



SOUTH DAKOTA COMMISSION ON GAMING

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UNAPPROVED MINUTES

South Dakota Commission on Gaming Special Meeting Proposed Rules Hearing Deadwood City Hall, Deadwood, South Dakota

MINUTES

May 18, 2021

At 10:00 a.m. the meeting was called to order. Commissioner Karen Wagner and Commissioner Mike Wordeman were present. Commissioner Karl Fischer, Commissioner Bob Goetz, and Commissioner Spencer Hawley participated via Zoom. Staff members present for the meeting were Mike Shaw, Commission Attorney; Susan Christian, Executive Secretary; Craig Sparrow, Deputy Executive Secretary; and Phil Schlieff, IT Specialist.

The meeting was called to order by Commissioner Wagner at 10:00 a.m.

Commissioner Wagner acknowledged that Commissioner Bob Goetz was reappointed for a three-year term and welcomed newly appointed Commissioner Spencer Hawley from Brookings for a three-year term.

All voting will be done by a roll call. A roll call was taken, and a quorum was present.

Commissioner Hawley	Aye
Commissioner Fischer	Aye
Commissioner Goetz	Aye
Commissioner Wordeman	Aye
Commissioner Wagner	Aye

Conflicts of Interest Disclosure

On a roll call no conflicts of interest were disclosed.

Commissioner Hawley	Nay
Commissioner Fischer	Nay
Commissioner Goetz	Nay
Commissioner Wordeman	Nay
Commissioner Wagner	Nay

Adoption of Special Meeting Agenda

Commissioner Wagner stated that there is one change to the agenda on page 3 the red page number 19 should be page number 26.

Commissioner Wordeman made a motion to adopt the agenda. Commissioner Fischer seconded the motion.

On a roll call vote motion was carried unanimously.

Commissioner Hawley	Aye
Commissioner Fischer	Aye
Commissioner Goetz	Aye
Commissioner Wordeman	Aye
Commissioner Wagner	Aye

March 17, 2020 Quarterly Meeting

Commissioner Fischer made a motion to adopt the minutes as drafted for the March 17, 2021 quarterly meeting. Commissioner Wordeman seconded the motion.

On a roll call vote motion was carried unanimously.

Commissioner Hawley	Aye
Commissioner Fischer	Aye
Commissioner Goetz	Aye
Commissioner Wordeman	Aye
Commissioner Wagner	Aye

Old Business

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

Proposed Rules Hearing

Commissioner Wagner served as the rules hearing officer.

20:18:06:02. Fee required with application.

20:18:08:03. Access to premises and production of records.

20:18:12.01:01. Gaming by licensees.

20:18:14:01. Authorized games.

20:18:15:28. Irregularities.

20:18:15:31. Posting of rules.

20:18:16:32.01. Bad beat pots and pool pots.

20:18:16:37. Posting of rules.

20:18:18:15. Maintenance of slot machines.

20:18:22:12. Adjusted gross revenue computations.

The Deadwood Gaming Association, represented by Roger Tellinghuisen, presented the following proposal: For wagering on sports events, adjusted gross revenue equals the difference between the dollar value of the tickets written and the dollar value of the winning tickets cashed less free play as defined in 42-7B-28.2 and less federal excise tax as determined by the sports wagering services provider’s wagering system.

Mike Shaw, Commission Attorney, stated that the proposal meets staff’s intentions of this rule. In terms of 42-7B-28.2 it really doesn’t define free play. Mr. Shaw asked Mr. Tellinghuisen if he had any objection if we changed “as defined” to “as set forth”. Mr. Tellinghuisen had no objection.

20:18:29:02. Closed-circuit surveillance system.

20:18:29:03. Areas requiring surveillance during hours of operation.

20:18:29:09. Labeling of recorded pages.

20:18:29:10. Number of recorders.

This concludes the public rules hearing.

Commissioner Wordeman made a motion to adopt the proposed rules as presented by Legislative Research Council and including the proposal by the Deadwood Gaming Association referencing **42-7B-28.2** with the change from “as defined” to “as set forth”. Commissioner Fischer seconded the motion.

On a roll call vote motion was carried unanimously.

Commissioner Hawley	Aye
Commissioner Fischer	Aye
Commissioner Goetz	Aye
Commissioner Wordeman	Aye
Commissioner Wagner	Aye

Date of Next Meeting

The next quarterly meeting is June 16, 2021.

Public Comment

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

Deputy Executive Secretary, Craig Sparrow stated that the sports wagering services providers license application will be available on the website on May 20, 2021 and will start accepting those applications on July 1, 2021 when the law becomes effective.

Commission Attorney, Mike Shaw stated that legislative interim rules review committee will meet in Pierre on Monday June 7, 2021 to approve the proposed rules which would normally become provisionally effective 20 days after filing with the Secretary of State but that the sports wagering rules will not take effect until July 1, 2021 as per Senate Bill 44.

Executive Session

Commissioner Fischer made a motion to go into Executive Session. Commissioner Goetz seconded the motion.

On a roll call vote motion was carried unanimously.

Commissioner Hawley	Aye
Commissioner Fischer	Aye
Commissioner Goetz	Aye
Commissioner Wordeman	Aye
Commissioner Wagner	Aye

At 10:31 a.m. the Commissioners went into Executive Session pursuant to SDCL 1-25-2 (1).

The Executive Session was concluded at 10:45 a.m. with no action taken.

Commissioner Wordeman made a motion to adjourn the meeting. Commissioner Fischer seconded the motion.

On a roll call vote motion was carried unanimously.

Commissioner Hawley	Aye
Commissioner Fischer	Aye
Commissioner Goetz	Aye
Commissioner Wordeman	Aye
Commissioner Wagner	Aye

The meeting was adjourned at 10:46 a.m.

Respectfully Submitted,

Kathy Beringer

Karen Wagner, Madam Chairman

Susan Christian, Executive Secretary