

ORDER 2022-150
IN RE SETTLEMENT AGREEMENT
HARD ROCK CASINO NORTHERN INDIANA
22-HR-03

After having reviewed the attached Settlement Agreement, the Indiana Gaming Commission hereby:


APPROVED

APPROVES OR DISAPPROVES

the proposed terms of the Settlement Agreement.

IT IS SO ORDERED THIS THE 27th DAY OF SEPTEMBER, 2022.

THE INDIANA GAMING COMMISSION:



Milton Thompson, Chair

ATTEST:



Jason Dudich, Secretary

**STATE OF INDIANA
INDIANA GAMING COMMISSION**

IN RE THE MATTER OF:)	
)	SETTLEMENT
MAJESTIC STAR CASINO, LLC)	22-HR-03
D/B/A HARD ROCK CASINO)	
NORTHERN INDIANA)	

SETTLEMENT AGREEMENT

The Indiana Gaming Commission (“Commission”) by and through its Executive Director Greg Small and Majestic Star Casino, LLC d/b/a Hard Rock Casino Northern Indiana (“Hard Rock”), (collectively, the “Parties”) desire to enter into this settlement agreement (“Agreement”) prior to the initiation of a disciplinary proceeding pursuant to 68 IAC 13-1-18(a). The Parties stipulate and agree that the following facts are true:

FINDINGS OF FACT

COUNT I

1. 68 IAC 11-9-2(a) provides the casino license or trustee shall submit to the executive director internal control procedures concerning the withholding of cash winnings from delinquent obligors in accordance with 68 IAC 11-1.
2. 68 IAC 11-1-3(c)(4) provides that no casino license or casino license applicant may use an internal control procedure unless the internal control procedure has been approved, in writing, by the executive director.
3. Hard Rock’s approved internal control procedures, A-5, describe the procedures for child support delinquency reporting.
4. Gaming Agent’s audited the Child Support Arrears Delinquency Registry (CSADR) for April 2022. The results of this audit found one (1) individual was not searched through the CSADR system at the time a taxable jackpot was won.
5. Gaming Agent’s audited the Child Support Arrears Delinquency Registry (CSADR) for June 2022. The results of this audit found one (1) individual was not searched through the CSADR system at the time a taxable jackpot was won.

COUNT II

6. IC 4-33-9-12(a) provides a person who is less than twenty-one (21) years of age may not be present in the area of a riverboat where gambling is being conducted.

7. 68 IAC 1-11-1(c) provides a person under twenty-one (21) years of age shall not be present in a casino.
8. On June 10, 2022, Security notified Gaming Agents that an underage person was on the casino floor. The underage person came to the casino for a job fair that was being conducted in the Fresh Harvest restaurant located on the casino floor. A review of surveillance coverage determined that the underage person approached the security podium. The Security Officer allowed the underage person to enter the casino and did not card the underage person. The underage person was inside Fresh Harvest for approximately two (2) hours before being identified as being underage by the Director of Cash Operations.

COUNT III

9. 68 IAC 12-1-5(f)(6) provides electronic gaming device (“EGD”) surveillance must be capable of providing the following coverage on progressive games, including dedicated coverage of the following: (A) An electronic gaming device or group of electronic gaming devices with a possible jackpot payout in excess of fifty thousand dollars (\$50,000). (B) The progressive display showing the incrementation of the progressive jackpot for an electronic gaming device or a bank of electronic gaming devices.
10. On June 20, 2022, a Gaming Agent performed an investigation into a progressive camera coverage violation involving a miscommunication between the Slot and Surveillance Department.
11. On June 12, 2022, a Slot Technician Supervisor sent an email communication on an EGD project schedule, and the details of the project were outlined in the communication. The email was sent to Slot Techs, Soft Count, Auditing/Finance, Surveillance, IT and Gaming Agents. The project was part of a floor plan reconfiguration which involved moving EGD’s and adding new EGD’s to the floor. This communication advised that no progressives were moving or being created with amounts over \$40,000.
12. On June 15, 2022, the Director of Slot Operations notified Gaming Agents that while performing the morning progressive readings, a Slot Manager discovered that an EGD had a progressive reading of \$50,184.27 and there was no camera dedicated to the location. There was no progressive coverage for approximately ten (10) hours and thirty (30) minutes.

COUNT IV

13. 68 IAC 15-12-3(a) provides the requirements for live gaming device fills.
14. On June 10, 2022, Surveillance notified Gaming Agents that an incorrect table fill occurred. The table fill was for \$74,740 and contained the wrong denominations. The fill

requested \$40 in US coin but the table game received \$40 in \$1 white chips. A Dealer and Dual Rate Floor Supervisor/Dealer verified and accepted the table fill at the table.

15. 68 IAC 15-12-3(a) provides the requirements for live gaming device fills.
16. 68 IAC 1-5-1(1)(A) provides a casino licensee shall provide a written notice to the executive director as soon as the casino or supplier licensee becomes aware of a violation or apparent violation of a rule of the commission by the casino or supplier licensee.
17. On February 21, 2022, a Gaming Agent was conducting a review of a surveillance report when the Gaming Agent noted that a table fill error occurred and was discovered by way of a \$2,000 variance. The table fill slip generated requested \$2,000 in black \$100 chips, however, the Cage Supervisor prepared \$4,000 in black \$100 chips. A Dealer and Table Games Supervisor accepted the incorrect fill at the table. The variance was discovered at the end of the shift.
18. On May 15, 2022, a Cage Supervisor notified Gaming Agents that a Cage Cashier was \$500 short and had a variance which was unresolved. A review of surveillance coverage determined that the variance was a result of an incorrect table fill. The table fill slip requested \$8,000 in green \$25 chips and \$500 in red \$5 chips. The Cage Cashier prepared the table fill with \$8,500 in green \$25 chips and \$500 red \$5 chips.
19. While reviewing the recent table fill errors, it was determined that Surveillance was not catching these errors at the time the table fill process was being completed or Surveillance was failing to notify Gaming Agents of the table fill error at the time of the incident as these violations were being discovered through a variance or the Gaming Agent's review of a surveillance incident report.
20. 68 IAC 15-12-3(a) provides the requirements for live gaming device fills.
21. On June 5, 2022, Surveillance notified Gaming Agents that a table fill was delivered to the wrong table. The table fill was accepted by a Dealer and Table Games Supervisor at the incorrect table. (NBJ-506 and NBJ-507)
22. On June 5, 2022, Surveillance notified Gaming Agents that a table fill was delivered to the wrong table. The table fill was accepted by a Dealer and Table Games Supervisor at the incorrect table. (NLS-408 and NCP-409)
23. 68 IAC 15-12-3(c) provides if a live gaming device fill slip was erroneous, it shall be voided and a new live gaming device fill slip generated. The person voiding the fill slip shall indicate the reason the slip was voided and sign the slip. A voided live gaming device fill shall be retained and deposited into a locked accounting box.
24. On May 18, 2022, Surveillance notified Gaming Agents that an incorrect table fill occurred. The table fill requested \$20,000 in orange \$1,000 chips, however the Specialty Banker created the table fill with \$40,000 in orange \$1,000 chips. The table fill was delivered to the table game where a Table Game Floor Supervisor identified that the table

fill was incorrect. The table fill was returned to the Cage to be corrected, however, the incorrect table fill was not voided.

COUNT V

25. 68 IAC 2-3-9.2(b)(1) requires the occupational licensee to notify the Commission of separation on a form prescribed or approved by the Commission.
26. 68 IAC 2-3-9.2(c) requires the notification must be submitted to the Commission within fifteen (15) days of the occurrence of the change or action.
27. On June 9, 2022, the Commission received a separation of service notification through the occupational licensing database for the President of Seminole Hard Rock Support Services, LLC (“SHRSS”), a level one (1) licensee. The President separated on May 1, 2022. Hard Rock failed to timely notify the Commission.

COUNT VI

28. 68 IAC 2-2-1(d) provides the applicant's key persons, substantial owners, and any other persons deemed necessary to allow the commission to ensure the applicant meets the statutory criteria for licensure set forth in IC 4-33, IC 4-35, and this title must complete and submit a Personal Disclosure Form 1 (PD1) application for occupational license under 68 IAC 2-3-1.
29. 68 IAC 2-2-4(b)(3) provides an application shall be deemed filed when the completed application forms, including all required documents, all personal disclosure forms, materials, photographs, and application fee have been submitted. The commission will not begin its background investigation until the application is filed.
30. On February 18, 2022, Hard Rock’s Outside Counsel notified the Commission that a new employee would assume the role as the VP of Customer Care of Hard Rock Support Services, LLC (“SHRSS”) and they would be filing within thirty (30) days unless an extension is granted. As a result, the PD1 application was due on March 18, 2022.
31. On March 30, 2022, the Commission reached out to Hard Rock about the status of this application. Hard Rock provided that the applicant was completing the application and requested a thirty (30) day extension. It is standard practice for the Commission to deny an extension request if the request was made after the original due date. The Commission advised Hard Rock that the Commission was unable to approve an extension request after the due date.
32. On April 8, 2022, Hard Rock notified the Commission that the application had been uploaded to a secure site.
33. On April 11, 2022, the Commission was unable to locate the application on the secure site. Hard Rock was able to re-upload the application on the same day.

34. On April 14, 2022, the Commission was able to download the file, but the exhibit folder was corrupted and could not be opened. Hard Rock re-uploaded the application. The Commission then reached out again to Hard Rock about the job title. The applicant listed a different job title on his application than what was approved in LAM, the Commission's occupational licensing database.
35. On May 12, 2022, the Commission followed up on the job title issue after no response was received from Hard Rock. Hard Rock advised that they were awaiting confirmation that it was uploaded into the LAM system. Hard Rock stated that they would follow up with the property representatives, that have access to the LAM system, and confirm when it is uploaded. The Commission understood this to mean that the job title had changed, and it was not previously approved by the Commission. The Commission asked for additional information, and the title was changed from VP - Hotel Revenue & Customer Care, the previously approved position to VP Customer Care and Revenue Optimization, but the applicant had listed VP of Customer Care on his application.
36. On May 16, 2022, Hard Rock advised the job title had been uploaded into LAM. The same day, the Commission reviewed the submission in LAM and was able to get the job title approved.
37. On May 19, 2022, the Commission licensed the applicant.
38. The application was due on March 18, 2022, and was not fully available to the Commission until April 14, 2022, however, the job title was not approved prior to the submission of the application, as required. It took Hard Rock an additional thirty (33) days to upload a job description for Commission review. This made the application sixty-one (61) days late.

TERMS AND CONDITIONS

Commission staff alleges that the acts or omissions of Hard Rock by and through its agents as described herein constitute a breach of IC 4-33, IC 4-38, 68 IAC, and/or Hard Rock's approved internal control procedures. The Commission and Hard Rock hereby agree to a monetary settlement of the alleged violations described herein in lieu of the Commission pursuing formal disciplinary action against Hard Rock.

Hard Rock shall pay to the Commission a total of \$20,000 (\$2,000 for Count I, \$1,500 for Count II, \$3,000 for Count III, \$10,000 for Count IV, \$500 for Count V and \$3,000 for Count VI) in consideration for the Commission foregoing disciplinary action based on the facts specifically described in the Findings of Fact contained in this Agreement. This Agreement extends only to those violations and findings of fact specifically alleged in the findings above. If the Commission subsequently discovers facts that give rise to additional or separate violations, the Commission may pursue disciplinary action for such violations even if the subsequent violations are similar or related to an incident described in the findings above.

Upon execution and approval of this Agreement, Commission staff shall submit this Agreement to the Commission for review and final action. Upon approval of the Agreement by the Commission, Hard Rock agrees to promptly remit payment in the amount of \$20,000 and waive all rights to further administrative or judicial review.

This Agreement constitutes the entire agreement between the Parties. No prior or subsequent understandings, agreements, or representations, oral or written, not specified or referenced within this document will be valid provisions of this Agreement. This Agreement may not be modified, supplemented, or amended, in any manner, except by written agreement signed by all Parties.

This Agreement may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Agreement may be executed and delivered by electronic mail, facsimile, or other electronic signature by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically as if the original had been received.

This Agreement shall be binding upon the Commission and Hard Rock.

IN WITNESS WHEREOF, the Parties have signed this Agreement on the date and year as set forth below.

Greg Small
Greg Small, Executive Director
Indiana Gaming Commission
9/20/2022
Date

Matt Schuffert
Matt Schuffert, President
Hard Rock Casino Northern Indiana
9/22/22
Date