

**ORDER 2022-153  
IN RE SETTLEMENT AGREEMENT**

**HORSESHOE HAMMOND, LLC  
22-HH-03**

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

**APPROVED**

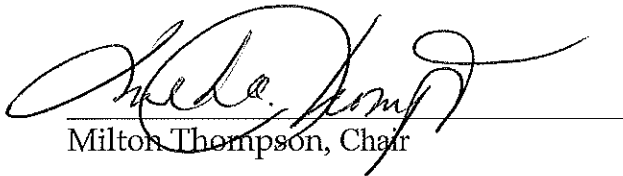
---

APPROVES OR DISAPPROVES

the proposed terms of the Settlement Agreement.

**IT IS SO ORDERED THIS THE 27<sup>th</sup> 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:** )  
 )  
**HORSESHOE HAMMOND, LLC** )     **SETTLEMENT**  
 )     **22-HH-03**

**SETTLEMENT AGREEMENT**

The Indiana Gaming Commission ("Commission") by and through its Executive Director Greg Small and Horseshoe Hammond, LLC ("Horseshoe"), (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. IC 4-38-11-1(a) provides the bureau shall provide information to a certificate holder concerning persons who are delinquent in child support.
  - (b) Prior to a certificate holder disbursing a payout of six hundred dollars (\$600) or more, in winnings, from sports wagering to a person who is delinquent in child support and who is claiming the winning sports wager in person at the certificate holder's facility, the certificate holder:
    - (1) may deduct and retain an administrative fee in the amount of the lesser of:
      - (A) three percent (3%) of the amount of delinquent child support withheld under subdivision (2)(A); or
      - (B) one hundred dollars (\$100); and
    - (2) shall:
      - (A) withhold the amount of delinquent child support owed from winnings;
      - (B) transmit to the bureau:
        - (i) the amount withheld for delinquent child support; and
        - (ii) identifying information, including the full name, address, and Social Security number of the obligor and the child support case identifier, the date and amount of the payment, and the name and location of the licensed owner, operating agent, or trustee; and
      - (C) issue the obligor a receipt in a form prescribed by the bureau with the total amount withheld for delinquent child support and the administrative fee.
    - (c) The bureau shall notify the obligor at the address provided by the certificate holder that the bureau intends to offset the obligor's delinquent child support with the winnings.
    - (d) The bureau shall hold the amount withheld from the winnings of an obligor for ten (10) business days before applying the amount as payment to the obligor's delinquent child support.
    - (e) The delinquent child support required to be withheld under this section and an administrative fee described under subsection (b)(1) have priority over any secured or unsecured claim on winnings except claims for federal or state taxes that are required to be withheld under federal or state law.

2. 68 IAC 27-5-2(2)(X) provides prior to beginning sports wagering operations, a sports wagering operator must submit for approval under 68 IAC 11 internal controls for withholding winnings from delinquent child support obligors in accordance with IC 4-38-11, including a plan for complying with IC 4-38-11 if the sports wagering operator allows the redemption of tickets via mail.
3. 68 IAC 11-9-2(a) provides the casino licensee 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.
4. 68 IAC 11-1-3(c)(4) provides that no casino licensee or casino license applicant may use an internal control procedure unless the internal control procedure has been approved, in writing, by the executive director.
5. Horseshoe's approved internal control procedures, T-22, describe the procedures for Child Support Intercept Process.
6. Gaming Agents conducted an audit of 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 sports wagering winnings in excess of \$600 was won.

## COUNT II

7. 68 IAC 11-3-2(b) provides in accordance with 68 IAC 11-1, the casino licensee must submit to the executive director internal control procedures covering currency collection and soft count.
8. The Commission's 24-hour Gaming Operations Plan provides that after all patrons and non-drop team employees have been cleared from the designated drop area, Security will station themselves at opposite ends of the designated drop area. Security will prevent patrons and non-drop employees from entering the designated drop area while the drop buckets are being collected. One Security Officer will be assigned to monitor the trolley.
9. Horseshoe's approved internal control procedures, D-7.2, describes the drop process.
10. On May 1, 2022, Surveillance notified Gaming Agents that two (2) patrons entered the drop zone.
11. On May 7, 2022, Surveillance notified Gaming Agents that a patron entered the drop zone.
12. On July 16, 2022, Surveillance notified Gaming Agents that a patron entered the drop zone.

13. 68 IAC 11-3-6(c) provides that the soft count team shall handle drop boxes in the following manner: (3) The inside of the empty drop box shall be held up for full view by the surveillance camera, and at least one (1) member of the soft count team shall verify that the drop box is empty.
14. Horseshoe's approved internal control procedures, D-5, describe the soft count process and state that the inside of the empty box is held up by the Count Team for full view by the surveillance camera, and at least one other member of the Count Team staff to be assured that all of the contents have been removed.
15. On May 24, 2022, Surveillance notified Gaming Agents that a Count Room Rep was observed opening multiple bill validator boxes and failing to verify that the drop box was empty with a fellow Count Room Rep and with Surveillance.

### COUNT III

16. 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.
17. 68 IAC 1-11-1(c) provides a person under twenty-one (21) years of age shall not be present in a casino.
18. On April 24, 2022, Gaming Agents heard a radio call from Surveillance concerning a fight at the turnstiles involving a patron and Security. When Gaming Agents arrived, a Hammond Police Officer was on the scene and had the female patron in custody. While conducting an inventory of the female patron's items, it was determined that she was underage. The underage person was twenty (20) years.
19. A review of surveillance coverage determined that the underage presented an identification to Security Officer for a forty-three (43) year old. The identification passed Veridocs and the underage female was allowed in the casino. The underage person did not appear to be forty-three (43) years old and Security should not have allowed the female patron entry into the casino. The altercation occurred after a different Security Officer requested to see the underage person's identification after receiving a tip that the underage person may have used someone else's identification to enter the casino.

### COUNT IV

20. 68 IAC 14-3-5(a) provides that all dice or playing cards that are not being utilized at a live gaming device shall be kept in locked compartments.
21. On July 29, 2022, a Table Games Shift Manager notified Gaming Agents that six (6) decks of playing cards were left unsecured in a drawer under the blackjack table. These cards were active, not cancelled and expected to be used again. The cards were unsecured for four (4) hours and twenty (20) minutes.

### COUNT V

22. 68 IAC 2-3-8(b) provides an occupational licensee must request renewal of the license on a form prescribed by the commission no less than thirty (30) days before the expiration of the occupational license.
23. On July 29, 2022, Human Resources reached out to Gaming Agents regarding a Dealer not being listed in LAM, the Commission Occupational Licensing Database, as the Dealer was currently working on the casino floor.
24. On July 19, 2020, Human Resources provided a separation of service form for the Dealer who was being furloughed due to Covid pandemic. The Dealer's date of separation was June 15, 2020. The Dealer advised that he returned to work in August 2020 and worked on the casino floor through January 2021. The Dealer was on medical leave from January 2021 – May 2021. The Dealer has been working on the casino floor from May 2021 to present. The Dealer worked over a year without an occupational license.

#### **TERMS AND CONDITIONS**

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

Horseshoe shall pay to the Commission a total of \$11,000 (\$1,000 for Count I, \$4,500 for Count II, \$1,500 for Count III, \$1,000 for Count IV and \$3,000 for Count V) in consideration for the Commission foregoing disciplinary action based on the facts specifically described in this Agreement. This Agreement extends only to those violations and findings of fact specifically alleged in each Count 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, Horseshoe agrees to promptly remit payment in the amount of \$11,000 and shall 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.

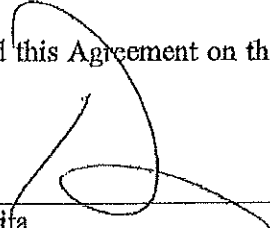
The counterparts of this Agreement may be executed and delivered by electronic mail, facsimile, or other electronic signature by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically as if the original had been received.

This Agreement shall be binding upon the Commission and Horseshoe.

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

  
\_\_\_\_\_  
Greg Small, Executive Director  
Indiana Gaming Commission

9/26/2022  
Date

  
\_\_\_\_\_  
Dan Nita  
Horseshoe Hammond, LLC

9/19/22  
Date