

**Economic Impact Statement**

LSA Document #10-64

**IC 4-22-2.1-5 Statement Concerning Rules Affecting Small Businesses**

IC 4-22-2.1-5(a) provides that an agency that intends to adopt a rule under IC 4-22-2 that will impose requirements or costs on small businesses must prepare a statement that describes the annual economic impact of the rule on small businesses after the rule is fully implemented as described in (b). That statement must be submitted to the Indiana Economic Development Corporation (IEDC); the IEDC is required to review the rule and submit written comments to the agency not later than seven days before the public hearing.

The Indiana Gaming Commission (Commission) is proposing a rule that requires only the titles of currency count and internal audit staff to appear on internal controls as opposed to names and titles; requires casino licensees to create an independent audit committee of the board of directors, have an independent director of that committee, and submit quarterly reports detailing the committee's activity; clarifies qualifications to be a financial auditor for casino licensees so as to avoid a conflict of interest; and makes numerous technical changes.

**Estimated Number of Small Businesses Affected:**

The substantive portions of the proposed rule apply to casino licensees. Therefore, it is important to understand if there are any casino licensees who are small businesses.

Under IC 4-22-2.1-4, a small business is any person, firm, corporation, limited liability company, partnership, or association that (1) is actively engaged in business in Indiana and maintains its principal place of business in Indiana; (2) is independently owned and operated; (3) employs one hundred (100) or fewer full-time employees; and(4) has gross annual receipts of five million dollars (\$5,000,000) or less.

The casinos affected by the proposed rule do not meet the above definition of a small business because their gross annual receipts exceed \$5,000,000. Because the affected casinos do not meet the statutory definition of a small business, the Commission is not adopting a rule that will impose requirements or costs on a small business. Therefore, the Commission is not required to prepare a report describing the economic impact of the rule in accordance with IC 4-22-2.1-5.

**Estimated Administrative Costs Imposed on Small Businesses:**

None.

**Estimated Total Annual Economic Impact on Small Businesses:**

None.

**Justification of Requirements or Costs:**

The Commission offers no justification because the proposed rule imposes no requirements or costs on small businesses.

**Regulatory Flexibility Analysis:**

Not applicable.

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