Colorado Limited Gaming Control Commission

Minutes of Public Session February 15, 2024

PUBLIC SESSION

I. Call to Order

Chair Armstrong called the February 15, 2024, meeting of the Colorado Limited Gaming Control Commission to order at 9:17 a.m. MST in person at the 1707 Cole Blvd., Suite 300 Lakewood, CO 80401, Division of Gaming Office and virtually via Cisco Webex. Commissioners Tipton and Coleman were present in person, and a quorum existed. Commissioner Landaveri was excused for good cause.

Officials & Administrators in Attendance

Kevin Armstrong, Chair

Shawn Coleman, Commissioner

John Tipton, Commissioner

Michael Phibbs, Senior Director, Specialized Business Group

Christopher Schroder, Director

Kirsten Gregg, Chief of Investigations

Kenya Collins, Director of Administration via Cisco Webex

Bradford Jones, Senior Assistant Attorney General

Torrey Samson, Assistant Attorney General

Paul Hogan, Chief Auditor

J. Wolff, Agent in Charge, Central City/Black Hawk

Brett Buckingham, Agent in Charge, Sports Betting

John Madruga, Agent in Charge, Background Unit

Michael Payne, Table Games Chair via Cisco Webex

Corrie Martinez, Responsible Gaming Manager

Shannon Gray, Public Information Officer, Specialized Business Group

Breanne Nolan, Executive Assistant, Secretary to CLGCC

EXECUTIVE SESSION

The Commission voted unanimously to go into the Executive Session pursuant to sections 24-6-402(3)(a) (III), 44-30-521(1)(a), 44-30-526(1)(d), and 44-30-1507 of the Colorado Revised Statutes to review confidential background licensing reports that were scheduled for consideration in the Public Session.

The Executive Session was called to order at 9:20 a.m. MST.

PUBLIC SESSION

The Public Session was called back to order by Chair Armstrong at 10:06 a.m. MST.

II. Approval of Licensing Actions

Senior Assistant Attorney General, Bradford Jones, announced that there were amendments to the licensing action section of the agenda. He stated that the amendments were as follows: Reissuance of the *Temporary* Internet Sports Betting Licenses for Crown CO Gaming LLC d/b/a DraftKings and BETFAIR INTERACTIVE US LLC d/b/a FANDUEL SPORTSBOOK as well as the Reissuance of the *Temporary* Vendor Major Licenses for SBTech Malta Limited, SPortradar Solutions LLC, Sports Information Services Limited d/b/a Kambi, and Stadium Technology Group, LLC.

The Commission voted unanimously to approve the First Retail and Master Licenses for 118 Main Street Gaming, LLC d/b/a Empire Club Casino. These Retail and Master licenses will expire two years from their current dates of expiration.

The issuance of the above Master license does not concurrently grant approval to entities or individuals with whom this licensee has entered into, or considered entering into contracts for sports betting operations or internet sports betting operations; nor does it preclude any entities or individuals from being called forward by the Division to conduct a comprehensive background investigation regarding their suitability to operate in Colorado.

The Commission voted unanimously to approve the Renewal of the Retail and Master Licenses for FHR-Colorado LLC. d/b/a Bronco Billy's Casino; FHR-Colorado LLC d/b/a Billy's Casino; and FHR-Colorado LLC d/b/a Chamonix Casino & Hotel. These Retail and Master licenses will expire two years from their current dates of expiration.

The issuance of the above Master licenses does not concurrently grant approval to entities or individuals with whom these licensees have entered into, or considered entering into contracts for sports betting operations or internet sports betting operations; nor does it preclude any entities or individuals from being called forward by the Division to conduct a comprehensive background investigation regarding their suitability to operate in Colorado.

The Commission voted unanimously to approve the Renewal of the Manufacturer/Distributor License for FHR – Colorado LLC d/b/a Bronco Billy's Casino. This Manufacturer/Distributor License will expire two years from its current date of expiration.

The Commission voted unanimously to approve the Renewal of the Operator License for Full House Resorts, Inc. This Operator License will expire two years from its current date of expiration.

The Commission voted unanimously to approve the Renewal of the Sports Betting Operator License for Internet Sports International, Ltd d/b/a ISI, Ltd. This Sports Betting Operator License will expire two years from its current date of expiration.

The Commission voted unanimously to approve the Reissuance of the Temporary Sports Betting Operator License for Crown CO Gaming LLC d/b/a DraftKings. This Temporary Sports Betting

Operator License was reissued pending the final result of the Division's background investigation.

The Commission voted unanimously to approve the Reissuance of the Temporary Internet Sports Betting Operator License for Crown CO Gaming LLC d/b/a DraftKings and BETFAIR INTERACTIVE US LLC d/b/a FANDUEL SPORTSBOOK. These Temporary Internet Sports Betting Operator Licenses were reissued pending the final results of the Division's background investigations.

The Commission voted unanimously to approve the First Vendor Major Licenses IMG ARENA US, LLC and SPORTCAST PTY LTD. These Vendor Major Licenses will expire two years from their dates of issuance.

The Commission voted unanimously to approve the Change of Ownership and Renewal of the Vendor Major License for NYX Digital Gaming (USA), LLC. This Vendor Major License will expire two years from its current date of expiration.

The Commission voted unanimously to approve the Reissuance of the Temporary Vendor Major Licenses for SBTech Malta Limited; Sportradar Solutions LLC; Sports Information Services Limited d/b/a Kambi; and Stadium Technology Group, LLC. These Temporary Vendor Major Licenses were reissued pending the final results of the Division's background investigations.

The Commission voted unanimously to approve the First Vendor Minor Licenses for Draft Brackets LLC d/b/a Draft Brackets; INOVA SOLUTIONS, INC.; OpTic Group, Inc.; OpticOdds Inc; The Arena Media Brands, LLC; and United Tote Gaming Services, LLC. These Vendor Minor Licenses will expire two years from their dates of issuance.

The Commission voted unanimously to approve the Renewal of the Temporary Vendor Minor Licenses for CheckdGroup Limited; CHIRP GOLF LLC d/b/a Chirp Golf; Darkside Management Ltd.; FLATIRON COLLECTIVE INC.; FTN Network, llc. d/b/a FTN Fantasy; Ingo Money, Inc.; OBep Payments LLC d/b/a Trustly, Inc.; Pavilion Payments Gaming Services Inc. d/b/a Pavilion Payments; Prove Identity, Inc.; Slam Media Inc; Soundside Games LLC; YourPay LLC; and Morpheus Data Systems, Inc d/b/a BettorOff. These Vendor Minor Licenses will expire two years from their current dates of expiration.

III. Opportunity for the Public to Address the Commission

The Chair gave the public an opportunity to address the Commission on any item not appearing in the agenda.

Peggy Brown, President, Problem Gambling Coalition of Colorado, extended an invitation to the Commission to attend the Colorado Problem Gambling Awareness Luncheon on Thursday, March 14 from 12:00-1:00 p.m. at the Denver Marriot West.

IV. Consideration of Notice of Denial in the Matter of the Application of Carlos Quevedo License #56711

Torrey Samson, Assistant Attorney General, presented the Denial in the matter of the application of Carlos Quevedo. Discussion was had by the Commission and Ms. Samson.

The Commission voted unanimously to approve and authorize the Chair to sign and issue the: Denial for Case No. DOG23002958 in the matter of the application of Carlos Quevedo LIC# 56711.

V. Consideration of Limited Gaming Financial Statements for December 2023

The Commission voted unanimously to approve the Statement of Gaming Revenues, Gaming Taxes, and Expenditures (unaudited) for the six months ending on December 31, 2023, and to authorize its distribution.

VI. Consideration of Division Sports Betting Financial Statement for December 2023

The Commission voted unanimously to approve the Statement of Sports Betting Revenues, Taxes, and Expenditures (unaudited) for the six months ending on December 31, 2023, and to authorize its distribution.

VII. Supplemental Budget Changes for Limited Gaming & Sports Betting – Funding Appropriation Changes

Kristi Piazza, Budget Manager, Specialized Business Group, presented the Funding Appropriation Changes for the Limited Gaming and Sports Betting budgets. Ms. Piazza and Senior Assistant Attorney General, Bradford Jones, discussed and confirmed that these changes were not a decision item and were presented for information purposes only.

VIII. Consideration of Supplemental Budget Changes for Limited Gaming & Sports Betting – Background Investigations

Kristi Piazza, Budget Manager, Specialized Business Group, presented the Limited Gaming Supplemental Budget Changes – Background Investigations.

The Commission voted unanimously to approve the Supplemental Limited Gaming Budget Change of a \$700,000 increase in Operating Expenses for appropriation TCCCEBKGD, Background Investigations, for Fiscal Year 2024.

Kristi Piazza presented the Sports Betting Background Investigations Supplemental Budget Changes.

The Commission voted unanimously to approve the Supplemental Sports Betting Budget Change of a \$50,000 increase in Operating Expenses for appropriation TCCCESBBK, Background Investigations, for Fiscal Year 2024.

IX. Consideration of Limited Gaming Rules 10 & 29

The Commission voted unanimously to open the rulemaking hearing on Colorado Limited Gaming Rule 21.

Michael Payne, Table Games Manager, was sworn in and gave the presentation for Rule 21.

Discussion was had between the Commission, Michael Payne, and Senior Assistant Attorney General Bradford Jones.

The Chair extended an opportunity for the public to testify on behalf of Limited Gaming Rule 21.

Daniel White, General Manger, Gilpin Casino was sworn in and asked clarifying questions regarding context of Limited Gaming Rule 21.

Discussion was had between Mr. White and Michael Payne.

Christopher Schroder was sworn in and provided clarifying information to Daniel White.

Senior Assistant Attorney General, Bradford Jones, suggested that if there were further questions requiring input from other Operators, the rulemaking hearing should be tabled until the March meeting of the Colorado Limited Gaming Control Commission.

Discussion was had between the Commission and Mr. White regarding submission of further comments from additional Operators to the Colorado Gaming Association and the Colorado Division of Gaming.

The Commission voted unanimously to close the public comment portion of the rulemaking hearing for Limited Gaming Rules 10 & 29.

The Commission voted unanimously to table the rulemaking hearing on Colorado Limited Gaming Rule 21 until the March 21, 2024, meeting and encouraged additional comments to be sent via email to the Colorado Division of Gaming.

X. Consideration of Responsible Gaming Grant Applications for FY24

Corrie Martinez, Responsible Gaming Manager, gave a presentation outlining all submitted applications, their requested amounts, and if the Division recommended funding.

There were twelve applications, from five organizations, submitted and the total amount requested was \$4,449,447.86. The Division recommended funding for seven of the applications with a total funding amount of \$1,960,470.60.

There was discussion between the Commission, Ms. Martinez, Senior Assistant Attorney General Bradford Jones, and Senior Director Michael Phibbs. It was suggested that comments from individuals with each organization were heard prior to the Commission voting on funding approval.

The first application presented was the "Problem Gambling Awareness & Education Project" from the Problem Gambling Coalition of Colorado. Corrie Martinez stated that the total funding requested was \$651, 500. and the Division recommended funding of \$599,500. Discussion was had by the Commission.

The Commission voted unanimously to approve the Grant Request for the Problem Gaming Coalition of Colorado – Problem Gambling and Awareness for a total of \$599,500 with a funding period of 12 months.

The Commission took a recess at 11:58 a.m. MST.

The Public Session of the Colorado Limited Gaming Control Commission was called back to order at 12:14 p.m. MST.

The second application discussed was the "Problem Gambling Center" submitted by the Problem Gambling Coalition of Colorado. Corrie Martinez, Responsible Gaming Manager, stated that the total funding requested was \$651, 970.00 and the Division recommended funding of \$149,540.60. Ms. Martinez explained that the recommended funding total excluded monies requested for salaries.

Discussion was had between Peggy Brown, President, PGCC, and the Commission. Corrie Martinez clarified that salary budget lines were excluded from recommended funding totals for all applicants.

The Commission voted unanimously to approve the Grant Request for the Problem Gaming Coalition of Colorado – Problem Gambling Center for a total of \$149,540.60 with a funding period of 12 months.

The third application presented was Kindbridge Research Institute's (KRI) "Healthy Gaming Education Program." Corrie Martinez stated that the total funding requested was \$146,250 and the Division recommended a funding total of \$71,500. There were no comments from KRI regarding this application. Discussion was had by the Commission.

The Commission votedunanimously to approve the Grant Request for Kindbridge Research Institute – Healthy Gaming Education Program for a total of \$71, 500 with a funding period of 12 months.

The fourth application discussed was Kindbridge Research Institute's "Screening and Telehealth Enhancement for Gambling Disorder (STEGD) Initiative in Colorado." Corrie Martinez stated that the total funding requested was \$795,132 and the Division recommended a funding total of \$500,060. There were no comments from KRI regarding this application. Discussion was had by the Commission.

The Commission voted unanimously to approve the Grant Request for Kindbridge Research Institute – Screening and Telehealth Enhancement for Gambling Disorder Initiative in Colorado for a total of \$500,060 with a funding period of 12 months.

The fifth application presented was the "Colorado Military Problem Gambling Research, Education & Recovery Program Phase 2" submitted by Kindbridge Research Institute. Corrie Martinez stated that the total funding requested was \$585,117 and the Division recommended a funding amount of \$404,970. Daniel Umfleet and Dr. Nathan Smith, KRI, gave a presentation regarding project updates for phase 2 which included consideration of feedback received by the Colorado Limited Gaming Control Commission during the FY23 funding period. Discussion was had between the Commission, Dr. Smith, and Mr. Umfleet.

The Commission voted unanimously to approve the Grant Request for Kindbridge Research Institute – Colorado Military Problem Gambling Research, Education & Recovery Program Phase 2 for a total of \$404,910 with a funding period of 12 months.

The sixth application presented was the "Colorado Athlete Wellbeing Program Phase 2" submitted by Kindbridge Research Institute. Corrie Martinez stated that the total funding requested was \$259,857 and the Division recommended a funding amount of \$171,710. No comments were made by KRI. Discussion was had by the Commission.

The Commission voted unanimously to approve the Grant Request for Kindbridge Research Institute – Colorado Athlete Wellbeing Program Phase 2 for a total of \$171,710 with a funding period of 12 months.

The seventh application presented was "The Standford Gambling Addiction Therapy Study (SGATS in Colorado" submitted by Kindbridge Research Institute. Corrie Martinez stated that the total funding requested was \$63,250 and the Division recommended a funding amount of \$63,250. No comments were made by KRI and discussion was had by the Commission.

The Commission voted unanimously to approve the Grant Request for Kindbridge Research Institute – The Stanford Gambling Addiction Therapy Study (SGATS) in Colorado for a total of \$63,250 with a funding period of 12 months.

The eighth application presented was Kindbridge Research Institute's "Research Project: Young and Emerging Adults Attitudes Survey." Corrie Martinez stated that the total funding requested was \$175,000 but that the Division did not recommend funding for this application due to the lack of evidence of an agreement with the Colorado Department of Education for the proposed programs to be allowed in Colorado schools. Discussion was had by Teresa Fiore, EPIC Global Solutions, and Christopher Schroder, Director, Colorado Division of Gaming. Director Schroder explained that rejection letters would be sent to applicants outlining reasoning for funding denial. Discussion was had by the Commission and Director Schroder.

The Commission voted unanimously to deny funding for Grant Request for Kindbridge Research Institute – Research Project: Young and Emerging Adults Attitudes Survey.

The ninth application presented was "The Colorado Advertising Compliance Review" submitted by Kindbridge Research Institute (KRI). Corrie Martinez stated that the total funding requested was \$288,990 but that the Division did not recommend funding for this application, as the Division of Gaming would be completing a similar project. No comments were made by representatives of KRI. Discussion was had by the Commission.

The Commission voted unanimously to deny funding for the Grant Request for Kindbridge Research Institute – The Colorado Advertising Compliance Review.

The tenth application presented was "Connecting Research and Practice" submitted by the International Center for Responsible Gaming (ICRG). Corrie Martinez stated that the total funding requested was \$198,800 but that the Division did not recommend funding as sponsorships for conferences were not within grant requirement scope of directly addressing the issue of problem gaming in Colorado. Arthur Paikowsky, President, ICRG, provided clarifying comments regarding the purpose and benefit of the proposed conference in Colorado. Discussion was had by Mr. Paikowsky and the Commission. Christopher Schroder, Director, Division of Gaming, repeated that rejection letters with full explanations for funding denial would be sent to applicants and encouraged ICRG to edit its application and apply for funding in 2025.

The Commission voted unanimously to deny funding for the Grant Request for International Center for Responsible Gaming – Connecting Research and Practice.

The eleventh application considered was "Mobile Sports Wagering: The Effect of Data Accessibility and Visualization" submitted by iProtekt Research Foundation. Corrie Martinez stated that the total funding requested was \$290,556.86 but that the Division did not recommend funding due to lack of eligibility under 501c3 and that per rule, applicants must be non-profit organizations. Discussion was had by the Commission.

The Commission voted unanimously to deny funding for the Grant Request for iProtekt Research Foundation – Mobile Sports Wagering: The Effect of Data Accessibility and Visualization.

The twelfth and final application presented was "Treatment, Recover, and Awareness: An Integrated Approach to Mitigating Gambling Harm in Colorado" submitted by the Massachusetts Council on Gaming and Health. Corrie Martinez stated that the total funding requested was \$375,000 but that the Division did not recommend funding due to a previously funded project with similar goals in fiscal year 2023 as well as current efforts by the Colorado Division of Gaming to advertise responsible gaming, causing redundancy.

The Commission voted unanimously to deny funding for the Grant Request for The Massachusetts Council on Gaming and Health – Treatment, Recovery and Awareness: An Integrated Approach to Mitigating Gambling Harm in Colorado.

XI. Consideration of Organizational Matters

The Commission approved the minutes from the November 16, 2023, and January 18, 2024, Public Sessions of the Colorado Limited Gaming Control Commission, as presented.

Christopher Schroder, Director, Division of Gaming, stated that following the results of an assessment completed by a third party, the Division would implement a best practices policy. He explained that a stakeholder workshop regarding rules for exchange wagering was held on February 12, 2024 and the Division was in the process of collecting further comments on those rules. He also detailed that the total handle of 2024 Superbowl bets was \$46,354,977, including online wagers of \$45,316,809 and retail wagers of \$1,038,369, which was a 22% increase from 2023. He stated that over \$29,228,265 in bets were made as well as futures bets of \$17,126,712.12, making a total win percentage of 14.3%.

XII. Opportunity for Industry Members to Address the Commission

The Chair gave an opportunity to anyone from the gaming industry to address the Commission regarding any current issues or events. No members of the industry came forward.

XIII. Adjournment

The Commission voted unanimously to adjourn the February 15, 2024, meeting of the Colorado Limited Gaming Control Commission at 1:09 p.m. MST.

Breanne Nolan, Secretary to the Colorado Limited Gaming Control Commission