



SOUTH DAKOTA COMMISSION ON GAMING

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**South Dakota Commission on Gaming
Administrative Hearing, Public Hearing on Proposed Rule Amendment
and Quarterly Business Meeting
City Hall, Deadwood, South Dakota**

MINUTES
March 19, 2024

At 9:00 a.m. the meeting was called to order. Chairman Karen Wagner, Vice Chairman Harry Christianson, Commissioner Bob Goetz, Commissioner Spencer Hawley, and Commissioner Mark Millage were present. Staff members present for the meeting were Doug Abraham, Commission Attorney; Susan Christian, Executive Secretary; Mark Heltzel, Deputy Executive Secretary; and Brandon Snyder, Enforcement Agent.

The meeting was called to order by Chairman Wagner at 9:00 a.m. a roll call was taken, and a quorum was present.

Vice Chairman Christianson Aye
Commissioner Goetz Aye
Commissioner Millage Aye
Commissioner Hawley Aye
Chairman Wagner Aye

Conflicts of Interest Disclosure

On a roll call no conflicts of interest were disclosed.

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

Adoption of Quarterly Business Meeting Agenda

Chairman Wagner stated that the only addition to the agenda was the information that the Executive Secretary handed out on the bonus blackjack.

Commissioner Goetz made a motion to adopt the agenda. Vice Chairman Christianson seconded the motion which carried unanimously.

Administrative Hearing

The hearing officer was Chairman Wagner. The following case was scheduled to be heard:

In the matter of seized slot machine

- 1) Caleb Amos
 - One Yamasa Mega Max themed slot machine Serial Number 802721

The Matter of one Mega Max themed slot machine

The purpose of the hearing is to determine if the Mega Max slot machine which was seized by the South Dakota Commission on Gaming, is contraband and may be destroyed pursuant to SDCL 42-7B-39. Caleb Amos 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.

Vice Chairman Christianson made a motion to destroy the slot machine. Commissioner Millage seconded the motion which carried unanimously.

Proposed Rule Amendment

Proposed amendment ARSD 20:18:15:30.17. Addition Paytable TriLux Bonus Blackjack with Super 3

Chairman Wagner asked if there were any comments from the audience on the proposed rule amendment. There were no comments noted.

Vice Chairman Christianson made a motion to adopt the rule change with LRC changes for their style and form compliance as presented on pages 22-24 in the meeting packet. Commissioner Goetz seconded the motion which carried unanimously.

The hearing portion of the meeting was concluded at 9:05 a.m.

General Meeting

Chairman Wagner called the general meeting to order at 9:06 a.m.

December 12, 2023, Quarterly Meeting

Commissioner Hawley made a motion to adopt the minutes as drafted for the December 12, 2023, quarterly meeting. Commissioner Millage seconded the motion which carried unanimously.

Old Business

There was no old business to be discussed at the meeting.

Comments Executive Secretary Susan Christian

- Deputy Executive Secretary, Mark Heltzel introduced Clark Hoyt, the new administrative assistant.
- Mike Rodman will no longer be the Executive Director for the Deadwood Gaming Association. Susan Kightlinger and Caleb Arceneaux will be assisting until they have a new Executive Director.
- A reminder to Licensees that it's March Madness and wagering on South Dakota Colleges and Universities is not allowed. Wagers can only be placed on collegiate teams and not on individual collegiate athlete performances. Make sure your sports wagering is in line and will be sending out a memo.
- GLI is in the process of updating cashless wagering Standards 13 and 16. Staff intent to not approve requests that come from the industry for the implementation of cashless wagering until the GLI Standards update is completed.
- Chairman Wagner, Commissioner Hawley, Legal Counsel Doug Abraham, Deputy Executive Secretary Mark Heltzel, and Executive Secretary Susan Christian will be attending a GLI Round table the end of April.
- Staff is working on the annual contracts with the testing lab, commission vet, and working with the VBA on funding requests that will be coming in June.
- Deputy Executive Secretary Mark Heltzel gave the Commissioners an update on the 2024 licensing. In December, our office was able to print licenses remotely in Deadwood. Staff was able to issue over 300 licenses remotely.

Stipulation and Assurance of Voluntary Compliances

Dwd Resort, LLC dba The Lodge at Deadwood

A monetary penalty of \$250.00 was imposed for a complaint that was filed alleging that the Defendant engaged in conduct constituting grounds for disciplinary action that on November 18, 2023, and on December 19, 2023, for conducting a blackjack game with a deck of more or less than 52 cards as required per ARSD 20:18:15:02. An informal consultation was held, and licensee agreed to the complaint. Staff determined that the violations were not caused by Operator error but were from an inexperienced dealer and an employee not following the established policies of The Lodge. The fine was suspended providing licensee has no gaming violations for the next year.

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

Meghan Olson

A monetary penalty of \$50.00 was imposed for a complaint that was filed alleging that the Defendant engaged in conduct constituting grounds for disciplinary action on November 18, 2023, for conducting a blackjack game with less than 52 cards in a deck which is in violation of ARSD 20:18:15:02. An informal consultation was held, and licensee agreed to the complaint. Additional consideration was given because licensee is new to gaming and has only been licensed for 6 months, having acknowledged her oversight, and recognizing the importance of the integrity of the game. The fine was suspended providing licensee has no gaming violations for the next year.

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

Jeff B. Girard

A monetary penalty of \$50.00 to be paid not later than February 21, 2024, was imposed for a complaint that was filed alleging that the Defendant engaged in conduct constituting grounds for disciplinary action on December 19, 2023, for allowing a deck with 53 cards to be placed in the shoe which is in violation of ARSD 20:18:15:02. An informal consultation was held, and licensee agreed to the penalty and paid the fine.

Commissioner Goetz made a motion to accept the Stipulation and Assurance of Voluntary Compliance and the imposed penalty. Commissioner Millage seconded the motion which carried unanimously.

Sports Wagering Catalog

Removal of USFL

The United States Football League (USFL) ceased operations on December 31, 2023, and merged into the United Football League (UFL) along with the XFL. On March 14, 2023, at the Quarterly Commission meeting a request to add the XFL was denied due to integrity issues and to the Commission staff's knowledge the issues with the XFL have not been resolved. No request has been submitted to add the UFL to the Sporting Event and Sports Wagering Catalog. Staff is requesting that the USFL be removed from the South Dakota Commission on Gaming Sporting Event and Sports Wagering Catalog.

Commissioner Hawley made a motion to approve the removal of USFL from the Sporting Event and Sports Wagering Catalog. Commissioner Goetz seconded the motion which carried unanimously.

Deadwood Licensing Matters

Key License Approvals

Deputy Executive Secretary Heltzel recommended approval of the following:

- Richard Stone
- Carsten Koeri
- Joseph Lovoie
- Jackson Schoolmeester
- Steven Stone
- Eduard Blonk
- Mark Labay
- Wayne Morris
- Andrew Bimson
- Genney Jones
- Lee Harstad
- Sandra Kane
- Lia Jagow

Commissioner Hawley made a motion to approve the Key licenses as staff recommended. Commissioner Millage seconded the motion which carried unanimously.

2024 Key License Renewals

Deputy Executive Secretary Heltzel recommended approval of the following:

- Jess Allen
- Gaylene Septka
- Tim Karli
- Mary Baudhuin
- Britton Siemonsma
- Dylan Cole
- Lori Keehn
- Ernest Matthews
- William Stearns
- Rosa Gonzalas-Costa

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

Business License Approvals

Deputy Executive Secretary Heltzel recommended approval of the following:

- Approval of Nugget Saloon, LLC for a Gaming Property Owner license
- Approval of Sportradar Solutions, LLC for an Associated Equipment Manufacture/Distributors license
- Approval of Seminole Hard Rock Support Services, LLC for an Associated Equipment Manufacture/Distributors license
- Approval of Seminole Hard Rock Entertainment, Inc. for an Operator license
- Approval to move Retail license 0596-RT from 801 Main Street to an unassigned location
- Approval to move Retail license 12569-RT from an unassigned location to 801 Main Street

Vice Chairman Christianson made a motion to approve the Business licenses as staff recommended. Commissioner Hawley seconded the motion which carried unanimously.

Next Quarterly Commission Meeting

The next quarterly commission meeting is scheduled for June 25, 2024.

Public Comment

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

Executive Session

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

At 9:27 a.m. the Commissioners went into Executive Session pursuant to SDCL 1-25-2.

The Executive Session was concluded at 9:44 a.m. with no action taken.

Adjournment

With no further business to discuss Commissioner Millage made a motion to adjourn the meeting. Commissioner Goetz seconded the motion which carried unanimously.

The meeting was adjourned at 9:46 a.m.

Respectfully Submitted,

Kathy Beringer


Karen Wagner, Madam Chairman


Susan Christian, Executive Secretary