

INDIANA GAMING COMMISSION

FIRST QUARTER 2012

BUSINESS MEETING

MARCH 15, 2012

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The Indiana Gaming Commission First Quarter  
2012 Business Meeting, taken by Sherri L. Segó,  
Notary Public in and for the County of Johnson,  
State of Indiana, held at the Hyatt Regency  
Indianapolis, One South Capitol Avenue, Chamber of  
Commerce Conference Room, Indianapolis, Indiana,  
commencing at 1:00 p.m. on March 15, 2012.

ASSOCIATED REPORTING, INC.  
Two Market Square Center, Suite 940  
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Indianapolis, Indiana 46204  
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APPEARANCES

On Behalf of the Gaming Commission:

Tim Murphy, Chairman

Ernest Yelton, Executive Director

Adam Packer, General Counsel

Mary Shy, Commissioner/Secretary

Robert Morgan, Commissioner

V. Sue Shields, Commissioner

Matthew Bell, Commissioner

Kristen Kenley, Administrative Assistant

## P R O C E E D I N G S

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CHAIRMAN MURPHY: Welcome, everyone, to the first quarter meeting, first quarter meeting of the Indiana Gaming Commission. I'd like to first call roll of the Commissioners.

Commissioner Shields.

COMMISSIONER SHIELDS: Present.

CHAIRMAN MURPHY: Commissioner Shy.

COMMISSIONER SHY: Present.

CHAIRMAN MURPHY: Commissioner Morgan.

COMMISSIONER MORGAN: Present.

CHAIRMAN MURPHY: Commissioner Bell.

COMMISSIONER BELL: Present.

CHAIRMAN MURPHY: Commissioner Fine -- or Vice-Chair Fine, I should say, is absent.

Where all Commissioners are present except Commissioner Fine, we have a quorum.

The first item on the agenda is approval of the minutes of the last meeting. Commissioners, you've been supplied with those meeting minutes.

Are there any changes?

COMMISSIONER MORGAN: Mr. Chair, on the minutes for the old business, there's a minor modification I wanted to point out.



1 meeting are approved. Thank you.

2 The next item on the agenda is the Report of  
3 the Executive Director. Executive Director Yelton.

4 EXECUTIVE DIRECTOR YELTON: Thank you,  
5 Mr. Chairman. Initially, obviously, you noticed  
6 that Deputy Director Reske is not with us today.  
7 Unfortunately, yesterday her grandmother passed  
8 away. So while she's not here, our prayers and  
9 thoughts are with her during this difficult time.

10 I'll begin with our staff update. Janelle  
11 Patel, please stand up back there, hiding in the  
12 corner back there, is our AT Division's new Senior  
13 Application Developer. Janelle's primary duty will  
14 be in the development of new in-house programs as  
15 well as modifying any existing in-house programs as  
16 the need does arise. She comes to us from the  
17 Department of Natural Resources where she had been  
18 a developer and a database analyst.

19 The Background in Financial Investigation  
20 Division has completed its scheduled investigation  
21 of TCS John Huxley, a casino supplier. Reports  
22 have been submitted to you and are here if you have  
23 any questions about that particular re-examination  
24 and reinvestigation.

25 Are there any questions you may have? Since

1 the November Commission Meeting, IGC staff has  
2 added 26 individuals to the Exclusion List which  
3 bars those patrons from entering any casino in  
4 Indiana. All those 26 individuals but one were  
5 placed on the Exclusion List for past-posting his  
6 bet while at an Indiana casino.

7 Thirteen were placed on the Exclusion List  
8 for taking illegal possession of TITO, casino  
9 chips, or US currency in excess of \$500 or making  
10 fraudulent past transactions while at an Indiana  
11 casino.

12 Two additional individuals were placed on  
13 the Exclusion List after one individual asked the  
14 other to claim his jackpot in order to avoid the  
15 jackpot being confiscated for his delinquent child  
16 support. And I'll add that since the institution  
17 of the Child Intercept Law, we have found no  
18 violations with the licensees on its application.  
19 This has been the first violation at all that we  
20 have found.

21 Eight individuals were involved in a scam  
22 with weekly slot machine tournaments. One of the  
23 eight altered scorecards allowing them to win cash  
24 prizes. Each of them was charged with multiple  
25 felony offenses which are now still pending.

1           The remaining two individuals were involved  
2           in a scam to cheat at craps. One individual, a  
3           craps dealer, paid out to the other individual a  
4           wager contingent on winning a gambling game were  
5           made and for wages that were never properly placed  
6           on the craps table.

7           For the year of 2012 the Gaming Commission  
8           has placed 16 patrons on the list bringing the  
9           total to 289.

10           For waivers, Blue Chip was granted a waiver  
11           to increase the aggregate amount of cash checked  
12           within seven days from one thousand to two thousand  
13           five hundred dollars and another waiver that allows  
14           the security personnel to fill out the vendor and  
15           visitor log or the vendor or the visitor when  
16           receiving a tax-free badge.

17           Horseshoe Hammond was granted relief from  
18           being in the junket operator log. The casino will  
19           use a computer program to print the same  
20           information as required on the log. It was also  
21           allowed to remove the IGC office from the vessel  
22           given that the Gaming Agents are able to perform  
23           the same job duties and functions on the dockside  
24           IGC office located in the pavilion.

25           Additionally, the computer and surveillance

1 equipment located at the dockside office are  
2 connected to the emergency circuit assuring that  
3 the pavilion office will continue to have power and  
4 functioning surveillance equipment should the  
5 pavilion itself experience a disruption of  
6 electrical services.

7 And that concludes the Executive Director's  
8 Report. If there are any questions from the Chair  
9 or the members of the Commission, I'd be happy to  
10 answer them.

11 CHAIRMAN MURPHY: Commissioners, do you have  
12 any questions of Executive Director Yelton?

13 (No verbal response from the Commissioners.)

14 CHAIRMAN MURPHY: Thank you, Executive  
15 Director Yelton.

16 There being no old business, we'll move onto  
17 Patron matters and Tami Timberman-Wright.

18 MS. TIMBERMAN-WRIGHT: Good afternoon,  
19 Commissioners and Executive Staff.

20 You have before you 30 Orders regarding the  
21 Voluntary Exclusion Program. Pursuant to the rules  
22 of the program, the identities of the Voluntary  
23 Exclusion Program participants must remain  
24 confidential. Pursuant to 68 IAC 6-3-2(g), a  
25 participant in the program agrees that if he or she

1           violates the terms of the program and enters the  
2           gaming area of a facility under the jurisdiction of  
3           the Commission, they will forfeit any jackpot or  
4           thing of value won as a result of a wager.

5                       Under Orders 2012-1 through 2012-30, a total  
6           sum of \$30,977.87 was forfeited by John Does 1  
7           through 30. These winnings were collected at  
8           Ameristar, Aztar, Blue Chip, French Lick,  
9           Hollywood, Hoosier Park, Horseshoe Southern  
10          Indiana, Indiana Live, Majestic Star, and Rising  
11          Star. These winnings were withheld as required by  
12          Commission regulations.

13                      Commission staff recommends that you approve  
14          the remittance of these winnings for John Does 1  
15          through 30.

16                      CHAIRMAN MURPHY: Any questions of  
17          Ms. Timberman on Orders 2012-1 through 30?

18                      (No verbal response from the Commissioners.)

19                      CHAIRMAN MURPHY: If not, is there a motion  
20          to approve Orders 2012-1 through 30?

21                      COMMISSIONER SHY: I so move.

22                      COMMISSIONER MORGAN: I second the motion.

23                      CHAIRMAN MURPHY: It's been moved and  
24          seconded. All those in favor signify by saying  
25          aye.

1 (All said aye.)

2 CHAIRMAN MURPHY: Opposed, same sign?

3 (No verbal response from the Commissioners.)

4 CHAIRMAN MURPHY: Orders 2012-1 through 30  
5 are approved. Thank you, Ms. Timberman.

6 Moving forward to Exclusion Violation, Derek  
7 Young.

8 MR. YOUNG: Good afternoon. Before you now  
9 is Order No. 2012-31, which is an appeal of John  
10 Doe 102's voluntary exclusion remittance. John Doe  
11 102 submitted an application for a one-year  
12 placement on the VEP list on August 20th, 2010. On  
13 October 7th, 2011, he won a \$1300 jackpot at  
14 Hollywood Casino in Lawrenceburg, Indiana.

15 The jackpot and \$72.50 in slot credits that  
16 were also in his possession were forfeited  
17 according to the terms of the VEP application and  
18 on November 10th, 2011, the Commission approved the  
19 remittance of the \$1372.50 in Order No. 2011-225.

20 He timely submitted an appeal of the  
21 Commission decision, and in his appeal letter he  
22 argued that a portion of the money seized was not  
23 actually obtained as a result of a wager made and,  
24 therefore, is not suitable for seizure under 68 IAC  
25 6-3-2(g).

1 Under the terms of the VEP agreement, the  
2 IGC is only permitted to seize monies that are won  
3 or obtained as a result of wagers made. After a  
4 review of the relevant documents, Commission staff  
5 entered into a settlement agreement with John Doe  
6 102 under which the IGC will refund \$150 of the  
7 seized monies.

8 The Order before you approves the settlement  
9 agreement entered into by Commission staff and John  
10 Doe 102. Commission staff recommends that you  
11 approve that order at this time.

12 CHAIRMAN MURPHY: Any questions of Mr. Young  
13 on Order 2012-31?

14 (No verbal response from the Commissioners.)

15 CHAIRMAN MURPHY: If not, is there a motion  
16 to approve the Order?

17 COMMISSIONER SHY: Move to approve.

18 COMMISSIONER SHIELDS: Second.

19 CHAIRMAN MURPHY: It's been moved and  
20 seconded. All those in favor of approval signify  
21 by saying aye.

22 (All said aye.)

23 CHAIRMAN MURPHY: Opposed?

24 (No verbal response from the Commissioners.)

25 CHAIRMAN MURPHY: Order 2012-31 is approved.

1 Thank you, Mr. Young.

2 We'll move on to Supplier Waiver matters and  
3 Derek Young again.

4 MR. YOUNG: Before you now is Order 2012-32  
5 regarding transfer of Lightning Poker,  
6 Incorporated's supplier license to Lightning Slots,  
7 LLC. Lightning Poker manufactures electronic  
8 gaming devices and was granted a supplier's license  
9 on March 17, 2011.

10 Lightning Poker is sole subsidiary of  
11 Lightning Gaming. Lightning Poker advised the  
12 Commission that it plans to become a limited  
13 liability corporation and wants to change its name  
14 to Lightning Slots, LLC. Lightning Slots will  
15 continue to be the sole subsidiary of Lightning  
16 Gaming. Organizational charts have been reviewed  
17 and there will be no change in key people or staff  
18 members.

19 The change in business entity and subsequent  
20 transfer of the supplier's license triggers the  
21 transfer regulations and requirements in  
22 68 IAC 5-2. However, the Commission has authority  
23 under 68 IAC 5-2-6 to waive those requirements if  
24 the requirement is impractical, if the waiver is in  
25 the best interest of the public gaming industry,

1 and if a waiver is not outside of the technical  
2 requirements necessary to serve the purpose of the  
3 rule.

4 Because Commission staff investigated and  
5 found suitable Lightning Gaming's sole member and  
6 its key persons in connection with the initial  
7 Lightning Poker investigation, Commission staff  
8 believes a waiver of the transfer regulations are  
9 appropriate and recommends that you approve the  
10 waiver and transfer.

11 CHAIRMAN MURPHY: Any questions of Mr. Young  
12 regarding the Order?

13 (No verbal response from the Commissioners.)

14 CHAIRMAN MURPHY: If not, is there a motion  
15 to approve Order 2012-32?

16 COMMISSIONER MORGAN: Motion to approve.

17 COMMISSIONER SHIELDS: Second.

18 CHAIRMAN MURPHY: It's been moved and  
19 seconded. All those in favor signify by saying  
20 aye.

21 (All said aye.)

22 CHAIRMAN MURPHY: Opposed?

23 (No verbal response from the Commissioners.)

24 CHAIRMAN MURPHY: Order 2012-32 is approved.  
25 Thank you, Mr. Young. And you will also handle

1 Renewal matters?

2 MR. YOUNG: Thank you.

3 Before you is Order 2012-33 concerning the  
4 renewals of Supplier's licenses pursuant to  
5 IC 4-3 and 68 IAC 2-2. The Commission has  
6 previously approved a permanent Supplier's license  
7 for the following: IGT; Midwest Gaming Supply  
8 Company; AC Coin, Incorporated; Data Financial,  
9 Incorporated; Incredible Technologies,  
10 Incorporated; Digideal Corporation; Lightning  
11 Slots, LLC; Technical Security Integration,  
12 Incorporated; WMS Gaming, Incorporated; DEQ Systems  
13 Corporation; Electroncek; TCS John Huxley; Bally  
14 Gaming, Incorporated; and Patriot Gaming and  
15 Electronics, Incorporated.

16 A Supplier's license is valid for a period  
17 of one year pursuant to IAC 4-33-7-8 and  
18 68 IAC 2-2-8, a Supplier's license must be renewed  
19 annually with a \$7500 renewal fee. Each of these  
20 licensees has requested renewal of their license  
21 and has paid the appropriate renewal fees.

22 Commission staff recommends that you approve  
23 the renewal of the licenses of each of these  
24 suppliers.

25 CHAIRMAN MURPHY: Do Commissioners have any

1 questions of Mr. Young regarding the Order?

2 (No verbal response from the Commissioners.)

3 CHAIRMAN MURPHY: If not, is there a motion  
4 to approve Order 2012-33?

5 COMMISSIONER SHIELDS: So moved.

6 COMMISSIONER MORGAN: Second.

7 CHAIRMAN MURPHY: It's been moved and  
8 seconded. All those in favor of approval signify  
9 by saying aye.

10 (All said aye.)

11 CHAIRMAN MURPHY: Opposed?

12 (No verbal response from the Commissioners.)

13 CHAIRMAN MURPHY: Order 2012-33 is approved.  
14 Thank you, Mr. Young.

15 The next item on the agenda is Permanent  
16 Licensure and Danielle Leek.

17 MS. LEEK: Good afternoon. We have Order  
18 No. 2012-34, and it's granting Supplier's licenses  
19 to Southwest Surveillance Systems.

20 On October 18, 2011 Southwest Surveillance  
21 Systems submitted a Supplier's license application.  
22 They design, plan, and install surveillance  
23 security symptoms, set up equipment to existing  
24 clients, and do field service on the equipment.  
25 After review of the submitted applications,

1 Commission staff issued a temporary license to  
2 Southwest Surveillance on October 31st, 2011. The  
3 temporary license allowed them to begin operating  
4 in Indiana, and they currently have a contract with  
5 Blue Chip Casino to upgrade the existing analog  
6 system to a digital system, and that work is  
7 ongoing.

8 Commission staff conducted a background and  
9 financial investigation on Southwest Surveillance  
10 and its substantial owners and key persons. We  
11 found no derogatory information that would affect  
12 the applicant's suitability and staff's final  
13 report regarding Southwest Surveillance is  
14 available for your review.

15 You will need to grant or deny Southwest  
16 Surveillance's application for a permanent  
17 Supplier's license, and staff recommends that you  
18 grant the Supplier's license.

19 CHAIRMAN MURPHY: Any questions of Ms. Leek  
20 regarding the Order?

21 (No verbal response from the Commissioners.)

22 CHAIRMAN MURPHY: If not, is there a motion  
23 to approve Order 2012-34?

24 COMMISSIONER MORGAN: Motion to approve.

25 COMMISSIONER SHY: I'll second.



1 time. The matter was referred to the Compliance  
2 Committee and no disciplinary action was taken.

3 Ms. Snyder submitted a Personal Disclosure  
4 Form I on June 9, 2011. Commission staff conducted  
5 a background and financial investigation on  
6 Ms. Snyder and found no derogatory information that  
7 would affect her suitability. Staff's final report  
8 regarding Ms. Snyder is available for your review  
9 and Commission staff recommends the approval of the  
10 transfer.

11 CHAIRMAN MURPHY: Any questions of Ms. Leek  
12 regarding the Order?

13 COMMISSIONER SHIELDS: Was there an  
14 explanation offered as to why there had not been a  
15 request for approval?

16 MS. LEEK: I believe either Chris Gray or  
17 Adam Packer might have more information on that. I  
18 have not -- I think they didn't -- weren't aware of  
19 the regulations.

20 MR. PACKER: My recollection, Commissioner,  
21 is that the staff's evaluation was that Mr. Sines  
22 was mostly at fault for the failure. And as he was  
23 the party that was transferring the shares to  
24 another party, he's no longer licensed by the  
25 Gaming Commission and no longer under our

1 jurisdiction. So we found that the person who we  
2 would have held responsible if we had the option  
3 was no longer available to be held responsible.

4 CHAIRMAN MURPHY: So Mr. Sines is not on  
5 any --

6 MR. PACKER: Correct. And that's what  
7 the --

8 CHAIRMAN MURPHY: -- full transfer of all  
9 his shares.

10 MR. PACKER: -- full transfer of all his  
11 shares.

12 CHAIRMAN MURPHY: Any other questions? If  
13 not, is there a motion to approve Order 2012-35?

14 COMMISSIONER MORGAN: Motion to approve.

15 COMMISSIONER BELL: Second.

16 CHAIRMAN MURPHY: It's been moved and  
17 seconded. All those in favor of approval of Order  
18 2012-35 signify by saying Aye.

19 (All said aye.)

20 CHAIRMAN MURPHY: Opposed, same sign?

21 (No verbal response from the Commissioners.)

22 CHAIRMAN MURPHY: Order 2012-35 is approved.

23 Thank you, Ms. Leek.

24 MS. LEEK: Thank you.

25 CHAIRMAN MURPHY: The next item on the

1 agenda are Disciplinary Actions and Chris Gray.

2 MS. GRAY: Good afternoon, Commissioners and  
3 Executive Staff.

4 Order 2012-36 is a settlement agreement with  
5 NRT wherein the supplier violated the rule  
6 regarding the annual renewal of an occupational  
7 license. NRT has agreed to a monetary settlement  
8 of \$1,000 in lieu of disciplinary action.

9 Commission staff recommends that you approve  
10 Order 2012-36.

11 CHAIRMAN MURPHY: Do any Commissioners have  
12 any questions of Ms. Gray regarding 2012-36? If  
13 not, is there a motion to approve the Order?

14 COMMISSIONER SHY: Motion to approve.

15 COMMISSIONER SHIELDS: Second.

16 CHAIRMAN MURPHY: It's been moved and  
17 seconded. All those in favor of approval signify  
18 by saying aye.

19 (All said aye.)

20 CHAIRMAN MURPHY: Opposed, same sign.

21 (No verbal response from the Commissioners.)

22 CHAIRMAN MURPHY: Order 2012-36 is approved.

23 MS. GRAY: Order 2012-37 is a settlement  
24 agreement with Midwest Game Supply wherein the  
25 supplier violated the shipment rules. Midwest has

1           agreed to a monetary settlement of \$3,500 in lieu  
2           of disciplinary action.

3                     The Commission staff recommends that you  
4           approve Order 2012-37.

5                     CHAIRMAN MURPHY: Any questions of Ms. Gray  
6           regarding the Order? If not, is there a motion to  
7           approve 2012-37?

8                     COMMISSIONER MORGAN: Motion to approve.

9                     COMMISSIONER BELL: Second.

10                    CHAIRMAN MURPHY: It's been moved and  
11           seconded. All those in favor of approval of Order  
12           2012-27 signify by saying aye.

13                                     (All said aye.)

14                    CHAIRMAN MURPHY: Opposed?

15                                     (No verbal response from the Commissioners.)

16                    CHAIRMAN MURPHY: Order 2012-37 is approved.

17                                     Thank you, Ms. Gray.

18                    MS. GRAY: Thank you.

19                    CHAIRMAN MURPHY: Moving on to Occupational  
20           Licensees and Sara Tait.

21                    MS. TAIT: Thank you, Mr. Chair.

22                                     Before you now is Order 2012-38 regarding  
23           Veronica Tomlin's occupational license. On August  
24           20th, 2001 she was issued a permanent level 2  
25           license to work as a dealer at Hollywood Casino.

1           On January 20, 2008 Ms. Tomlin disclosed an arrest  
2           from December 8 of 2007 regarding driving under the  
3           influence.

4                   On January 20th, 2008 Ms. Tomlin pleaded  
5           guilty to the arrest, a D felony. Then on October  
6           1st, 2011 Ms. Tomlin provided documentation to  
7           Commission staff that her felony charge had been  
8           reduced to a misdemeanor. After requests from  
9           staff, Ms. Tomlin finally provided documentation  
10          showing her original guilty plea from 2008.

11                   Pursuant to 68 IAC 2-3-9.1, all occupational  
12          licensees must notify the Commission in writing any  
13          time the licensee has been arrested, indicted,  
14          charged, or convicted, or pleaded guilty to a  
15          misdemeanor or felony offense within ten days of  
16          that event.

17                   Ms. Tomlin violated this duty in three ways.  
18          First, she failed to disclose her initial arrest  
19          until 44 days after. Second, by failing to  
20          disclose the reduction in her conviction to a  
21          misdemeanor until 45 days later. And lastly, by  
22          failing to initially disclose her original guilty  
23          plea until nearly three years later.

24                   In lieu of disciplinary action, the  
25          Commission staff offered Ms. Tomlin a settlement

1 agreement in which she would voluntarily relinquish  
2 her occupational license for a period of three  
3 days. Ms. Tomlin has agreed to the terms of the  
4 settlement.

5 The Order before you would approve the  
6 settlement agreement entered into by the parties  
7 and staff recommends that you approve this Order at  
8 this time.

9 CHAIRMAN MURPHY: Any questions regarding  
10 the order by Ms. Tait? If not, is there a motion  
11 to approve Order 2012-38?

12 COMMISSIONER MORGAN: Motion to approve.

13 COMMISSIONER SHIELDS: Second.

14 CHAIRMAN MURPHY: It's been moved and  
15 seconded. All those in favor of approval of Order  
16 2012-38, signify by saying aye.

17 (All said aye.)

18 CHAIRMAN MURPHY: Opposed, same sign.

19 (No response was heard from the Commissioners.)

20 CHAIRMAN MURPHY: Order 2012-38 is approved.

21 Continue, Ms. Tait.

22 MS. TAIT: Next is Order 2012-39 regarding  
23 Matthew Lawrence's occupational license. He was  
24 licensed January 11, 2011 to work as a security  
25 officer at Blue Chip Casino. On March 18th, 2011

1           commission agents at Blue Chip were notified that  
2           Mr. Lawrence had been fired from his employment at  
3           Walgreens due to an alleged theft. Commission  
4           staff instituted a lengthy investigation during  
5           which Mr. Lawrence admitted to the Commission  
6           agents and staff that he indeed had been fired by  
7           Walgreens for theft and he also provided  
8           documentation relating to his settlement agreement  
9           with Walgreens.

10                   Pursuant to 68 IAC 2-3-9, all occupational  
11           licensees have a continuing duty to maintain  
12           suitability for licensure. It is Staff's position  
13           that Mr. Lawrence's theft called into question his  
14           suitability. 68 IAC 2-3-5(c)(14) requires that all  
15           occupational licensees must maintain good, moral  
16           character and reputation in order to be suitable.

17                   Further, 68 IAC 2-3-9-1 provides that all  
18           occupational licensees must notify the Commission  
19           in writing any time the licensee has any  
20           information that would affect the licensee's  
21           suitability within ten days of the calendar event.  
22           Mr. Lawrence violated this duty by failing to  
23           notify the Commission of his termination from  
24           Walgreens. Staff also had difficulty contacting  
25           Mr. Lawrence to receive documentation from him.

1           Another provision in 68 IAC 2-3-9 requires  
2           that all occupational licensees to cooperate and  
3           provide truthful information to staff and agents  
4           during any investigation, so Mr. Lawrence may have  
5           also violated this duty.

6           In lieu of disciplinary action, Commission  
7           Staff offered Mr. Lawrence a settlement agreement  
8           which would have him voluntarily relinquish his  
9           occupational license for a period of one day.  
10          Mr. Lawrence has agreed to the terms of this  
11          settlement, and the Order before you would approve  
12          the settlement agreement entered into by the  
13          parties and the Staff recommends that you approve  
14          this Order.

15          CHAIRMAN MURPHY: Ms. Tait, I have a  
16          question.

17          MS. TAIT: Yes.

18          CHAIRMAN MURPHY: The material states that  
19          Mr. Lawrence -- that it was an alleged theft. Was  
20          that ever pursued?

21          MS. TAIT: Walgreens did not pursue criminal  
22          charges, but they did enter into the settlement  
23          agreement with Mr. Lawrence in which he's paying  
24          restitution and --

25          CHAIRMAN MURPHY: So there was a theft?

1 MS. TAIT: Yes.

2 CHAIRMAN MURPHY: I just wanted to make  
3 sure.

4 Any other questions of Ms. Tait? If not, is  
5 there a motion to approve Order 2012-39?

6 COMMISSIONER MORGAN: Motion to approve.

7 COMMISSIONER SHY: I'll second.

8 CHAIRMAN MURPHY: It's been moved and  
9 seconded. All those in favor of approval of Order  
10 2012-39 signify by saying aye.

11 (All said aye.)

12 CHAIRMAN MURPHY: Opposed, same sign.

13 (No response was heard from the Commissioners.)

14 CHAIRMAN MURPHY: Order 2012-39 is approved.

15 MS. TAIT: Finally is Order 2012-40  
16 regarding Samantha Forman's occupational license.

17 She was licensed on October 7th, 2011 as a  
18 cook at Indiana Live Casino. On January 26th, 2012  
19 Ms. Forman disclosed an arrest from February 24th,  
20 2011 for criminal conversion. On that same day  
21 Ms. Forman also disclosed an arrested from November  
22 10th, 2011 for battery. Ms. Forman provided  
23 additional paperwork demonstrating she'd entered  
24 into a plea agreement stemming from the criminal  
25 conversion charge.

1                   Pursuant to 68 IAC 2-3-9.1, all occupational  
2                   licensees must notify the Commission in writing  
3                   within ten days following a charge, conviction, or  
4                   guilty plea of any felony or misdemeanor.

5                   Ms. Forman violated this duty by failing to  
6                   disclose her arrest for criminal conversion and a  
7                   subsequent plea until 336 days after and again for  
8                   failing to disclose the battery arrest until 77  
9                   days.

10                   In lieu of disciplinary action, the  
11                   Commission Staff offered Ms. Forman a settlement  
12                   agreement where she would voluntarily relinquish  
13                   her license for a period of three days. Ms. Forman  
14                   has agreed to the terms of the settlement.

15                   The Order before you would approve the  
16                   settlement agreement entered into by the parties  
17                   and staff recommends that you approve this Order at  
18                   this time.

19                   CHAIRMAN MURPHY: Any questions of Ms. Tait  
20                   regarding this? If not --

21                   COMMISSIONER SHIELDS: There have been  
22                   situations where there have been crimes admitted  
23                   either explicitly or a guilty plea? Would that be  
24                   subject to consideration when their license is up?

25                   EXECUTIVE DIRECTOR YELTON: No. If there's

1 a settlement agreement reached, that generally is  
2 the conclusion of our disciplinary action with that  
3 individual. If it is the staff's consideration  
4 that the incident rises to the extent that it  
5 should be a reason by which this person should not  
6 receive a renewal, we would take care of it at that  
7 time. Normally we do track these people, however.

8 COMMISSIONER MORGAN: So for the record,  
9 this would have no reflection on them in the  
10 future?

11 EXECUTIVE DIRECTOR YELTON: No, but we have  
12 internal methods by which we track that individual.

13 CHAIRMAN MURPHY: Any other questions of  
14 Ms. Tait? If not, is there a motion to approve  
15 Order 2012-40?

16 COMMISSIONER BELL: So moved.

17 COMMISSIONER MORGAN: Second.

18 CHAIRMAN MURPHY: It's been moved and  
19 seconded. All those in favor of approval of Order  
20 2012-40, signify by saying aye.

21 (All said aye.)

22 CHAIRMAN MURPHY: Opposed.

23 (No response was heard from the Commissioners.)

24 CHAIRMAN MURPHY: Order 2012-40 is approved.

25 Thank you, Ms. Tait.

1 MS. TAIT: Thank you.

2 CHAIRMAN MURPHY: Moving on to Casino  
3 Matters -- Casino Financing Matters, excuse me, and  
4 Jeff Neuenschwander.

5 MR. NEUENSCHWANDER: Thank you, Mr. Chair  
6 and members of the Commission.

7 I have four financing matters for you today.  
8 And since they all follow the same interim approval  
9 process, I'd like to summarize the process that  
10 applies to the request as a whole without  
11 individually giving details on each request and ask  
12 for the Commission to approve on each Order.

13 Each financing matter before you today was  
14 submitted as a request for interim approval.  
15 According to the procedures identified in  
16 Resolution 2008-74, in each case below the Chairman  
17 or Executive Director consulted with the Commission  
18 financial analyst and granted interim approval and  
19 the Executive Director issued an interim approval  
20 letter. According to Resolution 2008-74, the  
21 interim approval must be before the Commission for a  
22 final ratification or other direction by the  
23 Commission.

24 The first matter is concerning Pinnacle  
25 Entertainment, Inc., that is Order 2012-41. On

1 February 8th, 2012, Pinnacle Entertainment  
2 requested interim approval to act on a proposed  
3 financing plan, the details of which are contained  
4 in your confidential documents. Executive Director  
5 Yelton and Chairman Murphy agreed that the  
6 financing should be approved and an interim  
7 approval letter was issued on February 21st, 2012.

8 Commission staff recommends you approve  
9 Order 2012-41 ratifying the interim approval  
10 letter.

11 CHAIRMAN MURPHY: Do the Commissioners have  
12 any questions of Mr. Neuenschwander regarding this?  
13 If not, is there an Order to approve -- is there a  
14 motion to approve Order 2012-41?

15 COMMISSIONER SHY: I move to approve.

16 COMMISSIONER SHIELDS: Second.

17 CHAIRMAN MURPHY: It's been moved and  
18 seconded. All those in favor of approval signify  
19 by saying aye.

20 (All said aye.)

21 CHAIRMAN MURPHY: Opposed.

22 (No response was heard from the Commissioners.)

23 CHAIRMAN MURPHY: Order 2012-41 is approved.

24 MR. NEUENSCHWANDER: Thank you.

25 Order 2012-42 concerns Boyd Gaming

1 Corporation. On January 17th, 2012 Boyd Gaming  
2 Corporation requested interim approval to act on a  
3 proposed financing plan, the details of which are  
4 contained in your confidential documents.

5 Executive Director Yelton and Chairman  
6 Murphy agreed that the financing should be approved  
7 and an interim approval letter was issued on  
8 February 7th, 2012.

9 Commission staff recommends that you approve  
10 Order 2012-42 ratifying the interim approval  
11 letter.

12 CHAIRMAN MURPHY: Any questions regarding  
13 the Order?

14 EXECUTIVE DIRECTOR YELTON: Just a moment,  
15 please. No, that's Fine. I found an error in the  
16 executive summary, but it's not in the Order, so  
17 that's fine.

18 CHAIRMAN MURPHY: Any other questions? If  
19 not, is there a motion to Approve Order 2012-42?

20 COMMISSIONER MORGAN: Motion to approve.

21 COMMISSIONER SHIELDS: Second.

22 CHAIRMAN MURPHY: It's been moved and  
23 seconded. All those in favor of approval of Order  
24 2012-42, signify by saying aye.

25 (All said aye.)

1 CHAIRMAN MURPHY: Opposed.

2 (No response was heard from the Commissioners.)

3 CHAIRMAN MURPHY: Order 2012-42 is approved.

4 MR. NEUENSCHWANDER: Thank you.

5 Order 2012-43 concerns Caesars  
6 Entertainment, Inc. On February 1st, 2012 Caesars  
7 Entertainment, Inc. requested interim approval to  
8 act on a proposed financing plan, the details of  
9 which are contained in your confidential documents.

10 Executive Director Yelton and Chairman  
11 Murphy agreed that the financing should be approved  
12 and an interim approval letter was issued on  
13 February 14th, 2012.

14 Commission staff recommends that you approve  
15 Order 2012-43 ratifying the interim approval  
16 letter.

17 COMMISSIONER SHIELDS: So moved.

18 CHAIRMAN MURPHY: Are there any questions?  
19 Do you have any questions first? If not, now is  
20 the time.

21 COMMISSIONER SHIELDS: I will now move.

22 COMMISSIONER MORGAN: I second the motion.

23 CHAIRMAN MURPHY: It's been moved and  
24 seconded. All those in favor of approval of the  
25 Order, signify by saying aye.

1 (All said aye.)

2 CHAIRMAN MURPHY: Opposed.

3 (No response was heard from the Commissioners.)

4 CHAIRMAN MURPHY: The Order is approved.

5 Thank you.

6 MR. NEUENSCHWANDER: Thank you.

7 The last matter I have for you today is for  
8 Tropicana Entertainment, Inc., and that's Order  
9 2012-44. On February 12th, 2012 Tropicana  
10 Entertainment, Inc. requested interim approval to  
11 act on a proposed financing plan, the details of  
12 which are contained in your confidential documents.

13 Executive Director Yelton and Chairman  
14 Murphy agreed that the financing should be approved  
15 and an interim approval letter was issued on March  
16 1st, 2012.

17 Commission staff recommends that you approve  
18 Order 2012-44 ratifying the interim approval  
19 letter.

20 CHAIRMAN MURPHY: Do the Commissioners have  
21 any questions regarding the Order? If not, is  
22 there a motion to approve Order 2012-44?

23 COMMISSIONER BELL: I move for approval.

24 COMMISSIONER MORGAN: I second the motion.

25 CHAIRMAN MURPHY: It's been moved and

1           seconded. All those in favor of approval of Order  
2           2012-44, signify by saying aye.

3                                 (All said aye.)

4           CHAIRMAN MURPHY: Opposed.

5                                 (No response was heard from the Commissioners.)

6           CHAIRMAN MURPHY: Order 2012-44 is approved.

7           Thank you, Mr. Neuenschwander.

8           MR. NEUENSCHWANDER: Thank you, Mr. Chair.

9           CHAIRMAN MURPHY: The next item on the  
10          agenda is disciplinary action and Chris Gray.

11          MS. GRAY: Good afternoon, again,  
12          Commissioners. You have before you ten settlement  
13          agreements concerning disciplinary actions.

14                                 The first settlement is with Ameristar,  
15          Order 2012-45, wherein the casino failed to place a  
16          deck of cards into play at a table game, thus  
17          shorting the number of cards in play and leaving a  
18          deck of cards unsecured.

19                                 Ameristar has agreed to a monetary  
20          settlement of \$4,000 in lieu of disciplinary  
21          action. Are there any questions?

22                                 The second Order, 2012-46, is a settlement  
23          agreement with Belterra and includes two counts.  
24          In the first count the casino violated the rules  
25          regarding the removal and storage of slot machines.

1 In the second count the casino failed to timely  
2 notify the gaming agents of a terminated employee.

3 Belterra has agreed to a total monetary  
4 settlement of \$5,000 in lieu of disciplinary  
5 action. Are there any questions concerning this  
6 Order?

7 CHAIRMAN MURPHY: Go ahead.

8 MS. GRAY: The third order, 2012-47, is a  
9 settlement agreement with Blue Chip which includes  
10 four counts. In the first count the casino failed  
11 to timely notify the gaming agents of a terminated  
12 employee. The second count violated the rules  
13 regarding the removal and collection of bill  
14 validator drop boxes. The third count violated the  
15 rule requiring the automatic illumination of a  
16 light on top of a slot machine when the door is  
17 open. In the fourth count the casino failed to  
18 follow several rules regarding playing cards.

19 Blue Chip has agreed to a total monetary  
20 settlement of \$15,000 in lieu of disciplinary  
21 action. Are there any questions?

22 CHAIRMAN MURPHY: Questions of Ms. Gray?

23 MS. GRAY: Order 2012-48 is a settlement  
24 agreement with Aztar wherein the casino failed to  
25 ensure that all of the playing cards were removed

1 from a table game.

2 Aztar has agreed to a total monetary  
3 settlement of \$2,500 in lieu of disciplinary  
4 action. Are there any questions?

5 Order 2012-49 is a settlement agreement with  
6 French Lick and includes three counts. In the  
7 first count the casino allowed an underage person  
8 onto the casino floor. In the second count the  
9 casino allowed patrons through the drop area on  
10 four separate occasions. The third count violated  
11 the rules regarding the badging and logging of a  
12 vendor.

13 French Lick has agreed to a monetary  
14 settlement of \$15,500 in lieu of disciplinary  
15 action. Are there any actions?

16 CHAIRMAN MURPHY: Go ahead.

17 MS. GRAY: The sixth Order, 2012-50, is a  
18 settlement agreement with Hollywood and includes  
19 two counts. In the first count the casino allowed  
20 unauthorized persons into the drop area on two  
21 separate occasions. In the second count rules  
22 regarding the soft count room log were violated.

23 As you can tell by the number of counts,  
24 Hollywood has improved in their compliance of the  
25 rules and regulations. We attribute this to the

1 current management and their commitment to continue  
2 to improve compliance throughout the casino.

3 Hollywood has agreed to a monetary  
4 settlement of \$8,000 in lieu of disciplinary  
5 action. Are there any questions?

6 CHAIRMAN MURPHY: I just have one comment.  
7 Hollywood is making progress.

8 COMMISSIONER SHIELDS: I'd like to second  
9 that. I've expressed my concerns in the past.

10 COMMISSIONER MORGAN: Exactly. We're very  
11 pleased.

12 MS. GRAY: Yes. I am in good communication  
13 with the general manager. So it has improved.

14 Are there any questions on it?

15 Order 2012-51 is a settlement agreement with  
16 Horseshoe Hammond which includes two counts. The  
17 first count violated the annual renewal of an  
18 occupational license. In the second count two  
19 underage persons were allowed on the casino floor  
20 on two separate occasions.

21 Horseshoe Hammond has agreed to a total  
22 monetary settlement of \$5,500 in lieu of  
23 disciplinary action. Are there any questions?

24 CHAIRMAN MURPHY: Go ahead.

25 MS. GRAY: Order 2012-52 is a settlement

1 agreement with Indiana Live wherein the casino's  
2 then-acting general manager violated several rules  
3 regarding the standards and qualifications of an  
4 occupational license.

5 Indiana Live has agreed to a monetary  
6 settlement of \$40,000 in lieu of disciplinary  
7 action. Are there any questions?

8 CHAIRMAN MURPHY: Questions? Go ahead.

9 MS. GRAY: Order 2012-53 is another  
10 settlement agreement with Indiana Live and includes  
11 five counts. In the first count the casino allowed  
12 a person under the age of 21 onto the casino floor.  
13 In the second count the casino failed to secure a  
14 slot machine door. The third count violated  
15 several VEP rules. In the fourth count the casino  
16 utilized a non-licensed vendor. In the fifth count  
17 employees were performing job duties that they were  
18 not licensed to perform.

19 Indiana Live has agreed to pay a total  
20 monetary settlement of \$116,500 in lieu of  
21 disciplinary action. Are there any questions?

22 CHAIRMAN MURPHY: Do the Commissioners have  
23 any questions?

24 MS. GRAY: The final Order, Order 2012-54,  
25 is a settlement agreement with Majestic Star and

1 includes two counts. In the first count the casino  
2 allowed full remote access to a server system. The  
3 second count violated the rule regarding the number  
4 of playing cards at a table game.

5 Majestic Star has agreed to a total monetary  
6 settlement of \$4,000 in lieu of disciplinary  
7 action. Are there any questions?

8 CHAIRMAN MURPHY: Do the Commissioners have  
9 any questions?

10 MS. GRAY: The Commission staff recommends  
11 that you approve Orders 2012-45 through 2012-54,  
12 each of which approves one of the settlement  
13 agreements that we have just discussed.

14 CHAIRMAN MURPHY: Is there a motion to  
15 approve Orders 2012-45 through 54?

16 COMMISSIONER SHIELDS: So moved.

17 COMMISSIONER MORGAN: Second the motion.

18 CHAIRMAN MURPHY: It's been moved and  
19 seconded. All those in favor signify by saying  
20 aye.

21 (All said aye.)

22 CHAIRMAN MURPHY: Opposed.

23 (No response was heard from the Commissioners.)

24 CHAIRMAN MURPHY: Orders 2012-45 through 54  
25 are approved. Thank you, Ms. Gray.

1 MS. GRAY: Thank you.

2 CHAIRMAN MURPHY: The next item on the  
3 agenda are casino renewals and Sara Tait.

4 MS. TAIT: Thank you, Mr. Chair.

5 Members of the Commission, before you is  
6 Order 2012-55 regarding the annual casino license  
7 renewal and power of attorney modification for  
8 Casino Aztar. Aztar's renewal date was December  
9 4th, 2011. Under Resolution 2003-31, the Executive  
10 Director had issued an interim renewal of Aztar's  
11 license to bridge the time gap between its enroll  
12 renewal date this meeting. Aztar timely filed the  
13 required paperwork and fees.

14 At the March 2010 business meeting by Order  
15 2010-55, the Commission approved the power of  
16 attorney for Aztar naming Trinity Hill Group, LLC  
17 as the trustee in waiting. That approval expires  
18 upon the renewal of each casino's license. For  
19 that reason, all casinos must either request  
20 renewal of the approval of the power of attorney  
21 concurrently with the request for renewal or  
22 present the Commission with a new power of attorney  
23 naming the new trustee in waiting.

24 Aztar has petitioned the Commission to enter  
25 into a new power of attorney naming Mr. Ron Gifford

1 as its trustee in waiting. Aztar and Mr. Gifford  
2 have executed a new power of attorney which  
3 memorializes the terms and conditions of this  
4 designation.

5 Staff recommends that you approve Order  
6 2012-55 renewing Aztar's casino license and  
7 approving the termination of the existing power of  
8 attorney and approving the new power of attorney  
9 identifying Mr. Gifford as trustee in waiting for  
10 Aztar.

11 CHAIRMAN MURPHY: Out of curiosity, do we  
12 know how many trustee agreements Mr. Gifford is on  
13 now?

14 MS. TAIT: I believe it's eight.

15 EXECUTIVE DIRECTOR YELTON: Five.

16 MS. TAIT: Five? Oh, I'm sorry.

17 CHAIRMAN MURPHY: I'm just curious.

18 EXECUTIVE DIRECTOR YELTON: So far.

19 MS. TAIT: Also before you is Order 2012-56  
20 regarding Hollywood Casino's annual casino license  
21 and power of attorney renewal. Hollywood's renewal  
22 date was December 10th, 2011. Under Resolution  
23 2003-13, the Executive Director issued an interim  
24 renewal of Hollywood's license. Hollywood timely  
25 filed the paperwork and fees. Hollywood has

1 further requested the renewal of Mr. Larry Kinser  
2 as its trustee in waiting.

3 Staff recommends that you approve Order  
4 2012-56 renewing Hollywood's casino license and  
5 power of attorney.

6 CHAIRMAN MURPHY: Do the Commissioners have  
7 any questions regarding Orders 2012-55 and 56?

8 Adam, can we approve these together?

9 MR. PACKER: Yes.

10 CHAIRMAN MURPHY: Well, I was just asking  
11 Adam if we could approve them together.

12 MR. PACKER: You can if the motion -- thank  
13 you for pointing that out, Mr. Chairman. If the  
14 motion requests -- if it's a motion to approve both  
15 Orders, then it will take care of both of them at  
16 the same time.

17 CHAIRMAN MURPHY: Are the Commissioners  
18 satisfied with that?

19 Is there an order to approve -- a motion, I  
20 should say, to approve Orders 2012-55 and 56?

21 COMMISSIONER SHY: Move to approve.

22 COMMISSIONER SHIELDS: Second.

23 CHAIRMAN MURPHY: It's been moved and  
24 seconded. All those in favor of approval of Orders  
25 2012-55 and 2012-56 signify by saying aye.

1 (All said aye.)

2 CHAIRMAN MURPHY: Opposed.

3 (No response was heard from the Commissioners.)

4 CHAIRMAN MURPHY: Orders 2012-55 and 56 are  
5 approved. Thank you, Ms. Tait.

6 MS. TAIT: Thank you.

7 CHAIRMAN MURPHY: Moving on to Power of  
8 Attorney for Blue Chip and Adam Packer.

9 MR. PACKER: Thank you, Mr. Chair and  
10 Members of the Commission.

11 Blue Chip has requested a modification of  
12 its power of attorney, specifically it has  
13 petitioned the Commission to terminate the current  
14 power of attorney, that names Judith Campbell as  
15 trustee in waiting, the Commission approved then  
16 Commission Order 2010-56, and replace that power of  
17 attorney with a new power of attorney that names  
18 Mr. Monte Collins, a former casino executive, as  
19 trustee in waiting.

20 Blue Chip and Mr. Collins have executed a  
21 power of attorney document that's been provided to  
22 you for your consideration. Additionally,  
23 Mr. Collins has submitted a level 2 license  
24 application, fingerprints, all the required  
25 attachments that are necessary for him to be

1 installed as a trustee in waiting. If the unlikely  
2 event would come that the Commission would have to  
3 install him as a permanent trustee, then he would  
4 be required to submit a level 1 application.

5 At this time Commission staff believes that  
6 Blue Chip and Mr. Collins have complied with all  
7 the requirements that are necessary to modify Blue  
8 Chip's power of attorney to install Mr. Collins as  
9 trustee in waiting, and Commission staff recommends  
10 approval of Order 57.

11 CHAIRMAN MURPHY: Do the Commissioners have  
12 any questions for Mr. Packer on the Order? If not,  
13 is there a motion to approve Order 2012-57?

14 COMMISSIONER MORGAN: Motion to approve.

15 COMMISSIONER BELL: Second.

16 CHAIRMAN MURPHY: It's been moved and  
17 seconded. All those in favor signify by saying  
18 aye.

19 (All said aye.)

20 CHAIRMAN MURPHY: Opposed.

21 (No response was heard from the Commissioners.)

22 CHAIRMAN MURPHY: Order 2012-57 is approved.

23 Thank you, Mr. Packer. Continue.

24 MR. PACKER: The next item on the agenda is  
25 a waiver for your -- a waiver request for your

1 consideration regarding casino licensee, the  
2 Majestic Star Casino II, Incorporated.

3 Back after Don Bardon's companies acquired  
4 Trump Casino and created the new entity to hold the  
5 license for that second casino in Gary, they  
6 organized Majestic Star II as a qualified  
7 Subchapter S subsidiary of the ultimate parent  
8 company.

9 After the Majestic Star entity entered into  
10 bankruptcy and at such time as it became clear what  
11 the corporate form would be like upon emergence  
12 from bankruptcy, Majestic Star informed the Gaming  
13 Commission that it wished to change the entity from  
14 a Delaware Corporation to a Delaware LLC. This was  
15 in large part because of the emerged entity would  
16 no longer qualify for the preferential tax  
17 treatment under Subchapter S in the Internal  
18 Revenue book.

19 This transition from a Delaware Corporation  
20 to a Delaware LLC technically triggers transfer  
21 rules which require an application, which require a  
22 full investigation, and which are designed to make  
23 sure that the Commission is comfortable with who  
24 the principals are, who the company is, and that  
25 everyone's suitable for licensure.

1 Well, in this case, Majestic Star had just  
2 undergone a reinvestigation in 2010. Additionally,  
3 the new substantial owners of the Majestic Star  
4 entities, Wayzetta, and the fund that actually  
5 controls the interest and the license, had just  
6 been approved by the Gaming Commission for the  
7 transfer of ownership of Majestic Star Casino.

8 So when Majestic Star approached the Gaming  
9 Commission in December with a waiver request,  
10 Commission staff believed that it was appropriate,  
11 that it was in the best interest of the gaming  
12 industry, and that the waiver did not compromise  
13 the ultimate purpose of the rule, which, of course,  
14 is to ensure the suitability of the licensee and of  
15 the owners.

16 And for those reasons, Commission staff  
17 recommends that you approve Order 58 which would  
18 waive the transfer regulation as to the corporate  
19 entity change of Majestic 2.

20 CHAIRMAN MURPHY: And that is from a sub --  
21 a corporation to an LLC?

22 MR. PACKER: Correct.

23 CHAIRMAN MURPHY: For tax reasons?

24 MR. PACKER: Yes.

25 CHAIRMAN MURPHY: Do the Commissioners have

1 any other questions? If not is there a motion to  
2 approve Order 2012-58.

3 COMMISSIONER MORGAN: Motion to approve.

4 COMMISSIONER SHY: Second.

5 CHAIRMAN MURPHY: It's been moved and  
6 seconded. All those in favor of approval signify  
7 by saying aye.

8 (All said aye.)

9 CHAIRMAN MURPHY: Opposed.

10 (No response was heard from the Commissioners.)

11 CHAIRMAN MURPHY: Order 2012-58 is approved.

12 Thank you, Mr. Packer.

13 MR. PACKER: Thank you, Mr. Chairman.

14 CHAIRMAN MURPHY: Moving to the next item on  
15 the agenda, Commission Rules and Joby Jerrells.

16 MR. JERRELLS: Thank you, Mr. Chairman.

17 Good afternoon, Commissioners.

18 Before you is Resolution 2012-59, which is  
19 an emergency rule related to charity gaming. This  
20 rule is in essence in response to recently-passed  
21 Senate Act -- Senate Bill 340 -- excuse me --  
22 Senate Bill 315, 340 was last year's bill.

23 Senate Bill 315 this year made substantial  
24 changes to charity gaming regulations and created a  
25 new statewide license which affords organizations

1 with a national fund-raising presence to obtain  
2 raffle licenses and operate those in the state of  
3 Indiana. After the initial drafts of the bill in  
4 late fall, staff analyzed bill, made  
5 recommendations, two bills were introduced in this  
6 past legislative session, one which came out as  
7 Senate Bill 315.

8 This bill touches the same provisions of the  
9 administrative code that last year's bill, Senate  
10 Bill 340, touched. The emergency rule related to  
11 that is set to expire on approximately April 6th.  
12 This Resolution today will extend that rule period  
13 until the June 28th meeting, at which time I will  
14 be asking the Commission to approve a second and  
15 hopefully final emergency rule related to charity  
16 gaming.

17 At the same time we will also institute the  
18 formal rule promulgation process to finalize both  
19 of these bills into one omnibus charity gaming  
20 rule.

21 Staff will respectfully ask the Commission  
22 to approve Resolution 2012-59.

23 CHAIRMAN MURPHY: Do the Commissioners have  
24 any questions of Mr. Jerrells? If not, is there a  
25 motion to approve Resolution 2012-59?

1 COMMISSIONER BELL: Move for approval.

2 COMMISSIONER SHY: Second.

3 CHAIRMAN MURPHY: It's been moved and  
4 seconded. All those in favor of approval of  
5 Resolution 2012-59, signify by saying aye.

6 (All said aye.)

7 CHAIRMAN MURPHY: Opposed.

8 (No response was heard from the Commissioners.)

9 CHAIRMAN MURPHY: Order -- I'm sorry.  
10 Resolution 2012-59 is approved.

11 Thank you, Mr. Jerrells.

12 MR. JERRELLS: Thank you, Commissioners.

13 CHAIRMAN MURPHY: Next up will be Sara Tait.

14 MS. TAIT: Thank you.

15 Before you is Resolution 2012-60, which  
16 would adopt a final rule regarding amendments made  
17 to the existing rule concerning the Voluntary  
18 Exclusion Program.

19 In March 2011 Staff undertook the process  
20 and project of updating the VEP application and the  
21 new application went into use on August 18, 2011.  
22 This proposed rule amends the current language to  
23 account for the new application. Specifically, it  
24 seeks to clarify the process for requests for and  
25 removal from the VEP. It also updates terminology

1 and definitions that are all reflected in a new  
2 application.

3 Commission staff has taken the rule through  
4 the promulgation process. The notice of intent was  
5 published on December 21st, 2011, the proposed rule  
6 was published on February 15th, 2012, and  
7 Commission staff held a public hearing on March 8th  
8 in which there were no attendees or comments.

9 The Indiana Economic Development Commission  
10 does not object to the economic impact of this rule  
11 and the State Budget Agency recommends that the  
12 rule be approved.

13 At this time the staff recommends adopting  
14 Resolution 2012-60, which would adopt the proposed  
15 rule as a final rule and will allow us to publish  
16 the final rule regarding the Voluntary Exclusion  
17 Program.

18 CHAIRMAN MURPHY: Do the Commissioners have  
19 any questions of Ms. Tait? If not, is there a  
20 motion to approve Resolution 2012-60?

21 COMMISSIONER MORGAN: Motion to approve.

22 COMMISSIONER SHIELDS: Second.

23 CHAIRMAN MURPHY: All those in favor of  
24 approval signify by saying aye.

25 (All said aye.)

1 CHAIRMAN MURPHY: Opposed.

2 (No response was heard from the Commissioners.)

3 CHAIRMAN MURPHY: Resolution 2012-60 is  
4 approved. Thank you Ms. Tait.

5 Next up will be Derek Young.

6 MR. YOUNG: Thank you.

7 Before you now is Resolution 2012-61, which  
8 is the adoption of the final rule regarding  
9 junketeer's transportation of chips, tokens, dice,  
10 cards and blackjack layouts.

11 This rule was initially passed as a final  
12 rule at the September 15, 2011 Commission meeting.  
13 The Office of the Attorney General then determined  
14 that there was a fatal error in the timing of the  
15 public hearing, and despite staff's best efforts to  
16 remedy this error, the rule had to be recalled to  
17 hold a new public hearing.

18 Staff filed a change in notice of public  
19 hearing and the public hearing was held on January  
20 18, 2012. Nothing has changed in the rule document  
21 since the final rule you passed in Resolution  
22 2011-209.

23 Staff recommends adoption of Resolution  
24 2012-61, which will adopt the final rule for LSA  
25 11-275.

1           CHAIRMAN MURPHY: Do the Commissioners have  
2 any questions of Mr. Young? If not, is there a  
3 motion to approve Resolution 2012-61?

4           COMMISSIONER BELL: So moved.

5           COMMISSIONER MORGAN: Second the motion.

6           CHAIRMAN MURPHY: It's been moved and  
7 seconded. All those in favor of approval of  
8 Resolution 2012-61 signify by saying aye.

9                                 (All said aye.)

10          CHAIRMAN MURPHY: It's been moved and  
11 seconded. All those in favor of approval of Order  
12 2012-38, signify by saying aye.

13                                 (All said aye.)

14          CHAIRMAN MURPHY: Opposed.

15                                 (No response was heard from the Commissioners.)

16          CHAIRMAN MURPHY: Order -- Resolution -- I'm  
17 sorry again -- 2012-61 is approved. Thank you, Mr.  
18 Young.

19                                 Next up will be Jeff Neuenschwander.

20          MR. NEUENSCHWANDER: Thank you, Mr. Chair.

21                                 You have before you Order 2012-62, a  
22 Resolution concerning local development agreements  
23 emergency rule. You may recall the past Resolution  
24 2011-264 at the November Commission meeting. This  
25 Resolution adopted an emergency rule that filled in

1           some details that were not covered by the new local  
2           development agreement statute, which is now  
3           codified in Indiana Code 4-33-23.

4           Some of the things that were in the rule  
5           were the details on the reports required by the  
6           statute, appropriate methods of payment of local  
7           development agreement funds, and other details.  
8           That rule is currently set to expire on May 24th of  
9           2012, which is, as you know, the day before our  
10          next scheduled meeting.

11          Commission staff has been working on a  
12          permanent rule that will take the place of the  
13          emergency rule while the permanent rule process is  
14          still ongoing. The emergency rule that we ask you  
15          to consider today is essentially the same as the  
16          rule passed in the November meeting with minor  
17          technical changes.

18          Commission staff thinks the emergency rule  
19          is important to address the important issues  
20          contained within while the current rule is being  
21          promulgated. Commission staff recommends that you  
22          adopt that as an emergency rule.

23          CHAIRMAN MURPHY: Any questions of  
24          Mr. Neuenschwander? If not, is there a motion to  
25          approve Resolution 2012-62?

1 COMMISSIONER SHIELDS: So moved.

2 COMMISSIONER MORGAN: Second the motion.

3 CHAIRMAN MURPHY: It's been moved and  
4 seconded. All those in favor of approval of  
5 Resolution 2012-62, signify by saying aye.

6 (All said aye.)

7 CHAIRMAN MURPHY: Opposed.

8 (No response was heard from the Commissioners.)

9 CHAIRMAN MURPHY: Resolution 2012-62 is  
10 approved. Thank you, Mr. Neuenschwander.

11 MR. NEUENSCHWANDER: Thank you, Mr.  
12 Chairman.

13 CHAIRMAN MURPHY: Next up is Lea Ellingwood  
14 and MMA matters.

15 MS. ELLINGWOOD: Finally, for your  
16 consideration are Resolutions 2122-63 and 2012-64  
17 concerning the adoption of the emergency rules  
18 regarding professional boxing and mixed martial  
19 arts and amateur mixed martial arts respectively.

20 In September of 2011 the Commission adopted  
21 a set of emergency rules regarding the same. I  
22 advised the Commission at that time the staff was  
23 in the process of adopting the rules in the final  
24 rule-writing process. Because of the scope of the  
25 rule, however, the financial analyses that are

1           necessary for the final rule process had taken  
2           longer to complete than staff believed. The  
3           emergency rule adopted in September is scheduled to  
4           expire this month.

5                       Commission staff also made some substantive  
6           changes to those rules including the addition of a  
7           continuing duty to update contact information with  
8           the Commission; a requirement that judges and  
9           referees be certified by the Association of Boxing  
10          Commissioners before they're licensed and appointed  
11          for assignment by the Commission; and finally, a  
12          change in the language to more closely resemble the  
13          unified amateur rules where it's appropriate.

14                      Staff has now completed the fiscal analysis  
15          and has been working with the Attorney General's  
16          Office to ensure the smooth adoption of the final  
17          rule. Staff anticipates the proposed final rule  
18          will be presented to the Commission for approval at  
19          the June business meeting.

20                      I respectfully request that you adopt  
21          Resolutions 2012-63 and 2012-64 concerning boxing  
22          and mixed martial arts.

23                      CHAIRMAN MURPHY: Any questions of  
24          Ms. Ellingwood? If not, is there a motion to  
25          approve both 2012-63 and Resolution 2012-64?

1 COMMISSIONER MORGAN: Motion to approve.

2 COMMISSIONER SHY: I'll second.

3 CHAIRMAN MURPHY: It's been moved and  
4 seconded. All those in favor of approval of both  
5 Resolutions signify by saying aye.

6 (All said aye.)

7 CHAIRMAN MURPHY: Opposed.

8 (No response was heard from the Commissioners.)

9 CHAIRMAN MURPHY: Orders -- excuse me --  
10 Resolutions 2012-63 and 64 are approved.

11 Thank you, Ms. Ellingwood.

12 MS. ELLINGWOOD: Thank you.

13 CHAIRMAN MURPHY: That concludes all the  
14 business to come before the Commission today. Our  
15 next meeting is scheduled for June 28th at a place  
16 to be determined.

17 EXECUTIVE DIRECTOR YELTON: We have a  
18 tentative place. It's at the Indianapolis  
19 Government Center.

20 MS. KENLEY: Auditorium.

21 EXECUTIVE DIRECTOR YELTON: Auditorium.

22 CHAIRMAN MURPHY: At the auditorium. Thank  
23 you.

24 At this time the Chair would entertain a  
25 motion to adjourn.

1                   COMMISSIONER SHIELDS:  So moved.

2                   COMMISSIONER MORGAN:  Second the motion.

3                   CHAIRMAN MURPHY:  It's been moved and  
4                   seconded.  All the Commissioners signify by saying  
5                   aye.

6   (All said aye.)

7                   CHAIRMAN MURPHY:  Opposed.

8   (No response was heard from the Commissioners.)

9                   CHAIRMAN MURPHY:  We stand adjourned.  Thank  
10                   you, everyone.

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12   (The proceedings were concluded at 2:00 p.m.)

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