

RESOLUTION 2006-29

A RESOLUTION GRANTING THE EXECUTIVE DIRECTOR AUTHORITY TO WAIVE REQUIREMENTS AND PROCEDURES IN 68 IAC 2-3 IN ORDER TO ALLOW LICENSEES WITH APPROVED JOB DUTIES PERTAINING TO MULTIPLE COMMONLY OWNED RIVERBOATS, TO OBTAIN A SINGLE OCCUPATIONAL LICENSE

The Indiana Gaming Commission ("Commission") adopts the following resolution pursuant to the authority granted to it under IC 4-33 and pursuant to 68 IAC 1-2-6.

The Commission has considered the following factors:

1. 68 IAC 2-3-1.5 (b) states: "Each individual applying for an occupational license, Level 1, to manage a riverboat gambling operation may manage gambling operations for only one (1) riverboat licensee."
2. 68 IAC 2-3-2 states: "The riverboat licensee or a riverboat license applicant must pay a nonrefundable application fee for its potential riverboat employees in the following amounts..."
3. 68 IAC 2-3-3 states that the riverboat licensees must submit annual occupational license fees prior to the issuance of a permanent occupational license in. The fees must be paid each year for the license to be renewed.
4. 68 IAC 2-3-4 states: "An applicant for an occupational license must complete and submit the appropriate form prescribed by the commission." A Level 1 applicant must submit a completed Personal Disclosure Form 1 and all requested materials to the Commission office in Indianapolis. Level 2 and 3 applicants are also required to submit application materials to the Commission for investigation.
5. 68 IAC 2-3-12 grants the Commission the ability to "waive, alter, or restrict any licensing requirement or procedure if the commission determines that the procedure or requirement is impractical, or burdensome, and such waiver, alteration, or restriction is in the best interest of the public and the gaming industry..."
6. IC 4-33-6-3.5 allows a person to hold up to a 100% ownership interest in as many as two riverboat licensees.
7. In recent years, the gaming industry in Indiana has begun to experience consolidation of ownership of licensed riverboats through corporate transactions. Currently, two companies each hold a controlling ownership interest in two Indiana riverboat licenses, and additional ownership consolidation remains possible.
8. In order to realize the benefits of owning multiple riverboat licensees, parent companies have begun seeking permission to synergize their Indiana operations by consolidating the responsibilities of certain corporate level and in-State management staff. The Commission therefore expects that the Executive Director will permit certain Level 1 licensees to perform responsibilities related to management of gambling operations of both of a parent company's

Indiana riverboats. Individuals with lower level occupational licenses may also be called upon to perform certain duties relating to multiple riverboats.

9. The text of 68 IAC 2-3-1.5(b) may be interpreted as prohibiting any level 1 licensee from managing the gambling operations of more than one riverboat licensee – even when those riverboats have a common owner. Moreover, under current regulations and procedures, any employee who has job responsibilities associated with multiple commonly owned riverboats must be licensed at each riverboat where the employee will work. Thus, the employee must submit two applications for licensure and pay two application and annual renewal fees.
10. Given that multiple riverboat licenses in Indiana are now lawfully under common corporate ownership, the Commission believes that it would be impractical and burdensome to enforce a blanket prohibition against all level 1 licensees from managing the gambling operations of more than one riverboat. Rather, individual determinations should be made on a case-by-case basis by the Executive Director.
11. Additionally, the Commission believes that if the Executive Director permits an occupational licensee to regularly perform job duties that pertain to two commonly owned riverboats, it is impractical and burdensome to require the submission of duplicate license applications and superfluous fees.
12. As such, the Commission finds that where the Executive Director has authorized an occupational licensee to perform job duties that pertain to multiple commonly owned riverboats, it is in the best interest of the public and the gaming industry to allow such an occupational licensee to submit only one license application, pay only one application fee, and pay only one annual renewal fee.
13. Due to the length of time that may elapse between Commission meetings, it would be in the best interest of the Commission and its licensees to delegate to the Executive Director the authority to issue individual waivers of any regulations in 68 IAC 2-3 necessary to implement the licensing practices and policies explained herein.

**NOW, THEREFORE, BE IT RESOLVED BY THE INDIANA GAMING COMMISSION,
THAT THE FOLLOWING RESOLUTION IS ADOPTED:**

SECTION 1: SCOPE

This resolution applies to all individuals who are subject to the licensure requirements in IC 4-33-8-2 and are seeking occupational licenses to work on or for more than one (1) riverboat where those riverboats are owned by a common ultimate parent company.

SECTION 2: DEFINITIONS

The definitions set forth in IC 4-33-2 and 68 IAC apply to this resolution.

SECTION 3: GRANT OF AUTHORITY TO THE EXECUTIVE DIRECTOR

The Executive Director is hereby **GRANTED** the authority to issue, as he deems appropriate, individual waivers of any regulations in 68 IAC 2-3 for the purpose of allowing those occupational licensees identified in Section 1 of this resolution to: (1) perform job duties, including duties which pertain to the management of gambling operations, for two commonly owned riverboats; and (2) submit only one application, one application fee, one annual fee, and be subjected to only one initial investigation by Commission staff.

The Executive Director shall issue such waivers upon a written request from the relevant occupational licensee or riverboat licensee in a manner prescribed by the Executive Director.

SECTION 4: EFFECTIVE DATE

This resolution is effective immediately.

ADOPTED, THIS THE 7TH DAY OF JUNE, 2006.

THE INDIANA GAMING COMMISSION:



Harold Calloway, Chair

ATTEST:



Donald Vowels, Secretary