



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 26, 2023

The Illinois Gaming Board convened for a Regular Meeting on Thursday, October 26, 2023, at 10:04 A.M. in the Fifth Floor Auditorium of the of the Michael A. Bilandic Building, 160 N. LaSalle Street, Chicago, IL, and through electronic means pursuant to the Illinois Open Meetings Act, 5 ILCS 120/1 *et seq.* The meeting was accessible on the morning of October 26, 2023, via livestream at: <https://multimedia.illinois.gov/igb/igb-live.html>. (Earlier in the morning, at approximately 9:02 A.M., Administrator Fruchter appeared in the Fifth Floor Auditorium and announced to those in attendance that the Board would not be holding a closed session meeting and that the Regular Meeting for Thursday, October 26, 2023, will convene at 10:00 A.M. or as soon thereafter as possible.)

A roll call was taken. The following Board members were present: Chairman Charles Schmadeke, Member Dionne Hayden and Member Anthony Garcia. Chairman Schmadeke and Member Garcia were physically present in the Fifth Floor Auditorium of the Bilandic Building while Member Hayden was physically present in a nearby publicly accessible room on the Fifth Floor of the Bilandic Building and participated via WebEx. Three members of the Board being present, a quorum was satisfied.

BOARD MEMBER COMMENTS

None.

ADMINISTRATOR'S REPORT

Administrator Fruchter began his report by reminding the Video Gaming industry that strict compliance with IGB Rule 350(c)(6), which covers joint marketing, advertising and promotional activities between Terminal Operators and Establishments, is necessary. These endeavors are prohibited unless the costs are shared equally. The Administrator noted that to best ensure compliance with Rule 350 without resort disciplinary enforcement actions, the IGB strongly encourages all terminal operators and video gaming locations to review Rule 350 and take all necessary action to adhere to Rule 350(c)(6) and the other anti-inducement provisions of the Rule. All terminal operators and video gaming locations have an absolute obligation to center full compliance as a top priority when engaging in promotional and marketing activities and operating their respective gaming businesses.

Similarly, Administrator Fruchter commented on FAU's recent communication to Terminal Operators about Rule 350(f) and an audit of the quarterly reports required under Rule 350(f)(2). The Administrator noted that the IGB believes that all Terminal Operator may not have fully implemented internal systems and controls to capture and report all the required information and he encouraged them to do so. He commented that the IGB has been patient as licensees adjusted to the new 2021 inducement rule and

worked through the impacts of the pandemic. Going forward, however, the inducement reporting requirements will be strictly enforced and a failure to comply with Rule 350(f) will result in discipline.

Next, Administrator Fruchter commented on Rule 220, which addresses Sales Agent disclosure requirements. He reminded Terminal Operators that they should have procedures in place to ensure compliance with these reporting requirements. The Administrator also noted that on October 17th, JCAR approved the IGB's new video gaming responsible gambling signage rule (Rule 1750). The new rule has not yet been published in the Illinois Register, but when it is, it will be posted on the IGB's website. With respect to the IGB's proposed "Vertical Integration" rulemaking, Administrator Fruchter indicated that he expects the IGB will make a Second Notice submission in the near future. He thanked everyone who submitted comments and feedback on the proposed rules. The proposal will go before JCAR in this next stage of the rulemaking process. The Administrator then addressed the "Undue Economic Concentration" concept that appears in the Video Gaming Act and IGB's Rules and noted that the IGB commissioned a study by an independent advisor in connection with this topic. The study will be available for review soon on the IGB's website.

The Administrator provided a brief update on the status of the on-line only Master Sports Wagering License competitive bidding selection process under the Sports Wagering Act and Rules. After announcing that he recently granted leave to withdraw the application of the only qualified applicant, the Administrator noted that the process is now closed and that no on-line Master Sports Wagering License will be issued at this time due to the absence of any remaining qualified applicants.

The Administrator noted that in addition to the 15 casinos, Illinois has 11 sportsbooks, 8,425 Licensed Establishments and 46,740 video gaming terminals ("VGT's") in operation. More than five VGTs are being operated at 5,884 of those Establishments. In September, VGTs generated Net Terminal Income ("NTI") of \$236,692,298, which produced total tax of \$80,475,483. The State retained \$68,649,834, while local municipalities and counties collected \$11,825,648. The casinos had Adjusted Gross Receipts ("AGR") of \$132,134,246, which led to State tax of \$32,681,165. Host communities received \$7,925,809. In August, sports wagering produced AGR of \$46,939,344 and State tax of \$7,040,901. Cook County received an additional \$508,993. In 2023, Illinois' various gaming industries have produced to date a total tax of \$1,112,296,179. The State has received \$930,484,388, while local communities have collected \$178,811,791.

Administrator Fruchter stated that he is hopeful the Illinois House will use the "veto session" this fall to pass the bill that attempts to ban sweepstakes machines. The Illinois Senate passed this bill earlier in the year. The Administrator noted that the IGB is united with regulators in other states to work aggressively to remove illegal gambling from being able to operate. Finally, Administrator Fruchter announced that Sergeant James Pearce, Field Office Supervisor at Bally's Quad Cities Casino & Hotel in Rock Island, will be retiring from the IGB effective October 31, 2023. The Administrator thanked Sergeant Pearce for his many years of distinguished service and wished him well in the future.

APPROVAL OF OPEN SESSION MINUTES

The Board voted unanimously to approve the minutes from its Regular Meeting held on September 14, 2023.

PUBLIC COMMENTARY

None.

ADMINISTRATIVE MATTERS

None.

CASINO

OWNERS LICENSEE ITEMS

Request for Final Consideration – Owners License Renewal

The Board voted unanimously to adopt the staff's recommendation to renew Alton Casino, LLC d/b/a Argosy Casino Alton's Owners license for a period of four years, expiring October 2027. Further, the Board found that the following business entities and individuals remained suitable as key persons of Alton Casino, LLC d/b/a Argosy Casino Alton:

1. Penn Entertainment, Inc.
2. CRC Holdings, Inc.
3. Penn National Holdings, LLC
4. Penn Tenant, LLC
5. Peter M. Carlino
6. Jay A. Snowden
7. David A. Handler
8. Richard M. Primus
9. Rafael R. Verde
10. Jason A. Taylor
11. Shamira Mavany
12. Todd M. George
13. Brian C. Wasilefski
14. Jason R. Grover

Final Consideration of Owners License

The Board voted unanimously to adopt the staff's recommendation to grant an Owners license to Danville Development, LLC d/b/a Golden Nugget Danville for a period of four years, expiring in October 2027. The Board further found the following business entities and individuals suitable as key persons:

1. Fertitta Entertainment, Inc.
2. GN Danville Holdings, LLC
3. Golden Fertitta, LLC
4. Golden Landry's, LLC
5. Golden Nugget, LLC
6. Landry's Fertitta, LLC
7. Landry's Gaming, LLC
8. Wilmot Gaming Illinois, LLC

9. Loretta Wilmot Conroy
10. Paige F. Fertitta
11. Tilman J. Fertitta
12. Steven L. Scheinthal
13. James A. Wilmot
14. Paul J. Wilmot
15. Thomas C. Wilmot Jr.
16. Thomas C. Wilmot Sr.

The Board voted unanimously to adopt the staff's recommendation to grant an Owners license to Walker's Bluff Casino Resort, LLC for a period of four years, expiring in October 2027. The Board further found that the following individuals remained suitable as key persons of Walker's Bluff Casino Resort, LLC:

1. Cynthia L. Bunch
2. Daniel J. Kehl
3. Robert A. Kehl
4. Daniel N. White
5. Karlyn A. Ollendick

The Board voted unanimously to adopt the staff's recommendation to grant an Owners license to Bally's Chicago Operating Company, LLC for a period of four years, expiring in October 2027. The Board further found the following individuals and business entities remained suitable as key persons of Bally's Chicago Operating Company, LLC:

1. Noel Thomas John Hayden
2. Paul Joseph Juliano
3. Soohyung Lee Kim
4. George Thomas Papanier
5. Ameet Lalitkumar Patel
6. Joyen Mahendrakumar Vakil
7. Mark Wong
8. Bally's Chicago Holding Company, LLC
9. Bally's Chicago, Inc.
10. Bally's Corporation
11. EPSG Master SPC Ltd. – Segregated Portfolio A
12. EPSG SPC Ltd. – Segregated Portfolio A
13. Standard General L.P.
14. Standard RI Ltd.
15. HG Vora Capital Management, LLC

Request to Extend Operations at Temporary Casino Facility

The Board voted unanimously to adopt the staff's recommendation to grant Bally's Chicago Operating Company, LLC's request to extend operations at its temporary casino at Medinah Temple for an additional 12 months, for a total of three years, until September 9, 2026.

Key Person Approvals

The Board voted unanimously to adopt the staff's recommendation to find Marc Erik Arndt suitable as a key person of Midwest Gaming & Entertainment, LLC d/b/a Rivers Casino Des Plaines.

The Board voted unanimously to adopt the staff's recommendation to find that Caesars Holdings, Inc. remains suitable as a key person of Des Plaines Development Limited Partnership d/b/a Harrah's Joliet Casino & Hotel.

SUPPLIER LICENSEE ITEMS

Initial Casino Supplier License Application

The Board voted unanimously to adopt the staff's recommendation to grant Acres Manufacturing Company a Casino Supplier license for a period of four years, expiring October 2027 and furthermore found the following individual suitable as a key person: John Francis Acres.

OCCUPATIONAL LICENSEE ITEMS

Level 1 Approvals

The Board voted unanimously to adopt the staff's recommendation to approve Gregory Todd Axtell, Corrine Leigh Slindle-Mally, and Dennis Patrick Weber as Level 1 Occupational licensees at Elgin Riverboat Resort d/b/a Grand Victoria Casino.

The Board voted unanimously to adopt the staff's recommendation to approve Chue Neng Xiong as a Level 1 Occupational licensee at Midwest Gaming & Entertainment, LLC d/b/a Rivers Casino Des Plaines.

Level 2 and 3 License Applications – Approvals

The Board voted unanimously to adopt the staff's recommendation to approve 87 Level 2 and 83 Level 3 occupational license applicants and to issue Notices of Denial to the following individuals:

1. Michael Orlando Davis, Jr.
2. Joseph Nicholas Macaluso
3. Kareem Ezekiel Hicks
4. Kevin Joplin
5. Kavis Kimese Dial Collins
6. Cleo Eugene McIntyre III

Occupational License Renewals by the Administrator

Pursuant to the authority delegated by the Board on February 9, 2023, the Administrator renewed the Level 1, 2, and 3 licenses of individuals who were licensed or renewed in October 2022 and who have properly updated their applications and complied with the requirements of the Illinois Gambling Act and the Board's Rules.

SPORTS WAGERING

MANAGEMENT SERVICES PROVIDER LICENSEE ITEM

Initial MSP License Application Approval

The Administrator announced that the Board tabled consideration of Unibet Illinois LLC's initial Management Services Provider License application.

SUPPLIER LICENSEE ITEM

Initial Supplier License Approval

The Board voted unanimously to adopt the staff's recommendation to grant Amelco UK Limited a Sports Wagering Supplier license for a period of four years, expiring October 2027. The Board further found the following individuals suitable as key persons:

1. Damian Russell Walton
2. Natalie Jane Walton
3. Leon Ashley Wynne
4. Kilian Heneghan

SPORTS WAGERING OCCUPATIONAL LICENSEE ITEMS

Level 1 Approvals

The Board voted unanimously to adopt the staff's recommendation to rescind its key person suitability determination and grant Hecham Issam Ghazal a Sports Wagering Level 1 Occupational license.

Level 2 and Level 3 License Applications – Approvals

The Board voted unanimously to adopt the staff's recommendation to approve 59 Level 2 sports wagering occupational licenses.

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

Pursuant to the authority delegated by the Board on February 9, 2023, the Administrator renewed the Level 1, 2, and 3 Sports Wagering licenses of the individuals who were licensed or renewed in October 2022 who have properly updated their applications and complied with the requirements of the Sports Wagering Act and the Board's Rule.

VIDEO GAMING

TERMINAL OPERATOR LICENSEE ITEMS

The Board voted unanimously to adopt the staff's recommendation to grant Jaguar Gaming, LLC a terminal operator license for a period of four years, expiring October 2027.

The Board voted unanimously to adopt the staff's recommendation to grant LB Gaming, LLC a terminal operator license for a period of four years, expiring October 2027.

TECHNICIANS & TERMINAL HANDLERS

The Board voted unanimously to adopt the staff's recommendation to approve 18 Terminal Handler licenses for a period of two years, expiring in October 2025, subject to licensee's payment of the applicable licensing fee on or before November 30, 2023, and to issue a Notice of Denial to the following individual: Adam Philip John Sadler.

VIDEO GAMING ESTABLISHMENT APPLICANT ITEMS

Approvals and Denials

The Board voted unanimously to adopt the staff's recommendation to approve 92 Video Gaming Establishment license applications for a period of two years, expiring in October 2025, subject to the licensee's payment of the applicable licensing fee on or before November 30, 2023, and to issue Notices of Denial to the following:

1. ALISA VAUGHN d/b/a JEWELBOX GAMING LOUNGE
2. Alton Market Inc. d/b/a Alton Market Inc.
3. Ambica 9 Inc., d/b/a Alden Quick Mart
4. JPS DINING, INC. d/b/a EGGVILLE CAFE
5. MIKEY'S BAR AND GRILL, LTD d/b/a The Junkyard Bar and Grill
6. Pagliai's Pizza of Carbondale, Inc. d/b/a Pagliai's Pizza

VG Location Establishment Denials – Statutory

Pursuant to the authority delegated by the Board on February 9, 2023, the Administrator denied the following Video Gaming Establishment license applications:

1. GALINDO INC. d/b/a La Calle
2. TORRENCE LIQUORS CORP., d/b/a BEVDA'S
3. BEVDA'S INC., d/b/a BEVDA'S

VG Location Establishments – Rescissions

The Board voted unanimously to adopt the staff's recommendation to rescind the non-renewal and renew Sunrise Motel Enterprises, Inc. d/b/a Manny's location establishment license retroactive to December 2022.

The Board voted unanimously to adopt the staff's recommendation to rescind the denial and grant Cheeks on Madison, LLC d/b/a The Roxxx a location establishment license.

The Board voted unanimously to adopt the staff's recommendation to rescind the denial and grant Corral's Tavern LLC d/b/a Corral's Tavern LLC a location establishment license.

REQUESTS FOR HEARING

The Board voted unanimously to adopt the staff's recommendation to deny the Request for Hearing submitted by GU ILCO LLC.

The Board voted unanimously to adopt the staff's recommendation to deny the Request for Hearing submitted by Amazing Video Slots, LLC.

The Board voted unanimously to adopt the staff's recommendation to deny the Request for Hearing submitted by Cairo Cutmart, Inc. d/b/a Drive Thru 51.

RULE 320 FINAL BOARD ORDERS

- Accel Entertainment Gaming, LLC, Petitioner v. William S. Stanford III d/b/a Stanford Gaming, Respondent Re: G.N.U. Enterprises, Inc. d/b/a Vela's Tap (18- UP-002)

The Board voted unanimously to adopt the staff's recommendation to adopt the administrator's recommended decision in its entirety as a Final Board Order.

DISASSOCIATIONS

The Board voted unanimously to adopt the staff's recommendation to order Gaming Productions, LLC to disassociate from Luke Sandler.

ADJOURN

The Board voted unanimously to adjourn the meeting.