

**MINUTES  
MISSISSIPPI GAMING COMMISSION  
MONTHLY MEETING  
MARCH 15, 1993**

**BE IT REMEMBERED** that the Mississippi Gaming Commission met for a special meeting at 1:00 p.m. on Monday, March 15, 1993, on the 12th Floor in Conference Room C of the Robert E. Lee Building, Jackson, MS.

Staff in attendance:

Ed Buelow, Jr., Chairman and Commissioner of the MSTC  
Harvey Johnson, Jr., Associate Commissioner, MSTC  
Bill Tann, Associate Commissioner, MSTC  
Kathy Waterbury, Miscellaneous Tax Division, MSTC  
Lorenzo Creighton, Executive Director, MS Gaming Commission  
Van Hawthorne, Bingo Director, MS Gaming Commission  
Sean McGuinness, Compliance Director, MS Gaming Commission  
Clara Wright, Secretary Confidential, MS Gaming Commission  
Curtis Quinn, Special Agent, MS Gaming Commission  
Carole Edds, Attorney General's Office

The meeting was called to order by Commissioner Buelow at 1:00 p.m.

For Agenda Item II, Bingo Hearing Matters, Sean McGuinness stated that Bingo Video originally applied for an Operator's license on September 11, 1992. Because the Bingo Regulations were not effective until October 1, 1992, Bingo Video was granted a transfer from an Operator's license to a Distributor's license on September 30, 1992 with no additional fees; however, Bingo Video is now requesting a transfer back to an Operator's license. Mr. McGuinness stated that this would be the equivalent of an indirect refund and would set a precedent for the other 140 applicants with conditional licenses. Carole Edds stated that the application fee is non-refundable, but the applicant can amend a conditional license. Jonathan Pearson informed the Commission that he was not successful as a distributor, therefore he was requesting a transfer back to an operator, and also stated that he would like to see a change in the regulations to reflect more flexibility in the first year of operation. Commissioner Tann questioned whether the \$2500 application fee covered a 12-month period beginning in October or beginning the day the permanent license was issued. Van Hawthorne stated that staff would try to issue a permanent license in April. Commissioner Buelow then moved to take all matters of Bingo Video under advisement and mail notice of decision. This motion passed unanimously. In response to the Colonial Country Club's request for exempt status, Mr. McGuinness stated that exempt status does not apply. Ms. Edds made reference to §97-33-59 which exempts families, groups, or individuals only in the case of emergency. Ms. Edds also stated that the regulations are inconsistent and that the statute overrides the regulations. Steve Pansualla, Clubhouse Manager, stated that Colonial Country Club felt that they should be exempt because of the following: they held closed Bingo session, they charged an admission fee of \$5 to be used in the jackpot give-away for the day, and no profit is made from the event. After questioning the \$5 fee, Commissioner Buelow moved to take the matter of Colonial Country Club's exempt status under advisement and respond by mail.

This motion passed unanimously. In the matter of Jackson Gray Panthers, the Hearing Examiner recommended that staff issue Charitable Bingo license pending an investigation not to exceed ten days. Mr. Creighton asked the Commission for an extension of fourteen days and stated that the Jackson Gray Panthers would be contacted before the next scheduled meeting. In regard to staff's request for an extension of fourteen days, Commissioner Buelow asked Ms. Edds if the hearing examiner's recommendation could be amended. Ms. Edds stated that the Commission could differ with the recommendation. Mr. McGuinness requested a stay. Gwen Hayes addressed the Commission and stated that she would like the matter resolved as soon as possible. Commissioner Buelow moved that the Jackson Gray Panthers would be allowed to continue operating under a conditional license until further discussion with staff. This motion passed unanimously. In the matter of Regular Veterans Association, the Hearing Examiner

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sustained staff's decision to recall conditional license and deny application for permanent license. Commissioner Buelow asked Paul Hall if he received a copy of the Hearing Examiner's recommendation.

Mr. Hall said yes. When Commissioner Johnson asked Mr. Hall if he would like to refute anything, Mr. Hall responded that he had not seen the documentation. Commissioner Buelow then gave a copy of the recommendation to Mr. Hall, and stated that Mr. Hall would have a chance to respond later. Commission agreed to hear the matter of American Legion Post 90 at the next monthly meeting.

For Agenda Item III, Bingo Licensing, Mr. Hawthorne recommended the following applicants for a Charitable Bingo License: VFW Post #2098 in West Point; VFW Post #4800 in Cleveland; VFW Post #3936 in Clarksdale; VFW Post #4486 in Greenville; VFW Post #5395, Auxiliary in Pontotoc; Knight of Columbus in Meridian; Moose Lodge #1532 in Cleveland; Moose Lodge #1946 in Kosciusko ; American Legion Post #165 in Cleveland; Knight of Columbus #4898 in Long Beach; St. James Catholic Church in Leland; Furr's Fire Department in Pontotoc; Batesville Lions Club in Batesville; St. Joseph Catholic Church in Meridian; Marshall County Barton Volunteer Fire Department in Olive Branch; Loyal Order Moose #1662 in Natchez; St. Mary Ladies Sodality in Vicksburg; Sunshine Mountain Seventh Day Baptist Church in Chatawa; Homeless Veterans Base Camp Inc. in Hattiesburg; Laurel Council Knights of Columbus #2180 in Laurel; and Southwest Lamar Volunteer in Baxterville. Mr. Hawthorne recommended the following for an Operator's License: Electronic Bingo in Ridgeland, Service Novelty Company in Florence; and Wallace Amusement Company in Columbus. Mr. Hawthorne went on to recommend Area Amusement in Horn Lake for a Distributor's License, and recommended that the following be found suitable for a Commercial Lessor's License: The Family Fun Center in Senatobia; Easy Money in McComb; and 49 Bingo in Hattiesburg. Commissioner Buelow questioned the recommendation of Easy Money Bingo as a commercial lessor, because the applicant listed a residence address in Ohio, stated that he was unemployed and wants to conduct business in McComb, MS. Mr. McGuinness replied that staff would pull the application for Easy Money Bingo for further investigation. Commissioner Buelow then questioned staff's decision to deny and then recall the denial regarding Sharon Pace and P & K Enterprise's recommendation for a commercial lessors license. Carey Varnado, attorney for Ms. Pace stated before the Commissioner that he mailed staff a letter stating that his client was involved in an arrest of a group of people on November 18, 1992, and was charged with two petty misdemeanors, one of the charges was dismissed and an agreement was made with the City Prosecutor that only the amount of the court cost would be paid on the second charge; therefore, Ms. Pace was being truthful when she denied any prior criminal convictions. Commissioner Buelow moved to approve all applicants for permanent license for Charitable Bingo, Commercial Lessor, Distributor, and Operator with the exception of Easy Money Bingo in McComb. This was approved. After much discussion from the Commission regarding renewal date for Bingo applications, Mr. Creighton stated the date that is stamped on the application when it is received in the office should serve as the renewal date. The Commission granted approval.

The Commission then returned to the matter of Regular Veterans Association represented by Paul Hall. Commissioner Buelow questioned Mr. Hall regarding the charges being correct. Mr. Hall stated that he had not been aware of the felony convictions of Joseph Torres, Robert L. Beam, or David Mack, and that he had no knowledge of Barbara Zimmerman being paid as a member-in-charge. The applicant also contended that the aforementioned individuals were no longer connected with the charity. The Commission agreed to take the matter under advisement and issue notice.

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For Agenda Item IV, Children's Advocacy Center Matters (MultipleLocations), Ms. Edds made reference to §97-33-55(2) which states that charities must list places, dates, and days of the week of Bingo sessions. Also, Ms. Edds referenced §97-33-67 which states that charities may conduct Bingo at more than one location, but may not conduct more than eight sessions during a week. Ms. Edds went on to state that a lessor shall obtain a license for each location.

In response to a Commission request at the last meeting to make a presentation about Children's Advocacy Center's multiple locations, Mr. Hawthorne and Mr. McGuinness made a presentation concerning the Children's Advocacy Center and identified problems with allowing multiple locations. Mr. Hawthorne showed graphs representing the combined charities' salaries, supplies, donations, fund-raising supplies, utilities, advertising and security, which he stated were all paid out of Bingo proceeds. Mr. McGuinness questioned salaries of the members-in-charge, janitorial supplies, items purchased for concession stands and the relationship between the charity, commercial lessor and distributor. Mr. McGuinness went on to state that the legislative intent was one charity-one location, and that one of the problems with multiple locations is the difficulty in tracking money when the records are mingled. Mike Farrell stated that staff's decision to use the Children's Advocacy Center as a means of addressing the issue of multiple locations was unfair, especially without prior notification, and that the presentation was full of untruths and innuendoes. Mr. Farrell stated that he had previously questioned staff regarding the appearance of Children's Advocacy Center on the agenda and Mr. Hawthorne willfully misled him. Debbie James stated that multiple locations were not prohibited and that their charities were separate and filed separate tax returns. Mr. Farrell requested that the Children's Advocacy Center be granted a special hearing to respond to the allegations brought forth in staff's presentation. Commissioner Buelow questioned the relevance of staff's decision to deny a permanent license, when the issue was multiple locations. Mr. McGuinness stated that in considering multiple locations, the Commission must look at the structure of the charity and that because of the commonality there are difficulties that arise. Mr. Creighton stated that staff would send a notice of intent to deny a license and would like to present findings. Commissioner Buelow moved to stay in the matter of Children's Advocacy Center and that a special hearing would be held on Monday, April 5, 1993 at 9:00. Mr. Farrell agreed. Mr. Creighton suggested that the Hearing Examiner, Jimmy Williams be present at the meeting.

For Agenda Item V, Adoption of Regulations, Ex Parte Communications, Commissioner Tann suggested that the language needed to be modified.

The Commission agreed to consider adopting the Bingo Hearings and Gaming Hearings at the next regular meeting.

For Agenda Item VI, Notice of Intent for Future Employment Regulation, Commissioner Buelow stated that the Commission could adopt the policy, and motioned to notify the Secretary of State's office to register Notice of Intent for Future Employment Regulations. The motion passed unanimously.

For Agenda Item VIII, Gaming Fines Policy, the Commission agreed to consider adopting the policy at the next meeting.

For Agenda Item VIII, Public Comment, Sam Begley, questioned the availability of Notice of Intent for Future Employment Regulations.

Commissioner Buelow responded that after thirty days a hearing would be held and the regulations would be adopted 30 days after the hearing.

John Maloney representing Knights of Columbus - Meridian stated that he was knowledgeable of several Bingo locations violating the law by using theater tickets and playing over 5-1/2 hour sessions.

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Mr. Maloney questioned whether the district attorney's office could be notified to assist Bingo agents with enforcing the law. Mr.

McGuinness stated that according to §97-33-109(3) (a), Mr. Maloney had the right as a private citizen to take legal action. Commissioner Buelow informed Mr. Maloney that if he wanted to file a complaint, staff would investigate and take action toward those found in violation. Bonnie Sanders, lessor for B & B Amusement, informed the Commission that her organization operated within the guidelines of the law.

There being no further business, the meeting was adjourned at 3:00 p.m.

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**CHAIRMAN**

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**ASSOCIATE COMMISSIONER**

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**ASSOCIATE COMMISSIONER**

**ATTEST:**

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**GAMING SECRETARY**