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New Jersey Office of the Attorney General

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Legalized Games of Chance Control Commission
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PUBLIC SESSION MINUTES **March 10, 2010**

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The Legalized Games of Chance Control Commission met on March 10, 2010, at the Division of Consumer of Affairs, located at 124 Halsey Street, 6th Floor Somerset Room, Newark New Jersey. Present were Commissioners Marilou Halvorsen (Chairperson), Christine Vanek, and Edward Barrett. Commissioner Timothy E Ryan were not present. Also in attendance: Assistant Counsel, Authorities Unit, Office of the Governor, Thomas Hower, Deputy Attorney General Nancy Miller, Scott Jenkins, Chief Investigator/Manager, Acting Investigative Supervisor William Carter, and Investigators Martin Silva and Joseph Chessere, and supporting staff Farah Rodriguez, Danyelle Williamson, and Ava Peterman.

The meeting was opened at 10:35 a.m. by Commissioner Marilou Halvorsen pursuant to provisions of the Open Public Meetings Act. N.J.S.A. 10:4-6 et seq. Adequate notice of the Legalized Games Public meeting was provided by mailing a list of all regularly scheduled Commission meetings to be held during 2010 to the Office of the Secretary of State, Star Ledger, Trenton Times, the Director of the Division of Consumer Affairs, and posted in the State Building at 124 Halsey Street, Newark, New Jersey, as well as being posted on LGCCC website:
www.state.nj.gov/oag/ca/lgccc.htm.

1. Reading and Approval of the Agenda

The Commission reviewed and approved the amended agenda.

MOTION: Barrett SECOND: Vanek APPROVED: Unanimous

2. Minutes of the Public Session meeting November 10, 2009

The Commission reviewed and approved the minutes with amendments.

MOTION: Barrett SECOND: Vanek APPROVED: Unanimous

3. Public Comment

Edward McGlynn, Esq., Wayne Cimorelli, Douglas Woodfield, Paul Schneider, and David Dorman addressed the issue of criminal history background checks for applicants for amusement games licensees. Mr. McGlynn asked the Commission to consider an extension of time for completion of fingerprinting as some applicants were facing delays in some municipalities. As the season begins prior to Easter, he asked if the Commission would accept criminal history background checks from municipalities

without fingerprints for a period of time. Mr. Cimorelli relayed his experience with fingerprinting and asked if the background check performed by one municipality could be used by another municipality (He operates in several towns). Mr. Woodfield stated that he may have inadvertently given erroneous information to members of the New Jersey Amusement Association regarding Morpho-Trak, the company that provides digital fingerprinting services. Mr. Schneider asked about the process regarding past convictions. Mr. Dorman asked whether background checks or fingerprints submitted by or through another agency would be acceptable. Mr. McGlynn asked whether minors who own more than 5% of the business need to be fingerprinted.

In response, the Commission noted that municipalities are required to perform the criminal history checks. Scott Jenkins had provided information to the Amusement Association and the municipal clerks over the last several months and is available to assist in the process. The Commission has no objection to municipalities accepting fingerprints recently submitted to other agencies (for example, the Division of Alcoholic Beverage Control) or fingerprints taken in another jurisdiction. The Commission briefly discussed the process by which it would evaluate a criminal history to determine whether the disqualification should be removed.

Kim Simorelli of the New Jersey Amusement Association offered to disseminate information through the Association's e mail list and will also provide information to the Outdoor Amusement Business Association.

Following the discussion, the Commission determined it would accept applications for amusement games licenses without fully completed criminal history background checks/fingerprinting provided the applicants submit an affidavit that all persons required to undergo a criminal history background check were free from conviction of a crime and would submit to fingerprinting prior to April 30, 2010. Additionally, the Commission will notify municipalities that if a person required to undergo the criminal history background check is a minor, the Commission would accept an application without a background check for the minor provided the application contained an affidavit that the minor has no involvement with the business for which the license is being sought.

The Commission noted that while it would accept applications under these circumstances, the municipalities retained the right to impose whatever process the municipalities deemed necessary to satisfy the requirement that persons applying for amusement games licenses are free from conviction of a crime.

Motion: Barrett Second: Vanek Approved: Unanimous

4. Statistics report and comparison figures from LGCCC to DCA for the months of December 2009 and January 2010.

Move to accept as presented.

Motion: Barrett Second: Vanek Approved: Unanimous

5. List of organizations approved or denied requests for registration for the months of January 2010 and February 2010

The Commission approved the approved and denied list for registration applications for January 2010 and February 2010

Motion: Barrett Second: Vanek Approved: Unanimous

6. Recommended for the approved and denied list of Casino Operators, Casino Operators Pending Additional Correspondence, Manufacturers, Distributors, and Providers, Compensated Workers and Games Submissions for the Months of January 2010 and February 2010.

The Commission approved the recommendations of staff.

Motion: Barrett Second: Vanek Approved: Unanimous

7) FYI-List of Signed Warning Letters, Uniform Penalty Letters & Consent Orders for the month of January 2010.

Warning Letters Signed

None

UPLs Signed

LGA 08-322	Lime Ricky World	(Penalty Paid)
LG 09-107	Moonwalk Entertainment, Inc.	(Paid Penalty)
LGA 09-200	Edmond Florimont	(Paid Penalty)
LGA 09-206	Castle Casino Arcade	(Paid Penalty)

Consent Orders/ Settlement Agreements

None

FYI-List of Signed Warning Letters, Uniform Penalty Letters & Consent Orders for the month of February 2010.

Warning Letters Signed

LG 09-292	Corp. Lawrence E. Jones VFW Post 2174	(Signed)
LG 09-322	Knight of Columbus #6522	(Signed)
LG 09-334	Ray Szul	(Signed)

UPL Letters Signed

LG 09-296	Events Plus	(Penalty Paid)
LG 09-314	Frank Lotierzo	(Penalty Paid)
ACR 10-26	Stafford FEC Partners,LP D/b/a The Funplex	(Penalty Paid)
ACR 10-27	Stanley J. Kiska	(Penalty Paid)

Consent Orders/ Settlement Agreements

None

FYI

8) Request to consider explanation/mitigation: Following issuance of Uniform Penalty Letters, these licensees asked the Commission to consider information submitted prior to making final decision. The Commission moved to Executive Session for deliberation. Upon return to public session, the Commission determined:

A) LGA-09-169 All State 38, Inc.; failure to post price to play.

The Commission reviewed and was not persuaded by the mitigation/information presented and sustained the penalty offered in the Uniform Penalty Letter.

Motion: Barrett Second: Vanek Approved: Unanimous

B) LGA 09-171 Paladin Amusements, Inc.

The Commission reviewed and was not persuaded by the mitigation/information presented and sustained the penalty offered in the Uniform Penalty Letter.

Motion: Barrett Second: Vanek Approved: Unanimous

C) LGA-09-218 Docon, Inc. t/a Olympic Enterprises

The Commission reviewed and was not persuaded by the mitigation/information presented and sustained the penalty offered in the Uniform Penalty Letter.

Motion: Barrett Second: Vanek Approved: Unanimous

D) LGA-09-247 James Brown & Paul Schneider

After consideration fo the mitigation presented, the Commission determined to rescind the Uniform Penalty Letter.

Motion: Vanek Second: Halvorsen Approved: 2-1 (Barrett voting no)

E) LG-09-298 David Goodmark

After reviewing letter submitted by Mr. Goodmark's parent, the Commission asked that Mr. Goodmark respond directly.

Motion: Barrett Second: Vanek Approved: Unanimous

9) Public Relations

William Plowman- letter from Waretown Volunteer Fire Company #1 regarding assistance provided.

The Commission thanked Mr. Plowman for a job well done.

10) Out reach program; requests for speaker

A) Union County Municipal Clerks Assoc.
March 3, 2010.

B) Ocean City/ Upper Twp. Rotary Club
Date pending

C) Holiday City/ Silver Ridge Park Coalition
Date pending

D) United Presbyterian Church
September 18, 2010.

E) Rutgers Introduction to the Duties of the Municipal Clerk
Date pending

The Commission applauded the program and asked that future agendas include the topics covered by the presentations.

11) Monmouth University- Legalized Games of Chance bank account.

Chairperson Marilou Halvorsen was recused as a family member is employed by the University. The Commission denied the University's request to be exempted from the requirement of a separate bank account for games of chance funds. The Commission noted other higher education institutions have separate accounts.

Motion: Barrett Second: Vanek Approved: Unanimous

12) HSA Washington School- Requesting a refund on license fee for cancelled raffle.

The Commission granted a credit in the amount of \$20.00 for future use.

Motion: Barrett Second: Vanek Approved: Unanimous

13) Philippine American Community of Bergen County, Inc - Seeking registration. Organization appears to be formed primarily for the benefit of its members.

The Commission requested additional information: list of the organization's programs and services provided in the last 2 years.

Motion: Barrett Second: Vanek Approved: Unanimous

14) **Old Business**

- A) New Egypt Recreation Baseball, Inc- The organization has deposited the unclaimed prize into its games of chance account as directed by the Commission.

FYI

- B) Amusement Games; Delinquent Conduct Report; violations for 2008 Following discussion at the February 10 meeting and review at the February 24 Disciplinary Committee meeting, Provisional Orders of Discipline were signed by the chairwoman, filed, and forwarded to licensees at their permanent addresses on the applications. The Commission ratified the issuance of the Provisional Orders.

Motion: Barrett Second: Vanek Approved: Unanimous

15) **New Business.**

- A) Thomas Hower was introduced as the liaison from the Governor's Office, Authorities Unit. The Commission welcomed Mr. Hower and is looking forward to working with him.
- B) Executive Order No.15. Request for information from Authorities and Commissions.

FYI

16) **E.O's Report.**

- A) **St. Anthony's Bingo-** Staff investigated complaint. Nothing uncovered to substantiate violation. Warning given on other, unrelated issues.

FYI

- B) **James Bear** -Proposing awarding coupons redeemable for prizes in "prize every time" games, essentially operating as a sale of merchandise. Mr. Hower asked whether sales tax was being collected. The Commission also asked whether other municipal requirements (for example, mercantile licenses) were complied with.

- C) **State of Minnesota; Alcohol and Gambling Enforcement** - Request for information on licensee as part of sister state background check.

FYI

- D) **Bobby Buecker Memorial Foundation, Inc.** - Request for assistance. Information provided.

FYI

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Item moved from the Executive Session agenda:

E-1. New Jersey Volunteer Lawyers for the Arts- The winner has disclaimed the raffle prize.

FYI

E-3. Chapter 081, Amusement Games And Devices; Atlantic City ordinance imposing penalties for violation of Amusement Games Licensing Law.
Item tabled; DAG Miller will review and gave a report at the next meeting.

E-4. Eric Faranda D/B/A Shore Amusements - Mr. Faranda was able to obtain results of fingerprint/criminal history background check within four days.

FYI

The Commission moved to Executive Session for deliberation of pending disciplinary matters and advice of counsel. Matters discussed in executive session will be reported in public session as concluded. At the conclusion of the Executive Session, and the reading of the closing statement by Commissioner Halvorsen, the meeting was adjourned at 1:10 p.m.

MOTION to adjourn: Halvorsen

SECOND: Vanek

APPROVED:
Unanimous

Approved by:

Marilou C. Halvorsen
Chairperson

MCH:fr
enc. (3)

1. Statistics report and comparison figures from LGCCC to DCA for December 2009 and January 2010 (Refer to item 4)
2. List of organizations approved or denied requests for registration for January 2010 and February 2010 (Refer to item5)
3. List of approved and denied Compensated Workers, Commercial Licenses January 2010 and February 2010 (Refer to item 6)