

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 January 16, 2024 Board Meeting
Held in person at 45 Commerce Dr & online via Zoom application.

MEMBERS PRESENT

Steven Silver, Board Chair Joseph Hanslip, Board Member Sari Green, Board Member

STAFF PRESENT

Milton Champion, Executive Director Matthew Motti, Deputy Director Det. Don Armstrong, MSP Vicki Gardner, Inspector Supervisor Mallory Reilly, Office Specialist Amanda Spencer, Auditor Cami Hippler, Office Associate Jennifer Willis, Assistant Attorney General Philip Mantis, Assistant Attorney General

1. CALL TO ORDER

Chair Steven Silver called the meeting to order at 9:08 am in person & via Zoom application online.

2. MINUTES REVIEW AND APPROVAL

November 15, 2023 Meeting Minutes approval

Board member Sari Greene moved to approve the November 2023 meeting minutes. Board Chair Steve Silver seconded the motion. Moved to roll call.

Members

Sari Greene: Yea
Joseph Hanslip: Abstain
Steven Silver: Yea

2 in favor, 1 Abstaining, the motion passed.

3. OPERATIONS REPORT – Inspector Vicki Gardner

In November 2023 there were 12 Shipments of machines and/or associated equipment shipped to or from licensed facilities. On site inspectors completed 768 observations and 30 checklists. There were 8 self-exclusions. There were 7 minor violations that will continue to be monitored from the Unit's activity log.



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There was 1 patron complaints; and there were 0 formal complaints of potential violation placed on the dashboard.

Oxford Casino had 24 calls for service to Oxford PD, 4 in the parking lot, 2 in the hotel lobby, and 8 were Casino related, including 10 security details, medical, drug investigations, suspicions calls intoxications, 9/11 misdials, and traffic violations, Hollywood Casino had 18 calls for service to Bangor PD, 6 in the parking garage or outside, 5 in the hotel or lobby, and 7 in the casino, including 9/11 hang ups, welfare checks, fraud, information and agency assists.

In December 2023 there were 16 Shipments of machines and/or associated equipment shipped to or from licensed facilities. On site inspectors completed 779 observations and 27 checklists. There were 9 self-exclusions. There were 2 minor violations that will continue to be monitored from the Unit's activity log. There was 1 patron complaint; and there 0 formal complaints of potential violation placed on the dashboard.

Oxford Casino had 24 calls for service to Oxford PD, 5 in the parking lot, 0 in the hotel, and 19 were Casino related, including security details, disorderly subjects, trespass, theft, OUI, and intoxications. Hollywood Casino had 8 calls for service to Bangor PD, 3 in the parking garage or outside, 1 in the hotel or lobby, and 4 in the casino, including fraud, PD crash, locked out, and traffic hazards.

4. FINANCIAL REPORT - Amanda Spencer

Total Casino Tax Revenue paid to the State of Maine increased by 3.30% in November and by 7.16% in December 2023 for both facilities compared to the same months in 2022.

Total Tax Revenue received through November 2023 during the year from both casinos was \$64,583,701, an increase of 2.24% compared to the same month in 2022.

Final 2023 Year to Date Total Tax Revenue received through December from both casinos was \$70,011,918, an increase of 2.61%, compared to the prior full year.

Specifically, by Casino —

The Oxford casino reported total net win from Slot machines of: 7.83% in November and 7.96% in December 2023. Reported total win from Table Games was 25.49% in November and 21.98% in December 2023.



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The Hollywood casino reported total net win from Slot machines of: 9.11% in November and 9.12% in December 2023. Reported total win from Table Games was 21.66% in November and 21.66% in December 2023.

In the area of Advance Deposit Wagering – Unit Auditors observed a decrease of 10.9% for November and a decrease of 23.9% for December 2023, compared to the same months in 2022.

Total 2023 year to date tax revenue collected by the end of December from in-state and out of state races was \$234,641, a decrease of 12.0% compared to the prior full year.

Oxford casino reported a slot machine payout percentage of: 92.17% for November and 92.04% for December 2023. Average gross wins per slot machine for this casino were: \$228.39 in November and \$231.72 in December 2023.

Hollywood casino reported a slot machine payout percentage of: 90.89% for November and 90.88% for December 2023. Average gross wins per slot machine for this casino were: \$0.01 in November and \$204.90 in December 2023.

5. EXECUTIVE DIRECTOR REPORT

Executive Director Milton Champion informed the Board that we are now in the 131st regular session of the Maine Legislature, there are currently 4 Agency bills in the works, and 3 that have had public hearings. Some bills may not fall under the regulatory oversight of the Board, but the Director still brought them to the Board's attention.

LD 2070 amends the laws relating to the auditing and security of slot machines by replacing the requirement that the Department of Public Safety maintain a central site monitoring system with a requirement that all slot machines communicate electronically with an on-site facility-based monitoring system that is accessible by the department.

LD 2080 allows individuals to voluntarily exclude themselves from a slot machine facility, casino, advance deposit wagering, a fantasy contest or sports wagering collectively or separately and also allows the Department of Public Safety, Gambling Control Unit and licensees to work with a universal list and not a list for each separate area of regulation. The bill also includes provisions for the inclusion on the universal



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list of individuals who are involuntarily excluded from a slot machine facility, casino, advance deposit wagering, a fantasy contest or sports wagering.

LD 2108 allows the Department of Public Safety, Gambling Control Unit to impose a fine of not more than \$100 per violation on a beano or games of chance licensee or registrant or a licensee's or registrant's agent or employee that has violated the laws or rules governing beano or games of chance, subject to an appeal and hearing before the Commissioner of Public Safety. It also allows the issue of the imposition of such a fine to be resolved by the execution of a consent agreement.

The bill removes the provision that no more than one registrant may operate a game of chance at a time on the same premises and provides that an agricultural society must determine the number of registrants permitted to operate a game of chance during the annual fair of the agricultural society. It also provides that a bona fide nonprofit organization may operate a registered game of chance to which the general public has access no more than 4 times in a calendar year for a period not to exceed the duration of the annual fair of an agricultural society or the duration of a special event rather than for a period not to exceed 4 consecutive days as in current law.

LD 2117 amends the laws governing the regulation of sports wagering licensing. It lowers the fee for an initial or renewed license in all areas from a four year license to a one year license with no change in fees and provides that the term of a temporary license may be extended.

LD 1777 authorizes each federally recognized Indian nation, tribe or band in this State to operate Internet gaming pursuant to a license from the Gambling Control Unit within the Department of Public Safety. Only a federally recognized Indian nation, tribe or band in this State is eligible to obtain a license and operate Internet gaming. The licensing structure follows the law governing sports wagering. The law governing sports wagering is also amended to remove mobile sports betting, which the bill regulates as Internet gaming.

LD 1944 requires the State to negotiate with any federally recognized Indian tribe in this State or any combination of federally recognized Indian tribes in this State that wishes to own and operate a casino on tribal land for a license to operate a casino. The State also may negotiate with all of the federally recognized Indian tribes in this State for a license to operate a casino on land that is not owned by the tribes in a county other than Penobscot County or Oxford County. The license to operate a casino on land that is not owned by the tribes would be in addition to licenses negotiated to operate casinos on tribal land. The negotiations



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between the State and a federally recognized tribe, combination of tribes or all of the tribes must include but are not limited to taxes and regulations governing the casino.

LD 1992 authorizes the licensed operation of electronic beano terminals and historical horse racing terminals by federally recognized Indian tribes, off-track betting facilities, commercial tracks, slot machine facilities and casinos. Licenses are issued by the director of the Gambling Control Unit within the Department of Public Safety. The bill requires an operator of an electronic beano terminal or a historical horse racing terminal to collect 10% of net terminal income for distribution to the General Fund for administrative expenses of the Gambling Control Unit and to gambling addiction prevention and treatment services, harness racing purses and agricultural fairs.

Director Champion informed the Board that on Wednesday January 10, Oxford Casino inadvertently sent out emails notifying patrons that they won \$250 in free slot play to more than just the 5 patrons who should have received the reward. A retraction was sent out immediately, and since, there have been 491 complaints received by the department. After a review of the promotional rules that have been available since inception on July 28, 2021, the corrective notification and understanding of the basis for complaints, the Executive Directors position is that there is no factual dispute as to what had occurred, the facts do not constitute a violation of Board law or rules. Therefore, the Executive Director concludes that the complaints shall be dismissed.

Board Chair Steve Silver asked if there was any progress on finding a 5th Board member to replace the previous member. Director Champion stated the candidate would need to have Harness Racing background, and the Harness Racing Commission has been contacted to find someone with the qualifications.

6. LICENSE APPLICATIONS FOR REVIEW

Oxford Casino - Casino Operator

Board member Sari Greene motioned to approve Oxford Casino's Casino Operator license renewal. Board member Joseph Hanslip seconded the motion. Moved to roll call.

Members

Sari Greene: Yea
Joseph Hanslip: Yea
Steven Silver: Yea

3 in favor, the motion passed.



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LNW Gaming - Slot Machine Distributor license renewal

Board member Joseph Hanslip motioned to approve LNW Gaming, Slot Machine Distributor license renewal. Board member Sari Greene seconded the motion. Moved to roll call.

Members

Sari Greene: Yea
Joseph Hanslip: Yea
Steven Silver: Yea

3 in favor, the motion passed.

7. UNFINISHED BUSINESS

a) Internal Controls – Oxford Casino

Board member Sari Greene motioned to approve amended internal controls for Oxford Casino. Board member Joseph Hanslip seconded the motion. Moved to roll call.

Members

Sari Greene: Yea Joseph Hanslip: Yea Steven Silver: Yea

3 in favor, the motion passed.

b) Internal Controls – Hollywood Casino

Board member Joseph Hanslip motioned to approve the internal controls for Hollywood Casino. Board Chair Steve Silver seconded the motion. Moved to roll call.

Members

Sari Greene: Yea
Joseph Hanslip: Yea
Steven Silver: Yea

3 in favor, the motion passed.

c) Casino Surveillance Rule Update -

Board member Greene has been in communication with the Casino IT and vendors in regard to the Surveillance access, however has not heard back from Maine State IT representatives as to their perspective. Greene does not feel that the Unit has made a compelling enough case as to the necessity of remote surveillance, and until they do and it determines that it outweighs the risk to the Casinos, patrons, and ultimately to the State, she continues to recommend against implementation of remote access surveillance.



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Board member Sari Greene motioned to not publish the surveillance with remote access rule. Board member Joseph Hanslip seconded the motion. Moved to roll call.

Members

Sari Greene: Yea
Joseph Hanslip: Yea
Steven Silver: Yea

3 in favor, the motion passed.

8. NEW BUSINESS

a) Annual Report to Governor and VLA due March 15 –

Board member Sari Greene motioned to approve the annual report with the amendment highlighting Dr. brown's service and the current vacancy. Board member Joseph Hanslip seconded the motion. Moved to roll call.

Members

Sari Greene: Yea
Joseph Hanslip: Yea
Steven Silver: Yea

3 in favor, the motion passed.

b) Licensee incident report –

Director Champion brought forward two complaints involving potential violations of Board Rule Chapter 13 dealing with self-exclusion: GCU 2023-79 (a list of incidents) and GCU 2023-80. Director Champion reminded the Board that over the last year the Board has amended chapter 13 in regard to self-exclusions. The incidents of self-exclusion occurred in 2023 and were put on hold until the Board could make a final decision on Chapter 13. AAG Jennifer Willis clarified that the Board should only consider the rule that was in effect at the time when considering whether these incidents involve any violations of rule and should not retroactively apply the rule that was adopted in October 2023. The Board discussed GCU 2023-79 and concluded that they did not see evidence of a violation.

Board member Sari Greene motioned to dismiss the incidents reflected in the Inspector report GCU-2023-79. Board member Joseph Hanslip seconded the motion. Moved to roll call.

Members

Sari Greene: Yea
Joseph Hanslip: Yea
Steven Silver: Yea

3 in favor, the motion passed.



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The Board discussed GCU 2023-80 and concluded that they did not see evidence of a violation of rule. Board member Sari Greene motioned to dismiss incident report GCU-2023-80. Board member Joseph Hanslip seconded the motion. Moved to roll call.

Members

Sari Greene: Yea
Joseph Hanslip: Yea
Steven Silver: Yea
3 in favor, the motion passed.

c) ADW Public Hearing – At 10:36 am the public hearing began and ended at 11:29am.

The purpose of the hearing is to allow the Gambling Control Board to receive any comments or other information that interested persons or parties may wish to provide regarding the potential rules for Advanced Deposit Wagering. Comments close on February 16, 2023. For more information, all hearing recordings are available on the Gambling Control Unit's website.

9. BOARD BUSINESS -

Board member Greene shared her concern that because the Unit had passed requirements to areas of gambling over which the Board has no oversight and appears to have an interest in creating uniformity across all rules it deals with, the Board is being asked to apply those same standards to areas it regulates, but where the Board had no role in developing or finetuning those requirements and that this may be driving rules that the Board is looking at.

Board Chair Steve Silver requested that the May meeting be held at Hollywood Casino.

10. PUBLIC COMMENTS - None

11. Next Meeting

The next Board meeting will be held on March 19, 2024, at 9:00 a.m. at 45 Commerce Dr. in Augusta, in the Champlain Room. The meeting will also be available via Zoom.

12. ADJOURNMENT

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

Members

Sari Greene: Yea



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Joseph Hanslip: Yea **Steven Silver:** Yea

3 in favor, the motion passed.

The meeting was adjourned at 11:33 a.m.

Respectfully submitted by: Mallory Reilly Office Specialist I

Board approved: 3/19/2024