

**ORDER 2023-19**  
**IN RE SETTLEMENT AGREEMENT**  
**INDIANA GAMING COMPANY, LLC**  
**d/b/a HOLLYWOOD CASINO LAWRENCEBURG**  
**23-HW-01**

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

**APPROVED**

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APPROVES OR DISAPPROVES


the proposed terms of the Settlement Agreement.

**IT IS SO ORDERED THIS THE 9<sup>th</sup> DAY OF MARCH, 2023.**

**THE INDIANA GAMING COMMISSION:**

  
Milton O. Thompson, Chair

ATTEST:

  
Jason Dudich, Secretary

**STATE OF INDIANA  
INDIANA GAMING COMMISSION**

<b>IN RE THE MATTER OF:</b>	)	
	)	<b>SETTLEMENT</b>
<b>INDIANA GAMING COMPANY, LLC</b>	)	<b>23-HW-01</b>
<b>d/b/a HOLLYWOOD CASINO</b>	)	
<b>LAWRENCEBURG</b>	)	

**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 4-38-11-1(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. Hollywood's approved internal control procedures, Part I: Section K and Part VII: Section F, describe the procedures for the child support intercept process.
6. Gaming Agents audited the Child Support Arrears Delinquency Registry (CSADR) for October 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.
7. Gaming Agents audited the Child Support Arrears Delinquency Registry (CSADR) for November 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, and two (2) individuals were not searched through the CSADR system at the time sports wagering winnings in excess of \$600 was won.

#### COUNT II

8. 68 IAC 2-6-6(c)(5)(B) provides if a casino licensee converts an electronic gaming device, the casino licensee must perform a coin test to ensure that the electronic gaming device is communicating with the central computer system. If the electronic gaming device is not communicating with the central computer system, the electronic gaming device must be disabled.
9. On December 16, 2022, Gaming Agents were verifying electronic gaming devices ("EGD") on a recent EGD move and could not locate an approved coin test for an EGD. The EGD in question was moved on December 5, 2022. It was coin tested on December 7, 2022, and December 8, 2022, and failed both coin tests as the EGD was not metering correctly.

10. On December 8, 2022, the Slot Performance Assistant Manager placed the EGD in service without the EGD passing a coin test. The EGD was in service for approximately eight (8) days without a coin test.

### COUNT III

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 September 24, 2022, Surveillance notified Gaming Agents that an underage person was identified on the casino floor. A review of surveillance coverage determined that the underage patron presented his Guatemalan passport to the Security Officer at the turnstiles. The passport clearly identified that the patron was twenty (20) years old and underage. The Lead Surveillance Agent observing the activity by Surveillance noted that the patron was underage and reported it to his supervisor who made notification to the Gaming Agents. Gaming Agents located the underage person the casino floor and ultimately escorted him off the property.
14. On November 22, 2022, Surveillance notified Gaming Agents that an underage identification was turned in at the Cage. A review of surveillance coverage discovered that the underage person entered the casino with another male patron and was not carded by Security. The underage person proceeded to place wagers while on the casino floor.

### 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 \$15,500 (\$4,000 for Count I, \$1,000 for Count II and \$10,500 for Count III) 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 \$15,500 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 Smalk, Executive Director  
Indiana Gaming Commission

3/7/2023  
Date

  
\_\_\_\_\_  
Mike Galle, General Manager  
Indiana Gaming Company, LLC

2-23-2023  
Date