

GAMING DIVISION

1993-2008

The Missouri State Highway Patrol's Gaming Division, pursuant to a memorandum of understanding with the Missouri Gaming Commission, provides criminal and regulatory enforcement of gaming operations within the state. The division is currently divided into four sections: Administrative Services, Investigations, Eastern District Enforcement, and Western District Enforcement. The Gaming Division is staffed with 108 members and two civilians.

The Gaming Division was established on May 1, 1994, by order of Colonel F.M. Mills, and was the first new division established within the Patrol since the creation of the Division of Drug and Crime Control in 1983. The Gaming Division evolved from the Riverboat Gambling Unit, which was established to conduct background investigations of gaming applicants on behalf of the Missouri Gaming Commission. Those applicants were competing for state gaming licenses that would allow them to own or operate the first legalized riverboat gambling venues in Missouri.

Strict criminal and regulatory enforcement, as well as meticulous investigations are essential elements to the successful regulation of legalized gambling in Missouri. Because of its history of service with distinction and integrity, the Patrol was given the responsibility of providing investigative, regulatory, and criminal law enforcement services, which ultimately police the gaming industry. The Gaming Division is completely funded through gaming and regulatory proceeds; therefore, the division has the distinction of receiving all revenues from the very industry it is responsible for policing. As such, the gaming industry, and not Missouri taxpayers, fund necessary costs associated with regulating legalized gambling in Missouri.

A chronological history follows:

On October 1, 1993, nineteen members of the Patrol were assigned to the Division of Drug and Crime Control's Riverboat Gaming Unit. The following officers are the original members assigned to the Riverboat Gaming Unit:

Lt. Roy Herren		
Sgt. Gary Dusenberg	Sgt. John Mooneyhan	Cpl. Randy Hoeflicker
Cpl. Drexel McMahon	Tpr. Jeffrey Smith	Tpr. Kenneth Swon
Sgt. George Zorsch	Cpl. Steven Akridge	Cpl. Robert Mallery
Cpl. Christopher Saulet	Cpl. Willie Thomas	Tpr. Lenn Alexander
Tpr. Baron Lyons	Sgt. James Meissert	Cpl. Paul Cordia
Cpl. Terry Orr	Cpl. Eric Wilhoit	Sgt. George Scott
Sgt. Robert Gartner		

Shortly after being assigned to the unit, one group of officers attended a one-week basic gaming school at the Illinois State Police Academy in Springfield, IL. The school was created specifically to accommodate the Patrol's need for direction as a new regulator of riverboat gambling. The following week, another group of officers attended the training.

On May 1, 1994, Lieutenant Dwight Hartung was promoted to the rank of captain and was designated director of the newly created Gaming Division. Sergeant Matt Brown was promoted to the rank of lieutenant and was designated assistant director of the newly created Gaming Division. There were 46 officers assigned to the division.

The Charitable Games (Bingo) Unit was established at the same time and included two Patrol members. This responsibility transitioned from the Department of Revenue to the Missouri Gaming Commission (MGC) and both Patrol members worked with the MGC to regulate charitable gaming operations throughout the state. Those personnel were charged with enforcing compliance among nearly 1,000 licensed bingo establishments.

Background investigative units were formed to conduct thorough and complex investigations of the riverboat gambling company applicants that wished to be the first casino operators in Missouri. Initially, four background units were formed: Two in the St. Louis region, one in Kansas City, and one in Jefferson City. In April 1994, the Gaming Commission chose four out of 19 riverboat gambling applicants for suitability. The first two applicants were issued licenses one month after the background teams completed their investigations. The remaining two applicants were issued licenses the following month. All background teams were charged with a great deal of responsibility and ultimately paved the way for Missouri's first gaming operations.

On May 27, 1994, the first two riverboats received gaming licenses in Missouri. The President Riverboat Casino and St. Charles Riverfront Station were staffed with 13 Patrol personnel, assigned as enforcement officers charged with the responsibility of both criminal and regulatory enforcement. The President Casino transferred ownership to Pinnacle Entertainment during construction of Missouri's 12th casino. The St. Charles Riverfront Station ultimately transitioned to the current Ameristar Casino-St. Charles. On June 22, 1994, the third and fourth riverboats, Argosy-Riverside and St. Jo Frontier Casino, received gaming licenses. Nine Patrol personnel were assigned to those properties.

On September 22, 1994, the fifth gaming license was issued to Harrah's-North Kansas City and this facility was staffed with seven MSHP officers. On April 27, 1995, the sixth gaming license was issued to Casino Aztar, located in Caruthersville. Seven members were assigned to the casino and on September 13, 1995, the seventh gaming license was issued to Sam's Town Casino, located in Kansas City. Sam's Town was originally staffed with eight members, but ultimately withdrew the company's gaming license on September 13, 1998. This particular site no longer operates as a casino.

Kansas City was host to the eighth casino licensee, The Flamingo Hilton. This particular facility is now known as the Isle of Capri and features a compliment of seven MSHP officers. The Flamingo's license was granted on October 18, 1996, and on January 16, 1997, the ninth gaming license was issued to Kansas City Station Casino. Kansas City Stations originally was staffed with nine officers and ultimately fell under the ownership of Ameristar Casinos.

On March 11, 1997, Harrah's and Players-Maryland Heights were each issued a gaming license. This unique situation occurred because both properties existed as essentially two separate casino facilities co-located at a single docking site. Each casino featured separate gaming barges and floors with different themes and shared a common lobby. The Gaming Commission decided that each gaming floor required a license; however, the two licenses ultimately were combined and the facility now operates as a single casino entity known as Harrah's-Maryland Heights. Originally, 19 MSHP members staffed Harrah's.

On July 25, 2001, Mark Twain Casino was granted a gaming license to operate in the City of LaGrange, Missouri, and featured seven MSHP enforcement personnel. Casino owners ultimately sold both the LaGrange and St. Joseph casino facilities to Herbst Gaming of Las Vegas, Nevada. On December 6, 2001, the Isle of Capri-Boonville was issued a gaming license and was staffed with five officers. Finally, on December 19, 2007, Missouri's 12th casino, Lumiere Place opened in downtown St. Louis, Missouri. Lumiere's parent company, Pinnacle Entertainment, plans to open Missouri's 13th casino (now under construction) in south St. Louis County in 2009.

Since its creation, this division has enforced Missouri gaming laws through meticulous investigations and strict adherence to policies. On numerous occasions, arrests have been made as a result of this enforcement and regulatory investigations often lead to criminal investigations or apprehensions. Officers provide an exemplary level of service and protection to casino patrons and have also been recognized for various lifesaving efforts.

In March 2001, Sergeant Elvin A. Seals was assigned to lead an investigation at, what was then, Stations Casino in St. Charles. An employee found a counterfeit jackpot slip in a co-worker's "bank" and turned it in to one of the gaming officers. Sgt. Seals' investigation ultimately lead to the discovery of approximately \$2.1 million in stolen casino assets, in what turned out to be an elaborate two-year employee scheme. The Internal Revenue Service, Federal Bureau of Investigation and U.S. Attorney's Office assisted the Patrol with the investigation. Ultimately, six defendants pled guilty in federal court, and all of the money owed to the state (\$400,000) was recovered. Because of his efforts, Sgt. Seals was named Department of Public Safety Employee of the Month for January 2002.

In 2003, a joint investigation with the Federal Bureau of Investigation, the United States Attorney's Office and Gaming Division members led to the arrest of a President Casino employee and an outside vendor who were involved with fraud, bid rigging, and stealing. The investigation revealed the casino employee

was paid in excess of \$230,000 for her part in a scam, which defrauded both the casino and the state out of thousands of dollars.

Several officers assigned to the Gaming Division have been recognized at the Patrol's annual awards ceremony. Trooper Bruce E. Kerr accepted a Lifesaving Award at the 9th Annual Patrol Awards Ceremony and The MASTERS Banquet on May 8, 1999. The recognition came as a result of an incident in 1998 where Tpr. Kerr responded to a casino security dispatch for an emergency medical technician. He assisted EMT Robert L. Looper in assessing a gentleman who lost consciousness, then performed CPR until Kansas City Fire and Rescue arrived. Although the man later died, the actions of Tpr. Kerr and the EMT contributed to the individual's best chance of survival.

At the 11th Annual Patrol Awards Ceremony and The MASTERS Banquet on May 5, 2001, Captain Robert E. Bloomberg accepted a Lifesaving Award in recognition of his actions during a trip to Shreveport, Louisiana. Capt. Bloomberg had attended a meeting with the Louisiana State Police and was dining in a local hotel restaurant when a patron suffered a heart attack. Capt. Bloomberg and the hotel's general manager performed CPR on the victim, who regained consciousness and ultimately recovered from the incident.

At the annual awards ceremony conducted on April 29, 2006, Lifesaving Awards were presented to Sergeant Donald D. Eads (now retired) and Corporal Jeffery T. Fitzgerald. On July 29, 2005, security officers at the Isle of Capri Casino in Kansas City, MO, learned a body was discovered floating in the moat of the casino. Both Sgt. Eads and Cpl. Fitzgerald immediately ran to the location. They found a woman floating facedown in the moat. Without hesitation, Sgt. Eads jumped into the moat and pulled the woman to where others could assist with her retrieval. Cpl. Fitzgerald began CPR until the arrival of the Kansas City Fire Department. Although initially her vital signs were reestablished, she later succumbed to her injuries.

Trooper Keith A. Kinsey, assigned to Harrah's Maryland Heights Casino, was honored as the Department of Public Safety's employee of the month for November 2006. Tpr. Kinsey was selected for his exceptional levels of police initiative and investigative skills. In August 2006, he demonstrated these skills when he detected and solved three serious crimes, including a clandestine drug lab at the casino hotel; a fraud check cashing scheme; and stolen money being laundered at the casino by a bank robber. Tpr. Kinsey was also named State Employee of the Month for December 2006.

Nine officers retired in 2008. Four officers attended the 287(g) Delegation of Authority Training hosted by United States Immigration and Customs Enforcement (ICE).

The Gaming Division currently has an authorized strength of 110 officers -- quite an increase from the original compliment of 46 officers. Over 23 million gaming patrons produced \$1.6 billion in revenues during the period FY2008 and there are currently 12 casinos operating within the state of Missouri. The command staff has grown from a director (captain) and one assistant director

(lieutenant) to a director and four assistant directors. The division's current organizational structure features administrative services, an investigative unit and two enforcement districts (westside & eastside). The Gaming Division operates under the command of Captain Lester D. Elder and the following sections describe the division's current structure and activity:

Administrative Services

The Administrative Services Section oversees the collection and preservation of evidence and property, motor equipment fleet management, training, criminal records and case management, overtime, personnel actions, and special projects. Lieutenant D. Keith Johnson supervises and provides oversight to the Administrative Services Section. During calendar year 2008, this section was responsible for the management and maintenance of 121 vehicles assigned to officers within the Gaming Division and to the Missouri Gaming Commission.

The Administrative Services Section processed 1,180 containers of criminal evidence during 2008. The section is also responsible for ensuring all evidence facilities located at the 12 casinos are maintained within applicable Patrol standards. Per court order, 100 containers of evidence were destroyed during 2008. At the end of the year, 4,073 containers of evidence were being managed within the division's inventory. In addition, all documentation generated by enforcement members is processed and disseminated through the section.

Investigative Unit

The Investigative Unit conducts comprehensive background investigations of individuals, companies, and suppliers applying for licensure with the Missouri Gaming Commission. This section is also responsible for conducting specialized investigations related to gaming offenses, white-collar crimes, public corruption, and Gaming Commission employee background investigations. There are 12 Class A (riverboat) licensees, 21 supplier companies, and 12,107 active occupational licensees, all of which require some level of investigative and regulatory oversight by Patrol members. The section also features a specialized unit, which is responsible for criminal and regulatory enforcement related to charitable game operations and licensure in Missouri. Lieutenant Rex M. Scism supervises the Investigative Unit.

Background Section

Background investigations are often quite complex and include issues related to suitability of both individuals and companies that have applied for licensure with the Missouri Gaming Commission. Casino companies are closely regulated and this unit is responsible for conducting regularly scheduled re-

licensing investigations, which are designed to thwart unethical or illegal activity within the 12 licensed casino jurisdictions. The investigators are routinely charged with conducting special investigations of casino companies, suppliers and employees. All investigations serve to maintain the integrity of gaming in Missouri. The unit is comprised of 12 officers assigned to offices in Jefferson City, Kansas City, and St. Louis.

Officers assigned to the Background Section were involved with 474 investigations during 2008 and typically endure a significant caseload. The unit experienced a dramatic caseload increase due to revisions in the gaming licensing regulations, which came about in June 2008. The revisions mandated additional licensing requirements for supplier companies and a 60% increase in caseload for all background units statewide is anticipated due to the latter revisions. While most of the investigations conducted during 2008 supported annual riverboat re-licensing and new supplier company initiatives, one notable investigation of sizable proportions was conducted by the St. Louis Investigative Unit and involved a large supplier company conglomerate. Atronic Americas is a large gaming supplier company, which was acquired in multiple tiers by several entities. One of those groups was based in Italy and investigators logged many hours of travel within the United States and Europe to complete this nearly year-long investigation. This was one of the largest and most complex acquisition arrangements handled by the unit. A current investigation is in the final stages for Missouri's 13th casino; scheduled to open in the St. Louis area in early 2010. The River City Casino will be Missouri's final casino since the passage of Proposition A in November 2008 mandated a cap to the total number of casinos licensed within the state.

Officers within the Background Section frequently travel and logged many miles to both U.S. and foreign destinations, including Canada and multiple locations in Europe. Due to the global expansion of gaming, many individuals, gaming companies and gaming supplier companies are located within every quadrant of the globe. Investigators routinely coordinate their efforts with police, court and regulatory agencies in the various jurisdictions where travel occurs. Each investigation is unique and requires hundreds of man-hours, which ultimately culminate into voluminous amounts of paperwork, written reports, and presentations made to criminal justice agencies, regulatory agencies, and commissions.

Charitable Games Section

The Charitable Games Section oversees 372 licensed bingo operators and is also charged with conducting background investigations on both charitable gaming and riverboat supplier companies. The three officers assigned to this unit conduct regulatory and criminal investigations related to impropriety and complaints regarding the conduct and management of charitable games. The

unit conducts background investigations on licensed bingo suppliers/manufacturers and is also called upon to assist with certain riverboat supplier company investigations. During 2008, 222 felons were denied authority to participate in bingo operations due to the diligent efforts of the unit. The unit also conducted 83 investigations into various areas, which included re-licensing, new companies, riverboat supplier companies, and charitable gaming complaints.

Another area of expertise within the Bingo Section relates to illegal gambling devices. The unit continued to receive complaints about and requests for assistance in dealing with these devices in 2008. Officers examined devices for other law enforcement agencies and documented the illegal characteristics for prosecution efforts. Officers from this unit also provided illegal gambling device training to outside law enforcement agencies when requested and enter a great deal of intelligence about illegal gaming operations into the MoSPIN intelligence network.

The Charitable Games Section continues to work closely with other sections of the Patrol, law enforcement agencies, and regulatory units in the detection and removal of illegal gambling devices found throughout the state. Officers from this unit have unique expertise qualifying them as experts in providing testimony for what constitutes an illegal gambling device. In addition, they have worked with numerous prosecuting attorneys around the state, as well as with the Missouri Attorney General and federal prosecutors on a variety of cases involving these illegal devices.

Enforcement Unit

Officers assigned to the enforcement unit are responsible for enforcing both Missouri criminal statutes and Missouri Gaming Commission regulations on the 12 licensed casino properties. During 2008 members assigned to the enforcement unit conducted 1853 criminal investigations, made 1996 arrests, conducted 805 regulatory investigations and contributed 485 pieces of intelligence into the MoSPIN intelligence network. Officers assigned to the Gaming Division were also responsible for processing 1,068 disassociated persons (problem gamblers) and were responsible for hundreds of other regulatory matters, for which the Highway Patrol is responsible. Officers assigned to the division's two enforcement units comprise the majority of all officers assigned to the division and are responsible for a large and diverse amount of activity. Enforcement officers are charged with conducting both criminal and regulatory investigations, which evolve from Missouri's 12 casinos, and are required to maintain diverse knowledge of both administrative regulations and criminal statutes. These officers routinely are involved with providing reports to the Missouri Gaming Commission and local prosecutors, and log many hours preparing and testifying for both administrative hearings and criminal court proceedings.

Officers assigned to the Enforcement Units also provide an important link with other Patrol divisions and outside criminal justice agencies. Information, intelligence, and evidence located during the course of day-to-day enforcement operations is often utilized by other agencies for assisting with criminal cases, which occur outside the casino environment. The enforcement unit was faced with new challenges after the passage of Proposition A in November 2008. Proposition A brought an end to mandated player tracking due to elimination of the \$500 buy-in limit, which was in place since the inception of gaming in Missouri. Casino patrons are now free to come and go from the gaming floor without mandatory identification requirements and officers logged additional hours in follow-up and investigative efforts. The Enforcement Unit is divided into two sections:

Eastern District Enforcement

The Eastern District is composed of officers assigned to police riverboat gaming operations at the following locations:

Casino Name	Location
President Riverboat Casino	St. Louis, Missouri
Lumiere Place Casino	St. Louis, Missouri
Ameristar Casino	St. Charles, Missouri
Harrah's Casino	Maryland Heights, Missouri
Terrible's Mark Twain Casino	LaGrange, Missouri
Isle of Capri (Casino Aztar)	Caruthersville, Missouri

Lieutenant Kevin A. Geiger supervises the Eastern District and officers were responsible for the following activity in 2008:

Casino	Arrests ¹	Criminal Investigations	Regulatory Investigations	MoSPIN Entries	Other Regulatory ² Actions
President	83	103	44	38	152
Lumiere Place	382	444	232	63	421
Ameristar	145	196	61	32	288
Harrah's	262	272	88	07	333
Mark Twain	42	72	48	0	43
IOC-Lady Luck	40	59	25	10	207
Totals	954	1,146	498	150	1,444

¹ Criminal arrests reflect both misdemeanor and felony arrests for the given property.

² Other regulatory actions include notices of investigation and gaming incident reports, disassociated persons processed (problem gamblers), and compliance directives.

Western District Enforcement

The Western District is composed of officers assigned to police riverboat gaming operations at the following locations:

Casino Name	Location
Isle of Capri Casino	Kansas City, Missouri
Ameristar Casino	Kansas City, Missouri
Harrah's Casino	North Kansas City, Missouri
Argosy Riverside Casino	Riverside, Missouri
Terrible's St. Joseph Casino	St. Joseph, Missouri
Isle of Capri Casino	Boonville, Missouri

Lieutenant Robert E. Zubeck supervises the Western District and officers were responsible for the following activity in 2008:

Casino	Arrests ¹	Criminal Investigations	Regulatory Investigations	MoSPIN Entries	Other Regulatory ² Actions
IOC-KC	327	213	81	100	250
Ameristar	280	230	104	141	286
Harrah's	135	87	36	36	143
Argosy	216	133	51	42	210
Terrible's St. Jo	29	28	22	07	63
IOC-Boonville	55	16	13	09	91
Totals	1,042	707	307	335	1,043

¹ Criminal arrests reflect both misdemeanor and felony arrests for the given property.

² Other regulatory actions include notices of investigation and gaming incident reports, disassociated persons processed (problem gamblers), and compliance directives.