

**ORDER 2022-83
IN RE SETTLEMENT AGREEMENT
INDIANA GAMING COMPANY, LLC
d/b/a HOLLYWOOD CASINO
LAWRENCEBURG
22-HW-02**

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

APPROVED

APPROVES OR DISAPPROVES

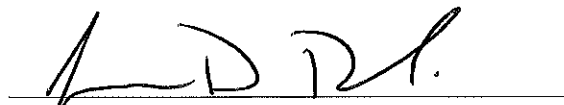
the proposed terms of the Settlement Agreement.

IT IS SO ORDERED THIS THE 30th DAY OF JUNE, 2022.

THE INDIANA GAMING COMMISSION:


Milton O. Thompson, Chair

ATTEST:


Jason Dudich, Secretary

**STATE OF INDIANA
INDIANA GAMING COMMISSION**

IN RE THE MATTER OF:)	
)	SETTLEMENT
INDIANA GAMING COMPANY, LLC)	22-HW-02
d/b/a HOLLYWOOD CASINO)	
LAWRENCEBURG)	

SETTLEMENT AGREEMENT

The Indiana Gaming Commission (“Commission”) by and through its Executive Director Greg Small and Indiana Gaming Company, LLC d/b/a Hollywood Casino Lawrenceburg (“Hollywood”), (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 4-33-4-27 provides that (b) If a licensed owner, an operating agent, or a trustee is required to file Form W-2G or a substantially equivalent form with the United States Internal Revenue Service for a person who is delinquent in child support, before payment of cash winnings to the person, the licensed owner, operating agent, or trustee:
 - (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 the cash 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.
2. 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.

3. 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.
4. 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.
5. 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.
6. Hollywood's approved internal control procedures, Part I: Section K and Part VII: Section F, describe the procedures for the child support intercept process.

7. Gaming Agent's audited the Child Support Arrears Delinquency Registry (CSADR) for December 2021. The results of this audit found two (2) individuals were not searched through the CSADR system at the time a taxable jackpot was won.
8. Gaming Agent's audited the CSADR for January 2022. The results of this audit found two (2) individuals were not searched through the CSADR system at the time sports wagering winnings in excess of \$600 was won.
9. Gaming Agent's audited the CSADR for February 2022. The results of this audit found three (3) individuals were not searched through the CSADR system: one (1) at the time a taxable jackpot was won and two (2) at the time sports wagering winnings in excess of \$600 was won.
10. Gaming Agent's audited the CSADR for March 2022. The results of this audit found five (5) individuals were not searched through the CSADR system: one (1) at the time a taxable jackpot was won and four (4) at the time sports wagering winnings in excess of \$600 was won.

COUNT II

11. 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.
12. 68 IAC 1-11-1(c) provides a person under twenty-one (21) years of age shall not be present in a casino.
13. On February 13, 2022, Surveillance notified Gaming Agents that an underage person was found climbing over the fence into the Sportsbook. A review of surveillance coverage determined that an underage person attempted to enter the Sportsbook and was denied entry. Two (2) other patrons attempted to enter the Sportsbook. One (1) was allowed entry and the other was denied due to an expired license. The patron allowed entry into the Sportsbook met the other two (2) patrons at the fence dividing the Sportsbook gaming area from the pavilion. The patron inside the Sportsbook lifted the female patron over the fence and the underage person easily hopped over the fence.
14. On February 26, 2022, Surveillance notified Gaming Agents that an underage person was arrested in Boogie Nights after he battered another patron on the dance floor at Boogie Nights with two (2) other patrons. Boogie Nights is a dance club located on the casino floor. A review of surveillance coverage found that two (2) individuals were allowed access to the casino floor on two (2) different occasions after presenting the same expired Kentucky identification (ID). One (1) of the individuals being the underage person. The underage person had a different color hair and hairstyle than the person presented on the ID. On the ID, the person had a shaved head with a dark blackish colored beard which matched the first patron that entered the casino. The underage person had a brown colored beard with long brown/blondish hair and did

not match the ID. The same Security Officer allowed both patrons access to the casino with the same expired ID and failed to identify that the underage person did not resemble the ID he presented.

COUNT III

15. 68 IAC 2-3-1(k) provides the following employees shall obtain an occupational license, Level 3: (1) Any employee of a riverboat gambling operation whose duties are performed on a riverboat and who are not employees described in subsection (i) or (j). (2) The crew members responsible for operating and navigating the riverboat. (3) Instructors of an occupational training school under 68 IAC 2-5. (4) Any other employee of a riverboat gambling operation whom the commission deems necessary, to ensure compliance with the Act and this title, to hold an occupational license, Level 3.
16. On March 4, 2022, Hollywood's Director of Compliance self-reported to Gaming Agents that a non-gaming employee was working in a licensed position. A Banquet Server was working in a licensed position as a Bartender. Human Resources became aware of the issue when the F&B Sportsbook Bar Manager asked about employees picking up shifts in other positions. The employee in question was a non-gaming employee and was not permitted to work as a Bartender until she transferred from a non-gaming to a gaming position since the Bartender position required a level three (3) license.
17. The F&B Sportsbook Bar Manager could not confirm the dates that the employee worked as a Bartender since she was just picking up shifts when another employee would ask her to cover their shift, but he believed that she had been picking up shifts as a Bartender since the casino re-opened in June 2020. The employee confirmed that she had been working as a Bartender since July 2020.

COUNT IV

18. 68 IAC 12-1-5(f)(6) provides electronic gaming device surveillance must be capable of providing dedicated coverage on progressive games, including 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.
19. On January 28, 2022, Surveillance notified Gaming Agents that a bank of progressive electronic gaming devices (EGD) did not have dedicated surveillance coverage. At the time, the top progressive award was \$50,393.85. The linked progressive EGD's had four (4) denominations. The denomination selected determines the maximum progressive jackpot. The Slot Department is responsible for recording progressive amounts and making them available to Surveillance. Surveillance uses these progressive totals to determine when progressive coverage is necessary.

20. The Casino Operations Manager accepted responsibility for the violation. Typically, during an EGD move, Surveillance is provided a list of the EGD's and their camera requirements. The Casino Operations Managers acknowledged that he confused static coverage of EGD's with the potential to exceed \$50,000 and progressive EGD's that require static coverage capable to observe the incrementation. These progressive EGD's were tested and placed into service on November 9, 2021. The progressive EGD's lacked coverage for eighty (80) days.

TERMS AND CONDITIONS

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

Hollywood shall pay to the Commission a total of \$24,000 (\$9,000 for Count I, \$10,500 for Count II, \$1,500 for Count III and \$3,000 for Count IV) in consideration for the Commission foregoing disciplinary action based on the facts specifically described in the Findings of 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, Hollywood agrees to promptly remit payment in the amount of \$24,000 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 Hollywood.

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

6/27/2022
Date

Mike Galle
Mike Galle, General Manager
Indiana Gaming Company, LLC
*Mike Campbell
Vice President
of Finance*

June 17, 2022
Date