

INDIANA GAMING COMMISSION
BUSINESS MEETING
MARCH 19, 2009

ORIGINAL

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6 The above-captioned business meeting was
7 stenographically taken down by me, Robin L.
8 Helton, a notary public in and for the County of
9 Marion, State of Indiana, at 1:00 p.m., on March
10 19, 2009, at the Indiana Government Center, South,
11 Conference Room B, 402 West Washington Street,
12 Indianapolis, Indiana, and the following
13 transcript is a true and accurate transcript of
14 the proceedings held.
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21 **CIRCLE CITY REPORTING**
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A P P E A R A N C E S

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COMMISSION MEMBERS PRESENT:

Tim Murphy, Chairman

Tom Swihart, Commissioner

Mary Shy, Commissioner

Marc Fine, Commissioner

Robert Morgan, Commissioner

Justin Christian, Commissioner

Ernest Yelton, Executive Director

Phil Sicuso, General Counsel

Tamara Timberman-Wright, Secretary

1 EXECUTIVE DIRECTOR YELTON: Ladies and
2 Gentlemen, if I can have your attention, please.

3 This afternoon I regret to officially disclose
4 that our chair, William Barrett, has resigned his
5 position with the Indiana Gaming Commission.
6 Through his leadership we selected, trained and
7 deployed the very vast majority of our gaming
8 enforcement agency throughout the field.

9 We also welcomed and initiated three new
10 divisions to the Commission, which includes
11 charity gaming, gaming control as well as the
12 gaming control license counselor position.

13 We also oversaw the opening of the casino in
14 Anderson, Indiana, Hoosier Park; and the opening
15 of a temporary facility at Indiana Live in
16 Shelbyville.

17 I would hope that the minutes will reflect our
18 sincere appreciation for his tireless and
19 dedicated service to the Indiana Gaming Commission
20 and to all of the citizens of the State of
21 Indiana.

22 On the other hand, I'm most pleased to
23 announce that Governor Daniels has appointed
24 Tim Murphy to serve as the fifth chair of the
25 Indiana Gaming Commission. Tim has been a very

1 valuable member of our group, joining us in
2 December of 2005, and we wish to offer
3 congratulations to our new chair, Mr. Murphy.

4 Also, it's with great pleasure I can announce
5 the introduction of our newest commissioner,
6 Justin Christian. He is the president and CEO of
7 Booker Christian Consulting, which is an
8 Indianapolis headquartered 600 person global
9 business solutions firm. Born in New York, Justin
10 is a graduate of DePauw University and thereafter
11 spent three years with Eli Lilly as a systems
12 analyst. He currently serves on various boards
13 including the Indianapolis Bond Bank, The Greater
14 Indianapolis Progress Committee and Goodwill of
15 Central Indiana. Welcome aboard Justin.

16 With those announcements, Mr. Chair, I turn
17 the meeting over to you.

18 CHAIRMAN MURPHY: Thank you, Mr. Executive
19 Director. I would like to call the meeting to
20 order and take the roll of the commissioners.
21 Commissioner Shy.

22 COMMISSIONER SHY: Here.

23 CHAIRMAN MURPHY: Commissioner Swihart.

24 COMMISSIONER SWIHART: Present.

25 CHAIRMAN MURPHY: Commissioner Morgan.

1 COMMISSION MORGAN: Here.

2 CHAIRMAN MURPHY: Commissioner Fine.

3 COMMISSIONER FINE: Here.

4 CHAIRMAN MURPHY: Commissioner Christian.

5 COMMISSIONER CHRISTIAN: Here.

6 CHAIRMAN MURPHY: All commissioners are
7 present and we have a quorum.

8 The next item on the agenda is approval of the
9 minutes of the last meeting. Do the Commissioners
10 have any questions regarding the minutes?

11 COMMISSIONER SWIHART: Move to approve.

12 COMMISSIONER SHY: Second.

13 CHAIRMAN MURPHY: It's been moved and seconded
14 to approve the minutes of the last meeting.

15 All in favor?

16 (COMMISSION MEMBERS VOTED AYE.)

17 CHAIRMAN MURPHY: Opposed?

18 Minutes approved.

19 The next item on the agenda is the report of
20 the Executive Director.

21 EXECUTIVE DIRECTOR YELTON: Thank you,
22 Mr. Chair and Members of the Commission. I will
23 begin with the staff report.

24 You may recall that Jeff Gill was our first
25 gaming control licensing counselor who came to us

1 part time through the Indiana Department of
2 Administration and Memorandum of Understanding.
3 This Monday, Jeffrey turned a DOA and I'm pleased
4 to announce the promotion of Julian Agnew as a
5 successor.

6 Julian, please stand. Julian had been serving
7 as assistant counselor since, I think, 2008. And
8 in addition to those duties as being a license
9 control counselor, Julian will also serve as chief
10 counsel and primary counsel for our Charity Gaming
11 Division.

12 We are also fortunate again this year to have
13 another intern from the Indiana University School
14 of Law in Indianapolis. Nicholas Moline.
15 Nicholas, please stand.

16 Nicholas graduated from IU in 2007 and is
17 currently a second year law student here in
18 Indianapolis. He recently served as a law clerk
19 for Sweetin & Bleeke P.C., and now he spends his
20 Tuesdays and Thursdays with us at IGA. We are
21 very fortunate to have Nicholas with us.

22 Next, as you may recall, we have now ended and
23 concluded the 11-year reinvestigations of Grand
24 Victoria and its corporate management at Hyatt,
25 and of Argosy and its corporate management at

1 National. The reinvestigations have been
2 completed by our background and financial
3 investigation division. Those reports have been
4 submitted to each one of you. Both of these
5 licensees has previously been relicensed and are
6 currently in good standing with the Commission.
7 Now that you have those reports, if they raise any
8 questions, both of our directors from the division
9 are here and will be willing to answer if there
10 are any questions from the Members of the
11 Commission.

12 Okay, seeing none, I will move on to our
13 report on legislation.

14 While this year's legislative session
15 responded to a considerable number of proposals
16 that would affect the gaming industry as well as
17 the Gaming Commission, we are currently actively
18 participating in four.

19 House Bill 1285, once again, addresses the
20 trustee concept for a licensee whose license has
21 been revoked, not renewed or not sold in a block
22 transfer. It also specifically allows us to
23 obtain Social Security numbers of junkateer
24 applicants for background investigation purposes.
25 And finally, would permit suppliers to enter

1 vendor relationships with both the casinos and the
2 racinos without completion of staff applications.
3 It passed the house 95 to zero and has been
4 assigned to the senate committee on commerce and
5 public policy and interstate cooperation and we
6 anticipate a hearing on that bill.

7 House Bill 1286 would make several changes to
8 charity gaming. It would remove a civic
9 organizations eligibility to obtain an annual
10 charity game night license and substitute in its
11 place fraternal organizations. It includes
12 reorganized qualified not-for-profits and the
13 ability to relicense. And allows special workers
14 greater flexibility in participating in other
15 events.

16 Lastly, it redefines the winner take all
17 drawings, as far as name, which would be qualified
18 drawings as well as process.

19 It also passed the house 89 to 8, and has also
20 been assigned to the senate public policy
21 committee awaiting a hearing date.

22 Senate Bill 414 is also a charity gaming
23 initiative, it contains four provisions. The
24 first would abolish our rule that provides for
25 verification of PPP winners of \$50 or more.

1 Secondly, it would permit an operator to
2 participate in up to three qualified events with
3 qualified organizations of calendar month rather
4 than the existing one. And the identical language
5 about a worker that's in 1285 has also been
6 asserted in 414. And finally, qualified
7 organizations are permitted to borrow reusable
8 gaming equipment.

9 This bill passed the senate at a vote of 49 to
10 1 and was assigned to a house public policy
11 committee where it received a hearing.

12 Monday I met with the legislative authors and
13 sponsors on Senate Bill 414, and I'm announcing
14 that a consensus was reached on all four issues to
15 the satisfaction of all members present and an
16 amended bill will be presented for a hearing
17 probably in one week.

18 Senate Bill 160 follows a recommendation from
19 the Governor's 2005 probe report that jurisdiction
20 over the Boxing Commission be transferred from the
21 professional licensing agency to the Indiana
22 Gaming Commission. It would also sanction mixed
23 martial arts for regulatory purposes. This bill
24 passed by a vote of 49 to nothing in the senate
25 and has also been heard by the house public policy

1 committee.

2 Yesterday I met with the legislative authors,
3 sponsors and interested parties and I think I'm
4 pleased to say that a consensus was reached and
5 that that also will receive significant amendment
6 and probably pass out of the committee sometime
7 next week. Of course, all of these bills would be
8 subject to potential conference committee action
9 and changing if they would ever become law.

10 Finally, we have a very brief waiver summary
11 for this meeting since our last quarterly meeting.
12 Ameristar was granted a waiver allowing the
13 dealer, after cutting the cards, to insert the cut
14 card up to one half of one deck from the back of
15 the stack.

16 French Lick's request for a twenty-five cent
17 chip was approved together with a request to allow
18 security personnel to fill out the vendor and
19 visitor log instead of the vendor and visitor him
20 or herself, to reduce the number of errors and
21 ensure information is eligible.

22 And that, Mr. Chair and Members of the
23 Commission, is the Executive Director's report.

24 CHAIRMAN MURPHY: Thank you, again, Mr.
25 Executive Director.

1 The next item on the agenda is "Old Business".
2 Is there any old business?

3 EXECUTIVE DIRECTOR YELTON: There is none.

4 CHAIRMAN MURPHY: Thank you.

5 Moving on to the next item, "Patron Matters
6 and Voluntary Exclusion Program" to be presented
7 by Matt Shouse. Mr. Shouse.

8 MR. SHOUSE: Good afternoon. You have before
9 you 27 orders regarding the "Voluntary Exclusion
10 Program." Pursuant to the rules of the program
11 and in these, the voluntary exclusion participants
12 remain confidential.

13 Pursuant to 68 IAC 6-3-2(g), a participant in
14 the program agrees that if he or she violates the
15 terms of the program and enters the gaming area of
16 a facility under the jurisdiction of the
17 Commission, agrees to forfeit any jackpot or thing
18 of value won as a result of the wager.

19 Under Orders 2009-1 through 27 the total sum
20 of \$18,859.05 was forfeited by John Does 1 through
21 27. These winnings were collected at Ameristar,
22 Argosy, Belterra, Blue Chip, French Lick, Grand
23 Victoria, Hoosier Park, Horseshoe South,
24 Horseshoe, Indiana Live and Majestic Star. These
25 winnings were withheld as required by Commission

1 regulations.

2 Commission staff recommends you approve the
3 remittance of these winnings as fines levied
4 against John Doe's 1 through 27.

5 CHAIRMAN MURPHY: Thank you, Mr. Shouse.

6 Do the Commissioners have any questions? If
7 not, is there a motion to move to approve.

8 COMMISSIONER SWIHART: Move.

9 COMMISSIONER SHY: I second.

10 CHAIRMAN MURPHY: It's been moved and
11 seconded. All of those in favor signify by saying
12 "Aye."

13 (COMMISSION MEMBERS VOTED AYE.)

14 CHAIRMAN MURPHY: All opposed?

15 Motion carries and Orders 2009-1 through
16 2009-27 are approved. Thank you, Mr. Shouse.

17 The next item on the agenda is the appeal of
18 the VEP seizure to be presented by Adam Packer.

19 MR. PACKER: Thank you, Mr. Chair and Members
20 of the Commission.

21 Order 2009-28 is an order on the appeal of
22 John Doe 08-02, voluntary exclusion remittance.
23 In much of the same way you just heard from
24 Mr. Shouse, in March of 2008 the Commission
25 approved the remittance of \$199 from Joe Doe

1 08-02, as a fine levied against that individual
2 for violating the terms of the voluntary exclusion
3 program. John Doe 08-02 was validly entered into
4 the voluntary exclusion program, gambled at Argosy
5 and was apprehended with a \$99 gaming ticket and
6 \$100 in cash. Some of the materials you may have
7 seen may have said \$199 in cash and I wanted to
8 clear that up. It was a \$99 ticket and \$100 in
9 cash.

10 John Doe 08-02 appealed the Commission's
11 March 2008 decision ordering remittance of that
12 \$199. The case proceeded to the administrative
13 adjudication with the Administrative Law Judge,
14 Mary Lee Comer. Before an evidentiary hearing
15 could take place in front of Judge Comer, John Doe
16 and Gaming Commission staff entered a settlement
17 agreement whereby the Gaming Commission would
18 retain remittance of the \$99 from the gaming
19 ticket but return the \$100 cash to the John Doe in
20 lieu of further pursuit of the appeal.

21 Following that settlement agreement, I moved
22 that the case be dismissed. Judge Comer has
23 prepared a recommendation, findings of fact
24 recommending that the Gaming Commission dismiss
25 this appeal. Due to the Administrative Orders and

1 Procedures Act this whole thing still must come to
2 the Commission for a final ruling because you are
3 still the decision-making body when it comes to
4 these kinds of administrative adjudications.
5 Under Administrative Orders and Procedures Act, in
6 the absence of an objection to an administrative
7 law judge's recommendation you must affirm. And
8 there have been no objections. So as much as I
9 would like to say you have the option, you really
10 don't, but I still respectfully request that you
11 affirm Judge Comer's recommendations and findings
12 of fact in Order 2009-28. I welcome any
13 questions.

14 CHAIRMAN MURPHY: Thank you, Mr. Packer.

15 Do the Commissioners have any questions? If
16 not, is there a motion to approve.

17 COMMISSIONER SWIHART: So move.

18 COMMISSIONER MORGAN: Second.

19 CHAIRMAN MURPHY: It's been moved and
20 seconded. All in favor say "Aye."

21 (COMMISSION MEMBERS VOTED AYE.)

22 CHAIRMAN MURPHY: Opposed?

23 Motion carries and Order 2009-28 is approved.

24 MR. PACKER: Thank you, Mr. Chairman.

25 CHAIRMAN MURPHY: The next item on the agenda

1 is exclusions. Mr. Sicuso.

2 GENERAL COUNSEL SICUSO: Joe Hoage will come
3 up and present the next six agenda items, but
4 before he begins I will give a brief background
5 for the benefit of the Commissioners and the
6 public. We haven't seen this topic in a while.
7 Let me give you a brief background of the Gaming
8 Commission exclusion issue is all about.

9 This is an involuntary program that is
10 entirely separate from the voluntary exclusion
11 program that individual casinos can implement on
12 their own. The legal justification for the
13 exclusion has existed since the beginning of
14 riverboat gambling in Indiana, but the statute
15 gives the Commission both the authority and the
16 responsibility to exclude from Indiana casinos
17 people who exhibit certain undesirable behavior.

18 In the past, I think it's fair to say that the
19 efforts of the Commission to both identify and
20 prosecute some of these cases has been
21 inconsistent. The executive staff has now
22 determined we do have adequate resources to make
23 this more of a priority and rekindle our exclusion
24 list efforts. So what we are announcing today is
25 that you will start to see more of these come

1 before you as what you may have seen in the recent
2 past. We anticipate the vast majority of these
3 cases will really be individuals who are patrons
4 of the casinos or people who work at the casinos
5 who purposely intended to or attempted to cheat at
6 a game.

7 So with that, I will let Joe take these away.
8 If you have any guidance for us, we will be happy
9 to listen.

10 MR. HOAGE: Thank you Phil, Mr. Chairman and
11 Members of the Commission.

12 Pursuant to Indiana Code 4-33-4-7(a) and
13 Indiana Code 4-35-4-9(a), the the Indiana Gaming
14 Commission may exclude a person from casino gaming
15 facilities if a person violates this article or if
16 the person's conduct is such that the person's
17 presence within the gaming facility would call
18 into question the honesty and integrity of the
19 gaming operations in Indiana. Cheating at a
20 gambling game is a violation of Indiana Code
21 4-33-10-2(4). It is a D felony. If convicted of
22 that felony, it bars the patron for life from
23 entering an Indiana casino under Indiana Code
24 4-33-10.

25 So at this time, as you received your

1 executive summaries prior to this meeting, I will
2 give you a brief summary of each of our orders
3 here today and ask for a vote on each matter after
4 I have completed the brief biography.

5 Under Order 2009-29, we have Mr. James Dailey.
6 On February 6, 2008, he was observed on 12
7 different occasions either past-posting or
8 pinching bets while playing crazy-4 poker at the
9 Horseshoe Southern Indiana Casino in an attempt to
10 defraud a casino licensee.

11 Now to explain that a little bit, past-posting
12 or what might be known as capping, is a situation
13 where a player adds money to its bet after the
14 outcome of the game is already determined. For
15 example, if you are playing blackjack and you hit
16 a blackjack, the dealer looks away and you slip
17 another \$5 chip onto your other tokens, that's
18 what we would call capping or past-posting a bet.

19 Pinching is completely the opposite. That's a
20 situation where the player reduces their wager
21 after acquiring the knowledge of the outcome of
22 the game. So in that same circumstance, you have
23 a 17 the dealer gets a 20 and you take your chips
24 back. That's what's called pinching the bet.

25 Mr. Dailey did that on 12 different occasions

1 on February 6, 2008. He was charged with 12
2 counts of cheating at a gambling game as a D
3 felony in the Harrison Superior Court.

4 On May 19th, 2008, he pled guilty to two
5 counts of cheating at a gambling game as a D
6 felony and received a suspended sentence,
7 probation, and is not allowed to return to the
8 Horseshoe Indiana Casino while still on probation.

9 The Commission staff recommends at this time
10 that Mr. Dailey be placed on a lifetime exclusion
11 list.

12 CHAIRMAN MURPHY: Any questions,
13 Commissioners?

14 MR. HOAGE: All right. Under Order 2009-30,
15 Mr. Wensong Liu. On August 14, 2008, Mr. Liu was
16 observed at the Ameristar Casino past-posting a
17 \$25 bet at baccarat in an attempt to defraud a
18 casino licensee which resulted in an overpayment
19 of \$250. There is currently an open warrant in
20 the Lake County Superior Court for Mr. Liu on one
21 count of cheating at a gambling game as a D
22 felony.

23 The Commission staff recommends that Mr. Liu
24 be placed on a lifetime exclusion list.

25 CHAIRMAN MURPHY: Do the Commissioners have

1 any questions?

2 COMMISSIONER FINE: I take it that he's at
3 large?

4 MR. HOAGE: He just needs to be pulled over.
5 He is a resident of Illinois. He had a player
6 card at the casino, they show he hasn't returned
7 to the casino since that point, and if he came
8 back they would instantly know he has a warrant
9 out for his arrest. He is just kind of at large.
10 It's not a major felony crime, but for our
11 interest it is. Basically, whenever he gets
12 picked up he will be brought back to Lake County
13 and have to answer to the charges. That's
14 obviously since August 14, 2008.

15 CHAIRMAN MURPHY: Any other questions?

16 MR. HOAGE: On Order 2009-31. On May 20,
17 2007, June 21, 2007 and February 4th, 2008,
18 Ms. Alva Osborne was observed past-posting bets at
19 three-card poker at the Argosy Casino in attempt
20 to defraud a casino licensee. On February 4,
21 2008, Ms. Osborne was charged with three counts of
22 cheating at a gambling game, a D felony. On
23 May 12, 2008, she pled guilty to one count of
24 cheating at a gambling game. Received a suspended
25 sentence and probation and is not allowed to

1 return to the Argosy Casino.

2 The Commission staff recommends that
3 Ms. Osborne be placed on a lifetime exclusion
4 list.

5 CHAIRMAN MURPHY: Any questions on Order
6 2009-31?

7 MR. HOAGE: Order 2009-32, Mr. Billy Van Vo.
8 On October 2, 2008, Mr. Van Vo was observed at
9 Argosy Casino past-posting a \$25 bet at baccarat
10 in an attempt to defraud a casino licensee which
11 resulted in an overpayment of \$750. Mr. Van Vo
12 was evicted from Argosy Casino that evening.
13 Information was forwarded to the Dearborn County
14 Prosecutor's Office regarding Mr. Van Vo's actions
15 who then declined to press charges.

16 The Commission staff recommends that Mr. Van
17 Vo be placed on a lifetime exclusion list.

18 CHAIRMAN MURPHY: Any questions on Order
19 2009-32?

20 MR. HOAGE: Order 2009-33. On January 10,
21 2009, Mr. Anthony Walker was observed exchanging
22 \$300 in counterfeit currency with a slot attendant
23 at the Argosy Casino in an attempt to defraud a
24 casino licensee. Mr. Walker was taken into
25 custody that evening where he admitted he was

1 aware the money he exchanged with the slot
2 attendant was counterfeit. Mr. Walker was charged
3 with forgery as a C felony in the Superior Court,
4 a matter still pending before that court. He was
5 evicted from Argosy Casino that evening for life.

6 The Commission staff recommends that
7 Mr. Walker be placed on a lifetime exclusion list.

8 CHAIRMAN MURPHY: Do the Commissioners have
9 any questions on Order 2009-33?

10 MR. HOAGE: Order 2009-34, on September 11,
11 2008, Ms. Ting Winstel was observed at Argosy
12 Casino past-posing bets on three separate
13 occasions in attempt to defraud a casino licensee.
14 Ms. Winstel was evicted from Argosy that evening
15 and the information was forwarded to the Dearborn
16 County Prosecutor's Office who declined to press
17 charges.

18 The commission staff recommends that
19 Ms. Winstel be placed on a lifetime exclusion
20 list.

21 CHAIRMAN MURPHY: Do the Commissioners have
22 any questions regarding Order 2009-34?

23 MS. HOAGE: That's our last order for the day.

24 CHAIRMAN MURPHY: If there are no further
25 questions, is there a motion to approve Order

1 2009-29 through 34?

2 COMMISSIONER SHY: I move to approve.

3 COMMISSIONER MORGAN: Second.

4 CHAIRMAN MURPHY: Moved and seconded. All in
5 favor?

6 (COMMISSION MEMBERS VOTED AYE.)

7 CHAIRMAN MURPHY: Opposed?

8 Motion carries. Orders 2009-29 through
9 2009-34 are approved.

10 MR. HOAGE: Thank you.

11 CHAIRMAN MURPHY: Thank you, Mr. Hoage.

12 The next item on the agenda is "Occupational
13 License Matters and Denials." Will be presented
14 by Adam Packer.

15 MR. PACKER: Thank you, Mr. Chair.

16 The first denial for your consideration is
17 Hank Turner, Order Number 35. Mr. Turner applied
18 for a level 3 occupational license. And in his
19 application for the license he disclosed two
20 instances of criminal activity. The Commission
21 staff's investigation into his application
22 uncovered several additional criminal matters
23 regarding him including but not limited to two
24 felony cases: an arson in 1984 and a domestic
25 violence in 2003. As is Commission staff's

1 practice, due to the fact that an applicant bears
2 the responsibility of submitting complete
3 information and a complete application, we
4 contacted Mr. Turner and informed him he needed to
5 come up with full disclosure and full information
6 on all of his criminal charges, not just the two
7 he originally disclosed. He has failed to do so
8 despite the opportunity to do just that when we
9 first informed him of the conclusion of our
10 investigation and following revocation of his
11 temporary license, an opportunity to come into
12 compliance before today's meeting. He has, like I
13 said, failed to do so.

14 Due to Mr. Turner's repeated failures to
15 disclose, to provide information and his failure
16 to submit a complete and accurate application, at
17 this time I respectfully request that you deny his
18 application for license as described in Order
19 2009-35.

20 CHAIRMAN MURPHY: Are there any questions,
21 Commissioners?

22 CHAIRMAN MORGAN: I have one question. When
23 you say "come into compliance," how would he go
24 about that?

25 MR. PACKER: Well, in a case where someone has

1 not disclosed and has failed to provide full
2 information and we revoke a temporary license on
3 that basis, it's been our practice to consider a
4 reinstatement of an individual's temporary license
5 if that individual fully discloses all of the
6 criminal activity we have discovered and provides
7 full documentation and it turns out that none of
8 the crimes that the individual was convicted of
9 are felonies or crimes that would raise questions
10 about that individual's ability to maintain the
11 integrity of gaming or to otherwise comply with
12 the Commission's regulations. Even if someone
13 jumps over all of those hurdles, we still have
14 statutory grounds to deny that individual's
15 application. So it's not a guarantee, but we
16 found it can be productive and can be useful to
17 give the individual a last crack at completing the
18 application and fulfilling the statutory
19 responsibilities regarding criminal disclosures.

20 COMMISSIONER MORGAN: I understand. Thank
21 you.

22 CHAIRMAN MURPHY: Any further questions by the
23 Commissioners? If not, is there a motion to
24 approve?

25 COMMISSIONER SWIHART: Move to approve.

1 COMMISSIONER MORGAN: I second the motion.

2 CHAIRMAN MURPHY: It's been moved and
3 seconded. All in favor?

4 (COMMISSION MEMBERS VOTED AYE.)

5 CHAIRMAN MURPHY: Oppose? The.
6 Motion carries, Order 2009-35 is approved.

7 MR. PACKER: Order 36 would be an order
8 denying an occupational license application for
9 Christopher Ojan. Mr. Ojan applied for an
10 occupational license, level 2, to work at what was
11 then Resorts East Chicago and is now Ameristar.
12 Mr. Ojan is based out of an office in another
13 jurisdiction but would come to the property
14 occasionally to work surveillance, so he still had
15 to apply for an occupational license. Mr. Ojan
16 did not disclose any criminal activity in his
17 application for license. Commission staff's
18 investigation uncovered a marijuana charge from
19 2004 that required additional information. We did
20 not have complete information on whether he was
21 convicted; if he was convicted, whether it was a
22 felony or misdemeanor. We contacted Mr. Ojan to
23 give him an opportunity to fully disclose all of
24 his criminal activity and provide information
25 about the disposition of those criminal cases. He

1 has not done so. In much the same way as we did
2 for Mr. Turner, we revoked his temporary license
3 and gave him a final opportunity to fully
4 disclose, and he failed to do that as well.

5 Due to Mr. Ojan's repeated failures to
6 disclose and fully document his criminal history
7 and his failure to provide the Gaming Commission
8 with a complete application, it's my
9 recommendation that you approve the order denying
10 his application for occupational license.

11 CHAIRMAN MURPHY: Do the Commissioners have
12 any questions? If not, is there a motion to
13 approve?

14 COMMISSIONER SWIHART: So move.

15 COMMISSIONER SHY: Second.

16 CHAIRMAN MURPHY: It's been moved and
17 seconded. All of those in favor?

18 (COMMISSION MEMBERS VOTED AYE.)

19 CHAIRMAN MURPHY: Opposed?

20 Motion carries. Order 2009-36 is approved.

21 Thank you, Mr. Packer.

22 MR. PACKER: Thank you.

23 CHAIRMAN MURPHY: Moving on to "Disciplinary
24 Action." Mark Reder.

25 MR. REDER: Good afternoon, Commissioners.

1 The matter before you is Order 2009-37. 68
2 IAC 2-6-1(d) requires that before an individual
3 enters an electronic gaming device for any reason
4 the individual must insert a card into that
5 electronic gaming device. Subsection E of the
6 same chapter requires that after an individual has
7 entered that electronic gaming device for any
8 reason the individual must complete a log that is
9 maintained inside the device. The log is commonly
10 known as the meal book or the machine entry
11 authorization log. Licensee Ronnie Allen entered
12 nine different electronic gaming devices on nine
13 separate occasions and failed to insert his
14 employee card and failed to complete the meal
15 book. He was subsequently counseled and
16 acknowledged that he comprehended the requirements
17 set fourth in 68 IAC 2-6-1. Commission staff
18 offered Mr. Allen settlement in lieu of
19 disciplinary action. Mr. Allen agreed in writing
20 to voluntary relinquish his license for three
21 working days. We respectfully request approval.

22 CHAIRMAN MURPHY: Do the Commissioners have
23 any questions regarding 2009-37? If not, is there
24 a motion to approve?

25 COMMISSIONER SWIHART: Approved.

1 COMMISSIONER FINE: Second.

2 CHAIRMAN MURPHY: It's been moved and
3 seconded. All of those in favor?

4 (COMMISSION MEMBERS VOTED AYE.)

5 CHAIRMAN MURPHY: Opposed?

6 Motion carries. Order 2009-37 is approved.
7 Thank you, Mr. Reder.

8 CHAIRMAN MURPHY: The next item on the agenda
9 is "Supplier Licensee" matters. Under that
10 category is "Withdrawals". Mr. Sicuso.

11 GENERAL COUNSEL SICUSO: Thank you, Mr. Chair.

12 Order 2009-38 relates to Advance Gaming
13 Associates, LLC. As its drafted, this rule grants
14 the company's request for leave to withdrawal it's
15 application for a supplier license. This is a
16 company that has been operating in good standing
17 under a temporary license since March of last
18 year, but recently determined it no longer wished
19 to pursue a permanent license or continue the
20 process. This issue is before you because our
21 regulations do require that any supplier's license
22 applicants seek leave of the Commission before
23 they withdraw their application. The staff has
24 reviewed the file and recommends that you grant
25 the request by approving this order.

1 CHAIRMAN MURPHY: Do the Commissioners have
2 any questions? If not, is there a motion to
3 approve the order?

4 COMMISSIONER SHY: I move to approve.

5 COMMISSIONER SWIHART: I second.

6 CHAIRMAN MURPHY: It's been moved and
7 seconded. All of those in favor?

8 (COMMISSION MEMBERS VOTED AYE.)

9 CHAIRMAN MURPHY: Opposed?

10 Motion carries, Order 2009-38 is approved.

11 The next item is "Renewals". Kesha Rich.

12 MS. RICH: Good afternoon. You have before
13 you Order 2009-39 concerning the renewal of
14 supplier licenses. Pursuant to Indiana Code 4-33
15 and 68IAC 2-2 the Commission has previously
16 approved a permanent supplier's license for the
17 following eight companies: IGT, Midwest Game
18 Supply Company, AC Coin, WMS Gaming, Inc., Bally
19 Technologies, Inc., Dallmann Systems, Inc.,
20 Fairchild Communications Systems, Inc., and
21 Patriot Gaming & Electronics, Inc. A supplier's
22 license is valid for a period of one year.
23 Pursuant to IAC 4-33-7-8 and 68 IAC 2-2-8, a
24 supplier's license must be renewed annually and a
25 payment of \$5,000 for the annual renewal fee must

1 be remitted. Each of these licensees have
2 requested renewal of their license and has paid
3 the appropriate renewal fee.

4 The Commission staff recommends that you
5 approve the renewal of the licenses for the eight
6 suppliers.

7 CHAIRMAN MURPHY: Do the Commissioners have
8 any questions? If not, is there a motion to
9 approve the order?

10 COMMISSIONER MORGAN: I move to approve.

11 COMMISSIONER FINE: Second.

12 CHAIRMAN MURPHY: It's been moved and second.
13 All of those in favor?

14 (COMMISSION MEMBERS VOTED AYE.)

15 CHAIRMAN MURPHY: Opposed?

16 Motion carries, Order 2009-39 is approved.

17 Moving on to licensing matters. Mr. Brown.

18 MR. BROWN: Good afternoon, Commissioners and
19 Executive Staff.

20 I trust you've had the opportunity to read the
21 reports that have been provided to you before the
22 meeting for supplier applicants that will be
23 presented here today. I have prepared short
24 summaries about each company to refresh your
25 memory before we proceed with the licensing. I

1 will begin with Order 2009-40 for DEQ Systems
2 Corp. On or about July 7, 2008, DEQ Systems
3 Corp., submitted a supplier's license application
4 to the Indiana Gaming Commission seeking approval
5 to conduct business in the State of Indiana.
6 After review of their applications, DEQ was
7 granted a temporary license on July 23, 2008.

8 After completion of the investigation, IGC
9 investigative staff find the following: DEQ was
10 were incorporated in 2002 in Quebec, Canada and
11 continues to be in good standing. They provide
12 Indiana casinos with G-3 bonus options, both
13 Caribbean Stud and Blackjack table games. DEQ has
14 been licensed in multiple jurisdictions throughout
15 the United States with no material of being in
16 violation. A comprehensive background and
17 financial information was conducted on DEQ and its
18 key persons and IGC staff could find no derogatory
19 information that would affect the applicant's
20 suitability.

21 Do you have any questions?

22 CHAIRMAN MURPHY: Do the Commissioners have
23 any questions? If not, is there a motion to
24 approve Order 2009-40?

25 COMMISSIONER SWIHART: So moved.

1 COMMISSIONER FINE: Second.

2 CHAIRMAN MURPHY: It's been moved and
3 seconded. All of those in favor?

4 (COMMISSION MEMBERS VOTED AYE.)

5 CHAIRMAN MURPHY: Opposed?

6 Motion carries, Order 2009-40 is approved.

7 MR. BROWN: Thank you.

8 Order 2009-41 for Elektroncek D.D. On or
9 about June 1, 2007, Elektroncek submitted its
10 supplier's license to seek approval to conduct
11 business in the State of Indiana. After reviewing
12 the applications, Elektroncek was granted a
13 temporary license on June 5, 2008. After
14 completion of the investigation, IGC investigative
15 staff finds the following: Elektroncek was
16 incorporated in 1989 and based out of Slovenian.
17 They provide Indiana casinos with multi-station
18 gaming devices for electronic roulette dice cards
19 among other games. Elektroncek is licensed in
20 several jurisdictions throughout the world,
21 including several within the United States, and
22 has no gaming violations. Any questionable issues
23 in their past were exposed and remedied prior to
24 submitting licensure in Indiana. A comprehensive
25 background and financial investigation was

1 conducted on Elektroncek and its key persons. IGC
2 staff could find no derogatory information that
3 would affect the applicant's suitability.

4 Do you have any questions?

5 CHAIRMAN MURPHY: Hearing none, a motion to
6 approve Order 2009-41?

7 COMMISSIONER SHY: I move to approve.

8 COMMISSIONER FINE: Second.

9 CHAIRMAN MURPHY: It's been moved and
10 seconded. All of those in favor?

11 (COMMISSION MEMBERS VOTED AYE.)

12 CHAIRMAN MURPHY: Opposed?

13 Motion carries, Order 2009-41 approved.

14 MR. BROWN: Thank you.

15 Moving on to Order 2009-42. On or about April
16 25, 2008, TCS John Huxley submitted a supplier's
17 license application to the Indiana Gaming
18 Commission seeking approval to conduct business in
19 the State of Indiana. After reviewing the
20 application, TCS was granted a temporary license
21 on June 2, 2008. After completion of the
22 investigation, IGC investigative staff finds the
23 following: TCS was incorporated in 1979 based out
24 of London, England. They provide Indiana casinos
25 with a roulette table layout, display boards and

1 other roulette-related items. TCS has an active
2 license in New Jersey and is seeking licensure in
3 four other jurisdictions including Indiana. There
4 are no material gaming violations to report. A
5 comprehensive background and financial
6 investigation was conducted on TCS John Huxley
7 Europe, LTD, and its key persons. IGC staff could
8 find no derogatory information that would affect
9 the applicant's suitability. Are there any
10 questions?

11 CHAIRMAN MURPHY: If not, is there a motion to
12 approve Order 2009-42?

13 COMMISSIONER MORGAN: Motion to approve.

14 COMMISSIONER SHY: Second.

15 CHAIRMAN MURPHY: It's been moved and
16 seconded. All of those in favor?

17 (COMMISSION MEMBERS VOTED AYE.)

18 CHAIRMAN MURPHY: Opposed?

19 The motion carries, Order 2009-42 is approved.

20 MR. BROWN: Thank you.

21 And one last order, Order 2009-43. On or
22 about June 4, 2008, Xpertx, Inc., submitted a
23 suppliers license application to the Indiana
24 Gaming Commission seeking approval to conduct
25 business in the State of Indiana. After review of

1 the application, Xpertx was granted a temporary
2 license on June 9, 2008. After completion of the
3 investigation, IGC investigative staff find the
4 following: Xpertx was incorporated in 1987 based
5 out of Reno, Nevada. They provide Indiana Casinos
6 with keno systems and displays. Xpertx is
7 licensed in several jurisdictions throughout the
8 United States and has no material gaming
9 violations. A comprehensive background and
10 financial investigation was completed on Xpertx as
11 well as key persons. And IGC staff could find no
12 derogatory information that would affect the
13 applicant's suitability.

14 Do you have any questions?

15 CHAIRMAN MURPHY: Hearing none, is there a
16 motion to approve?

17 COMMISSIONER SWIHART: Move to approve.

18 COMMISSIONER SHY: Second.

19 CHAIRMAN MURPHY: Moved and seconded. All of
20 those in favor?

21 (COMMISSION MEMBERS VOTED AYE.)

22 CHAIRMAN MURPHY: Opposed?

23 Motion carries, Order 2009-43 is approved.

24 Thank you, Mr. Brown.

25 MR. BROWN: Thank you.

1 CHAIRMAN MURPHY: Next item on the agenda is
2 casino matters. Mr. Phil Sicuso.

3 GENERAL COUNSEL SICUSO: Thank you.

4 2009-44, as proposed, grants leave to Resorts
5 Indiana, LLC, which is a subsidiary of Eldorado
6 Resorts, to withdraw its application to purchase
7 the Aztar Casino in Evansville. You might recall
8 that last November we did take a vote and approved
9 the application of Eldorado to purchase the casino
10 subject to certain conditions which we enumerated
11 in that order. Most of those conditions have
12 failed to materialize and the company at this time
13 wishes to formally request to withdraw its
14 application as the case of Advanced Gaming
15 Associates. This comes before you because our
16 regulations due require the Commissions approval
17 on the withdraw for the license. The staff
18 recommends that you approve it.

19 CHAIRMAN MURPHY: Commissioners, do you have
20 any questions? If not, is there a motion to
21 approve the order?

22 COMMISSIONER MORGAN: Motion to approve.

23 COMMISSIONER SWIHART: Second.

24 CHAIRMAN MURPHY: It has been moved and
25 seconded. All of those in favor?

1 (COMMISSION MEMBERS VOTED AYE.)

2 CHAIRMAN MURPHY: Motion carries, Order
3 2009-44 is approved.

4 Thank you, Mr. Sicuso.

5 GENERAL COUNSEL SICUSO: I have the next two
6 as well. Financing 45 and 46 both relates to
7 Harrah's. So I will try to deal with those at one
8 time and take a vote at one time, if you are so
9 inclined.

10 2009-45 ratifies the nature and approval and
11 waiver that the Executive Director issued last
12 December for exchange offering that the company
13 did. In that particular exchange offer, the
14 company exchanged certain outstanding debts and
15 securities for either cash or up to \$2.1 billion
16 in new 10-percent second-priority senior secured
17 notes. That offering was finalized in late
18 December and resulted in the issuance of
19 approximately \$1.1 billion in new notes, and the
20 payment of about \$290 million in cash in exchange
21 for their retirement of \$2.2 billion in old notes.

22 The second order relates to a newer exchange
23 offering which was just announced in the last 10
24 days. So rather than pursue an interim approval
25 the staff determined that we should just bring it

1 directly to the Commission today, and that order
2 would authorize something very similar. This time
3 the company intends to exchange more of its
4 outstanding debts and securities and possibly even
5 retire a bridge loan facility that still exists.

6 Again, in return for cash for this time up to
7 \$2.8 billion in these new second-priority senior
8 secured notes, 10 percent. These notes would be
9 due in 2018. In the first offering, there were
10 two sets of notes, some of them are due in 2015
11 and others are due in 2018.

12 In the second exchange offering if the company
13 succeeds in renegotiating some of the debt that
14 comes into existence, this exchange could reach up
15 to \$5.1 billion that could be retired in the old
16 notes. You received a separate report from Dr.
17 Sullivan on each of these. The staff has reviewed
18 the same information and provided primary source
19 documentation from the company and we have all
20 reviewed the same thing. The staff recommends
21 that you approve both the first one ratifying the
22 interim approval and the second one giving full
23 approval.

24 CHAIRMAN MURPHY: Do the Commissioners have
25 any questions on Order 2009-45 or 2009-46? If

1 not, is there a motion to approve the orders?

2 COMMISSIONER SHY: I move to approve.

3 COMMISSIONER MORGAN: Second.

4 CHAIRMAN MURPHY: It's been moved and
5 seconded. All of those in favor?

6 (COMMISSION MEMBERS VOTED AYE.)

7 CHAIRMAN MURPHY: Opposed?

8 The motions carry, Orders 2009-45 and 46 are
9 approved.

10 The next item will be "Renewals".

11 GENERAL COUNSEL SICUSO: 2009-47 relates to
12 Ameristar Casino East Chicago, LLC. This is an
13 annual renewal application. The order as drafted
14 renews the license. The company has timely
15 submitted this request for renewal, it's paid the
16 \$5,000 fee, and the staff has determined that the
17 casino is in substantial compliance with the
18 Riverboat Gambling Act. We recommend the license
19 to be renewed by granting 2009-47.

20 CHAIRMAN MURPHY: Do the Commissioners have
21 any questions? If not, is there a motion to
22 approve?

23 COMMISSIONER SWIHART: Move to approve.

24 COMMISSIONER MORGAN: Second.

25 CHAIRMAN MURPHY: It's been moved and

1 seconded. All of those in favor?

2 (COMMISSION MEMBERS VOTED AYE.)

3 CHAIRMAN MURPHY: Opposed?

4 The motion carries, Order 2009-47 is approved.

5 The next item on the agenda is "Disciplinary
6 Actions" to be presented by Chris Gray.

7 MS. GRAY: Good afternoon, Commissioners.

8 You have before you 10 settlement agreements
9 concerning disciplinary actions.

10 The first settlement is with Argosy Casino,
11 Order 2009-48, which includes five counts. The
12 first three counts violated the rule regarding
13 access of sensitive keys. The fourth count
14 violated the rule regarding no solicitation of
15 tips by the occupational licensee in a supervisory
16 position. And the fifth count, the casino allowed
17 an occupational licensee to work with an expired
18 badge. Argosy has agreed to a total monetary
19 settlement of \$27,500 in lieu of disciplinary
20 action.

21 Are there any questions concerning this order?

22 The second order, Order 2009-49, is a
23 settlement agreement with Aztar wherein the casino
24 failed to inform the gaming enforcement agents
25 that the chips on the table game were left

1 unsecured. Aztar has agreed to a monetary
2 settlement of \$5,000 in lieu of disciplinary
3 action.

4 Are there any questions?

5 Order 2009-50 is a settlement agreement with
6 Belterra involving two counts. In the first count
7 the rule requiring all wiring systems to have a
8 backup power source and the rule requiring an
9 activity log be maintained and surveillance
10 documenting any malfunctions were violated. The
11 second count violated the VEP rule. Belterra has
12 agreed to a monetary settlement of \$15,000 in lieu
13 of disciplinary action.

14 Are there any questions?

15 The fourth order, Order 2009-51, is a
16 settlement agreement with Blue Chip including
17 three counts. In the first count, the rule
18 requiring a dedicated coverage on a progressive
19 jackpot was violated. The second count violated
20 the sensitive key rule. The third count violated
21 the rule requiring procedures to safeguard the
22 assets and allow only authorized personnel to have
23 access to the assets. Blue Chip has agreed to a
24 total monetary settlement of \$22,500 in lieu of a
25 disciplinary action.

1 Are there any questions regarding this
2 agreement?

3 Order 2009-52 is a settlement agreement with
4 French Lick wherein two bill validators with money
5 inside were placed on the casino floor and left
6 unattended for several hours. French Lick has
7 agreed to a monetary settlement of \$3,000 in lieu
8 of a disciplinary action.

9 Are there any questions?

10 The sixth order, Order 2009-53, is a
11 settlement agreement with Grand Victoria wherein a
12 bank drawer was left unsecured. Grand Victoria
13 has agreed to a monetary settlement of \$10,000 in
14 lieu of disciplinary action. Are there any
15 questions?

16 The seventh order, is Order 2009-54, a
17 settlement agreement with Hoosier Park and
18 includes two counts. The first count violated the
19 sensitive key rule. In the second count an
20 underage person was allowed to enter the casino.
21 Hoosier Park has agreed to a total monetary
22 settlement of \$5,500 in lieu of disciplinary
23 action.

24 Are there any questions?

25 Order 2009-55 is a settlement agreement with

1 Horseshoe and includes two counts. In the first
2 count, the casino violated the rule regarding
3 dedicated surveillance coverage on a progressive
4 jackpot. In the second count, the casino failed
5 to timely inform gaming enforcement agents of the
6 termination of multiple employees, and on one
7 occasion failed to cooperate with the gaming
8 agents during the investigation. Horseshoe has
9 agreed to a total monetary settlement of \$13,000
10 in lieu of a disciplinary action.

11 Are there any questions?

12 CHAIRMAN MURPHY: Yes. Ms. Gray, can you
13 expand on the cooperation issue.

14 MS. GRAY: Yes. The gaming agents had asked
15 for records in regards to this, and they had to
16 ask several different times. It took a while
17 before they got a response.

18 CHAIRMAN MURPHY: So it was a delay rather
19 than anything intentionally?

20 MS. GRAY: Well, the agents felt it was
21 somewhat intentional. That they couldn't find the
22 records, so they were holding off on informing the
23 agents that they could not find the records.

24 COMMISSIONER MORGAN: In your recollection,
25 has this ever been an issue before?

1 MS. GRAY: I cannot recall any at this time.

2 COMMISSIONER MORGAN: It's not usual?

3 MS. GRAY: It's not usual, no.

4 Order 2009-56 is a settlement agreement with
5 Horseshoe Southern Indiana and includes four
6 counts. The first count violated the rule
7 regarding the inspection of playing cards. In the
8 second count, two underage persons were allowed to
9 board the casino. In the third count, playing
10 cards not being utilized at a table game were
11 unsecured. In the fourth count, the proper
12 procedure for an incorrect fills was not followed.
13 Horseshoe Southern Indiana has agreed to a total
14 monetary settlement of \$60,500 in lieu of a
15 disciplinary action.

16 Are there any questions?

17 COMMISSIONER MORGAN: One question on this.
18 This comes up time and time again on the underage
19 admission I guess or nonadmission. Is this a
20 reoccurrence or do you know?

21 MS. GRAY: On the underage issue?

22 COMMISSIONER MORGAN: Yes.

23 MS. GRAY: Yes, it is very much a reoccurring
24 issue. And the casinos, as best as they can, take
25 as many steps as possible, but sometimes they --

1 COMMISSIONER MORGAN: It's not 100 percent.

2 MS. GRAY: Right.

3 EXECUTIVE DIRECTOR YELTON: We have an
4 aggressive fine system on these as they repeat.
5 It is still in place.

6 COMMISSIONER MORGAN: Okay.

7 MS. GRAY: Yes.

8 The final order, Order 2009-57, is a
9 settlement agreement with Majestic Star involving
10 three counts. In the first count, gaming
11 enforcement agents were not timely notified
12 regarding terminated employees. The second count
13 violated the rule regarding the opening of the
14 table game floats and access to sensitive key. In
15 the third count, the casino failed to timely
16 report criminal activity to the gaming enforcement
17 agents. Majestic Star has agreed to pay a total
18 monetary settlement of \$26,500 in lieu of a
19 disciplinary action.

20 Are there any questions?

21 The Commission staff recommends that you
22 approve Orders 2009-48 through 2009-57, each of
23 which approves one of the settlement agreements
24 that we have just discussed.

25 CHAIRMAN MURPHY: Motion to approve?

1 COMMISSIONER MORGAN: Motion to approve.

2 COMMISSIONER SWIHART: Second.

3 CHAIRMAN MURPHY: There has been a motion to
4 approve and seconded. All of those in favor?

5 (COMMISSION MEMBERS VOTED AYE.)

6 CHAIRMAN MURPHY: Opposed?

7 Orders 2009-48 through 2009-57 are approved.

8 MS. GRAY: Thank you.

9 CHAIRMAN MURPHY: Next item on the agenda is
10 "Rules".

11 MS. ELLINGWOOD: You have before you
12 Resolution 2009-58 regarding a final
13 administrative rule concerning charity gaming. In
14 early 2008, the legislature amended the charity
15 gaming statute to make three changes to existing
16 gaming events. Specifically, the rule added
17 winner take all drawings to the types of events
18 that can be conducted under an annual PPT license,
19 allowed annual raffle events to be conducted every
20 day and excluded euchre games from certain
21 operator and worker requirements.

22 During the course of the final rule writing
23 process, the Commission staff made additional
24 changes which were necessary for the effective
25 regulation of charity gaming. Those changes allow

1 the Commission to deny a license for failure to
2 pay tax obligations, establishes refund
3 provisions, requires an organization that conducts
4 an annual bingo or charity game night license to
5 publish notice of an event location change and
6 finally prohibits charity gaming from being
7 conducted in a bar or tavern or a facility
8 connected with a bar or tavern that's not owned by
9 the qualified organization.

10 As required by statute, the Commission staff
11 submitted the rule for review of its fiscal impact
12 statements. On November 5th, 2008, Commission
13 staff published this rule in the Indiana Register
14 as well as posted a copy of the rule on our Web
15 site. On December 12, 2008, the Commission staff
16 held a public hearing to receive comments on
17 proposed changes. The transcript of that hearing
18 has been provided to you.

19 The Commission staff respectfully ask that you
20 adopt the charity game before you. If the
21 Commission approves this resolution adopting
22 08-432 as a final rule, the rule will be forwarded
23 to the office of the Attorney General and the
24 Governor's office for approval and will then be
25 filed thereafter with the Indiana Register. The

1 rule becomes effective 30 days after it's filed
2 with the Indiana Register.

3 Are there any questions?

4 CHAIRMAN MURPHY: If not, is there a motion to
5 approve the order?

6 COMMISSIONER SWIHART: Move to adopt.

7 COMMISSIONER SHY: Second.

8 CHAIRMAN MURPHY: It's been moved and
9 seconded. All of those in favor?

10 (COMMISSION MEMBERS VOTED AYE.)

11 CHAIRMAN MURPHY: Opposed?

12 Motion carries, Order 2009-58 is approved.

13 Thank you, Ms. Ellingwood.

14 MS. ELLINGWOOD: Thank you.

15 CHAIRMAN MURPHY: The next item on the agenda
16 is "Delegation of Authority". Mr. Adam Packer.

17 MR. PACKER: Thank you, Mr. Chair.

18 The next item for your consideration is Order
19 2009-59. It is a resolution that would delegate
20 authority to the Executive Director to grant
21 interim felony waiver approvals to certain
22 categories of felony waiver applicants.

23 In the three years since I worked at the
24 Commission, we have had approximately 30 felony
25 waiver applications.

1 A felony waiver application occurs when an
2 occupational license applicant has a felony
3 conviction on his or her record and then wishes to
4 go through the statutory, for lack of a better
5 term, appeals process to obtain a waiver of the
6 felony disqualification. Of those 30 or so
7 applications, we have had 11 that have actually
8 proceeded to the Commission for a vote. So I was
9 curious and the Commission staff attorneys were
10 curious as to what accounted for the discrepancy.

11 We found in some cases an individual applied
12 for a felony waiver was qualified under the
13 general statutory qualifications, but because of
14 the length of time between when the individual
15 applied for the felony waiver and the next
16 Commission meeting was, the casino could not hold
17 that job open for the individual to obtain a
18 felony waiver. These could be people with
19 25-year-old drug convictions or a felony DUI that
20 was long enough ago that the individual has been
21 in AA and fully rehabilitated. These kinds of
22 applications occur and the sole reason why that
23 individual is unable to obtain a felony waiver is
24 because of this length of time.

25 So through extensive discussion as a staff, we

1 determined that one potential and useful solution
2 would be for the Commission to grant a delegation
3 of authority to the Executive Director to issue an
4 interim felony waiver approval in these limited
5 circumstances where the individual falls into what
6 I would call the least serious of the three tiers
7 of felony waiver under the statute. These are
8 crimes that have been determined by the
9 legislature to require the least amount of
10 scrutiny under the felony waiver process.

11 So if you approve Resolution 2009-59, the
12 Executive Director will have the authority to
13 grant interim approval of this lowest tier of
14 felony waiver applications. Those applications
15 will still come to the Commission at the next
16 available Commission meeting for ratification, and
17 then you will be able to still have your final
18 agency authority over whether that individual
19 obtains a felony waiver or whether the felony
20 waiver is stricken and that individual can no
21 longer work.

22 With that in mind, I respectfully request that
23 you adopt Resolution 59. I will be happy to
24 answer any questions.

25 CHAIRMAN MURPHY: I have one. If an

1 individual -- if the Executive Director grants a
2 felony waiver, if the individual then goes to
3 work --

4 MR. PACKER: Correct.

5 CHAIRMAN MURPHY: -- then it is incumbent upon
6 this Commission to then not approve to relieve
7 that person.

8 MR. PACKER: That's right. The individual
9 would continue on a temporary license until the
10 Commission issued the final approval. So the
11 individual would not have all of the privileges of
12 a permanent license under this scheme with the
13 interim approval, he or she would go back to work
14 as a temp licensee until the Commission could
15 rule.

16 CHAIRMAN MURPHY: So the individual
17 understands the position?

18 MR. PACKER: Yes. And we would be happy to
19 circulate drafts of the interim approval to the
20 Commissioners to work out the language as to
21 whether it is clear enough that the Commission
22 maintains final authority; but we have not reached
23 that point yet.

24 CHAIRMAN MURPHY: Any other questions?

25 COMMISSIONER SHY: No, but I would like to see

1 that.

2 MR. PACKER: Okay. Yes, definitely.

3 CHAIRMAN MURPHY: If there are no other
4 questions, is there a motion to approve?

5 COMMISSIONER SHY: I move to approve.

6 COMMISSIONER MORGAN: Second.

7 CHAIRMAN MURPHY: It's been moved and
8 seconded. All of those in favor?

9 (COMMISSION MEMBERS VOTED AYE.)

10 CHAIRMAN MURPHY: Opposed?

11 Order 2009-59 is approved. Thank you,
12 Mr. Packer.

13 MR. PACKER: Thank you.

14 CHAIRMAN MURPHY: The next item on the agenda
15 is "Indiana Live Opening". Mr. Mark Hemmerle.
16 Thank you for being here.

17 MR. HEMMERLE: Good afternoon. Thank you for
18 having me. I apologize, my voice is a bit shy
19 after the last couple of weeks.

20 I have a short video that I would like to
21 share with you. It kind of walks through the
22 development of our temporary facility and the
23 development and opening of our permanent facility
24 and then I will make a few comments about our
25 operation following that. I just saw the whole

1 thing for the first time last night, and the first
2 part was made about two weeks ago so there is a
3 voice of an actor you may recognize and I
4 apologize that I wasn't able to dub that out
5 before today.

6 (Playing video.)

7 MR. HEMMERLE: As I mentioned during our grand
8 opening, it's much more than just a building, it
9 is a vision of quite a few individuals to put
10 together that type of facility. It's a feeling
11 and excitement when you walk through it. And it
12 is quite a great experience. So I would certainly
13 invite any of you that haven't had the opportunity
14 to come and visit us, to please do so.

15 We couldn't have gotten done with what we did
16 from our temporary facility to our permanent
17 facility without the assistance from the members
18 of the staff from the Gaming Commission,
19 especially the agents on site, and we appreciate
20 that very, very much. They were very helpful in
21 this process.

22 Just to give you an idea of what we have been
23 able to accomplish since we opened back in June
24 through the end of February: Our revenues have
25 exceeded \$124 million. Our payroll and benefits,

1 excluding tips and taxes, was 12.2 million. We
2 have created over 850 jobs. Our daily gaming
3 taxes have totaled over 32 million, we paid over
4 19 million to the horse group. We have paid over
5 3.8 million to Shelby County and, as you know, we
6 paid our \$250 million licensing fee. In total
7 since the end of February, between taxes and fees,
8 we have paid over \$307 million to the State of
9 Indiana.

10 In 2008, we spent approximately 7 percent with
11 minority businesses and 12 percent with
12 women-owned businesses. In all fairness, we
13 received a letter from the Executive Director last
14 week that we may have fallen short of
15 approximately .65 percentage on our women-owned
16 construction. Our preliminary review is that it
17 had to do with vendors that we have done business
18 with that are in the process of being certified.
19 I think once that process is completed, we will
20 have succeeded our goal. We just want you to be
21 aware that we are processing that information at
22 your request.

23 We also had over 2,000 construction workers
24 involved in this project. As I mentioned, we have
25 over 850 employees, 10 percent are minority

1 compared to an accounting percentage of
2 approximately 2.7 percent, and 56 of our employees
3 are female. We expect our total payroll and
4 benefits and tips and taxes to be approximately
5 \$30 million for 2009.

6 I think we have and are in the process of
7 continuing to fulfill the direction of the
8 legislature and economic edge and certainly for
9 our area in the state. And we appreciate very
10 much the opportunity to do that.

11 I'm certainly available for any questions you
12 might have.

13 CHAIRMAN MURPHY: Members of the Commission,
14 if I may, I have been informed that executive
15 staff has directed our investigation division to
16 commence a fact finding relevant to the issues
17 surrounding the opening of Indiana Live and
18 Justin Timberlake. We intend to review all
19 appropriate individuals and produce a report of
20 their findings and opinions for our consideration.
21 It is my opinion that until we have reviewed the
22 report it is premature to question the Indiana
23 Live management about the situation, but if anyone
24 feels differently, please ask.

25 MR. HEMMERLE: Thank you.

1 CHAIRMAN MURPHY: Thank you. Very nice
2 presentation.

3 COMMISSIONER MORGAN: Very nice video.

4 MR. HEMMERLE: Thank you.

5 CHAIRMAN MURPHY: The next item on the
6 agenda -- is there any other business to come
7 before the Commission? If not, our next meeting
8 will be June 11th; is that correct?

9 EXECUTIVE DIRECTOR YELTON: June 11th.
10 Location to be announced, but more likely than not
11 we will be traveling.

12 CHAIRMAN MURPHY: That's all before the
13 Commission. I will entertain a motion to adjourn.

14 COMMISSIONER SWIHART: Adjourn.

15 COMMISSIONER SHY: Second.

16 CHAIRMAN MURPHY: It's moved and seconded to
17 adjourn. We stand adjourned. Thank you.

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