



ILLINOIS GAMING BOARD

JB Pritzker • Governor Charles Schmadeke • Chairman Marcus Fruchter • Administrator

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Regular Meeting, Open Session Minutes Illinois Gaming Board Chicago, Illinois October 27, 2022

The Illinois Gaming Board convened for a Regular Meeting on Thursday, October 27, 2022, at 9:00 A.M. On October 14, 2022, Governor JB Pritzker issued a statewide disaster proclamation in response to the COVID-19 Pandemic. Pursuant to Section 7(e) of the Open Meetings Act, the Board determined it was not practical or prudent, nor was it feasible, to hold an exclusively in person meeting due to the ongoing COVID-19 pandemic. Therefore, the Board held the meeting at 555 West Monroe Street, First Floor Conference Room, Chicago, Illinois, and through electronic means. The meeting was accessible on the morning of October 27, 2022, via livestream at: <https://multimedia.illinois.gov/igb/igb-live.html>.

A roll call was taken. The following Board members were present: Chairman Charles Schmadeke, Member Anthony Garcia, and Member Dionne Hayden. Three members of the Board being present, a quorum was satisfied.

At approximately 9:04 A.M., Member Hayden moved to go into closed session pursuant to Section 2(c), paragraphs (1), (11), (21) and (36) of the Open Meetings Act and Section 6(d) of the Illinois Gambling Act to discuss items on the closed session agenda relating to the employment and performance of a specific employee, pending litigation, the review of closed session minutes of the Regular Board Meetings, and to deliberate on decisions of the Illinois Gaming Board in which there is discussed personal, commercial, financial, or other information obtained from any source that is privileged, proprietary, confidential, or a trade secret; or information specifically exempted from the disclosure by federal or State law. Member Garcia seconded the motion. The Board approved the motion unanimously by voice vote. Thereafter, the Board held its closed session meeting through electronic means, the minutes of which are separately recorded. The Board's closed session meeting was not accessible via livestream at <https://multimedia.illinois.gov/igb/igb-live.html>.

At approximately 10:10 A.M., the Board reconvened its Regular Meeting of Thursday, October 27, 2022, pursuant to the Illinois Open Meetings Act, 5 ILCS 120/1 *et seq.* The meeting was held in person and through electronic means. The meeting was accessible on the morning of October 27, 2022, via livestream at: <https://multimedia.illinois.gov/igb/igb-live.html>.

Another roll call was taken. The following Board members were present: Chairman Charles Schmadeke, Member Anthony Garcia, and Member Dionne Hayden. Three members of the Board being present, a quorum was satisfied.

APPROVAL OF OPEN SESSION MINUTES

The Board voted unanimously to approve the open session minutes from its Regular Meeting held on

September 15, 2022.

BOARD MEMBER COMMENTS

None.

ADMINISTRATOR'S REPORT

Administrator Fruchter began his comments with an explanation of new Video Gaming Rule 1800.2070 regarding progressive meters as they relate to In-Location Progressive Games. The Administrator then noted that as of September 30, 2022, there were 8,076 Licensed Establishments operating an aggregate of 43,938 video gaming terminals ("VGTs"). Of that total, 42,708 video gaming terminals ("VGTs") are using the updated \$4 maximum bet software and 5,182 establishments had more than 5 VGTs in operation. As of October 25th, there were 8,148 licensed establishments operating 44,428 VGTs. In September, Illinois VGTs generated Net Terminal Income ("NTI") of \$225,279,811, which generated \$76,595,146 in total tax. The State received \$65,331,811 and local municipalities received \$11,263,334.

In September, Illinois' casinos had Adjusted Gross Receipts ("AGR") of \$113,812,497, which yielded a State tax of \$30,372,230 and host municipality taxes of \$6,495,538. For the month of August, sports wagering generated AGR of \$47,788,940, with the State receiving \$7,168,341 in tax revenue and Cook County receiving an additional \$526,506. For the period from January-September 2022 (excluding sports wagering results in September), Illinois' gaming industry generated a combined \$845,897,622 in State tax revenue, while local communities received \$162,551,569.

PUBLIC COMMENTARY

The Board entertained comments from Attorney James Murphy of Clark Hill PLC.
The Board entertained comments from Samantha Haggerty of Penn Entertainment, Inc.

ADMINISTRATIVE MATTERS

The Board voted unanimously to keep confidential all closed session minutes not previously disseminated.

The Board voted unanimously to grant a hearing before an Administrative Law Judge to the petitioner who appealed the Administrator's Notice of Denial of Removal from the Self-Exclusion List.

CASINO

OWNERS LICENSEE ITEMS

The Board entertained a presentation by HC Aurora, LLC d/b/a Hollywood Casino Aurora in connection with the licensee's Request for Initial Consideration of its Owners License Renewal.

Key Person Approval

The Board voted unanimously to find Robert Lavan, Vice President and Chief Financial Officer, suitable as

a key person for Rock Island Boatworks, LLC d/b/a Bally's Quad Cities Casino & Hotel.

SUPPLIER LICENSEE ITEMS

Key Person Approval

The Board voted unanimously to find Alexander Lee Patterson, Chief Operating Officer, suitable as a key person for CasinoMoney, Inc.

License Renewals – Administrator Delegation

Pursuant to the authority delegated by the Board on June 11, 2020, the Administrator renewed the Casino Supplier license of Ainsworth Game Technology, Ltd., for a period of four years, expiring October 2026. Furthermore, the Administrator found the following individuals and business entities still suitable as key persons of Ainsworth Game Technology, Ltd.:

1. Johann F. Graf
2. Novo Invest GmbH
3. Novomatic AG

OCCUPATIONAL LICENSEE ITEMS

Level 1 License Applications – Approvals

The Board voted unanimously to adopt the staff's recommendation to grant Richard James Higgins a Level 1 Occupational license in his position as Director of Security for 815 Entertainment, LLC d/b/a Hard Rock Casino Rockford.

The Board voted unanimously to adopt the staff's recommendation to grant George A. Kollintzas a Level 1 Occupational license in his position as Internal Audit Manager at HC Aurora, LLC d/b/a Hollywood Casino Aurora and HC Joliet, LLC d/b/a Hollywood Casino Joliet.

Level 2 and Level 3 License Applications – Approvals

The Board voted unanimously to adopt the staff's recommendation to approve 54 Level 2 and 47 Level 3 occupational license applicants. Furthermore, the Board voted unanimously to issue a Notice of Denial to:

1. Kimberly La Shawn Martin (22K088982)

Occupational License Renewals – Administrator Delegation

Pursuant to the authority delegated by the Board on June 11, 2020, the Administrator renewed the Level 1, 2, and 3 licenses of individuals who were licensed or renewed in October 2021 who have properly updated their applications and complied with the requirements of the Illinois Gambling Act and the Board's Rules.

SPORTS WAGERING

MASTER SPORTS WAGERING ONLINE ONLY LICENSES

Pursuant to Board Rule 1900.750, the Administrator granted Tekkorp Digital Acquisition Corp.'s request to withdraw its Online Master Sports Wagering License application.

The Administrator announced that, because the statutorily created initial competitive selection process under Rule 1900.620 resulted in the Board issuing fewer than the maximum number of three online only sports wagering licenses, he determined that the Board would initiate a supplemental competitive selection process under Rule 1900.630. The Administrator further announced that the supplementary application period will commence at 12:01 A.M. (Central Time) on Tuesday, November 1, 2022 and close at 11:59 P.M. (Central Time) on Wednesday, March 1, 2023. He provided details about the supplemental selection process and directed interested parties to the IGB website for more information, including application forms.

OCCUPATIONAL ITEMS

Level 1 License Applications – Approvals

The Board voted unanimously to adopt the staff's recommendation to grant Gregory David Cordivari a Level 1 Sports Wagering Occupational license in his position as Director of Strategic & Financial Planning for Penn Sports Interactive, LLC.

SWA Level 2 & 3 Applications - Approvals

The Board voted unanimously to adopt the staff's recommendation to approve 105 Level 2 sports wagering occupational licenses.

Level 1, 2, and 3 License Renewals – Administrator Delegation

Pursuant to the authority delegated by the Board on June 11, 2020, the Administrator renewed the Level 1, 2, and 3 Sports Wagering licenses of the individuals who were licensed or renewed in October 2021 who have properly updated their applications and complied with the requirements of the Sports Wagering Act and the Board's Rules.

VIDEO GAMING

TERMINAL OPERATORS

Terminal Operator Initial License – Approvals

The Board voted unanimously to adopt the staff's recommendation to grant Ultra Gaming Systems, LLC a terminal operator license for a period of four years, expiring in October 2026.

Terminal Operator License Renewals – Administrator Delegation

Pursuant to the authority delegated by the Board on June 11, 2020, Administrator Fruchter renewed the Video Gaming Terminal Operator license of RCW Gaming, LLC, for a period of 4 years, expiring in October 2026.

TECHNICIANS & TERMINAL HANDLERS

Initial Licenses – Approvals and Denials

The Board voted unanimously to adopt the staff's recommendation to approve 37 Terminal Handler licenses for a period of two years, expiring in October 2024, subject to licensee's payment of the applicable licensing fee on or before November 30, 2022.

VG Terminal Handler Non-Renewals

The Board voted unanimously to adopt the staff's recommendation to issue a Notice of Non-Renewal to Alfonso Meneses (210502640).

The Board voted unanimously to adopt the staff's recommendation to issue a Notice of Non-Renewal to Zachary Stephan Zaper (140503583).

VG Technicians and Terminal Handler License Renewals – Administrator Delegation

Pursuant to the authority delegated by the Board on June 11, 2020, the Administrator renewed the licenses of Technicians and Terminal Handlers who were licensed or renewed in October 2021, for a period of two years expiring in October 2024 who properly updated their applications and complied with the requirements of the Video Gaming Act and the Board's Rules.

VIDEO GAMING ESTABLISHMENT APPLICANT ITEMS

Initial Licenses - Approvals & Denials

The Board voted unanimously to adopt the staff's recommendation to approve 112 Video Gaming Establishment License applications for a period of two years, expiring in October 2024, subject to licensee's payment of the applicable licensing fee on or before November 30, 2022, and to issue Notices of Denial to the following applicants:

1. Beulah Wagoner d/b/a Faye's Tavern (210702926)
2. Cheeks on Madison, LLC d/b/a The Roxxx (210703808)
3. LILLY'S CAFE LLC d/b/a LILLY'S CAFÉ (220701112)
4. OSTRY ENTERPRISES LLC d/b/a PATSY'S (220701205)

VG Location Establishment Denials – Administrator Delegation

Pursuant to the authority delegated by the Board on June 11, 2020, to deny applications where staff's investigation determines that applicant is prohibited by statute or rule from holding the applied-for license, the Administrator denied the following Video Gaming Location Establishment license applications as each

is ineligible under the VGA and Rules:

1. Hillgrove Tap Tinley Park, LLC d/b/a Hillgrove Tap (220701143)
2. Ryan's Repair LLC d/b/a The Vigilante (220700796)
3. DRA LLC d/b/a Park Lanes (220702368)
4. NO. 4 Social Garage LLC d/b/a NO. 4 Social Garage, LLC (210703250)

VG Location Establishment Rescissions

The Board voted unanimously to adopt the staff's recommendation to rescind the denial of Grandview Gaming Inc. d/b/a Grandview Gaming (210703421) and grant it a VG Location Establishment license.

The Board voted unanimously to adopt the staff's recommendation to rescind the license non-renewal of Martin & Bayley, Inc. d/b/a Huck's #379 (201000225) and renew its VG Large Truck Stop Establishment license.

The Board voted unanimously to adopt the staff's recommendation to rescind the denial of HP DJ OPERATING, LLC d/b/a BENNY'S CORNER MARKET- DAVIS JUNCTION (221001039) and grant it a VG Truck Stop Establishment license.

The Board voted unanimously to adopt the staff's recommendation to rescind the denial of Moonlight Bay Marina, LLC d/b/a Moonlight Bay Marina LLC (210701473) and grant it a VG Location Establishment license.

VG Location Establishment Renewals – Administrator Delegation

Pursuant to the authority delegated by the Board on June 11, 2020, the Administrator renewed the Video Gaming Location Establishment licenses that were licensed or renewed in October 2021 for a period of two years, expiring in October 2024, who have properly updated their applications and complied with the requirements of the Video Gaming Act and the Board's Rules.

RULE 320 – FINAL BOARD ORDER

The Board voted unanimously to adopt the Administrator's Recommended Decision in 17 UP 004 - Accel Entertainment Gaming, LLC, Petitioner, v. Midwest Electronics Gaming, LLC d/b/a ME Gaming, Respondent in re: Hialeah Club, Inc. d/b/a Hialeah Club.

ADJOURN

The Board voted unanimously to adjourn the meeting.