

Colorado Limited Gaming Control Commission

Minutes of Public Session
August 27, 2020

PUBLIC SESSION

I. Call to Order

The August 27, 2020 meeting of the Colorado Limited Gaming Control Commission was called to order by Chair Blessman at approximately 9:19 a.m. via a Cisco Webex video conference at the Division of Gaming Office at 1707 Cole Blvd. Suite 350, Lakewood, Colorado, 80401. Commissioners Carlson, Davis, and Nathan were present via Cisco Webex and a quorum existed.

Commissioner Coleman joined the meeting during the Executive Session.

Officials & Administrators in Attendance

Kristen Blessman, Chair, via Cisco Webex
Richard Nathan, Vice-Chair via Cisco Webex
Shawn Coleman, Commissioner via Cisco Webex
Justin Davis, Commissioner via Cisco Webex
Tim Carlson, Commissioner via Cisco Webex
Dan Hartman, Director via Cisco Webex
Kenya Collins, Director of Administration via Cisco Webex
Matt Heap, Chief of Investigations via Cisco Webex
Ceri Williams, Senior Assistant Attorney General via Cisco Webex
Torrey Samson, Assistant Attorney General via Cisco Webex
Suzanne Karrer, Communications Manager via Cisco Webex
Vickie Floyd, Controller via Cisco Webex
Paul Hogan, Chief Auditor via Cisco Webex
John Madruga, Agent in Charge, Background Unit via Cisco Webex
Brett Buckingham, Supervisory Investigator via Cisco Webex
Tseko Ivanov, Accountant via Cisco Webex
Deborah Gorham, Systems Manager, Technical Services Group via Cisco Webex
Breanne Rodlin, Assistant to the Director, Secretary to the Commission

EXECUTIVE SESSION

The Commission voted unanimously to go into Executive Session pursuant to sections 24-6-402(3)(a) (III), 44-30-521(1)(a)&(b), 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 that were scheduled for consideration in the public session and to review confidential reports from the Colorado Bureau of Investigation.

PUBLIC SESSION

II. Approval of Licensing Actions

The Commission voted unanimously to approve the First Retail Licensing of FHR-Colorado LLC d/b/a Sir William's Casino. The issuance of the Retail license for FHR-Colorado LLC d/b/a Sir William's will be effective and is contingent upon the surrender of the Christmas Casino Retail License #36075524, and will expire on February 18, 2022 to coincide with the remaining Billy's licenses, and is subject to the Standard Conditions for a retail license.

The Commission voted unanimously to approve the Renewal of the Manufacturer/Distributor License for Aces Up Gaming Inc. The license will expire two years from its date of its current expiration.

The Commission voted unanimously to approve the First Master License FHR-Colorado LLC d/b/a Sir William's Casino. The issuance of the Master license for FHR-Colorado LLC d/b/a Sir William's Casino will be effective and is contingent upon the surrender of the Christmas Casino Master License #41077630 and will expire on February 18, 2022 to coincide with the remaining Billy's licenses.

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 Temporary Sports Betting Operator License for Momentum Sports and Entertainment, Inc. This Temporary Sports Betting Operator License was issued, pending the final results of the Division's background investigation.

The Commission voted unanimously to approve the Temporary Internet Sports Betting Operator Licenses for Momentum Sports and Entertainment, Inc. and Playup Interactive Inc. These Temporary Internet Sports Betting Operator Licenses were issued, pending the final results of the Division's background investigation.

The Commission voted unanimously to approve the Temporary Vendor Major Licenses for Uptonvale USA LLC, SimpleBet, Inc., GBG Endeavors LLC d/b/a MetaBet, Sports IQ Analytics Inc., NeoGames Solutions LLC, GAN Nevada, Inc., Sharplink Inc. d/b/a Sharplink, and Overdrive Marketing, Inc. These Temporary Vendor Major Licenses were issued, pending the final results of the Division's background investigation.

The Commission voted unanimously to approve the First Vendor Minor Licenses for Chive Media Group, LLC d/b/a theChive, Sportsbook Marketing Services USA LLC, Rarefied Atmosphere, Inc. d/b/a Atmosphere TV, Barstool Sports, Inc., Splash Technology LLC, Sports IQ Analytics Inc., Commercial Streaming Solutions, Inc. d/b/a KONEKTV, Spin Services

Limited d/b/a Sporting Solutions, Legalbet LLC, Trax One, Inc., Taboola.com LTD, opensponsorship corp. d/b/a OpenSponsorship, Rackspace US, Inc., Pickwatch LTD, and Nuvei Technologies Inc. These Vendor Minor Licenses shall expire 2 years from the dates of issuance.

III. Opportunity for the Public to Address the Commission

The Chair extended an opportunity for the public to address the Commission. No members of the public came forward to address the Commission.

IV. Consideration of Division Financial Statements for June 2020

Vickie Floyd, Controller, Division of Gaming, presented the Statement of Sports Betting Revenues, Sports Betting Taxes, and Expenditures (unaudited) for the twelve months ending on June 30, 2020.

The Commission voted unanimously to approve the Sports Betting financial statement for June 2020 and authorize its distribution.

Vickie Floyd, Controller, Division of Gaming, presented the Statement of Gaming Revenues, Gaming Taxes, and Expenditures (unaudited) for the twelve months ending on June 30, 2020.

The Commission voted unanimously to approve the Limited Gaming financial statement for June 2020 and authorize its distribution.

V. Certification of Fiscal Year 2020 Distribution

Tseko Ivanov, Reporting Accountant, Division of Gaming, gave a presentation regarding the distribution of the Limited Gaming Fund for Fiscal Year 2020.

Discussion was had by the Commission, Vickie Floyd, and Director Dan Hartman.

The Commission voted unanimously to certify the Fiscal Year 2020 Distribution of the Limited Gaming Fund and the Extended Limited Gaming Fund as presented by the Division.

VI. Consideration of Limited Gaming Rules 8, 10, 12, 16, 22 & 23

The Commission voted unanimously to open the hearing on amendments to Limited Gaming Rules 8, 10, 12, 16, 22 & 23. Deborah Gorham, Systems Manager, Technical Services Group, Division of Gaming, gave a presentation regarding Limited Gaming Rules 8, 10, 12, 16, 22, & 23. Discussion was had by the Commission and Ms. Gorham during the presentation.

The Chair extended the opportunity for the public to testify on behalf of Limited Gaming Rules 8, 10, 12, 16, 22, & 23. No members of the public came forward to testify.

The Commission voted unanimously to close the hearing and approve the amendments to Limited Gaming Rules 8, 10, 12, 16, 22, & 23, as presented.

VII. Rulemaking Hearing Rule 3, Regulation 30-303 – License Fees

The Commission voted unanimously to open the hearing on amendments to Rule 3, Regulation 30-303 – License Fees. John Madruga, Agent in Charge, Background Unit, Division of Gaming, presented Rule 3 to the Commission.

The Chair extended an opportunity for the public to testify on behalf of Rule 3, Regulation 30-303 – License Fees. No members of the public came forward to testify.

The Commission voted unanimously to close the hearing and to approve the amendments to Rule 3, Regulation 30-303 – License Fees, as presented.

VIII. Emergency Rulemaking Hearing Rule 3, Regulation 30-313.5 – Licensed Premises Location

The Commission voted unanimously to open the hearing on amendments to Emergency Rule 3, Regulation 30-313.5 – Licensed Premises Location. Dan Hartman, Director, Division of Gaming, presented Emergency Rule 3 to the Commission. Discussion was had by the Commission and Mr. Hartman during the presentation.

The Chair extended an opportunity for the public to testify on behalf of Emergency Rule 3, Regulation 30-313.5 – Licensed Premises Location. No members of the public came forward to testify.

The Commission voted unanimously to close the hearing and to approve the amendments to Rule 3, Regulation 30-313.5 – Licensed Premises Location, as presented, and to authorize the Chair to sign the Emergency Resolution concerning Regulation 30-313.5.

IX. Consideration of Organizational Matters

1. Adoption of Minutes for July 16, 2020

The Commission approved the minutes from the July 16, 2020 meeting of the Colorado Limited Gaming Control Commission.

2. Director's Update

Dan Hartman, Director, Division of Gaming, stated that the Division of Gaming was increasing its usage of digital transformation to boost efficiencies in licensing, fingerprinting and overall business with customers. He was hopeful that this technology would help the Division create a platform for complete digital licensing. Director Hartman also provided the Sports Betting figures for the month of July as approximately 60 million, which he stated was up 55% from the month of June when the figures totaled 38 million. He explained that the Division of Gaming had inherited regulation of Fantasy Contests from the Department of Regulatory Agencies and that emergency rules to continue the program under the Division of Gaming would go into effect on August 31, 2020.

Adjournment

The Commission voted unanimously to adjourn the August 27, 2020 meeting of the Colorado Limited Gaming Control Commission at 11:37 a.m.

Breanne Rodlin, Secretary to the Colorado Limited Gaming Control Commission