



INTERNATIONAL MASTERS OF GAMING LAW

REGULATORS OF THE YEAR

2017

By Sue McNabb

Each autumn, International Masters of Gaming Law (IMGL) recognizes outstanding regulators based on stringent standards, including preeminence in the regulatory field and their noteworthy contributions to the overall body of regulatory work.

The regulators are selected from various jurisdictions internationally based on a rigorous nomination and review process. The categories are Europe, North America, South and Central America, Australasia, Indian Country, and Evolving Jurisdictions. A regulator is not necessarily chosen from each category in each year. They are selected only if they receive the required nomination and meet the demands of the review procedure.

The specific criteria for the selection process include that the overall body of work as a regulator be exceptional and that the regulator make contributions to the gaming industry as a whole while demonstrating noteworthy achievements in the regulation of the industry. The nominee must also provide a stable regulatory environment in the jurisdiction, be identified as a person of high integrity, and demonstrate service to the community.

Through this annual selection process, IMGL continues its mission of “advancing gaming law through education” by selecting regulators who reflect a similar mission in their management style while serving as role models in the regulatory environment. This year’s recipients of the award for IMGL Regulator of the Year certainly reflect these characteristics in their professional approach to the task of regulating a challenging and diverse gaming market. IMGL is proud to announce the Regulator of the Year, North America: Ronnie Jones, Chairman of the Louisiana Gaming Control Board; Birgitte Sand, Director of the Danish Gambling Authority, Regulator of the Year, Europe; and David Vialpando, Chairman of the Iipay Nation of the Santa Ysabel Gaming Commission and Terry Hale, past Interim Chief Gaming Regulator of the Seminole Nation of Oklahoma as co-recipients for Regulator of the Year, Indian Country.

IMGL has presented the awards since 2002. For a complete list of all past recipients, please visit our website at imgl.org.



Regulator of the Year NORTH AMERICA

RONNIE JONES

**Chairman
Louisiana Gaming Control Board**

Chairman of the Louisiana Gaming Control Board Ronnie Jones is the first recipient of the prestigious Regulator of the year award from Louisiana. Chairman Jones took up the reins of Chairman following the unexpected death of Dale Hall in 2013. He states of his regulatory style, “I engage the industry in a very personal way by visiting properties and meeting regularly with property general managers. I am of the opinion that I cannot properly regulate an industry sitting behind my desk. Establishing an on-going dialogue and relationship with licensees serves both the state’s interests and those of the industry. I firmly believe that if I create a fair, transparent and objective regulatory environment where licensees know what is expected, the industry can prosper and the state is well protected.”

Prior to being appointed as Chairman of the Louisiana board, Ronnie Jones began work at Louisiana State Police where he served thirty-three years. He says of those years, “As legislative liaison for State Police I found myself navigating a difficult path between those who wanted gaming and those who were opposed to gaming. Thus I found myself at more than one committee meeting acknowledging that our agency had no position on whether or not gambling should be legalized but asserting that if it were ultimately approved, the

“After a long and distinguished career with the Louisiana State Police and other positions in State government, Ronnie seamlessly transitioned to the position of Chairman of the Louisiana Gaming Control Board where he has proven to be very well-prepared, knowledgeable and fair in his treatment of Louisiana gaming licensees. His interest in working with the casino industry for the benefit of both the industry and the State is readily seen in his concurrent leadership of the Riverboat Economic Development and Gaming Task Force which has been charged with making recommendations to the State legislature regarding ways to make Louisiana riverboat casinos more competitive.”

—J. Kelly Duncan of Jones Walker

industry would need appropriate oversight similar to what was in place in other jurisdictions... Wary legislators were insistent on State Police taking the regulatory lead.”

Following those early years of gambling legalization, he remarks, “It was somewhat ironic that Governor Bobby Jindal appointed me in 2013 to my position as chairman inasmuch as I was an early and frequent critic of gaming in the nascent years.”

Overcoming the financial challenges of an underfunded agency while at State Police, he has transformed that experience into a good common sense regulatory environment, where operators can be successful. Reiterating his regulatory philosophy, he says, “I realize that an oppressive regulatory environment can kill an industry. Gaming remains one of the most heavily regulated business sectors in the country and for good reason. But the threats and vulnerabilities inherent in gaming have changed over time. Few would argue that the mature, main stream gaming industry of today is far different than it was a quarter century ago.”

He has displayed a rarely seen willingness to revisit and, in some cases, reduce long ago imposed burdens placed on some casino properties where those burdens have adversely impacted their ability to provide the levels of employment and capital investment that prompted the adoption of gaming legislation in Louisiana in the early 1990s.

Also, at Ronnie’s urging, a Concurrent Resolution was adopted by the Louisiana Senate and House during the regular session of the legislature in 2016 to create a Riverboat Economic Development and Gaming Task Force which Ronnie chairs. The task force is charged with obtaining public input

Continued on page 35

Regulators of the Year INDIAN COUNTRY

This year Indian Country was presented with two outstanding candidates that were equally deserving of selection based upon the Regulator of the Year criteria, particularly in regard to their contributions in enhancing the professionalism of tribal gaming regulatory authorities. As such, David Vialpando, Chairman of the Santa Ysabel Gaming Commission in California, and Terry Hale, past Interim Chief Gaming Regulator of the Seminole Nation of Oklahoma, are recognized as Co-Regulators of the Year, Indian Country for 2017. Both Mr. Vialpando and Mr. Hale exemplify the very best of tribal gaming regulation today, and each has been active in promoting best practices for tribal regulators as part of their participation and leadership in state and national tribal gaming regulators' associations.

Kevin Quigley of Foley & Quigley PLC states, "The IMGL is proud to recognize the central role that these tribal gaming regulators have in regulating the \$31 billion Indian gaming industry to ensure fair play and honest gaming operations for all patrons."

TERRY HALE

Past Interim Chief Gaming
Regulator of the Seminole
Nation of Oklahoma

Seminole Nation Gaming
Agency Deputy Chief Gaming
Regulator/Compliance
Manager



Terry Hale has worked for the Seminole Nation Gaming Agency since November 2007. Terry started in the Surveillance department as a Surveillance Operator where he worked for more than three (3) years and he learned the National Indian Gaming Commission's (NIGC) Minimum Internal Control Standards (MICS), the Tribal Internal Control Standards (TICS), and the Gaming Operations, System of Internal Control Standards (SICS).

In 2011, Mr. Hale took his knowledge of learning all the regulations while in Surveillance and used them to further his experience in Compliance. While in Compliance, he learned every aspect of gaming machine software testing, gaming machine par sheets, understanding the difference between Class II and Class III gaming machines. He was a big part of the opening of the Seminole Nation Casino expansion in October 2012.

“The IMGL is proud to recognize the central role that these tribal gaming regulators have in regulating the \$31 billion Indian gaming industry to ensure fair play and honest gaming operations for all patrons.”

—Kevin Quigley of Foley & Quigley PLC

Terry Hale was appointed the Deputy Chief Gaming Regulator in December 2015, and when the Chief Gaming Regulator was excused from his position in April 2016, Terry was named the Interim Chief Regulator during a time period that the Nation faced more than 27 alleged violations, potential fines and closure. It was a dark time. The 28 member Seminole Nation General Council terminated the Commissioners and the Gaming Enterprises leadership and worked hard to address lingering problems. Mr. Hale worked tirelessly to address the areas of concern, rebut areas where the National Indian Gaming Commission had it wrong and bring the Nation's three casinos into full compliance. The casinos stayed open and the Nation paid no fines. The NIGC lifted the NOV in December 2016. Terry Hale helped disprove many purported violations with exemplary efforts under very difficult circumstances.

Of this time in his career, Terry Hale states, "After I was the Interim Chief Regulator for only a month, the Seminole Nation was issued a Notice of Violation from the National Indian Gaming Commission. I believe the Settlement Agreement with the NIGC and accomplishing that our Gaming Facilities stayed open with the help from the Gaming Agency and Gaming Enterprise staff are the greatest achievement I have done."

In the spring of 2017 the Oklahoma Tribal Gaming Regulators Association awarded Mr. Hale a special commendation recognizing his experience and expertise. Terry continues to strive to learn and share his knowledge with all his peers to help the Seminole Nation Gaming Agency to always honor the past, protect the future and lead the nation to a better tomorrow.

When asked what advice he wishes to share with gaming attorneys, industry executives, educators and other regulators, Terry Hale comments, "To always remember to keep your head up when times are rough. If you do not have the answer to a question, reach out to your peers; they may have the answer ready for you." He further shares a final word to his gaming organization, "Always remember we all work for the same goal, to better our Tribe and the Tribal People. I am a proud member of the Seminole Nation of Oklahoma." ♣

DAVID VIALPANDO

Chairman
Santa Ysabel Gaming Commission



David Vialpando, Chairman of the Iipay Nation of Santa Ysabel Gaming Commission and Director of Gaming Programs for OnCourse Learning, is committed to the highest standards of professionalism and integrity in the gaming regulatory field. In turn, he has been a strong advocate for respecting the professionalism and integrity of other tribal gaming agencies throughout Indian country and their role as the primary regulators of Indian gaming under IGRA. Chairman Vialpando states, “Gaming regulators are the sentries guarding the integrity of gaming on behalf of the casino patron and protecting casino assets on behalf of tribal communities.”

David is well respected within the tribal gaming regulators and industry group and has led the way in crafting and promoting tribal regulations for new and innovative gaming products for tribal casinos. In particular, David has led the way in adopting “gold standard” regulations for licensing and classifying Class II gaming systems. He is a frequent author and seminar panelist on regulatory issues at many Indian gaming related conferences held throughout the country.

When asked what he feels is his most meaningful achievement as a regulator, David states, “My greatest achievement has been the friendships and network of dedicated, passionate professional colleagues I have amassed over the years, which represent the people I can count on for counsel and advice in providing the best service I can possibly provide to the Iipay Nation of Santa Ysabel and the community of tribal gaming regulators. The most honorable, selfless individuals in this country’s workforce can be found in the tribal gaming industry.”

Chairman Vialpando has past law enforcement experience on behalf of the State of California and also extensive experience in Indian gaming regulation as both a state agent and as a tribal gaming regulator. This combination gives him a unique perspective on Indian gaming regulation issues and practices. He states, “Coming from law enforcement, including two decades working in drug law enforcement, entering the gaming industry as a regulator and law enforcement officer was an opportunity to work in a legal industry with which I was unfamiliar, but which in terms of crimes impacting the industry (gangs, cheats, thieves, and criminals who prey on our citizens), I felt I could make a difference and have a positive impact on the safety of the gaming community.”

He also is a prolific writer having many publications and presentations to his credit and is a member of an adjunct faculty teaching Criminal Justice courses where his experience in law enforcement and as a special agent for the California Department of Justice has served him well.

Notwithstanding his vast experience in law enforcement and gaming, Chairman Vialpando candidly acknowledges the challenges in being a regulator. He states, “Two issues represent the greatest challenge I’ve experienced as a tribal gaming regulator: overcoming the lack of confidence and faith by state and federal government agency gaming regulators

and attorneys in the ability of tribal gaming regulators to ensure the accountability and legal conduct of gaming on sovereign lands, and forecasting the challenges for regulators in managing evolving trends in gaming, such as social gaming, skill-based gaming, daily fantasy sports, and I-gaming.” By also serving as Director of Gaming Programs for OnCourse Learning, Dave Vialpando is helping OCL bring cutting-edge E-learning gaming courses to the industry. He believes that leveraging technology, such as digital surveillance analytics, digital employee onboarding, and e-learning and compliance education, represents the future of gaming regulation.

When discussing the regulation of the industry with Chairman Vialpando, one quickly realizes that he is not only a great leader in his field but also most articulate in expressing his view regarding gaming regulation. He shares the following advice, “Gaming operators and gaming regulators are the offense and defense on the same team working hard to ensure a winning season. The gaming regulatory agency able to establish the connection with casino management stressing the importance of accountability, integrity, and compliance realizes greater success in accomplishing the goals of the enterprise.”

Finally, Chairman Vialpando shares the following advice with IMGL publication readers, “In its most desirable form, the gaming industry is an amalgam of diverse disciplines, staffed with tremendously talented professionals, coming together to serve their consumer base and share the rewards of their labor through philanthropic endeavors which benefit underserved communities and individuals in our society. In short, gaming is an industry to which we can all be proud to dedicate our professional lives.” ♣

Regulator of the Year EUROPE

BIRGITTE SAND

Director
Danish Gambling Authority
Past IAGR president 2014-2015



In 2008, Birgitte Sand was appointed to her current position as Director of the Danish Gambling Authority after being a long-standing member of the Executive Board of the National Tax Administration in Copenhagen. She began her career in the Danish Court of Taxation but has since then covered a wide range of different tasks and management positions in the Ministry of Taxation. Her experiences span from legal advice on corporate tax structures and taxation of private companies and property to the central IT department, and furthermore include projects regarding leadership, innovation, strategy, change of organizational structures and the development of a nationwide user-friendly IT solution for salary payments. She has been a long-standing member of the board coordinating the nationwide tax compliance projects.

More recently, Birgitte Sand has been responsible for the successful implementation of a liberalisation of the Danish Gambling Market. The results show that the markets are now stable, highly compliant and well-functioning. Jamie Nettleton of Addisons Sydney and Vice President of IMGL states, "Birgitte deserves recognition for her untiring efforts to promote Denmark as a best practice precedent for other jurisdictions, whether in Europe or globally, considering a licensing regime for gambling."

The Danish Gambling Authority is responsible for issuing licenses and furthermore supervising and controlling a wide range of gaming providers that stretch from land-based casinos to lotteries, gaming machines, charity lotteries, betting, online casino, public poker tournaments and horse racing. Of this position, she states, "I enjoy tremendously getting outside the regulatory comfort zone and being challenged by the industry presenting new products and new ways of operating that do not necessarily fit into any existing framework. A good

“The Danish regulatory set up as well as the role of the Danish regulator inspires many in the gaming industry. Birgitte continues to be deeply engaged in various industry events across the globe. Not only does she make sure the Danish authority stays on top of regulatory developments she also is super friendly and approachable.”

—Justin Franssen of Kalf Katz and Franssen

working relationship calls for trust, cooperation and willingness to find solutions. I have the highest regard for jurisdictions that seek to create a framework where gambling can prosper in a legal manner and players at the same time experience a fair and transparent market."

Over the last year, Birgitte has been challenged with a government dictated relocation of the Gambling Authority and has successfully overseen the relocation and recruitment of new staff for the authority. Of the variety of challenges and opportunities she has faced in her gaming career, she says, "Initially, it felt like entering a dark cave; turn on the torch and realize you stand in a

gold mine - of opportunities!"

Birgitte Sand holds a master's degree in Law from the University of Copenhagen, and she has also completed an INSEAD Executive Programme. She has been very active as a speaker in international industry conferences and by doing so she is helping to bridge the gap between industry (commercial) professionals and government regulators. She candidly remarks, "We, as regulators, have to admit to the fact that we do not always have the resources and skills to understand gaming in the same way the industry does. Once we are clear about industry needs, we can create a cooperative environment with the industry in order to create a platform where compromises and realistic solutions can be agreed, and gambling legislation understood and respected."

Since 2011 Birgitte Sand has been a member of the International Association of Gaming Regulators (IAGR) Board of Trustees and served as President from October 2014 to October 2015. She is still serving as a trustee and furthermore as chair of the subcommittee for statistics. She states, "I have had the privilege to learn from fellow regulators around the world how important it is to create platforms for cooperation and development between industry, sport organizations, legislators and regulators if ever we wish to fight illegal gambling and crime in gambling. It makes a lot of sense to me if my DGA colleagues and I can contribute to building a strong defence against the bad elements in the gaming industry by sharing our experiences and taking part in an honest and open exchange of successes - and failures."

Birgitte has over the years supported IMGL by attending and speaking at many IMGL conferences and is co-chair of the IMGL 2017 autumn conference in Copenhagen. Justin Franssen of Kalf Katz and Franssen says, "The Danish regulatory set up as well as the role of the Danish regulator inspires many in the gaming industry. Birgitte continues to be deeply engaged in various industry events across the globe. Not only does she make sure the Danish authority stays on top of regulatory developments she also is super friendly and approachable." ♣

Regulator of the Year NORTH AMERICA RONNIE JONES

Continued from page 31

relative to changes in current law, rules and regulations which, among other things, would (1) generate and promote continued economic development by riverboat gaming licensees; (2) provide for greater safety for visitors and employees of riverboat casinos, (3) encourage increased capital reinvestment by riverboat gaming licensees, (4) improve and enhance the regulation of riverboat gaming licensees, and (5) make Louisiana riverboat casinos more competitive. This is a significant undertaking about which Ronnie Jones is passionate. He refers to this experience as his “greatest achievement as a regulator...”

J. Kelly Duncan of Jones Walker LLP states, “After a long and distinguished career with the Louisiana State Police and other positions in State government, Ronnie seamlessly transitioned to the position of Chairman of the Louisiana Gaming Control Board where he has proven to be very well-prepared, knowledgeable and fair in his treatment of Louisiana gaming licensees. His interest in working with the casino industry for the benefit of both the industry and the State is readily seen in his concurrent leadership of the Riverboat Economic Development and Gaming Task Force which has been charged with making recommendations to the State legislature regarding ways to make Louisiana riverboat casinos more competitive.”

Ronnie Jones has also successfully gathered some of the most powerful industry professionals to come testify in front of his committee in an effort to make Louisiana a better gaming state. Although gaming in Louisiana started off rocky, under Ronnie’s guidance, Louisiana is now considered a strong, stable, business friendly gaming market. Allen Godfrey, Executive Director of the Mississippi Gaming Commission states, “I have had the pleasure of knowing and working with Ronnie for the last four or five years and there is no one more passionate about his job than Ronnie. He is truly deserving of this award, and I have the utmost respect for his knowledge and integrity as a gaming regulator and a person.”

Finally, it is noteworthy that Chairman Jones has participated as a speaker at G2E and the Southern Gaming Summit, among other conferences, where his comments have always been well-received. He summarizes his view of the future of gaming in Louisiana commenting, “I think Louisiana, having endured those detestable early years, is a better place. It’s a better place for its citizens and it’s a better place for gaming to do business.” He brings the perfect balance of good business sense and impeccable ethics to the industry in Louisiana.

Based on his many years of public service as a member of the State Police and the many task forces he has been appointed to and personal accomplishments as an adjunct professor, Chairman Ronnie Jones is indeed a worthy recipient of this award. ♣

Shuffling the Decks of India’s Gaming Laws

Continued from page 29

providers are exempt from service tax under the GST regime unless they qualify as Online Information and Database Access or Retrieval (“OIDAR”) services.²⁴ Online gaming services are included within the ambit of OIDAR services. The tax rate for each OIDAR service must be ascertained based on entries in the Services Schedule. While these entries are skeptical with regard to the mode of delivery of the service, each entry must be read to encompass its online counterpart. Therefore, the entry of “gambling” taxable at 28% under the Services Schedule also covers online gambling. In contrast, since no such entry exists to cover skill-based gaming, online gaming (not being gambling or betting) would fall under the

residuary category of the Services Schedule taxable at 18%.

Notably, the Services Schedule also provides a separate entry taxable at 28% for services by way of admission to entertainment events or access to amusement facilities, including, among other things, casinos and race courses or sporting events. This category would encompass entry fees charged by casinos, race courses, etc. This entry could also potentially impact online gaming and betting where there is a fee charged for access to a game or a betting event.

Finding Method to the Madness: India’s steps towards a stable gaming regime

While the first few months of the year saw a checkered pattern of developments, there is method to the madness and a semblance that India is ready to move

toward a more stable and clearer framework of laws for the gaming industry.

Ignoring the potential of the revenues any employment that this industry can generate is no longer prudent. The online gaming market in India is expected to grow at a staggering rate of 20% between now and 2021, from USD 360 million in 2016 to USD 1 billion in 2021.²⁵ The sharp projected increment has been accredited to a young population, high Internet volumes, improved paying propensity and engaged online users,²⁶ all of which make India a choice investment opportunity. The various industry bodies are playing a keen part by proactively lobbying with the Government of India to introduce clearer regulatory framework and pave the way for business stability. In the long run, such a framework will ensure that situations in Telangana and Gujarat are few and far between. ♣