

Colorado Limited Gaming Control Commission

Minutes of Public Session

February 16, 2023

PUBLIC SESSION

I. Call to Order

The February 16, 2023, meeting of the Colorado Limited Gaming Control Commission was called to order at 9:20 a.m. MST by Chair Nathan in person at 1707 Cole Blvd., Suite 300, Lakewood, CO 80401 and via Cisco Webex. Commissioners Coleman and Armstrong were present in person, Commissioners Davis and Landaveri were present via Cisco Webex, and a quorum existed.

Officials & Administrators in Attendance

Richard Nathan, Chair
Justin Davis, Vice-Chair via Cisco Webex
Shawn Coleman, Commissioner
Patsy Landaveri, Commissioner via Cisco Webex
Kevin Armstrong, Commissioner
Michael Phibbs, Senior Director, Specialized Business Group
Dan Hartman, 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
John Madruga, Agent in Charge, Background Unit
Brett Buckingham, Agent in Charge, Sports Betting
Suzanne Karrer, Communications Specialist
Breanne Nolan, Executive Assistant, Secretary to CLGCC

The Chair noted that the name International Gaming Technology on the agenda should be corrected to International Game Technology.

Dan Hartman, Director, Division of Gaming introduced Michael Phibbs as the new Senior Director of the Specialized Business Group.

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)(c), 44-30-526(1)(d), and 44-30-1507 of the Colorado Revised Statutes to review confidential background licensing reports from the Division of Gaming, to review a confidential security report and procedures under 44-30-526(1)(b)

pertaining to International Game Technology (IGT) Multi-Jurisdiction MEGAJACKPOTS Progressive System and to receive legal advice under 26-4-402(3)(a)(II) regarding legal questions pertaining to applicant K49A Media LLC that were scheduled for consideration in the Public Session.

The Executive Session was called to order at 9:26 a.m. MST.

PUBLIC SESSION

The Public Session was called back to order at 11:45 a.m. MST.

II. Approval of Licensing Actions

The Commission voted unanimously to approve the First Operator and Manufacturer/Distributor Licenses for AGS, LLC. The Operator and Manufacturer/Distributor Licenses will expire two years from their dates of issuance.

The Commission voted four versus one, with Commissioner Coleman voting against the motion, to deny the First Vendor Major License for K49 Media LLC, and directed the Commission's counsel from the Attorney General's Office to prepare the denial order for the Chair's review, signature and issuance.

The Commission voted unanimously to approve the Renewal of the Vendor Minor Licenses for Ocean Media LLC; DISH Integration L.L.C.; Airship Group, Inc. d/b/a Airship; Global Ad Ventures Limited; GWEB MEDIA; LIR Industries, LLC; Time2Play Media Ltd.; CBS INTERACTIVE INC.; Akeyless Security Ltd.; ENGAGED NATION HOLDINGS, LLC; TARLOGIC SECURITY SL INC.; HEAP Inc. d/b/a Heap Analytics; and Monterizo Ltd. These Vendor Minor Licenses will expire two years from their current dates of expiration.

The Commission voted unanimously to approve the First Vendor Minor Licenses for Verified Digital Ltd.; Wizard Interactive LLC; Ariel Epstein; OCR Labs Global (USA) Inc.; SHOTAKE INC.; Famuyide LLC; Gronk Endorsements LLC; DGR Media LLC; and SABIA MEDIA ISRAEL S.M LTD d/b/a Luns.io. These Vendor Minor Licenses will expire 2 years from their dates of issuance.

III. Opportunity for the Public to Address the Commission

Brandon Griffith, Compliance Officer, AGS LLC, thanked the Commission for the opportunity to be licensed in Colorado and thanked background investigations staff for their diligence and help throughout the licensing process.

IV. Consideration of Limited Gaming Financial Statements for December 2022

The Commission voted unanimously to approve the Statement of Gaming Revenues, Gaming Taxes, and Expenditures (unaudited) for the six months ending on December 31, 2022, and to authorize its distribution.

V. Consideration of Division Sports Betting Financial Statement for December 2022

The Commission voted unanimously to approve the Statement of Sports Betting Revenues, Taxes, and Expenditures (unaudited) for the six months ending on December 31, 2022, and to authorize its distribution.

VI. Consideration of Supplemental Limited Gaming and Sports Betting Budget Changes for Fiscal Year 2023

Kristi Piazza, Budget Manager, Specialized Business Group presented the supplemental changes for the Limited Gaming Budget and Sports Betting Budget.

The Commission voted unanimously to approve the Supplemental Limited Gaming Budget Change of a \$75,000 decrease in Operating Expenses for appropriation TCCCE1003 for Fiscal Year 2023.

The Commission voted unanimously to approve the Supplemental Sports Betting Budget Change of a \$75,000 increase in Operating Expenses for appropriation TCCCESB03 for Fiscal Year 2023.

VII. Consideration of the Stipulation and Agreement in the matter of Case No. DOG22002245 Monarch Black Hawk, Inc. d/b/a Monarch Casino Resort Spa – Master License 02621565

Torrey Samson, Assistant Attorney General, presented the Stipulation and Agreement for Monarch Casino Resort Spa – Master License No. 02621565.

The Chair invited representatives from Monarch Casino Resort Spa forward for comments and to answer questions of the Commission. Michelle Shriver, Interim General Manager, Monarch Casino Resort Spa, came forward. Discussion was had by Ms. Shriver and the Commission.

The Commission voted unanimously to approve and authorize the Chair to sign and issue the Stipulation and Agreement in Case No. DOG22002245 – Monarch Black Hawk, Inc. d/b/a Monarch Casino Resort Spa, Master License 02621565.

VIII. Consideration of Order to Show Cause in the matter of Case No. DOG22002245 Nicholas Joseph Epstein – Support License 50580

Torrey Samson, Assistant Attorney General, presented the Order to Show Cause for Nicholas Joseph Epstein – Support License 50580. Discussion was had by the Commission and Ms. Samson.

The Commission voted unanimously to approve and authorize the Chair to sign and issue the Order to Show Cause and the Notice of Hearing in Case No. DOG22002245 Nicholas Joseph Epstein – Support License 50580.

IX. Consideration of Notice of Denial in the matter of Case No. DOG0013047010 – BORUSSIA DORTMUND GMBH & CO. KGAA License No. 94898983

Torrey Samson, Assistant Attorney General, presented the Notice of Denial for BORUSSIA DORTMUND GMBH & CO. KGAA License No. 94898983.

The Commission voted unanimously to approve and authorize the Chair to sign and issue the Notice of Denial in the matter of Case No. DOG0013047010 – BORUSSIA DORTMUND GMBH & CO. KGAA License No. 94898983.

X. Consideration of International Game Technology (IGT) Multi-Jurisdiction MEGAJACKPOTS Progressive System

Georgia McBride, Chief Technology Officer, Technical Services Group, gave the presentation regarding the IGT Multi-Jurisdiction MEGAJACKPOTS Progressive System.

Discussion was had by the Commission and Ms. McBride.

The Commission voted unanimously to approve the implementation of the (IGT) Multi-Jurisdiction MEGAJACKPOTS Progressive System.

XI. Consideration of Responsible Gaming Grant Applications

Suzanne Karrer, Communications Supervisor, Specialized Business Group, presented summaries of each Responsible Gaming Grant Application and stated that each organization would give a brief presentation of their request. She also announced each organization as they came forward to present.

Marlene Warner, CEO, Massachusetts Council on Gaming and Health (MACGH), and members of MACHG presented details of their Responsible Gaming Grant Application “Building Capacity in Colorado for a System of Responsible and Problem Gambling-Informed Stakeholders” to the Commission. Discussion was had by the Commission and members of MACHG.

The Commission voted unanimously to approve the grant request from the Massachusetts Council on Gaming and Health for a total of \$200,000 with a funding period of 12 months.

The Commission took a brief recess at 1:10 p.m. MST.

The Public Session was resumed at 1:26 p.m. MST.

Upon resuming the meeting, the Chair noted that Commissioner Armstrong had to leave the meeting early and was excused for the remainder of the meeting.

Daniel Umfleet, Chairman, Kindbridge Research Institute (KRI), presented their grant application “Strategic Approaches to Gambling Expansion: A Review of Gambling Treatment Quality and Availability in Colorado” to the Commission. Discussion was had by the Commission and Mr. Umfleet.

The Commission voted unanimously to approve the grant request from the Kindbridge Research Institution for a total of \$264,265 with a funding period of 12 months.

Peggy Brown, President, Problem Gambling Coalition of Colorado (PGCC), presented the PGCC's grant application for the "Problem Gambling Center." Discussion was had by the Commission and Ms. Brown.

The Commission voted unanimously to approve the grant request from the Problem Gambling Coalition of Colorado – Problem Gambling Center for a total of \$286,880 with a funding period of 12 months.

Peggy Brown from PGCC as well as Haysel Hernandez, Brittany Beath, and Sandra Felix with IDEA Marketing presented the grant application for PGCC's "Awareness and Education Project." Discussion was had by the Commission, Ms. Brown, and the members of IDEA Marketing.

The Commission voted unanimously to approve the grant request from the Problem Gambling Coalition of Colorado – Awareness and Education Project for a total of \$570,820 with a funding period of 12 months.

Peggy Brown from PGCC, and Dan Trolaro from Epic Risk Management presented the PGCC's grant application for the "Collegiate Education and Prevention Program." Discussion was had by the Commission, Ms. Brown, and Mr. Trolaro.

The Commission voted unanimously to approve the grant request from the Problem Gambling Coalition of Colorado – Collegiate Education and Prevention Program for a total of \$250,000 with a funding period of 12 months.

XII. Consideration of Colorado Limited Gaming Rule 12

The Commission voted unanimously to open the hearing on Colorado Limited Gaming Rule 12 – Cashless Systems.

Dan Hartman, Director, Division of Gaming was sworn in and Presented Limited Gaming Rule 12. Bradford Jones, Senior Assistant Attorney General, presented the amendments to Rule 12 that had been made following a stakeholder workshop on February 7, 2023.

The Chair invited the public to address the Commission regarding Limited Gaming Rule 12. No members of the public came forward to comment.

The Commission voted unanimously to close the public comment portion of the rulemaking hearing on Limited Gaming Rule 12.

The Commission voted unanimously to approve the amendments to Colorado Limited Gaming Rule 12, as presented.

The Commission voted unanimously to close the hearing on Colorado Limited Gaming Rule 12.

XIII. Consideration of Organizational Matters

The minutes from the January 19, 2023 Public Session of the Colorado Limited Gaming Control Commission were approved as presented.

Dan Hartman, Director, Division of Gaming, stated that the Division was excited to provide funding for all of the Responsible Gaming Grant Applications that were presented. He also stated that after 31 years of service to the state of Colorado, he would be retiring on May 1, 2023.

Commissioner Davis stated that the presentations from each of the Responsible Gaming Grant Applicants were well done and thorough. He explained that he appreciated the organizations and their staff who crafted each grant request.

XIV. Opportunity for the 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.

Peggy Brown, President, PGCC, thanked the Commission and Division for their hard work throughout the Responsible Gaming Grant application process.

XV. Adjournment

The Commission voted unanimously to adjourn the February 16, 2023, meeting of the Colorado Limited Gaming Control Commission at 2:55 p.m. MST.

Breanne Nolan, Secretary to the Colorado Limited Gaming Control Commission