

**OHIO CASINO CONTROL COMMISSION
MEETING MINUTES**

**10 A.M. –June 1, 2011
RIFFE CENTER, 77 SOUTH HIGH STREET
31st FLOOR, SOUTH B AND C
COLUMBUS, OH 43215**

The meeting was called to order at 10:10 a.m. by Chairman Jo Ann Davidson. Commissioners McKinley Brown, Martin Hoke, Peter Silverman, John Steinhauer and June Taylor were in attendance. Commissioner Ranjan Manoranjan was out of the country. The minutes of the May 18, 2011 meeting were approved.

Representatives from three independent testing companies addressed the Commission: 1) Nick Farley, President of Eclipse Compliance Testing, Solon, Ohio; 2) Richard Williamson, Senior Vice President of Operations of BMM Compliance, Las Vegas, Nevada who was joined by Michael Dreitzer, the company's Regulatory Counsel; and 3) Kevin Mullally, General Counsel and Director of Government Relations of Gaming Laboratories International LLC, Kansas City, MO. All three presenters offered information on their company's background, where they currently do business and what services they offer. Chairman Davidson asked each company to share their power point presentations for members of the Commission to review in more detail after the meeting.

Commissioners questioned the presenters about 1) concerns of regulators about the timeliness of results; 2) financial stability of the companies; 3) number of slots tested and requiring separate certifications; 4) number of employees; 5) use of hybrid labs; and 6) the home country of their company's owners.

Chairman Davidson brought up the subject of a Code of Conduct for the Ohio Casino Control Commission. She has asked the Attorney General's office to review what other states are doing in this regard and invited Ohio Ethic Commission Director Paul Nick to address the Commission on the issue. He indicated that it is an important step to ensure the integrity of the process with which the Commission is charged. He recommended that it is not only important to avoid a conflict of interest, but it is also important to avoid the appearance of a conflict of interest. He reiterated that the Commission must not accept anything of value from anyone who does business with or will potentially do business with the Ohio Casino Control Commission. He also recommended that members of the Commission be aware of potential conflicts of interest and the issue of confidentiality and suggested these issues be vetted by someone outside the agency. It was clarified that only three members of the Commission can meet together as a group outside of Commission meetings and that five members are required for a quorum.

John Williams reviewed what he termed a "case study of what not to do" based on the Grand Jury report from Pennsylvania which had been forwarded to members of the Commission. The report itemized a number of areas in which the Grand Jury found that members and staff of the Pennsylvania Gaming Control Board acted inappropriately and unethically. It was agreed that Ohio needs to adopt a Code of Conduct to be certain it avoids problems like Pennsylvania has

encountered. Specific items brought to the Commission's attention include establishing procedures for recommending staff, recognizing potential problems with being driven by timelines, recognizing potential organized crime associations, welcoming an audit from a state agency, use of independent law enforcement agency, misusing executive session for adjudication process and reiterating the fact that the burden of proof is on the licensee applicant that they meet the licensing standards, not on the Commission to prove that they do not.

Michael Rzymek of the Attorney General's staff checked the Code of Conduct for various states and will merge the best points together into a suggested document for Ohio. Some issues will require the adoption of Rules and some will be included in a draft Code of Conduct to be considered at the next meeting.

Sam Kirk from the Attorney General's office clarified that the Surveillance Rule under review does not include the standards which set forth specific requirements. He is working to complete those standards so that the operators will have the necessary information. The Resolution to approve the Surveillance Rule will be included at the next meeting.

John Williams also provided an office space update. The Commission was able to obtain 35 used lateral files that the Bureau of Workers' Compensation was no longer using. A phone should be operational and some computers should be received by the end of next week, as well as a multi-use printing and fax device. Furniture from OPI is expected to be delivered mid-month and OBM is developing a logo for the Commission. In addition, he is working with the Ohio Department of Administrative Services on writing various position descriptions.

Chairman Davidson indicated that she is working with the Ohio Lottery Commission regarding the Memorandum of Understanding for work to be completed by Spectrum and she is meeting with Noah Browning of the Office of Budget and Management regarding a more detailed budget document for the fiscal year which begins in July. She shared a memo prepared by the Attorney General's office regarding investigative services. Chairman Davidson reported that the Senate version of the budget required the Casino Control Commission, the Ohio Lottery Commission and the Ohio Department of Alcohol and Drug Addiction Services to develop a joint state problem gaming hotline.

In responding to an earlier question from Commissioner Silverman, Hilary Damaser from the Attorney General's office clarified that, according to the provisions in House Bill 519, the Commission will certify labs from which the casinos will choose. The Commission will write the rules on the standards labs must have and labs will need to apply for certification. There was some discussion if the list of certified labs could be one lab or needed to be a list of certified labs. Chairman Davidson asked the Attorney General's staff to determine whether or not the hybrid option that is now being used in some states would be feasible in Ohio.

A roll call vote was taken with all members present voting "aye" and the Commission went into Executive Session to discuss an employment issue. After the Executive Session was adjourned, the Commission reconvened.

The Commission meeting was adjourned at 3:20 p.m.