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Regular Meeting, Open Session Minutes Illinois Gaming Board Chicago, Illinois March 13, 2025

The Illinois Gaming Board convened for a Regular Meeting on Thursday, March 13, 2025, at 9:00 A.M. in the 5th Floor Auditorium 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 March 13, 2025, via livestream at: https://multimedia.illinois.gov/igb/igb-live.html.

A roll call was taken. The following Board members were physically present: Chairman Charles Schmadeke, Member Dionne Hayden, Member Sean Brannon and Member Stephen Ferrara. Four members of the Board being present, a quorum was satisfied.

At approximately 9:01 A.M., Member Ferrara moved to go into closed session pursuant to Section 2(c), paragraphs (1), (4), (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 Hayden seconded the motion. The Board approved the motion unanimously by voice vote. Thereafter, the Board held its closed session meeting in person and 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 10:03 A.M., the Board reconvened its Regular Meeting of Thursday, March 13, 2025, 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 March 13, 2025, via livestream at: https://multimedia.illinois.gov/igb/igb-live.html.

Another roll call was taken. The following Board members were physically present: Chairman Charles Schmadeke, Member Dionne Hayden, Member Sean Brannon and Member Stephen Ferrara. Four members of the Board being present, a quorum was satisfied.

BOARD MEMBER COMMENTS

None.

ADMINISTRATOR'S REPORT

Administrator Fruchter began his report by reminding listeners that March is Problem Gambling Awareness Month in Illinois. He noted that Governor JB Pritzker, the Illinois Department of Human Services ("IDHS"), and the IGB are highlighting ways the state is working to prevent gambling disorder and support those in need of recovery. To raise awareness around gambling disorders and honor those in recovery, participating buildings in downtown Chicago will be lit teal, and a statewide art contest will shine a spotlight on the power of recovery. Throughout the month, IDHS will also partner with providers across the state to raise awareness around treatment options for those in need. Administrator Fruchter noted that problem gambling and responsible gaming remain an important focus for the IGB, and he provided the audience with several resources that are available to people who would like assistance in this regard.

The Administrator reminded listeners to avoid wagering with unlicensed and illegal operators, whether online or retail. Administrator Fruchter specifically mentioned the sweepstakes games that mimic video gaming terminals as being problematic. Those devices do not generate any tax revenue or include any consumer protections for users. The Administrator noted that the IGB is supportive of proposed legislation which endeavors to eliminate any arguable loophole in the law for these devices.

Administrator Fruchter also announced that Ticket In, Ticket Out technology ("TITO") will become available to the video gaming industry on July 22, 2025. All VGTs with TITO functionality that have been tested and approved will be enabled on that date. He noted that it is important for the Manufacturers to submit their TITO software for testing as soon as possible.

The Administrator stated that the IGB is monitoring and investigating all activity related to revenue sharing relationships, sales agent behavior and similar topics. The IGB is aware that certain practices have developed and evolved that could violate IGB Rule 350 (i.e., inducements). Administrator Fruchter indicated that the IGB will have more to say about this topic in the near future.

Administrator Fruchter noted that Illinois has 16 casinos, 16 sportsbooks, 58 active Terminal Operators, 8,662 Video Gaming Establishments (6,447 of which are operating more than 5 VGTs on site), and 48,826 Video Gaming Terminals ("VGTs") with all but 267 operating with the \$4 max bet software. The Administrator then provided listeners the monthly revenue numbers for video gaming, casino and sports wagering. In January (noting that February results were not available), VGTs generated Net Terminal Income ("NTI") of \$238,743,816, which yielded a total tax of \$83,560,498. The State retained \$71,276,219, while municipalities and counties received \$12,284,278. In February, Illinois casinos produced Adjusted Gross Receipts ("AGR") of \$141,318,118, which yielded a total tax of \$26,886,229. The State received \$18,318,175 while host communities kept \$8,568,054. In January, sports wagering AGR was \$146,835,469, which resulted in the State receiving tax in the amount of \$54,048,214 and Cook County receiving \$1,522,356. The totals for 2025 to date (to the extent revenue has been reported) have Illinois receiving a total tax of \$181,201,624. The State retained \$158,826,936 and locals retained \$22,374,688.

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None.

ADMINISTRATIVE MATTERS

None.

CASINO

OWNERS/ORGANIZATION GAMING LICENSEE ITEMS

Key Person Suitability Determinations

The Board voted unanimously to adopt staff's recommendation to find the following trusts and individuals suitable as key persons of Hawthorne Race Course, Inc. d/b/a Hawthorne Casino & Race Course as it relates to its Organization Gaming license application:

- 1. Lucile Marie Mueller Trust
- 2. Lucile Marie Mueller
- 3. Scott William Christian
- 4. Maeve Carey Mueller Trust
- 5. Maeve Carey Mueller

SUPPLIER LICENSEE ITEMS

Supplier License Renewal

The Board voted unanimously to adopt staff's recommendation to renew the Casino Supplier license of The United States Playing Card Company for a period of four years, retroactive to February 2025 and expiring in February 2029. Furthermore, I recommend the Board find the following individuals and business entities suitable as key persons of The United States Playing Card Company:

- 1. Craig Cameron Townsend
- 2. Stefaan Damiaan Luc Merckx
- 3. Brepols Group NV
- 4. Van Genechten NV
- 5. Cartamundi NV
- 6. Cartamundi, Inc.

OCCUPATIONAL LICENSEE ITEMS

<u>Level 1 License Applications – Approvals</u>

The Board voted unanimously to adopt staff's recommendation to approve Matthew Aaron White as Level 1 Occupational licensee at The Rock Island Boatworks, LLC d/b/a Bally's Quad Cities Casino & Hotel.

Level 2 and 3 License Applications – Approvals and Denials

The Board voted unanimously to adopt the staff's recommendation to approve <u>98</u> Level 2 and <u>92</u> Level 3 occupational licenses and further to issue Notices of Denial to the following applicants:

- 1. Gerald Danile Cross, Jr. (24O001772)
- 2. Denezia Parishone McGee (24O006483)

- 3. Brianna Alexis Renee Coleman-Watts (24O02693)
- 4 Christian Elise Jones (24O003973)
- 5. Marico Antonio Miller (24X008403)

Occupational License Renewals by the Administrator

Pursuant to the authority delegated by the Board on February 6, 2025, the Administrator renewed the Level 1, 2, and 3 licenses of individuals who were licensed or renewed in March 2024 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 LICENSEE ITEMS

Key Person Suitability Determinations

The Board voted unanimously to find the following trusts and individuals suitable as key persons of Hawthorne Race Course, Inc. d/b/a Hawthorne Casino & Race Course as it relates to its Master Sports Wagering license:

- 1. Lucile Marie Mueller Trust
- 2. Lucile Marie Mueller
- 3. Scott William Christian
- 4. Maeve Carey Mueller Trust
- 5. Maeve Carey Mueller

SPORTS WAGERING OCCUPATIONAL LICENSEE ITEMS

Level 2 and Level 3 License Applications – Approvals

The Board voted unanimously to adopt the staff's recommendation to approve <u>158</u> 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 6, 2025, the Administrator renewed the Level 1, 2, and 3 Sports Wagering licenses of the individuals who were licensed or renewed in March 2024 who have properly updated their applications and complied with the requirements of the Sports Wagering Act and the Board's Rules.

VIDEO GAMING

TECHNICIANS & TERMINAL HANDLERS

<u>Initial Licenses – Approvals and Denials</u>

The Board voted unanimously to adopt the staff's recommendation to approve <u>2</u> Technician licenses and <u>36</u> Terminal Handler licenses for a period of two years, expiring in March 2027, subject to licensee's payment of the applicable licensing fee on or before April 30, 2025 and to issue a Notice of Denial to the following individual: Desiree Monique Mitchell (240501288)

VG Technicians and Terminal Handlers License Renewals (by Administrator)

Pursuant to the authority delegated by the Board on February 6, 2025, the Administrator renewed the licenses of Technicians and Terminal Handlers who were licensed in March 2023, for a period of two years expiring in March 2027, who have properly updated their applications and complied with the requirements of the Video Gaming Act and the Board's Rules.

VIDEO GAMING ESTABLISHMENT APPLICANT ITEMS

VG Location Establishment Approvals and Denials

The Board voted unanimously to adopt the staff's recommendation to approve <u>68</u> Video Gaming Establishment License applications, for a period of two years, expiring in March 2027, subject to licensee's payment of the applicable licensing fee on or before April 30, 2025 and further to issue Notices of Denial to the following applicants:

- 1. Ohio Fuel & Food LLC d/b/a Ohio Fuel & Food LLC (240700598)
- 2. Two Wheel Inn d/b/a 2 Wheel Inn (220701603)

VG Location Establishment – Rescission Item

• WILLIAM F. EARNEST, POST NO. 559 d/b/a American Legion Post #559 (140900959)

The Board voted unanimously to adopt the staff's recommendation to rescind its December 2024 Notice of Non-renewal and to renew the Video Gaming Veterans Location Establishment license of WILLIAM F. EARNEST, POST NO. 559 d/b/a American Legion Post #559 for a period of two years, retroactive to December 2024 to avoid any lapse in the license.

VG Location Establishment License Renewals by Administrator

Pursuant to the authority delegated by the Board on February 6, 2025, the Administrator renewed the licenses of Video Gaming Location Establishments who were licensed in March 2023, for a period of two years expiring in March, who have properly updated their applications and complied with the requirements of the Video Gaming Act and the Board's Rules.

LITIGATION/ALJ RECOMMENDATION

ALJ Recommendation/Final Board Order

• In re the Denial of: Dodona Gaming LLC (23-GB-011) Terminal Operator License Applicant (210600684)

The Board voted unanimously to adopt staff's recommendation that the Board adopt the Recommended Decision's Joint Stipulations of Fact, Additional Finding of Facts, and ultimate recommendation of denial as a Final Board Order and further to adopt the conclusions of law but modify that certain portion of the Recommended Decision that analyzes the import of associations on Applicant's suitability for licensure.

ADJOURN

The Board voted unanimously to adjourn the meeting.