

RESOLUTION 2007-56

A RESOLUTION ADOPTING AN EMERGENCY RULE REGARDING RIVERBOAT, RACINO, AND SUPPLIER LICENSE TRANSFERS

The Indiana Gaming Commission ("Commission") adopts the following resolution pursuant to the authority granted to it under IC 4-33 and pursuant to 68 IAC 1-2-6.

The Commission has considered the following factors:

1. Pursuant to IC 4-33-4-3 and IC 4-22-2-37.1, the Commission has the authority to adopt emergency rules. The Commission is to commence formal rulemaking procedures after the adoption of the emergency rule regarding license transfers.
2. The passage of House Enrolled Act 1835 ("Act") in the most recent General Assembly authorized horse racetrack permit holders to apply for licenses to operate slot machines alongside their racing businesses. These applications may come before the Executive Director for approval prior to the Commission's September business meeting.
3. To protect the State's interest in authorizing slot machine licenses, the Commission desires to specify that before approving a transfer of an ownership interest in a slot machine licensee or license applicant, the Commission may consider whether the State will share appropriately in the economic benefits endowed upon the interest holder upon transfer.
4. IC 4-33-4-21 authorizes the Commission to adopt rules governing the procedure a person must follow to transfer, sell, or purchase and ownership interest in a license.
5. Pursuant to IC 4-33-4-3(a)(8), the Commission finds that the need for a rule that: (1) includes "gambling game licensees" and "gambling game license applicants" in the regulatory framework for ownership transfers, and (2) specifies that the Commission may consider the extent by which the State benefits economically from a proposed transfer in interest, is immediate and substantial such that the rulemaking procedures under IC 4-22-2-13 through IC 4-22-2-36 are inadequate to address the need, but that the attached emergency rule is likely to address that need.
6. The rule adds the following to the existing transfer procedure:

In determining whether to approve a transfer of an ownership interest under this rule, the commission will consider the extent by which the State would share in any monetary payment to or economic benefit realized by the person divesting the ownership interest.

7. While the emergency rule is in effect, the Commission will proceed with the formal rulemaking procedures set forth in IC 4-22-2 so that the new rule may be formally adopted before the emergency rule expires.
8. The Commission staff will file the adopted emergency rule and submit it for publication with Legislative Services Agency. The emergency rule will become effective upon filing with the publisher, and will continue to be effective for ninety (90) days thereafter. If necessary, the

Commission will renew the effectiveness of the emergency rule for an additional ninety (90) days pending completion of the formal promulgation process.

NOW, THEREFORE, BE IT RESOLVED BY THE INDIANA GAMING COMMISSION, THAT THE FOLLOWING RESOLUTION IS ADOPTED:

SECTION 1: SCOPE

This resolution applies to Commission members, employees, agents, and riverboat, supplier, and horsetrack slot machine licensees.

SECTION 2: DEFINITIONS

The definitions set forth in IC 4-33-2 and 68 IAC apply to this resolution.

SECTION 3: ADOPTION OF THE EMERGENCY RULE

Pursuant to IC 4-22-2-37.1, the Commission adopts the attached rule as an emergency rule for the initial ninety (90) day period as well as for the optional ninety (90) day extension period. The Commission further adopts any stylistic, grammatical, typographical, or other non-substantive changes that the Commission or the Legislative Services Agency may make to this emergency rule. The Commission shall submit file the adopted rule and submit it for publication with Legislative Services Agency.

SECTION 4: EFFECTIVE DATE

The emergency rule adopted in section 3 of this resolution is to become effective upon filing with the publisher.

SECTION 5: EXPIRATION DATE

This resolution expires upon the final expiration of the emergency rule adopted herein.

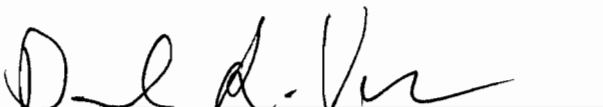
ADOPTED, THIS THE 7TH DAY OF JUNE, 2007.

THE INDIANA GAMING COMMISSION:



William W. Barrett, Chair

ATTEST:



Donald R. Vowels, Secretary