

SOUTH DAKOTA COMMISSION ON GAMING

120 Industrial Drive, Suite 1 • Spearfish, SD 57783
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South Dakota Commission on Gaming Administrative Hearing, Public Hearing to adopt Rules and Quarterly Business Meeting Deadwood City Hall, Deadwood, South Dakota

MINUTES

June 23, 2026

At 9:10 a.m. the meeting was called to order. Chairman Harry Christianson, Vice Chairman Spencer Hawley, Commissioner Bob Goetz, Commissioner Mark Millage, and Commissioner Daryl Christensen were present. Staff members present at the meeting were Doug Abraham, Commission Attorney; Mark Heltzel, Executive Secretary; and Brandon Snyder, Director of Enforcement.

The meeting was called to order by Chairman Christianson at 9:10 a.m. and a quorum was present.

On a roll call all Commissioners were present.

Vice Commissioner Hawley
Commissioner Goetz
Commissioner Millage
Commissioner Christensen
Chairman Christianson

Conflicts of Interest Disclosure

On a roll call no conflicts of interest were disclosed.

Vice Chairman Hawley	Nay
Commissioner Goetz	Nay
Commissioner Millage	Nay
Commissioner Christensen	Nay
Chairman Christianson	Nay

Adoption of Quarterly Business Meeting Agenda

Commissioner Christensen made a motion to adopt the meeting agenda. Commissioner Millage seconded the motion which carried unanimously.

Administrative Hearings

- **In the matter of seized slot machines**

Case 25-10-074 Shawny Hansey

The purpose of the hearing is to determine if the Mecca Easy Rider themed slot machine which was seized by the South Dakota Commission on Gaming, is contraband and may be destroyed pursuant to SDCL 42-7B-39. Shawn Hansey was served notice of the hearing by certified mail but was not present for the hearing. Staff recommended that pursuant to 42-7B-39.2 which provides that any slot machine seized pursuant to the provisions of 42-7B-39 may be destroyed after notice and without hearing of the person from whom the slot machine was seized fails to appear at the time and place scheduled in the hearing notice.

Commissioner Christiansen made a motion to destroy the slot machine. Commissioner Goetz seconded the motion which carried unanimously.

Case 26-01-002 Wayne Gerring

The purpose of the hearing is to determine if the Emerald Rose themed slot machine which was seized by the South Dakota Commission on Gaming, is contraband and may be destroyed pursuant to SDCL 42-7B-39. Wayne Gerring was served notice of the hearing by certified mail but was not present for the hearing. Staff recommended that pursuant to 42-7B-39.2 which provides that any slot machine seized pursuant to the provisions of 42-7B-39 may be destroyed after notice and without hearing of the person from whom the slot machine was seized fails to appear at the time and place scheduled in the hearing notice.

Commissioner Goetz made a motion to destroy the slot machine. Commissioner Millage seconded the motion which carried unanimously.

- **In the matter of a sports wager complaint**

Case 26-04-029 Chad Gerdes

Commissioner Christiansen made motion to move this hearing to the next commission meeting. Vice Chairman Hawley seconded the motion which carried unanimously.

Rules Hearings

ARSD 20:04:27-Penalty for use of illegal substances and restrictions on the use of authorized drugs.

The opportunity for public comment was offered and no member of the public testified in regard to the proposed changes

Vice Chairman Hawley made a motion to adopt the rules with LRC style and form changes with exception of the last paragraph of **20:04:27:12**. Commissioner Goetz seconded the motion which carried unanimously.

ARSD 20:18:15:30-Variation of play for 21+3, Trilux Bonus Blackjack Progressive, Double Down Madness, and Three Card Prime.

The opportunity for public comment was offered and no member of the public testified in regard to the proposed changes

Commissioner Goetz made a motion to adopt the rules with LRC style and form changes. Commissioner Millage seconded the motion which carried unanimously.

ARSD 20:04-Rules regarding online pari-mutuel wagering through advance deposits with multi-jurisdictional totalizer hubs.

The opportunity for public comment was offered and Shane Kramme, representing the Verendrye Benevolent Association, made a comment that the proposed rules should be adopted.

A recess was taken at 10:25 a.m.

Resumed the meeting at 10:35 a.m.

Rules amended:

Page 87-Strike out the entire definition of batch betting.

Page 98-Line 2 strike "wagering rules" and add "terms and conditions".

Page 100 Line 2-3 strike "and wagering proposition" and add to read "The display must include the approximate odds as updated by tote providers and a brief description of the event.

Page 118- Line 8 strike "manager, a trainer, a jockey"

add (6) "Jockey and harness racing drivers in races in which they compete".

Page 125-Strike entire section

Vice Chairman Hawley made a motion to adopt the amendments with style and form changes to the rules on the following pages listed above of the meeting packet. Commissioner Millage seconded the motion which carried unanimously.

Vice Chairman Hawley made a motion to adopt **ARSD 20:04** rules with LRC style and form changes. Commissioner Christiansen seconded the motion which carried unanimously.

General Meeting

March 30, 2026, Quarterly Meeting

Commissioner Goetz made a motion to adopt the minutes as drafted for the March 30, 2026, quarterly meeting. Commissioner Millage seconded the motion which carried unanimously.

Election of Chair and Vice Chair for Fiscal Year 2027

Vice Chairman Hawley made a motion to defer the election of Chair and Vice Chair to the June 2027 meeting. Commissioner Christiansen seconded the motion which carried unanimously.

Public Comment

There was no participation for the comment period of the meeting.

Approval of GLI Contract for Device Testing and Consulting Services

Commissioner Goetz made a motion to approve the contract with Gaming Laboratories International. Commissioner Millage seconded the motion which carried unanimously.

Live Racing Matters

1) Condition Book

Mark Heltzel, Executive Secretary, stated that staff recommended approval of the Verendrye Benevolent Association condition book as listed on pages 194-217 of the meeting packet for the 2026 live horse racing season.

Commissioner Christiansen made a motion to approve the condition book. Commissioner Goetz seconded the motion which carried unanimously.

2) Funding Request

Mark Heltzel, Executive Secretary, stated that staff recommended approval of the Verendrye Benevolent Association funding request as listed on pages 218-233 of the meeting packet for the 2026 live horse racing season.

Commissioner Millage made a motion to approve the funding request. Commissioner Christiansen seconded the motion which carried unanimously.

3) Allocations

Mark Heltzel, Executive Secretary, stated that staff recommended the proposed resolutions for the allocation of funds to the Verendrye Benevolent Association for the 2026 live horse racing season.

Resolution 06-26-01

The allocation of funds from the Revolving and Bred funds for purse supplements and racing operations for the 2026 live horse racing season.

Vice Chairman Hawley made a motion to approve Resolution 06-26-01. Commissioner Goetz seconded the motion which carried unanimously.

4) Jockey Bonus

Resolution 06-26-02

The allocation of funds from the Revolving fund for the Jockey bonus for the 2026 live horse racing season.

Commissioner Goetz made a motion to approve Resolution 06-26-02. Commissioner Christiansen seconded the motion which carried unanimously.

5) Track Bond and Insurance

Resolution 6-26-03

Mark Heltzel, Executive Secretary, stated that staff recommended that as a condition of any horse track's license that the corporation or association which holds the license obtain an insurance policy or policies with the limits of \$1 million naming the South Dakota Commission on Gaming and its agents and employees as additional insured. The policy or policies shall include general liability, liquor liability, jockey insurance, and horse racing activities.

The Executive Secretary also stated that staff recommended that the track be required to obtain a bond, deposit in lieu of bond, or letter of credit to be used, if necessary, to pay purses, salaries, wages, and payments to vendors for goods and services provided to the corporation or association in conducting its racing operations in the amount of \$25,000.00.

Commissioner Goetz made a motion to approve the track insurance and bond of \$25,000.00. Commissioner Christensen seconded the motion which carried unanimously.

6) Verendrye Benevolent Association Horse Racing Officials

Vice Chairman Hawley made a motion to approve the Verendrye Benevolent Association horse racing officials as listed on pages 237-238 of the meeting packet for the 2026 live horse racing season. Commissioner Goetz seconded the motion which carried unanimously.

7) Commission Horse Racing Officials

Commissioner Millage made a motion to approve the Commission horse racing officials as listed on page 240 of the meeting packet for the 2026 live horse racing season. Commissioner Christiansen seconded the motion which carried unanimously.

8) Horse Racing Contracts

Dr. Cooper, DVM

Center for Tox Services Consulting Contract

Stanley County Sheriff Cooperative Agreement

Vice Chairman Hawley made a motion to approve the contract listed above for the 2026 live horse racing season. Commissioner Goetz seconded the motion which carried unanimously.

Approval of Stipulation and Assurance of Voluntary Compliance

BetMGM, LLC

A monetary penalty of \$55,000.00 was imposed for a complaint that was filed on February 24, 2026, alleging that the Defendant engaged in conduct constituting grounds for disciplinary action. The Defendant allowed wagers to be placed on sporting events via a mobile app outside the city limits of Deadwood, SD, in violation of SDCL 42-7B-1 and 42-7B-14. An informal consultation was held, and licensee agreed to the complaint and paid the fine. This matter was deferred to Executive Session.

Jack Daugherty

A monetary penalty of \$100.00 was imposed for a complaint that was filed on March 5, 2026, alleging that the Defendant engaged in conduct constituting grounds for disciplinary action. The Defendant dealt a game of blackjack without 52 cards in the deck in violation of ARSD 20:18:15:02. An informal consultation was held, and licensee agreed to the complaint and paid the fine.

Commissioner Christiansen made a motion to accept the Stipulation and Assurance of Voluntary Compliance. Vice Chairman Hawley seconded the motion which carried unanimously.

Deadwood Licensing Matters

Key License Approvals

Executive Secretary Heltzel recommended approval of the following:

- Marvin Ward
- Andrew Weinberg
- Marty Clark
- Killian Luze
- Clay Schaeffer
- Michael Goldberg
- Matthew Flandermeyer
- Tracey Jones
- Shawn Dimond
- Edmond Mesrobian
- Jeffrey Bitting

Commissioner Millage made a motion to approve the Key license approvals as staff recommended. Vice Chairman Hawley seconded the motion which carried unanimously.

2026 Key License Renewal

Executive Secretary Heltzel recommended approval of the following:

- Trent Looney

Commissioner Christiansen made a motion to approve the Key license renewal as staff recommended. Commissioner Goetz seconded the motion which carried unanimously.

Business License Renewals

Executive Secretary Heltzel recommended the approval of all Operators, Route Operators, Retails, Property Owners, Manufacturers, Associated Equipment, and Sports Wagering Service Provider licenses listed on pages 272-273 of the meeting packet.

Commissioner Goetz made a motion to approve the Business license renewals as staff recommended. Commissioner Millage seconded the motion which carried unanimously.

Executive Session

Vice Chairman Hawley made a motion to go into Executive Session. Commissioner Goetz seconded the motion which carried unanimously.

At 11:05 a.m. the Commissioners went into Executive Session pursuant to 42-7B-8.1 and ARSD 20:18:08.01:02.

The Executive Session concluded at 11:59 a.m. with action taken.

Date of Next Meeting

The next quarterly meeting is scheduled for September 22, 2026.

Commissioner Goetz made a motion to approve the scheduled meeting for September 22, 2026. Commissioner Christensen seconded the motion which carried unanimously.

Decision on Stipulation and Assurance of Voluntary Compliance

BetMGM

Vice Chairman Hawley made a motion to accept the Stipulation and Assurance of Voluntary Compliance. Commissioner Christiansen seconded the motion which carried unanimously.

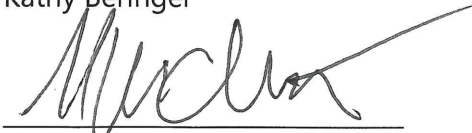
Adjournment

With no further business to be discussed, Commissioner Christiansen made a motion to adjourn the meeting. Commissioner Millage seconded the motion which carried unanimously.

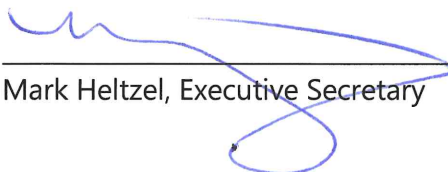
The meeting was adjourned at 12 Noon.

Respectfully Submitted,

Kathy Beringer



Harry Christianson, Chairman



Mark Heltzel, Executive Secretary