

## INDIANA GAMING COMMISSION

## BUSINESS MEETING

May 19, 2016

ORIGINAL

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A P P E A R A N C E S

ON BEHALF OF THE GAMING COMMISSION:  
 Cris Johnston, Chairman  
 Sara Gonso Tait, Executive Director  
 Jennifer Reske, Deputy Director  
 Greg Small, General Counsel  
 Marc Fine, Commissioner  
 Rich McClain, Commissioner  
 Anita Sherman, Commissioner  
 Joseph Svetanoff, Commissioner  
 Mike Herndon, Commissioner

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1 CHAIRMAN JOHNSTON: Welcome. I'd like to  
2 call the May 19th, 2016 Indiana Gaming Commission  
3 meeting to order.

4 I'll take the roll. Commissioner Fine.

5 MR. FINE: Present.

6 CHAIRMAN JOHNSTON: Commissioner Svetanoff.

7 MR. SVETANOFF: Present.

8 CHAIRMAN JOHNSTON: Commissioner Sherman.

9 MS. SHERMAN: Present.

10 CHAIRMAN JOHNSTON: Commissioner Herndon.

11 MR. HERNDON: Here.

12 CHAIRMAN JOHNSTON: Commissioner McClain.

13 MR. MCLAIN: Here.

14 CHAIRMAN JOHNSTON: And Chairman Johnston is  
15 here.

16 Thank you very much for being here on a  
17 beautiful spring day. At least we have a pleasant  
18 room to be in for this meeting.

19 First order of business is the approval of  
20 minutes. We're going to -- we've reviewed and/or  
21 have distributed and hopefully reviewed the two  
22 sets of minutes, the February 24th and March 31st  
23 meeting minutes. Any comments, corrections  
24 necessary?

25 Seeing none, all those in favor of adopting

1 the minutes, say aye.

2 (Chorus of ayes.)

3 CHAIRMAN JOHNSTON: Opposed?

4 Meeting minutes are adopted.

5 Report from the Executive Director, Sara.

6 EXECUTIVE DIRECTOR TAIT: Thank you,

7 Mr. Chair. First, I'd like to introduce the IGC's

8 two newest employees. Dennis Mullen, stand up.

9 Dennis is our new deputy general counsel. Dennis

10 is from Carmel and lives downtown with his wife

11 Allyssa and one-and-a-half-year-old Madelyn. He

12 spent four years with the Office of -- the Attorney

13 General's Office, defending the State and its

14 agencies and employees in civil litigation.

15 Welcome, Dennis.

16 MR. MULLEN: Thank you.

17 EXECUTIVE DIRECTOR TAIT: Marilyn Scott is in  
18 the back. Marilyn is our newest field auditor.

19 She's been a State employee for 15 years and

20 recently transferred from the Department of Child

21 Services as a payroll manager after nine years.

22 She has two children and five grandchildren.

23 Welcome, Marilyn.

24 We've had three staff promotions since our

25 last meeting. Rob Townsend is in the back. Rob is

1 our new superintendent on law enforcement. This  
2 position has been vacant for quite some time, but  
3 we were lucky to recruit Rob back into this role.  
4 He oversees all of our law enforcement officers; so  
5 all of the enforcement division, as well as the  
6 gaming control division.

7 Ron McClain is our newest assistant  
8 auditor -- or I'm sorry, assistant audit director  
9 after the retirement of long-time employee Larry  
10 Rhoades.

11 And then, lastly, effective on Monday, Kimi  
12 Simpson, a former program coordinator in our  
13 charity gaming division, has been promoted to the  
14 executive administrative assistant position.

15 Our background and financial investigation  
16 divisions have conducted reinvestigations of  
17 suppliers Konami, Incredible Technologies and  
18 Ainsworth, and also casino licensees Centaur and  
19 Tropicana. The reports have been submitted with  
20 your confidential materials, and Directors Leek and  
21 Brown are present should you have any questions.

22 There have been nine waivers since our last  
23 Commission meeting. A waiver was granted to all  
24 casinos which allows for electronic gaming devices  
25 to be shipped with software and EPROMs. Casinos

1 must submit to the Commission proposed internal  
2 control procedures for the proper use and security  
3 of dongle keys prior to receiving shipments. To  
4 ensure that machines are not improperly powered up  
5 and utilized in transit, certain keys must be  
6 shipped separately.

7 Belterra is allowed to purchase a solid or  
8 enclosed table for the count room.

9 Hollywood is granted relief from the  
10 maintenance of found cash equivalents valued at \$10  
11 or less.

12 Hollywood is also allowed to drop the tip  
13 boxes of slot attendants once per week. The tips  
14 will still be allocated using a pro rata  
15 distribution, and they are subject to all  
16 applicable state and federal withholding taxes.

17 And lastly, Hollywood is allowed to employ  
18 18- to 20-year-olds in certain approved positions  
19 which do not affect gaming or the flow of money  
20 obtained as a direct result of the gaming  
21 operation.

22 Horseshoe Hammond and Horseshoe Southern are  
23 allowed to accept federal and state refund checks.  
24 Casinos are also granted relief from the  
25 requirements that the live gaming device inventory

1 slip contain the shift, given that the military  
2 stamp is recorded.

3 Tropicana is allowed to have one key to enter  
4 the Belly and BV doors. Security is the only  
5 department with access to the key and the only --  
6 and is only allowed in the drop process. Tropicana  
7 is also allowed to place a sticker on certain  
8 electronic gaming devices to clarify the minimum  
9 bet.

10 Since the February 2016 Commission meeting,  
11 IGC staff has added 37 individuals to the exclusion  
12 list, which effectively and permanently bars those  
13 patrons from entering any casino in Indiana.

14 Of those 37 individuals, two were placed on  
15 the exclusion list for past-posting, pinching or  
16 capping bets. Twenty-seven were placed on the  
17 exclusion list for taking illegal possession of  
18 cell phones, cash or credits in excess of \$500.  
19 Three were placed on the exclusion list for  
20 conducting jackpot switches or using false ID to  
21 claim a jackpot. Four were placed on the exclusion  
22 list for conducting fraudulent credit card  
23 advances.

24 The final individual, a snack bar attendant,  
25 was placed on the exclusion list for using her

1 possession -- I'm sorry, her position to take  
2 unlawful possession of merchandise in U.S.  
3 currency.

4 For the year of 2016, the IGC has placed 74  
5 patrons on the exclusion list, bringing the grand  
6 total to 585 individuals.

7 And that concludes my report.

8 CHAIRMAN JOHNSTON: Thank you very much. Any  
9 questions for the Executive Director?

10 Seeing none, is there any old business?

11 If there's no old business, let's move into  
12 today's agenda. The first item are patron matters  
13 from the voluntary exclusion program. Angela  
14 Bunton, welcome.

15 MS. BUNTON: Thank you. Good afternoon,  
16 Commissioners and Executive Staff. You have before  
17 you 39 orders regarding the voluntary exclusion  
18 program. Pursuant to the rules of the program, the  
19 identities of voluntary exclusion program  
20 participants must remain confidential. Pursuant to  
21 68 IAC 6-3-2(g), a participant in the program  
22 agrees that if he or she violates the terms of the  
23 program and enters the gaming area of a facility  
24 under the jurisdiction of the Commission, they will  
25 forfeit any jackpot or thing of value won as a



1 result of a wager.

2 Under Orders 2016-83 through 2016-121, a  
3 total sum of \$53,586.28 was forfeited by John Does  
4 45 through 83. These winnings were collected at  
5 Ameristar, Blue Chip, French Lick, Hollywood,  
6 Hoosier Park, Horseshoe Hammond, Horseshoe South,  
7 Indiana Grand, Majestic Star, Rising Star and  
8 Tropicana. These winnings were withheld as  
9 required by Commission regulations. Commission  
10 staff recommends that you approve the remittance of  
11 these winnings for John Does 45 through 83.

12 CHAIRMAN JOHNSTON: Thank you very much. Any  
13 questions for Angela?

14 Seeing none, what's the pleasure of the  
15 Commission on Orders 83 through 121?

16 MR. FINE: Move for approval.

17 MR. SVETANOFF: Second.

18 CHAIRMAN JOHNSTON: There's a motion and a  
19 second. All those in favor, say aye.

20 (Chorus of ayes.)

21 CHAIRMAN JOHNSTON: Opposed?

22 Orders are adopted. Thank you very much.

23 MS. BUNTON: Thank you.

24 CHAIRMAN JOHNSTON: Continuing on the  
25 exclusion program, settlement matters. Natalie.

1 MS. RAVER: Good afternoon. Members of the  
2 Commission, you have before you Orders 2016-122 and  
3 2016-123, regarding settlements reached in lieu of  
4 administrative proceedings of VEP forfeiture  
5 appeals.

6 Order 2016-122 relates to John Doe 16-25  
7 whose remittance of winnings was approved by the  
8 Commission in Order 2016-25. John Doe 16-25  
9 submitted an application for one-year placement in  
10 the VEP October 24th, 2014 and was discovered on  
11 the gaming floor at Horseshoe Hammond casino on  
12 October 28, 2015, in possession of winnings worth  
13 \$1,455.51. Commission staff offered to settle the  
14 matter by refunding half of the monies seized in  
15 exchange for John Doe 16-25 withdrawing the appeal.  
16 John Doe 16-25 agreed to the settlement. Order  
17 16-122 would approve the settlement agreement.

18 Order 2016-123 relates to John Doe 16-31,  
19 whose remittance of winnings was approved by the  
20 Commission in Order 2016-31. John Does 16-31  
21 submitted an application for five-year placement in  
22 the VEP on May 2nd, 2010, and was discovered on the  
23 gaming floor at Indiana Grand Casino on November  
24 13th, 2015 in possession of winnings worth  
25 \$1,041.65. Commission staff offered to settle the

1 matter by refunding half the money seized in  
2 exchange for John Doe 16-31 withdrawing the appeal.  
3 John Doe 16-31 agreed to the settlement. Order  
4 16-123 would approve the settlement agreement.

5 Commission staff respectfully recommends that  
6 you approve Orders 2016-122 and 2016-123 at this  
7 time.

8 CHAIRMAN JOHNSTON: Thank you. Any questions  
9 for Natalie?

10 Is there a motion to approve orders 122 and  
11 123, which approves the settlement agreements?

12 MS. SHERMAN: So moved.

13 MR. HERNDON: Second.

14 CHAIRMAN JOHNSTON: There's a motion and a  
15 second. All those in favor, say aye.

16 (Chorus of ayes.)

17 CHAIRMAN JOHNSTON: Opposed?

18 The orders are adopted. Thank you.

19 MS. RAVER: Thank you.

20 CHAIRMAN JOHNSTON: We have a couple of  
21 removal requests from the exclusion list. Noah  
22 Jackson. Welcome, Noah.

23 MR. JACKSON: Thank you. Members of the  
24 Commission, you have before you Order 2016-124  
25 concerning the petition for removal from the

1 exclusion list of Jerry Nettrouer. On June 8,  
2 2015, Mr. Nettrouer was observed via video  
3 surveillance at the Hoosier Park Casino in  
4 Anderson, Indiana, taking unlawful possession of a  
5 \$595 TITO ticket. On August 26, 2015, Executive  
6 Director Tait placed Mr. Nettrouer on the statewide  
7 exclusion list.

8 On September 8th, 2015, the Commission  
9 received Mr. Nettrouer's appeal of his placement on  
10 the exclusion list. On January 5th, 2016, the  
11 Commission entered into a settlement agreement with  
12 Mr. Nettrouer where he would withdraw his appeal  
13 and be given the opportunity to petition for  
14 removal from the exclusion list on or after  
15 February 26, 2016.

16 On February 26, 2016, a hearing was conducted  
17 regarding Mr. Nettrouer's removal from the  
18 exclusion list. Mr. Nettrouer took full  
19 responsibility for his actions and cooperated with  
20 casino agents when the incident occurred. During  
21 the hearing, Mr. Nettrouer expressed deep regret  
22 for his actions and indicated that he was now aware  
23 of how to handle a similar situation in the future.  
24 He also repeatedly expressed his embarrassment and  
25 shame regarding the incident and expressed remorse

1 for his actions and their consequences on himself  
2 and his family. Additionally, Mr. Nettrouer has  
3 made no attempt to enter an Indiana casino since  
4 being placed on the exclusion list but has visited  
5 casinos in other jurisdictions without incident.

6 Based on the totality of the factors above, I  
7 concluded that Mr. Nettrouer has met the required  
8 standard of clear and convincing evidence at this  
9 time, as reflected in my findings of fact and  
10 recommendation. Adopting my findings would have  
11 the effect of granting Mr. Nettrouer's petition for  
12 removal, and I respectfully recommend that the  
13 Commission adopt my findings at this time.

14 CHAIRMAN JOHNSTON: Thank you. Any questions  
15 for Noah on this request, Order 124?

16 Seeing no questions, what is the pleasure of  
17 the Commission?

18 MR. FINE: Move for approval.

19 MR. SVETANOFF: Second.

20 CHAIRMAN JOHNSTON: There's a motion and a  
21 second. All those in favor, say aye.

22 (Chorus of ayes.)

23 CHAIRMAN JOHNSTON: Opposed?

24 Order 124 is adopted. Please continue.

25 MR. JACKSON: Thank you. You also have

1 before you Order No. 2016-125 concerning the  
2 petition for removal from the exclusion list of  
3 Maria Rodriguez.

4 On May 12, 2012, Maria Rodriguez was observed  
5 by surveillance at Ameristar Casino conspiring with  
6 casino patron Louis Ramos to take unlawful  
7 possession of another patron's diamond bracelet and  
8 taking possession of that diamond bracelet. She  
9 was placed on the statewide exclusion list on June  
10 8, 2012. Ms. Rodriguez was charged with conversion  
11 and resisting law enforcement, both Class A  
12 misdemeanors in East Chicago City Court.

13 Ms. Rodriguez petitioned for removal from the  
14 exclusion list on March 10, 2016, and staff  
15 attorney Natalie Raver was appointed to be the  
16 hearing officer. A hearing was held with  
17 Ms. Rodriguez; and as hearing officer, Ms. Raver  
18 submitted findings of fact, a designation of  
19 evidence and a recommendation for your review.

20 While Ms. Rodriguez was initially  
21 uncooperative with the agents' investigation, the  
22 criminal case stemming from the incident was  
23 dismissed after a six-month deferral. In addition,  
24 she has no other criminal history. Since the  
25 incident, Ms. Rodriguez has taken responsibility

1 for her actions, apologized repeatedly and shows  
2 remorse for what she did. She has also become  
3 active in her church and community.

4 Based on the totality of the factors above,  
5 Ms. Raver concluded that Ms. Rodriguez has met the  
6 required standard of clear and convincing evidence  
7 at this time, as reflected in her findings of fact  
8 and recommendations. Adopting her findings would  
9 have the effect of granting Ms. Rodriguez's  
10 petition for removal, and I respectfully recommend  
11 that you adopt her findings at this time.

12 CHAIRMAN JOHNSTON: Thank you. Any questions  
13 for Noah on Order 125?

14 Seeing none, is there a motion to adopt the  
15 findings of fact and adopt the order?

16 MS. SHERMAN: Motion to adopt.

17 MR. HERNDON: Second.

18 CHAIRMAN JOHNSTON: There's a motion and a  
19 second. All those in favor, say aye.

20 (Chorus of ayes.)

21 CHAIRMAN JOHNSTON: Opposed?

22 Order is adopted. Thank you very much.

23 MR. JACKSON: Thank you.

24 CHAIRMAN JOHNSTON: You're still up.

25 MR. JACKSON: Still up. Still me.

1 CHAIRMAN JOHNSTON: Let's move to suppliers.

2 MR. JACKSON: All right. Thank you.

3 Commissioners, before you is Order No. 2016-126.  
4 Pursuant to the Indiana Code 4-33-7-8 and the  
5 Indiana Administrative Code Section 2-2-8, a  
6 supplier's license must be renewed annually along  
7 with payment of a \$7,500 fee.

8 Each of the following licensees submitted a  
9 timely request for renewal of its license and paid  
10 the renewal fee: Patriot Gaming & Electronics,  
11 Ainsworth Game Technology, Everi Payments, Konami  
12 Gaming, Novomatic Americas Sales, House Advantage,  
13 US Playing Cards Company, Clear Peak Holdings and  
14 Technical Security Integration.

15 Commission staff recommends the approval of  
16 Order 2016-126 to renew the license of those  
17 listed.

18 CHAIRMAN JOHNSTON: Thank you. Any questions  
19 on suppliers?

20 Seeing none, is there a motion to approve  
21 Order 126?

22 MR. SVETANOFF: Motion to approve.

23 MS. SHERMAN: Second.

24 CHAIRMAN JOHNSTON: There's a motion and a  
25 second. All those in favor, say aye.



1 (Chorus of ayes.)

2 CHAIRMAN JOHNSTON: Opposed?

3 The order is adopted.

4 MR. JACKSON: Thank you.

5 CHAIRMAN JOHNSTON: Occupational licensing,  
6 We have a few matters. Natalie, welcome back.

7 MS. RAVER: Members of the Commission, you  
8 have before you Order 2016-127, which concerns a  
9 settlement agreement between Commission staff and  
10 occupational licensee Michael Guerrero.

11 Guerrero submitted an application for  
12 three-year reinvestigation of his occupational  
13 license. The background reinvestigation process  
14 revealed that Guerrero failed to timely disclose or  
15 update the Commission on a charge or arrest within  
16 10 calendar days pursuant to 68 Indiana  
17 Administrative Code Section 2-3-9.

18 In lieu of disciplinary action, Commission  
19 staff offered Guerrero a settlement agreement which  
20 would have him agree to an unpaid, voluntary  
21 relinquishment of his occupational license for a  
22 period of three regularly scheduled working days,  
23 with no vacation or other paid time off to be used.  
24 Guerrero agreed to the terms of the settlement  
25 agreement.

1           Order 2016-127 would approve the settlement  
2 agreement entered into by the parties, and  
3 Commission staff respectfully recommends that you  
4 approve order 2016-127 at this time.

5           CHAIRMAN JOHNSTON: Thank you. Any  
6 questions?

7           Seeing none, is there a motion to adopt Order  
8 127?

9           MR. FINE: Move for approval.

10          MR. SVETANOFF: Second.

11          CHAIRMAN JOHNSTON: There's a motion and a  
12 second. All those in favor, say aye.

13          (Chorus of ayes.)

14          CHAIRMAN JOHNSTON: Opposed?

15          Order is adopted. Thank you. Continue on.

16          MS. RAVER: Members of the Commission, you  
17 have before you Order Nos. 2016-128 through  
18 2016-132. These orders all deny individuals'  
19 applications for permanent occupational licenses to  
20 work in Indiana casinos.

21                 Pursuant to Indiana Code Section 4-33-8-3(4),  
22 the Commission may not issue an occupational  
23 license to an individual unless the individual has  
24 met the standards adopted by the Commission for  
25 holding an occupational license. An applicant for

1 Level 2 or 3 occupational license shall include the  
2 applicant's criminal history in his or her  
3 application pursuant to 68 Indiana Administrative  
4 Code Section 2-3-4(e)(14) and 68 Indiana  
5 Administrative Code Section 2-3-4(f)(10).

6 Any misrepresentation or omission made with  
7 respect to an application may be grounds for denial  
8 of the application pursuant to 68 Indiana  
9 Administrative Code Section 2-3-4(b)(2).

10 As part of the routine background  
11 investigation into each applicant, Commission  
12 investigators and staff discovered that the  
13 applicants represented in Orders 2016-128 through  
14 2016-132 failed to provide complete or accurate  
15 criminal histories.

16 All individuals were given the opportunity to  
17 withdraw their applications from consideration for  
18 permanent licensure at that time. Detailed  
19 information regarding the investigation into each  
20 individual's specific orders is contained in the  
21 confidential materials provided to the Commission.

22 Because these applicants failed to provide  
23 their criminal histories in their applications,  
24 staff recommends that the applications for  
25 permanent licensure be denied in Orders 2016-128

1 through 2016-132.

2 CHAIRMAN JOHNSTON: Thank you. Any  
3 questions?

4 Is there a motion on these orders, 128  
5 through 132?

6 MR. HERNDON: Motion.

7 MR. MCCLAIN: Second.

8 CHAIRMAN JOHNSTON: Motion and a second. All  
9 those in favor, say aye.

10 (Chorus of ayes.)

11 CHAIRMAN JOHNSTON: Opposed?

12 Orders 128 through 132 are adopted. Thank  
13 you.

14 MS. RAVER: Thank you.

15 CHAIRMAN JOHNSTON: Casino renewals, Noah.

16 MR. JACKSON: Thank you. Commissioners, you  
17 have before you Orders 2016-133, 2016-134,  
18 2016-135, 2016-136 and 2016-137 regarding the  
19 annual casino owner's license renewal for Ameristar  
20 Casino East Chicago, LLC; Hoosier Park, LLC;  
21 Horseshoe Hammond, LLC; Centaur Acquisition, LLC,  
22 doing business as Indiana Grand Racing & Casino;  
23 the Majestic Star Casino, LLC; and Majestic Star  
24 Casino II, LLC. Each of these casinos have filed  
25 the required paperwork and paid proper fees

1 necessary for renewal.

2 Ameristar's renewal date was April 14th,  
3 2016. Under Resolution 2003-13, the Executive  
4 Director entered an interim renewal of Ameristar's  
5 license to bridge the gap between its renewal date  
6 and this Commission meeting.

7 Hoosier Park and Indiana Grand both had a  
8 renewal date of March 30th, 2016. Again, under  
9 Resolution 2003-13, the Executive Director issued  
10 an interim renewal of both Hoosier Park and Indiana  
11 Grand's licenses to bridge the gap between the  
12 renewal dates and this Commission meeting.

13 The licenses for Majestic Star I and II will  
14 expire on June 2nd, 2016, and Horseshoe Hammond  
15 will expire on June 19th, 2016.

16 By orders 2014-128, 2014-54, 2014-55, 2015-53  
17 and 2013-119, the Commission approved the power of  
18 attorney for Ameristar, Hoosier Park, Indiana  
19 Grand, Horseshoe Hammond and Majestic Star I and II  
20 respectively. Those approvals expire upon the  
21 renewal of each casino owner's license. For that  
22 reason, all casinos must either request renewal of  
23 the Commission's approval of the power of attorney  
24 concurrently with the request for license renewal  
25 or present the Commission with a new power of

1 attorney naming a new trustee-in-waiting.

2 Ameristar has requested the renewal of  
3 Mr. Ron Gifford; Hoosier Park has requested renewal  
4 of Mr. John Gambs; Indiana Grand has requested the  
5 renewal of Mr. Tom Dingman; Horseshoe Hammond has  
6 requested the renewal of Mr. Thomas Thanas; and  
7 Majestic Star I and II has requested the renewal of  
8 Mr. Robert Dingman as their respective power of  
9 attorneys.

10 Commission staff recommends approval of  
11 Orders 2016-133, 134 and 136 renewing the licenses  
12 of Ameristar, Indiana Grand and Hoosier Park.  
13 Additionally, Commission staff recommends approval  
14 of Orders 2016-135 and 2016-137 prospectively  
15 renewing the licenses of Horseshoe Hammond and  
16 Majestic Star I and II.

17 CHAIRMAN JOHNSTON: Thank you. Any questions  
18 for Noah?

19 Seeing none, what's the pleasure of the  
20 Commission?

21 MS. SHERMAN: Motion to approve.

22 MR. FINE: Second.

23 CHAIRMAN JOHNSTON: There's a motion and a  
24 second. All those in favor, say aye.

25 (Chorus of ayes.)

1 CHAIRMAN JOHNSTON: Opposed?

2 Orders 133 through 137 are adopted.

3 MR. JACKSON: Thank you.

4 CHAIRMAN JOHNSTON: Continuing on with casino  
5 matters, disciplinary actions. Chris Gray, thank  
6 you.

7 MS. GRAY: Good afternoon, Commissioners and  
8 Executive Staff. You have before you five  
9 settlement agreements concerning disciplinary  
10 actions. The first settlement is with Ameristar,  
11 Order 2016-138, and includes three counts.

12 In the first count the casino failed to  
13 timely inform the Commission of a termination. The  
14 second count violated the progressive jackpot  
15 rules. In the third count, the casino violated the  
16 VEP rules.

17 Ameristar has agreed to a total monetary  
18 settlement of \$7,500 in lieu of a disciplinary  
19 action.

20 Order 2016-139 is a settlement agreement with  
21 Hollywood wherein the casino failed to timely  
22 notify the Commission of apparent criminal  
23 activity.

24 Hollywood has agreed to a monetary settlement  
25 of \$1,500 in lieu of disciplinary action.

1           Order 2016-140 is a settlement agreement with  
2           Indiana Grand and includes two counts. In the  
3           first count the casino failed to notify the  
4           Commission of a gaming violation, failed to  
5           complete and file a federal form and failed to  
6           submit a completed promotional submission. In the  
7           second count, the casino failed to file a federal  
8           form.

9           Indiana Grand has agreed to a total monetary  
10          settlement of \$4,000 in lieu of disciplinary  
11          action.

12          Order 2016-141 is a settlement agreement with  
13          Majestic Star wherein the casino left unsecured  
14          cards at a table game.

15          Majestic Star has agreed to a monetary  
16          settlement of \$1,500 in lieu of disciplinary  
17          action.

18          Order 2016-142 is a settlement agreement with  
19          Rising Star wherein surveillance coverage was lost  
20          on three different occasions.

21          Rising Star has agreed to a total monetary  
22          settlement of \$25,000 in lieu of disciplinary  
23          action.

24          The Commission staff recommends that you  
25          approve Orders 1 -- I'm sorry, Orders 2016-138



1 through 2016-142, each of which approves one of the  
2 settlement agreements that we have just discussed.

3 CHAIRMAN JOHNSTON: Thank you. Any questions  
4 for Chris?

5 Is there a motion on Orders 138 through 142?

6 MR. SVETANOFF: Motion to approve.

7 MR. MCCLAIN: Second.

8 CHAIRMAN JOHNSTON: There's a motion and a  
9 second. All those in favor, say aye.

10 (Chorus of ayes.)

11 CHAIRMAN JOHNSTON: Opposed?

12 The orders are adopted.

13 MS. GRAY: Thank you.

14 CHAIRMAN JOHNSTON: Thank you very much.

15 We have a financial matter which is ratifying  
16 interim approval. Greg.

17 MR. SMALL: Thank you, Mr. Johnston. On  
18 April 19th, 2016, Full House Resorts, Incorporated  
19 requested permission to act on a proposed financial  
20 issue. Full House also requested a waiver of the  
21 two meeting requirements in accordance with the  
22 Commission's authority pursuant to 68 IAC 5-3-6.

23 The confidential details of the proposed  
24 financing have been provided to the Commissioners.  
25 In accordance with the procedures identified in

1 Resolution 2014-56, Chairman Johnston, Commissioner  
2 Sherman and Executive Director Tait considered Full  
3 House's request and consulted with financial  
4 analyst, Dr. Charlene Sullivan.

5 Chairman Johnston, Commissioner Sherman and  
6 Executive Director Tait agreed the proposed debt  
7 transaction should be approved, and Executive  
8 Director Tait issued an interim approval letter on  
9 April 27, 2016.

10 Resolution 2015-56 requires the interim  
11 approval be reported to the Commission for its  
12 consideration and for either final ratification or  
13 other direction. Commission staff recommends  
14 ratification of Executive Director Tait's interim  
15 approval letter. Thank you.

16 CHAIRMAN JOHNSTON: Any questions for Greg?

17 Seeing none, is there a motion on Order 143  
18 ratifying this interim approval?

19 MS. SHERMAN: Motion to approve.

20 MR. HERNDON: Second.

21 CHAIRMAN JOHNSTON: Motion and a second. All  
22 those in favor, say aye.

23 (Chorus of ayes.)

24 CHAIRMAN JOHNSTON: Opposed?

25 Order is adopted. Thank you.

1           The next topic is -- are some new duties that  
2 have been bestowed upon the Indiana Gaming  
3 Commission from the Indiana General Assembly with  
4 the daily fantasy sports area. And so I'm going to  
5 turn it over to Executive Director Tait, and she'll  
6 probably call on staff to further elaborate on this  
7 matter.

8           EXECUTIVE DIRECTOR TAIT: Thank you. The  
9 Indiana legislature, with the passage of Senate  
10 Enrolled Act 339, clarified the legality of paid  
11 fantasy sports in Indiana.

12           The IGC is tasked with providing regulatory  
13 oversight of these activities. Will we  
14 thoughtfully develop an application and regulatory  
15 framework over the coming months.

16           Our goal is to make this process fair,  
17 transparent and to create a common sense regulatory  
18 framework that includes appropriate consumer  
19 protections and allows contestants to participate  
20 in a lawful and safe manner.

21           We have created two working groups of staff  
22 that are developing an application and proposed  
23 rules. While we recognize that regulation of paid  
24 fantasy sports is very different than regulation of  
25 our brick-and-mortar casinos, we have found that

1 our subject matter and staff expertise has been and  
2 will continue to be very beneficial.

3 Based on the language contained in the bill,  
4 our focus will be consumer protection. As we have  
5 gained a more detailed understanding of the bill,  
6 we've determined that the language is limiting and  
7 that it does not authorize us to exert the same  
8 regulatory authority over these entities as we do  
9 casinos.

10 For example, the statute does not contain a  
11 felony prohibition, nor does it require a review of  
12 an individual's criminal history; and without that  
13 language we are unable to review an individual's  
14 criminal history for purposes of licensure.

15 Also, these companies are not expected to  
16 build large facilities or employ numbers of people  
17 in Indiana, nor will they be paying taxes;  
18 therefore, our interest in their financial  
19 viability isn't necessarily relevant to our work,  
20 which, as you know, is a vast departure from our  
21 practices concerning casino and casino supplier  
22 licensees.

23 But this is a new and evolving area, and it  
24 is exciting for staff to undertake. Staff is  
25 learning about the industry and stakeholders. We

1 will try to draft regulations that do not stifle  
2 innovation but ensure the integrity of the  
3 platform.

4 We have engaged Gaming Laboratories  
5 International to be our consultant. GLI provides  
6 the gaming industry's leading testing and  
7 certification services. They have expertise in,  
8 and the ability to test and certify, the technology  
9 used by these paid fantasy sports operators, such  
10 as verification and geo-fencing.

11 GLI has published standards for internet  
12 gaming, which we think will be quite helpful for  
13 paid fantasy sports. Also, if GLI publishes  
14 fantasy sport-specific standards, that would be  
15 something we would substantially rely upon.

16 Noah Jackson, our staff attorney, has  
17 prepared a paid fantasy sports and Senate Enrolled  
18 Act 339 overview. Included in his presentation is  
19 a proposed time line of implementation. And then  
20 after his presentation, staff is more than happy to  
21 answer questions. So, Noah.

22 MR. JACKSON: Thank you. To just go ahead  
23 and get started, we'll start with some background  
24 information on what fantasy sports actually are.

25 Fantasy sports require contestants to

1 assemble or draft teams of real-life athletes to  
2 compete in challenges against other contestants.  
3 Traditional fantasy -- well, they actually come in  
4 two different formats. Traditional fantasy sports  
5 would be a season-long format, and the newer format  
6 would be a daily fantasy sports format, which would  
7 allow contestants to participate in new games and  
8 then choose new lineups and teams over a much  
9 shorter time period.

10 Fantasy sports contests that require a paid  
11 entry fee are now regulated under the Senate  
12 Enrolled Act 339.

13 On the next slide here you have an example of  
14 what a typical fantasy football lineup would look  
15 like. Again, the contestant would draft real-life  
16 athletes to create a weekly lineup. On the  
17 right-hand side you have what would be a typical  
18 scoring system for the contests, so the contests  
19 are scored based on the real-life statistical  
20 achievements of the players in the lineup.

21 So with the example that you have in front of  
22 you, if your starting quarterback was Aaron Rodgers  
23 and he threw for 100 yards and one touchdown, he  
24 would score 11 points for your fantasy team.

25 Daily fantasy sports is a few format. It

1 refers to multiple contests taking place on an  
2 accelerated basis over a short period of time,  
3 typically either a day or maybe a week of  
4 competition.

5 Most daily fantasy sports operators allow  
6 contestants to enter multiple contests at one time,  
7 and currently there are quite a number of daily  
8 fantasy sports operators, although Draft King and  
9 FanDuel are by far the two largest operators with  
10 about 90 percent of the daily fantasy market share.

11 As far as who participates in fantasy sports,  
12 in 1988 the Fantasy Sports Trade Association  
13 estimated there were roughly half a million players  
14 of fantasy sports across the United States and  
15 Canada. By 2015, that number had grown to about  
16 58.6 million people playing.

17 Demographic information collected by the  
18 Fantasy Sports Trade Association shows that about  
19 two-thirds of the participants or contestants are  
20 male, with the average age of 37; over half had a  
21 college degree or more, and full-time employment of  
22 about two-thirds of the contestants as well.

23 The most popular fantasy sport is fantasy  
24 football, with the average contestant spending  
25 about three hours a week on fantasy sports

1 activities.

2 With the increase in popularity, there's also  
3 been an increase in money spent on fantasy sports.  
4 Roughly 60 percent of fantasy sports contestants  
5 pay some sort of entry or league fee to play.  
6 Daily fantasy spending has gone up since the launch  
7 of FanDuel in 2009 and Draft Kings in 2012. In  
8 2012, the average fantasy sports contestants spent  
9 about \$80 per year on the combination of daily  
10 fantasy, season-long fantasy and also  
11 fantasy-related materials such as lineup guides.  
12 By 2015, that number had grown to \$465 per year  
13 with the greatest increase in the average spending  
14 on daily fantasy activities up from \$5 in 2012 to  
15 \$257 for the average user in 2015.

16 Here you also see some information on the  
17 growth of daily fantasy sports. There are about  
18 3.8 million contestants playing daily fantasy  
19 sports; roughly 252 million in industry-wide  
20 revenue. The vast majority of daily fantasy sports  
21 activity is taking place in the United States, but  
22 interest in Europe has also rapidly grown.

23 RotoGrinders.com, which is a website offering  
24 dedicated fantasy lineup analysis and predictions,  
25 presented the two graphs on the bottom of the page.



1 These show that fantasy prize pools have risen  
2 sharply in just the last few years. In 2010, for  
3 instance, FanDuel's prize pool, championship prize  
4 pool, was \$40,000 for its NFL. In 2014 -- or by  
5 2014, that prize pool had grown to \$7 million.

6 With the popularity of daily fantasy sports,  
7 we've also seen league-level deals with the NBA,  
8 NHL and MLB. These are basically exclusive  
9 advertising deals. So, for instance, if you attend  
10 an MLB game at any ballpark, you would see Draft  
11 Kings advertising there. The NFL does not  
12 currently have a league-level deal, but 28 of the  
13 32 franchises do have sponsorship or advertising  
14 deals with either Draft King or FanDuel. These  
15 deals have begun sort of the creation of branded  
16 fantasy lounges at the sports arenas. So currently  
17 17 daily branded fantasy lounges exist.

18 These encourage contestants to be in the  
19 arena playing daily fantasy sports, but they also  
20 offer exclusive game-time activities that normal  
21 fans would not get to participate in.

22 With the Senate Enrolled Act 339, the  
23 legislature provided basic consumer protections and  
24 creates a lawful and secure environment for  
25 Hoosiers to enjoy paid fantasy sports. Indiana is

1 actually the second state to pass legislation  
2 officially recognizing paid fantasy sports as a  
3 legal activity, and the first state to approve  
4 rulemaking authority.

5           Additionally, Senate Enrolled Act 339  
6 clarifies that paid fantasy sports contests are not  
7 considered gambling.

8           Prior to the introduction of the Senate  
9 Enrolled Act 339, the paid fantasy sports industry  
10 was largely unregulated. SEA 339 creates the  
11 consumer protections and tasks the Indiana Gaming  
12 Commission with creation of regulation of licensing  
13 procedures and implementing consumer protections  
14 created by the bill.

15           As was mentioned earlier, it does not  
16 authorize the same regulatory authority that it  
17 would normally have over casinos, so there will be  
18 significant departures and differences between  
19 traditional casino regulatory structure and  
20 regulatory structure imposed upon paid fantasy  
21 sports.

22           This list is a short list of some of the  
23 consumer protections offered in the bill, created  
24 in the bill. Most of these -- or some of these  
25 will be familiar, such as prohibiting participation

1 by contestants under 18 years of age, prohibiting  
2 daily fantasy operator employees from participating  
3 in contests, and also the requirement of the  
4 operators who create and maintain a voluntary  
5 exclusion list.

6 A paid fantasy sports operator is actually  
7 defined in the statute. An operator is a person  
8 engaged in the business of conducting fantasy  
9 sports games for cash prizes for members of the  
10 public, and also requiring an entry fee to enter  
11 the contest or participate. Operators may conduct  
12 any paid fantasy sports contests that fit the  
13 definition provided in SEA 339.

14 The IGC is currently developing a licensing  
15 structure and framework. The SEA 339 does require  
16 a one-time entry fee of \$50,000 as part of the  
17 initial application, and then the subsequent \$5,000  
18 annual renewal fee.

19 Under SEA 339, fantasy sports contests can be  
20 played either on a website maintained and operated  
21 by the game operator, or operators may contract  
22 with licensee -- or with a licensee to conduct one  
23 or more paid fantasy sports games on the premises  
24 of a licensed facility.

25 SEA 339 also created the paid fantasy sports

1 division with its three main responsibilities being  
2 to administer the licensing procedure, impose  
3 penalties for non-criminal violations of SEA 339,  
4 and the prevention of actions detrimental to the  
5 public good and the integrity of paid fantasy  
6 sports contests. Staffing needs will be determined  
7 once the IGC determines how many operators will  
8 seek licensure here in Indiana.

9 Again, as mentioned with regulatory  
10 objectives, the IGC's objectives are to encourage  
11 the growth of the industry but also implement the  
12 consumer protections required by the bill.

13 This will require quick and flexible  
14 responses by the IGC, and it will require IGC to  
15 engage the most current and reliable technology.

16 Finally, you'll see a proposed time line for  
17 implementation. These are dates that are  
18 anticipated for the regulatory structures to be  
19 implemented. Thank you.

20 CHAIRMAN JOHNSTON: Thank you, Noah. There's  
21 a lot there. Hold on there.

22 MR. JACKSON: Sorry.

23 CHAIRMAN JOHNSTON: Any questions for staff  
24 on the preliminary work that's been done thus far?

25 MS. SHERMAN: Is there similar tax reporting

1 requirements?

2 EXECUTIVE DIRECTOR TAIT: No, there's not.

3 CHAIRMAN JOHNSTON: It seems like this is  
4 going to -- the consumer protections are going to  
5 be very technology driven. Is that was GLI is  
6 going to help with, helping to do those test  
7 standards set with the operators?

8 EXECUTIVE DIRECTOR TAIT: Absolutely. So  
9 they have already, I think, tested some of these  
10 operator systems before, and they work  
11 internationally on I-gaming and everything like  
12 that. So they are going to be able to go in and  
13 certify the systems, sort of like they certify the  
14 slot machines at the casino. So they'll look to  
15 make sure the geo-fencing technology is working  
16 appropriately, as well as the application process  
17 as well. So we will be relying on them very  
18 heavily.

19 MR. FINE: I notice there's a -- the standard  
20 prohibition on employees for participating in the  
21 sport itself, whatever we want to call it. With  
22 gaming there's a similar prohibition with respect  
23 to staff and Commissioners. Is it contemplated  
24 that the prohibition will go to that level?

25 EXECUTIVE DIRECTOR TAIT: Well, this is a hot

1 topic in my household. So we've considered it. It  
2 will be something that will be proposed. If we do  
3 go with a staff and Commissioners and maybe spouses  
4 prohibition on participating in these activities,  
5 it would be contained in our rules. It is not  
6 statutory like the gambling prohibition is.

7 MR. FINE: So it's up to?

8 EXECUTIVE DIRECTOR TAIT: I guess it would be  
9 up to you whether you approve of our rules or not.  
10 We'll take your question under advisement.

11 MR. SVETANOFF: How many operator licenses  
12 are we looking to be providing when we start  
13 handing them out? Do we have a projection on how  
14 many licenses?

15 EXECUTIVE DIRECTOR TAIT: So we -- as you can  
16 see, on August 1st we will ask for a letter of  
17 intent from operators that are going to, you know,  
18 apply to do business here. Staff's best guess is  
19 that maybe a few of the Indiana casinos will  
20 contract, so maybe one or two, and then maybe two  
21 or three independent ones. So we have had a few  
22 meetings with stakeholders that have gone really  
23 well, but until we really receive those letters of  
24 intent, we don't know, but we are thinking a  
25 smaller number.

1 MR. SVETANOFF: Okay.

2 CHAIRMAN JOHNSTON: Any other questions?

3 Are there any other state jurisdictions that  
4 have been given the same responsibility, or are we  
5 sort of blazing the frontier?

6 EXECUTIVE DIRECTOR TAIT: You know, Greg  
7 would probably be the best. He's been following  
8 nationally what's going on.

9 Greg, do you mind taking that one?

10 MR. SMALL: Yeah. As was stated, we're the  
11 second state --

12 CHAIRMAN JOHNSTON: Okay.

13 MR. SMALL: -- this session where it was made  
14 legal, but the first regulatory powers. Virginia  
15 came online first. After Indiana, Tennessee,  
16 Colorado, Missouri. Those still need to be signed  
17 by the governor, but they're sitting on the desk.  
18 And we're waiting to see; Illinois and New York  
19 look like they may be possible as well. So I do  
20 think that there will be some guidance and  
21 certainly some cooperation between states as we  
22 look toward this.

23 CHAIRMAN JOHNSTON: Is their general  
24 admission similar to Indiana's in terms of consumer  
25 protection? Is that the general tone?

1 MR. SMALL: That's the general tone; and in  
2 terms of, I guess, level of regulation, that is  
3 where it sits. I think the main difference you see  
4 between states are whether or not there's a  
5 taxation part of this or the amount of that initial  
6 entry fee. Those are the major differences. But  
7 in terms of the theme, focusing on consumer  
8 protections, that is consistent across the board  
9 with the bills.

10 CHAIRMAN JOHNSTON: Thank you. Any other  
11 questions?

12 Well, I wish the staff good luck and leave it  
13 to your diligence over the next year or so. So  
14 thank you.

15 EXECUTIVE DIRECTOR TAIT: Thank you.

16 MR. JACKSON: Thank you.

17 CHAIRMAN JOHNSTON: Our final item on today's  
18 agenda is an update on a matter that's been before  
19 the Commission, I think, maybe at the last three  
20 meetings starting last November. And so it has to  
21 do with the local development agreement in  
22 Lawrenceburg with the Conservancy District, City,  
23 and then also obviously our operator in  
24 Lawrenceburg, and we're going to receive an update  
25 today. But maybe for setting the background, I'll



1 ask Greg to do that.

2 MR. SMALL: Thank you, Chairman Johnston. At  
3 the February 24th Commission meeting, the  
4 Commissioners expressed their desire to see the  
5 parties resolve the current dispute. The  
6 Commissioners stated that if the matter was not  
7 resolved, the parties were to appear at the next  
8 Commission business meeting. After the February  
9 24th meeting, staff required the parties to submit  
10 monthly updates. Those updates have been provided  
11 to the Commissioners.

12 The prolonged dispute remains unsettled at  
13 this time. One of the Commission charges is to  
14 provide public accountability concerning local  
15 development agreements. To further this objective,  
16 the parties are here to address the Commissioners.  
17 The goal is to provide information to the  
18 Commission. While the Commission has broad  
19 authority over LDAs, the Commission prefers the  
20 parties to resolve disputes on their own accord.  
21 This is consistent with the Commission's historical  
22 approach regarding LDAs.

23 The Commission wants to provide a public  
24 forum to hopefully facilitate a resolution.

25 I would like to recognize the Honorable Kelly

1 Mollaun, Mayor of Lawrenceburg, and invite the City  
2 to address the Commissioners.

3 CHAIRMAN JOHNSTON: Good afternoon.

4 MAYOR MOLLAUN: Good afternoon. Thanks for  
5 having us. My name is Kelly Mollaun. I've been  
6 the mayor of Lawrenceburg, Indiana for a little  
7 over five months. So this is my -- our City  
8 attorney, Del Weldon. And what we are going to do  
9 today is give you an update on the progress and a  
10 resolution in regards to the issue of getting  
11 Hollywood Casino an easement to their property,  
12 which they have been asking for.

13 And what we're happy to announce or to say is  
14 that for months now myself -- I've been meeting  
15 with the leadership team from the Conservancy  
16 District, and we both wanted to get the resolution  
17 to this issue. As I said, I've been in this  
18 position for five months, so I apologize we didn't  
19 have a resolution at the February meeting.

20 CHAIRMAN JOHNSTON: You needed something to  
21 work on once you took the oath; right?

22 MAYOR MOLLAUN: I feel like I'm breaking out  
23 a firehose now. But anyway, what I'm happy to say  
24 is that on February 12 -- or May 12, last week, we  
25 had a joint meeting with the Lawrenceburg Common

1 Council and the board of directors of the  
2 Lawrenceburg Conservancy District, and we've come  
3 to a resolution that we are going to have drafted  
4 by our attorney and also the Conservancy District's  
5 attorney, including myself and their chairman, Dave  
6 Laurie. We are going to have a resolution drafted  
7 to -- what the Conservancy District needs is some  
8 funding to -- we realize how important the  
9 Conservancy District is to Lawrenceburg. We are  
10 surrounded by 11, and it's very important that that  
11 be maintained and maintain certification.

12 We don't want to incur any additional  
13 expenses on our homeowners within the levy district  
14 or the businesses such as flood insurance and  
15 others; and also the casino is part of that, and we  
16 want to protect them.

17 So what we've done is we've come to an  
18 agreement. We're going to be able to help them out  
19 financially to maintain these 176 relief wells that  
20 they have to maintain. So we're in the middle --  
21 we're going to be drafting that agreement. We have  
22 been given a month to do that by the two groups,  
23 and then we will get resolution.

24 CHAIRMAN JOHNSTON: Very good. Questions for  
25 the mayor?

1 Mr. Weldon, do you have any comments?

2 MR. WELDON: Negative. No, Your Honor.

3 Thank you for having us today. I echo everything  
4 that the mayor said. We're very optimistic, and we  
5 think that we've got a resolution in principle, and  
6 we'll formalize that within the next month.

7 EXECUTIVE DIRECTOR TAIT: If you don't  
8 mind --

9 CHAIRMAN JOHNSTON: Sure.

10 EXECUTIVE DIRECTOR TAIT: -- I just want to  
11 publically thank you, Mr. Mayor, for your first  
12 five months making this a priority in getting --  
13 coming to a resolution. Staff appreciates that.  
14 You and Del have been a pleasure to work with, and  
15 we appreciate all your efforts.

16 MAYOR MOLLAUN: Thank you. We will look  
17 forward to a long relationship, but we also realize  
18 the importance of the Conservancy District and  
19 Hollywood Casino, so we want to maintain good  
20 relationships.

21 CHAIRMAN JOHNSTON: Absolutely. That's the  
22 only way it's going to be a success is everyone  
23 works together. We appreciate that. Thank you.

24 MAYOR MOLLAUN: Thank you.

25 CHAIRMAN JOHNSTON: Thank you. I think we

1 have representatives from the Conservancy District,  
2 if they wish to make any comments. Mr. Chinn,  
3 thank you.

4 MR. CHINN: Well, thank you, Mr. Chairman,  
5 members of the Commission and, of course, staff. I  
6 am Scott Chinn of the Faegre Baker Daniels law firm  
7 representing Lawrenceburg Conservancy District.  
8 I'd first like to also thank Mayor Mollaun for his  
9 comments; and, of course, as Director Tait  
10 mentioned, being so on top of this in the very  
11 beginning of his term after taking office.

12 And I'm here to echo really his comments  
13 today ultimately, and I come here with a message of  
14 hope and optimism about resolving this really in  
15 everybody's interests, not only the City and  
16 Lawrenceburg Conservancy District, LCD, but also  
17 the casino and ultimately the Commission as well,  
18 so I appreciate that.

19 I'm going to -- especially in light of the  
20 hour and the mayor's comments, I'll really kind of  
21 skip ahead to the end of my remarks here today and  
22 just tell you about, again, just a little bit which  
23 will echo the mayor's sentiments, the status and  
24 our future hopes, but also maybe add a couple of  
25 things for you to know about that status.

1           So the mayor is absolutely right. The City  
2 and LCD are continuing to work through their  
3 disputes, so we absolutely concur with the mayor in  
4 that regard.

5           The one thing that is a little bit new -- and  
6 the staff I think is aware of, and I know that  
7 they're aware of it, but the LCD actually  
8 commissioned a fiscal study. That is something  
9 that had been talked about between the parties in  
10 the past. And that extensive fiscal study views  
11 and analyzes the long-term needs for the levy and  
12 for the flood control system in LCD. It, of  
13 course, shared that study with the City and City  
14 Council at the meeting the mayor was talking about,  
15 and we certainly agreed to share that with staff as  
16 well. That's certainly something the Commission  
17 can have access to as well, for the record.

18           CHAIRMAN JOHNSTON: Mr. Chinn, when you say  
19 "fiscal study," does that also include -- I mean  
20 does it have capital needs that are going out  
21 for -- like here's what we'll need in five years or  
22 10 years, that sort of thing?

23           MR. CHINN: Yes, sir. It has information  
24 related to all that, and that was certainly one of  
25 the things that folks were interested in.

1           If I can take just a quick half a step back.  
2           Think about what the LCD is, right. It's the flood  
3           control district that protects Greendale and the  
4           City of Lawrenceburg and, of course, is protecting  
5           the City and the boat, right, the casino. And when  
6           we go back to 1995 and the original agreement, the  
7           City and LCD, of course, wanted there to be  
8           adequate funding, adequate and sufficient funding  
9           of LCD for that protection, right. And that  
10          sentiment is still true, and I think is animating  
11          the current, very positive discussion between the  
12          City and the LCD, but certainly one of the things  
13          was "Let's put that on paper. What does that  
14          analysis look like for the future."

15          Mayor's right, of course, again, that as a  
16          result of that study being presented in the  
17          negotiations and discussions that have been had,  
18          there is this committee that's been formed of the  
19          mayor, City Council members, LCD representatives  
20          and their legal counsel to formalize those  
21          agreement terms. And, again, we're hopeful for  
22          resolution for the work of that committee in the  
23          next, you know, 30, 45, or 60 days. I think the  
24          goal may be 30 days, but if it goes on a little bit  
25          after that, it hopefully won't be too long.

1           And then I'll just finish by saying, again,  
2 what our sort of future hopes are in three ways.  
3 The parties, I'm confident, want to and will  
4 continue to work through these issues in good  
5 faith. We hope that any resolution of the matter  
6 will meet not only LCD's needs of shortening up its  
7 long-term fiscal health for the benefit of not only  
8 itself but the City and the casino, but that  
9 finally that the settlement will be in the interest  
10 of the Commission as well.

11           And what we ask from you is a little more  
12 patience, and just, you know, promote a little bit  
13 of good will between the parties, as you've done.

14           I'd be happy to answer any questions, but  
15 that's all I have for the presentation.

16           EXECUTIVE DIRECTOR TAIT: Scott, at the May  
17 12th meeting, was an easement part of the  
18 preliminary agreement?

19           MR. CHINN: So the -- yes is the short  
20 answer. What we anticipate is that a global  
21 resolution, a resolution of all the issues between  
22 the City and the LCD, would include access.

23           EXECUTIVE DIRECTOR TAIT: Okay.

24           CHAIRMAN JOHNSTON: Well, we appreciate the  
25 diligence and the work on this matter. Obviously



1 it was a concern for the Commission. And when you  
2 go back to the 1990s and the advent of riverboat  
3 casinos in Indiana, part of this was how can this  
4 industry not only promote employment and economic  
5 development, but there's also a community  
6 involvement, and part of this is -- I mean if there  
7 wasn't a revenue component to this in the LDA, the  
8 LCD, you know, has property taxes up against all  
9 the landowners, you know, in that area to protect  
10 the property owners. So we think this is moving in  
11 the right direction. Appreciate your work.

12 MR. CHINN: Thank you, Mr. Chairman, Members  
13 of the Commission.

14 CHAIRMAN JOHNSTON: I think there are  
15 representatives from Hollywood here, if they wish  
16 to speak.

17 Welcome, Mr. Saunders, Mr. Thar.

18 MR. SAUNDERS: Good afternoon. I just want  
19 to echo my pleasure. It's great to hear that a  
20 resolution is imminent. We're excited to hear that  
21 the ball is finally going to be pushed over the  
22 goal line. And much thanks to the LCD and the City  
23 for the work they have put forward into this. And,  
24 again, we look forward to it coming to an end.

25 MR. THAR: I can't add to that.

1 CHAIRMAN JOHNSTON: You have the longest  
2 tenure on this matter, probably.

3 MR. THAR: I think it is being handled in the  
4 best way possible between the two parties. And  
5 thank you. Thank you for your urgency.

6 CHAIRMAN JOHNSTON: Is the easement going to  
7 be satisfactory? If successful, is it going to be  
8 satisfactory to the operator's needs?

9 MR. THAR: We have not been included in the  
10 discussions to this point, and we think that's  
11 fine. I think the whole easement issue, as  
12 Mr. Chinn said, is part of the discussions. I'm  
13 sure we will be included with regard to discussions  
14 about the easement. So as of this moment and what  
15 we're hearing at this meeting, we do not have a  
16 major concern that all of the issues will be  
17 resolved. We think that would happen.

18 THE REPORTER: Mr. Chairman, would you have  
19 them state their names, please.

20 CHAIRMAN JOHNSTON: Of course.

21 MR. SAUNDERS: Scott Saunders.

22 MR. THAR: Jack Thar, T-h-a-r.

23 CHAIRMAN JOHNSTON: Any other questions?

24 EXECUTIVE DIRECTOR TAIT: Before Scott steps  
25 away, I should note that this is his last meeting

1 here as the general manager of Hollywood Casino.  
2 He is ditching us and leaving, even though I said  
3 it was not allowed, to a big promotion, I think we  
4 can call it, to another property in West Virginia.  
5 So we will miss you, but thank you for everything  
6 you've done here in Indiana, and best of luck to  
7 you.

8 MR. SAUNDERS: Thank you very much. It has  
9 been a pleasure to serve the state.

10 CHAIRMAN JOHNSTON: Thank you very much.

11 Any other matters to come before the  
12 Commission today?

13 MR. SVETANOFF: Just for clarification  
14 purposes, so do we anticipate that this matter is  
15 going to be resolved by our next meeting or --

16 EXECUTIVE DIRECTOR JOHNSTON: That would be  
17 our hope. If it's the Commission's will, I would  
18 suggest maybe that the staff continue to get  
19 monthly updates from the parties.

20 MR. SVETANOFF: Definitely. We'd like to see  
21 the issue put to conclusion.

22 CHAIRMAN JOHNSTON: Absolutely. I mean I  
23 heard the first milestone is 30 days from now, so  
24 we might as well just stay on that rotation.

25 EXECUTIVE DIRECTOR TAIT: Okay.

1           CHAIRMAN JOHNSTON: Anything else? Our next  
2 meeting is tentatively -- or is set for September  
3 8th. Is there a motion to adjourn?

4           MS. SHERMAN: So moved.

5           MR. FINE: Second.

6           CHAIRMAN JOHNSTON: All those in favor, say  
7 aye.

8           (Chorus of ayes.)

9           CHAIRMAN JOHNSTON: We are adjourned.

10           (At 2:58 p.m., May 19, 2016, this meeting of  
11 the Indiana Gaming Commission was adjourned.)  
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1 STATE OF INDIANA )  
 )SS:  
2 COUNTY OF MARION )

3

4 I, Marlana M. Haig, RPR, CRI, a Notary Public  
5 in and for the County of Marion, State of Indiana  
6 at large, do hereby certify that the Indiana Gaming  
7 Commission Business Meeting, held on May 19, 2016,  
8 commencing at 2:00 p.m. at the Indiana State  
9 Library, 315 West Ohio Street, History Reference  
10 Room 211, Indianapolis, Marion County, Indiana, was  
11 taken down in stenographic notes and afterwards  
12 reduced to typewriting under my direction, and that  
13 the typewritten transcript is a true record of the  
14 proceedings of said business meeting.

15 IN WITNESS WHEREOF, I have hereunto set my  
16 hand and affixed my notarial seal this 7<sup>th</sup> day  
17 of June 2016.

18

*Marlana M. Haig*

19

Marlana M. Haig, RPR, CRI

20

21 My Commission Expires:  
22 September 13, 2018

22

23 County of Residence:  
24 Marion

24

25