matt Gallagher, GM of Oxford Casino presented to the Board 6 new side bets or progressives that they would like to introduce to the State.

Board member Noel March moved to approve the games presented as a set. Board member Joseph Hanslip seconded the motion. Moved to roll call.

Members

Noel March: Yea

Joseph Hanslip: Yea Steven Silver: Yea

3 in favor, the motion passed.

BOARD BUSINESS - None

PUBLIC COMMENT - None

ADJOURNMENT

Board member Noel March moved to adjourn the Gambling Control Board meeting. Board member Joseph Hanslip seconded the motion. Motion moves to roll call.

Members

Noel March: Yea Joseph Hanslip: Yea Steven Silver: Yea

3 in favor, the motion passed.

The meeting was adjourned at 11:26 AM. The next Board meeting will be held on September 19, 2023, at 9:00am via Zoom. Chair Silver will confirm the format prior to that date.

Respectfully submitted by:

Mallory Reilly Office Specialist I

Board approved: 9/19/2023