

ARKANSAS STATE RACING COMMISSION MEETING
Saturday, January 26, 2019, 11:00 a.m.
Arkansas Racing Commission
Hot Springs, Arkansas

MEETING MINUTES

<Date> **Thursday, January 10, 2019**

<Time> **11:00 a.m.**

<Place> **Arkansas Racing Commission, Little Rock, AR**

Chairman Alex Lieblong asked Arkansas Racing Commission Manager, Smokey Campbell to call roll. The following were in attendance.

Commissioners	Present (x)
Alex Lieblong, Chairman, Conway	X
Mark Lamberth, Batesville	X
Denny East, Marion	X
Michael Post, Altus	
Steve Landers, Little Rock	X
Bo Hunter, Fort Smith	X
Butch Rice, Beebe	X
Others in Attendance:	
Smokey Campbell, Manager	Rick Harrell, Pope County
Nikki Langston, ARC	Janet Fryar, Pope County
Ben Cross, Pope County Judge	Roger Fryar, Pope County
Jennifer Rushin, DFA-EGS	Kathy Harbert, Pope County
Wayne Smith, Oaklawn	James Harbert, Pope County
Skip Ebel, Oaklawn	Joseph Pearson, Pope County
Richard Harris, Mayor of Russellville	Shane Bolender, Southland
Jane Harrell, Pope County	Casey Castleberry, Gulfside
Alex Gray, Downstream Development	Susan Holmes, DFA-EGS

Chairman Alex Lieblong noted a quorum and asked if there were any additions or corrections to the minutes of the December 26, 2018 meetings. There were none noted.

Commissioner Steve Landers made a motion to approve the minutes, Commissioner Mark Lamberth Seconded the motion; Motion Passed.

Chairman Alex Lieblong requested the rulings from Southland; there were none.

Chairman Alex Lieblong requested the rulings from Oaklawn; there were none.

1) Consideration/ Approval by Committee of 2018 Southland Purse and Construction

***A copy of the request can be found attached to this document.

Commissioner Denny East met with Commissioners Bo Hunter and Butch Rice to discuss the 2018 Southland Purse and Construction Request. They decided to allow all projects requested by Southland. No projects were disallowed.

Commissioner Butch Rice made a Motion to approve the 2018 Southland Purse and Construction Request.

Commissioner Bo Hunter Seconded the motion; Motion Passed.

2) Consideration/Approval to Publish Draft Rules for Public Comment and Adoption at the February 21st Commission Meeting

Commissioner Mark Lamberth made a Motion to approve the Publication of the Draft Arkansas Casino Gaming Rules for Public Comment and Adoption at the February 21st Meeting. Commissioner Butch Rice Seconded the Motion; Motion Passed.

***A copy of the Draft Casino Gaming Rules can be found attached to this document.

3) Review and Discussion of Draft Casino Gaming Rules

Attorney Byron Freeland gave a summary on the timeline for Adopting the Casino Gaming Rules. The Timeline is listed below.

CASINO GAMING TIMELINE

The Casino Gaming Amendment contains the following mandatory deadlines:

Nov. 14, 2018 - Effective date of Amendment

March 14, 2019 – The Amendment requires that the ARC adopt rules containing the following topics within one hundred twenty (120) days from November 14, 2018, which is March 14, 2019:

- (1) The establishment of a casino license application fee which shall not exceed \$250,000;
- (2) The manner in which the Arkansas Racing Commission considers applications for issuance of casino licenses;
- (3) The renewal of casino licenses;
- (4) The form and content of renewal for casino licenses;
- (5) Oversight requirements for casinos and casino gaming;
- (6) Recordkeeping requirements for casinos;
- (7) Personnel requirements for casinos and casino gaming;

(8) Procedures for suspending or terminating casino licenses held by casino licensees that violate the provisions of this Amendment or the rules adopted under this Amendment;

(9) A schedule of penalties and procedures for appealing penalties;

(10) Procedures for inspection and investigations of casinos and casino gaming;

(11) Responsibilities of casino licensees related to conducting casino gaming;

(12) The Racing Commission shall allow licensees to transfer their casino license only to a party who has casino gaming experience;

(13) Any other matters necessary for the fair, impartial, stringent, and comprehensive administration of its duties under this Amendment.

June 1, 2019 - The ARC must begin accepting applications for casino licenses no later than June 1, 2019. The ARC may accept applications sooner if the Commission can get all of the required rules and procedures in place by the deadline of March 14, 2019.

Deadlines for ARC Not Contained in Amendment but Required by Law:

January 2019 In early January 2019 but no later than January 31, 2019, the ARC must meet and approve the publication of proposed rules. These proposed rules must be advertised in the newspaper for thirty (30) days before any action can be taken.

March 1, 2019 - The ARC must meet no later than March 1, 2019, to approve the adoption of the rules published in the newspaper for a period of thirty (30) days.

March 14, 2019 - Deadline in Amendment for adoption of rules

June 1, 2019 - Latest date for ARC to begin accepting applications for casino gaming franchises

3) Consideration/ Approval of EGS Licenses

1. **Modern Gaming, Inc.**
2. **Gaming and Entertainment Touch Technology**
3. **TCS John Huxley America, Inc.**

Commissioner Mark Lamberth Approved the Licenses for the 3 Companies Listed.
Commissioner Butch Rice seconded the Motion. Motion Passed.

4) Consideration/ Approval of EGS Games

a) **Aruze**

1. Xtreme Explosion (17-0174)

d) **Everi**

1. Diamond Blaze (13-0397)
2. Diamond Rain (13-0388)

c) **IGT**

1. Cleopatra Gold (1-0653)
2. Wheel of Fortune 4D (1-0655)
3. Temple of Treasure Triple Gold (1-0656)

Smokey Campbell verified that the games were submitted to Gaming Laboratories International (GLI) and do meet the Statute requirements for Arkansas as games of skill. It is also determined these games and previously approved games, have been consistent in contributing a positive impact to the anticipated economic benefit for the State, as documented in the minutes of the Arkansas Racing Commission Meeting of October 2, 2006.

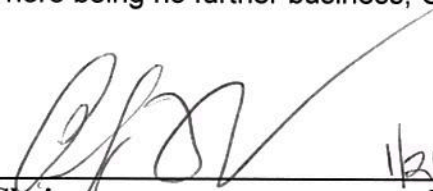
Commissioner Steve Landers made a motion to approve the EGS Games. Commissioner Bo Hunter seconded the motion; Motion Passed.

Other Business/Announcements

Attorney Alex Gray addressed the Commission about existing language in the rules and proposed changes.

***A copy of the request can be found attached to this document.

There being no further business, Chairman Lieblong adjourned the meeting.



Chairman

12/6/19

Date



Manager

12/6/19

Date