

GAMBLING CONTROL BOARD

Initial Report

 Investigation Report 98-058 Criminal Information Case Closure Other _____

1711 West County Road B

Suite 300 South

Roseville, MN 55113

(612) 639-4000

Date of Report

Date of Activity

June 29, 1998

Ongoing

County of Occurrence

Submitted by

Hennepin

C/A Adelson

Offense(s)

MN Statute 349.155 Licenses; License actions, Subd. 4, License revocation, suspension, denial, censure states in part:

“The board may by order (i) deny, suspend, revoke, or refuse to renew a license or premises permit...if it finds that the order is in the public interest and that the applicant or licensee...

(8) has engaged in conduct that is contrary to the public health, welfare, or safety, or to the integrity of gambling”

MN Statute 349.167 Gambling Managers, Subd 1, Gambling manager required, states in part:

“ A gambling manager designated by an organization to supervise lawful gambling is responsible for . . .its (organization) conduct in compliance with all laws and rules. A person designated as a gambling manager shall maintain a fidelity bond in the sum of \$10,000...”

MN Statute 349.19 Records and Reports, Subd. 5, reports, states in part:

“...In addition, a licensed organization must report to the board monthly on its purchases of gambling equipment and must include the type, quantity, and dollar amount from each supplier separately....”

MN Statute 349.165 Premises Permits, Subd. 4, Identification of premises, states:

“ No organization may seek or accept assistance from a manufacturer or distributor, or representative, agent, affiliate, or employee of a manufacturer or distributor, in identifying potential locations for gambling conducted by the organization.”

MN Statute 349.2127 Prohibitions, Subd. 3, False information, states in part:

“A person is guilty of a felony who:

(1) knowingly submits materially false information in any license application or other document or communication submitted to the board;

MN Statute 349.2127 Prohibitions, Subd. 5, Providing Information, states in part:

“(a) An employee of an organization may not provide any information to a player that would provide an unfair advantage to the player related to the potential winnings of any lawful gambling activity. MN Statute 349.2127 Prohibitions, Subd. 5 Providing Information, states in part:

(B) An employee may not provide, and a person may not receive, with expectation of pecuniary gain to either, any information that would provide an unfair advantage to the recipient of the information related to the potential winnings of any lawful gambling activity.”

MN Statute 349.2127 Prohibitions, Subd. 7 Checks for gambling purchases, states in part:

“An organization may not accept checks in payment for the purchase of any gambling equipment or for the chance to participate in any form of lawful gambling.”

Mn Rule 7861.0030 Gambling Manager, Subpart 1, license required, states in part:

“No person shall act as a gambling manager without having obtained a license under this part.”

Mn Rule 7861.0030 Gambling Manager, Subpart 9, Gambling manger duties, states in part:

“A gambling manager’s duties include but are not limited to:

- A. determining the product to be purchased and put into play;
- B. reviewing and monitoring the conduct of games;
- C. supervising, hiring, firing, and disciplining all gambling employees;
- D. verifying all receipts and disbursements;
- E. verifying all inventory;
- F. supervising all licensing and reporting requirements;
- G. assuring that the licensed organization is in compliance with all laws and rules related to lawful gambling; and
- H. assuring that illegal gambling is not conducted at any premises where the organization is permitted to conduct lawful gambling.”

Mn Rule 7861.0030 Gambling Manager, Subpart 12, assistant gambling managers, states in part:

“The following items apply to assistant gambling managers:

- A. an assistant gambling manager is a person who performs the duties specified in subpart 9, item c, or performs three or more of the other duties for which a gambling manager is responsible in subpart 9.
- B. An organization may employ one or more assistant gambling manager if;
 - (1) each assistant gambling manger is subject to the direct supervision and direction of the organization’s licensed gambling manager;...
 - (3) no assistant gambling manager participates in the conduct of lawful gambling for more than one organization except as provided in item c....

MN Rule 7861.0060 Conduct of Lawful Gambling, Subpart 1, general restrictions states in part:

“B. All playing of lawful gambling must be on a cash basis, in advance of any play.

