

Arizona Department of Gaming

TRIBAL GAMING • RACING • BOXING & MIXED MARTIAL ARTS

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News Release

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3-Year Investigation Leads to Department's First Jury Conviction for Internet Café Owners

PHOENIX—Convicted on multiple felony counts 43-year-old Laura Marie Leinaar and her brother 44-year-old Eric Alan Stelljes are facing prison time for their roles in operating an illegal gambling enterprise in Flagstaff, Arizona. The Arizona Department of Gaming began investigating the illegal Internet Café back in 2012. Now three years later investigators have their first jury verdict in the State against this type of illegal gambling business.

Both Leinaar and Stelljes were found guilty of Promotion of Gambling, Conspiracy, and Illegal Conduct of an Enterprise. Stelljes was also found guilty of Money Laundering involving the proceeds of the business.

"We have seen too often the negative impacts these types of illegal businesses can bring to a neighborhood," said Daniel Bergin, Director of the Arizona Department of Gaming. "I want to assure the residents of this State and also those who knowingly operate these types of illegal businesses, we're just getting started and more operations will be shut down."

The illegal gambling operation "Escape Internet Lounge" allowed paying customers to play casino style games on computers inside the business. The games simulated what is often seen on the screens of electronic slot machines inside regulated casinos. However, the businesses attempted to disguise the illegal activity by changing the games to appear as sweepstakes games. Although the customers were not offered entries without a purchase, and the odds of winning a prize nor the particular prizes were posted.

Undercover investigators worked closely with prosecutors from the Arizona Attorney General's Office to put together this case leading to the convictions. It is a partnership the two agencies hope will lead to more success in the future.

"This verdict sends a strong message to the operators of these shops," said Attorney General Mark Brnovich. "We will continue to prosecute these cases to the fullest extent of the law."

Leinaar and Stelljes will be sentenced on January 22.