

# ARTICLE 16. CREDIT

## Rule 1. General Provisions

### 68 IAC 16-1-1 Applicability; general provisions

Authority: IC 4-33-4; IC 4-35-4

Affected: IC 4-33; IC 4-35

Sec. 1. (a) This rule applies to casino licensees and casino license applicants.

(b) The following definitions apply throughout this article:

(1) "Front money" means a patron deposit that is used in lieu of credit to guarantee payment of a marker issued.

(2) "Marker" means a document, signed by the patron, evidencing an extension of credit to the patron by the casino licensee.

(3) "Picture identification" means a driver's license or other piece of identification issued by a governmental entity that has a picture of the patron on the document.

(4) "RG-1" means the Daily Adjusted Gross Receipts and Tax Remittance form.

*(Indiana Gaming Commission; 68 IAC 16-1-1; filed Jul 18, 1996, 8:55 a.m.: 19 IR 3312; readopted filed Nov 25, 2002, 10:11 a.m.: 26 IR 1261; readopted filed Nov 14, 2008, 12:51 p.m.: 20081210-IR-068080730RFA; filed Dec 6, 2012, 2:32 p.m.: 20130102-IR-068110786FRA)*

### 68 IAC 16-1-2 Purpose

Authority: IC 4-33-4; IC 4-35-4

Affected: IC 4-33; IC 4-35

Sec. 2. (a) The purpose of requiring submission of procedures for extending credit is to ensure the following:

(1) That markers issued by casino licensees are done so only in accordance with the specific or general authorization of IC 4-33, IC 4-35, and this article.

(2) That the functions, duties, and responsibilities are appropriately segregated and performed in accordance with sound practices by competent, qualified personnel, and no employee of the casino licensee is in a position to perpetuate and conceal errors or irregularities in the normal course of his or her duties.

(3) That procedures are conducted:

(A) with integrity; and

(B) in accordance with IC 4-33, IC 4-35, and this title.

(b) The casino licensee shall be responsible for establishing policies and procedures to extend credit to patrons. The policies and procedures shall provide that the credit transaction is promptly and accurately recorded. *(Indiana Gaming Commission; 68 IAC 16-1-2; filed Jul 18, 1996, 8:55 a.m.: 19 IR 3312; readopted filed Nov 25, 2002, 10:11 a.m.: 26 IR 1261; readopted filed Nov 14, 2008, 12:51 p.m.: 20081210-IR-068080730RFA; filed Dec 6, 2012, 2:32 p.m.: 20130102-IR-068110786FRA)*

### 68 IAC 16-1-3 Submission of extension of credit procedures

Authority: IC 4-33-4; IC 4-35-4

Affected: IC 4-33; IC 4-35

Sec. 3. (a) The casino licensee or casino license applicant shall be required to submit procedures for extending credit to the executive director or the executive director's designee. The procedures for extending credit must be submitted in accordance with this rule.

(b) The procedures for extending credit must comply with IC 4-33, IC 4-35, and this title.

(c) Submission of extension of credit procedures shall be handled in the following manner:

(1) When called for in this article, the casino licensee or casino license applicant shall submit procedures for extending credit to the executive director or designee at least sixty (60) days prior to the commencement of gaming operations.

(2) No procedures for extending credit may be used by a casino licensee or casino license applicant unless the procedures for extending credit have been submitted, in writing, to the executive director or designee.

(d) The executive director may disapprove a portion of the policies or procedures concerning the extension of credit. If the

executive director disapproves a policy or procedures concerning the extension of credit, the executive director must notify the casino licensee, in writing, of the disapproval. The casino licensee may not use a policy or procedure concerning the extension of credit if the executive director has disapproved the policy or procedure.

(e) Access to the credit information, outstanding credit instruments, and credit instruments that have been written off is restricted to occupational licensees who require access and are authorized by management to have access. (*Indiana Gaming Commission; 68 IAC 16-1-3; filed Jul 18, 1996, 8:55 a.m.: 19 IR 3312; readopted filed Nov 25, 2002, 10:11 a.m.: 26 IR 1261; readopted filed Nov 14, 2008, 12:51 p.m.: 20081210-IR-068080730RFA; filed Dec 6, 2012, 2:32 p.m.: 20130102-IR-068110786FRA*)

#### **68 IAC 16-1-4 Amendments to procedures for extending credit**

Authority: IC 4-33-4; IC 4-35-4

Affected: IC 4-33; IC 4-35

Sec. 4. (a) Amendments to procedures for extending credit shall be handled in the following manner:

(1) Amendments to any portion of the procedures for extending credit must be submitted to the executive director at least forty-five (45) days prior to the utilization of the procedures for extending credit.

(2) No amendment to procedures for extending credit may be used by the casino licensee unless the amendments to the procedures for extending credit have been submitted, in writing, to the executive director.

(b) The executive director may disapprove any portion of an amendment to the policies or procedures concerning the extension of credit. The casino licensee may not use an amendment that the executive director has disapproved. (*Indiana Gaming Commission; 68 IAC 16-1-4; filed Jul 18, 1996, 8:55 a.m.: 19 IR 3313; readopted filed Nov 25, 2002, 10:11 a.m.: 26 IR 1261; readopted filed Nov 14, 2008, 12:51 p.m.: 20081210-IR-068080730RFA; filed Dec 6, 2012, 2:32 p.m.: 20130102-IR-068110786FRA*)

#### **68 IAC 16-1-5 Application of credit**

Authority: IC 4-33-4; IC 4-35-4

Affected: IC 4-33; IC 4-35

Sec. 5. (a) In accordance with section 3 of this rule, the casino licensee or casino license applicant shall submit the procedures for establishing credit to the commission. Procedures for establishing credit shall, at a minimum, include the following:

(1) A casino licensee shall complete and maintain a credit file for each patron to whom credit is extended. This file shall include, at a minimum, the following:

(A) A credit application, including, but not limited to, the following:

- (i) Patron's name.
- (ii) Requested credit line.
- (iii) Current home address.
- (iv) Home telephone number.
- (v) Date of birth.
- (vi) Place of employment and position held.
- (vii) The employer's address and telephone number.
- (viii) The patron's bank address.
- (ix) The checking accounting number.
- (x) Social Security number.

(B) Authorized credit limit.

(C) A photocopy of patron's identification.

(D) A history of all credit issued to the patron and payments received or written off by the casino licensee.

(E) Verification of credit application and approval of credit establishment.

(2) Procedures for verification of credit application.

(3) Procedures for review and approval of the credit limit for the patron.

(4) Procedures to increase or decrease an established credit line.

(5) Any other procedures deemed necessary by the executive director or the commission to ensure compliance with IC 4-33, IC 4-35, and this title.

(b) A casino licensee shall not extend credit to a patron who has not made a payment on the patron's outstanding credit within a period of thirty (30) days. (*Indiana Gaming Commission; 68 IAC 16-1-5; filed Jul 18, 1996, 8:55 a.m.: 19 IR 3313; readopted filed Nov 25, 2002, 10:11 a.m.: 26 IR 1261; readopted filed Nov 14, 2008, 12:51 p.m.: 20081210-IR-068080730RFA; filed Dec 6, 2012, 2:32 p.m.: 20130102-IR-068110786FRA*)

#### **68 IAC 16-1-6 Verification of credit**

Authority: IC 4-33-4; IC 4-35-4

Affected: IC 4-33; IC 4-35

Sec. 6. Verification of the patron's outstanding indebtedness, as required by section 5(a) of this rule, shall be performed by contacting a consumer credit bureau that is reasonably likely to possess information concerning the patron, to the extent the consumer credit bureau is available, and a casino credit bureau to determine whether the patron has liabilities or if there is derogatory information concerning the patron's credit history. The contact shall be considered a verification of the outstanding indebtedness provided by the patron. If contact is not immediately possible, the casino licensee may use an alternative source that has made the required contact. The casino licensee shall record the source of verification and the method by which the verification was performed in the patron's credit file. If neither credit bureau has information relating to a patron's outstanding indebtedness, the casino licensee must record that information in the patron's credit file. (*Indiana Gaming Commission; 68 IAC 16-1-6; filed Jul 18, 1996, 8:55 a.m.: 19 IR 3313; readopted filed Nov 25, 2002, 10:11 a.m.: 26 IR 1261; readopted filed Nov 14, 2008, 12:51 p.m.: 20081210-IR-068080730RFA; filed Dec 6, 2012, 2:32 p.m.: 20130102-IR-068110786FRA*)

#### **68 IAC 16-1-7 Issuance of markers**

Authority: IC 4-33-4; IC 4-35-4

Affected: IC 4-33; IC 4-35

Sec. 7. Procedures shall be established for the computerized and manual issuance of markers, including, at a minimum, the following:

- (1) A designation of those occupational licensees who are authorized to issue markers and a description of their duties.
- (2) A description of where markers can be issued.
- (3) A description of the marker and the information and signatures required to authorize the marker. Requirements for the marker shall be as follows:
  - (A) At least a three-part, prenumbered form. The form shall be submitted to the executive director prior to its use.
  - (B) Include, but not be limited to, the following information:
    - (i) Patron's name.
    - (ii) Dollar amount of the marker.
    - (iii) Casino cage marker number.
    - (iv) Current time and date.
    - (v) The required signatures.
- (4) A description of the distribution of each part of the marker.
- (5) Verification of the patron's identity via identification credentials prior to the issuance of the marker.
- (6) Verification of available credit.
- (7) A description of the recording of the credit transaction.
- (8) A description of accountability and control over the markers.
- (9) A log shall be maintained identifying the information in subdivisions (1) through (8) for at least five (5) years.
- (10) A copy of the original marker shall be maintained for at least one (1) year.
- (11) Any other information deemed necessary by the executive director or the commission to ensure compliance with IC 4-33, IC 4-35, and this title.

*(Indiana Gaming Commission; 68 IAC 16-1-7; filed Jul 18, 1996, 8:55 a.m.: 19 IR 3314; readopted filed Nov 25, 2002, 10:11 a.m.: 26 IR 1261; readopted filed Nov 14, 2008, 12:51 p.m.: 20081210-IR-068080730RFA; filed Dec 6, 2012, 2:32 p.m.: 20130102-IR-068110786FRA)*

**68 IAC 16-1-8 Receipt of payments**

Authority: IC 4-33-4; IC 4-35-4

Affected: IC 4-33; IC 4-35

Sec. 8. The casino licensee shall establish policies and procedures to ensure that all payments received on outstanding credit instruments are recorded in a timely fashion. These procedures shall, at a minimum, include the following:

- (1) A description of the procedure for processing payments received by the casino licensee in any manner.
- (2) The adoption of a three (3) or more part redemption marker form that describes, in detail, the full or partial payment or redemption of a marker.
- (3) Requirements for the consolidation of markers.
- (4) A detailed description of the distribution of all parts of redeemed and consolidated markers and redemption vouchers.

*(Indiana Gaming Commission; 68 IAC 16-1-8; filed Jul 18, 1996, 8:55 a.m.: 19 IR 3314; readopted filed Nov 25, 2002, 10:11 a.m.: 26 IR 1261; readopted filed Nov 14, 2008, 12:51 p.m.: 20081210-IR-068080730RFA; filed Dec 6, 2012, 2:32 p.m.: 20130102-IR-068110786FRA)*

**68 IAC 16-1-9 Front money deposits**

Authority: IC 4-33-4; IC 4-35-4

Affected: IC 4-33; IC 4-35

Sec. 9. (a) The casino licensee:

- (1) shall establish procedures in connection with front money and safekeeping deposits; and
  - (2) must ensure that the applicable currency transaction reporting requirements will be enforced in accordance with applicable state and federal law and 68 IAC 15-2.
- (b) The following may be accepted from patrons for the purpose of customer deposits:
- (1) Cash or cash equivalent.
  - (2) Value chips issued by the casino licensee.
- (c) The casino licensee shall do the following:
- (1) Require a credit file to be completed in accordance with section 5(a) of this rule prior to accepting a deposit or front money.
  - (2) Document deposits or withdrawals on a voucher that is at least a two-part, prenumbered form. The casino cage cashier shall complete the voucher. The voucher shall include, at minimum, the following information:
    - (A) Patron's name and signature.
    - (B) Date of receipt or disbursement.
    - (C) Amount of deposit.
    - (D) Type of deposit.
    - (E) Casino cage cashier's signature.
  - (3) Be liable, as an insurer, for the collection activities on the debt of a patron, whether the activities occur in the name of the casino licensee or a third party.
  - (4) Provide to the executive director a monthly report detailing, at a minimum, the following:
    - (A) Outstanding credit.
    - (B) Checks returned and held.
    - (C) Collection activities taken.
    - (D) Settlement of disputed items.
- (d) The following must be deposited not later than the business day after the day the checks are received:
- (1) Personal checks.

- (2) Cashier's checks.
- (3) Money orders.
- (4) Credit card advance checks.
- (5) Traveler's checks.
- (6) Wire transfer service checks.

*(Indiana Gaming Commission; 68 IAC 16-1-9; filed Jul 18, 1996, 8:55 a.m.: 19 IR 3314; readopted filed Nov 25, 2002, 10:11 a.m.: 26 IR 1261; readopted filed Nov 14, 2008, 12:51 p.m.: 20081210-IR-068080730RFA; filed Dec 6, 2012, 2:32 p.m.: 20130102-IR-068110786FRA; filed Nov 13, 2015, 2:37 p.m.: 20151209-IR-068150113FRA)*

**68 IAC 16-1-10 Check cashing**

Authority: IC 4-33-4; IC 4-35-4

Affected: IC 4-33; IC 4-35

Sec. 10. (a) The casino licensee shall establish policies and procedures in connection with cashing checks by the casino licensee. The casino licensee may cash only the following:

- (1) Personal checks.
- (2) Cashier's checks.
- (3) Money orders.
- (4) Credit card advance checks.
- (5) Traveler's checks.
- (6) Wire transfer service checks.
- (7) Checks written by a casino licensee.
- (8) Checks written by a casino that is licensed in another jurisdiction.

(b) The casino licensee shall require that a patron who cashes checks in the aggregate of at least:

- (1) two thousand five hundred dollars (\$2,500) for check cashing done by the casino licensee; and
- (2) five thousand dollars (\$5,000) for check cashing done by a check guarantee service;

over a seven (7) day period have established check cashing privileges. The casino licensee shall establish check cashing privileges and limits that shall, at a minimum, incorporate the procedures established in section 5 of this rule.

(c) For checks cashed, the following procedures shall be followed:

- (1) Examine the patron's picture identification and compare signature on the identification credential to the signature on the check to ensure agreement. If the signatures do not match, the casino licensee shall not extend credit to the patron.
- (2) Immediately stamp the check "for deposit only".
- (3) Date and time stamp the check.
- (4) Initial the check.
- (5) Count out, in full public view and in the view of the surveillance camera, the funds requested by the patron.

(d) If a patron asks to cash a personal check, the cashier shall perform the procedures outlined in subsection (c) and the following additional procedures:

- (1) Record the picture identification number if the check is under five hundred dollars (\$500) and no check cashing privileges have been established by the patron.
- (2) Determine if the patron's available credit is sufficient to cover the amount of the personal check, if applicable.
- (3) Not cash personal checks if the patron has a balance outstanding, due to checks previously cashed by the riverboat licensee, for more than thirty (30) days.
- (4) Personal checks shall be held against established credit lines for a period of seven (7) days.

*(Indiana Gaming Commission; 68 IAC 16-1-10; filed Jul 18, 1996, 8:55 a.m.: 19 IR 3315; readopted filed Nov 25, 2002, 10:11 a.m.: 26 IR 1261; readopted filed Nov 14, 2008, 12:51 p.m.: 20081210-IR-068080730RFA; filed Dec 6, 2012, 2:32 p.m.: 20130102-IR-068110786FRA)*

**68 IAC 16-1-11 Handling of returned checks**

Authority: IC 4-33-4; IC 4-35-4

Affected: IC 4-33; IC 4-35

Sec. 11. (a) The casino licensee shall do the following:

- (1) Establish policies and procedures for the handling of returned checks.
- (2) Receive and document all returned checks on a returned check log by a department independent of the casino cage or credit department, or both.
- (3) Establish procedures for collecting and recording checks returned to the casino licensee after deposit, including redeposit procedures.

(b) The casino's collections department shall maintain a continuous record of returned checks. The records shall contain the following information:

- (1) Original date of the check.
- (2) Name and address of the drawer of the check.
- (3) Amount of the check.
- (4) Date the check was dishonored.
- (5) Date or dates and amount or amounts of collections received on the check after being returned by a bank.
- (c) Returned checks shall be considered the issuance of credit and handled in accordance with collection of credits.

(d) Procedures shall be described for notification of casino cage, credit departments, or the equivalent of returned checks and the prohibition from granting further credit to patrons whose checks have been returned and remain unsatisfied. (*Indiana Gaming Commission; 68 IAC 16-1-11; filed Jul 18, 1996, 8:55 a.m.: 19 IR 3315; readopted filed Nov 25, 2002, 10:11 a.m.: 26 IR 1261; readopted filed Nov 14, 2008, 12:51 p.m.: 20081210-IR-068080730RFA; filed Dec 6, 2012, 2:32 p.m.: 20130102-IR-068110786FRA; errata filed Jan 10, 2013, 2:54 p.m.: 20130130-IR-068110786ACA*)

**68 IAC 16-1-12 Collection of past due accounts**

Authority: IC 4-33-4; IC 4-35-4

Affected: IC 4-33; IC 4-35

Sec. 12. The casino licensee shall establish policies and procedures for the collection of past due markers and returned checks. The policies and procedures shall be submitted in accordance with section 3 of this rule. Amendments to the policies and procedures shall be handled in accordance with section 4 of this rule. (*Indiana Gaming Commission; 68 IAC 16-1-12; filed Jul 18, 1996, 8:55 a.m.: 19 IR 3316; readopted filed Nov 25, 2002, 10:11 a.m.: 26 IR 1261; readopted filed Nov 14, 2008, 12:51 p.m.: 20081210-IR-068080730RFA; filed Dec 6, 2012, 2:32 p.m.: 20130102-IR-068110786FRA*)

**68 IAC 16-1-13 Write-off of past due accounts**

Authority: IC 4-33-4; IC 4-35-4

Affected: IC 4-33; IC 4-35

Sec. 13. (a) The casino licensee shall establish policies and procedures for the write-off of past due markers and returned checks. These procedures shall, at a minimum, include the following:

- (1) Establishment of a credit committee.
- (2) Authorization of write-off by the credit committee.

The policies and procedures shall be submitted in accordance with section 3 of this rule. Amendments to the policies and procedures shall be handled in accordance with section 4 of this rule.

(b) If it is determined that the casino licensee failed to comply with this article when extending credit or cashing checks and the casino licensee determines that the past due marker or returned check is uncollectible, the casino licensee will not be entitled to include that marker or check when calculating uncollectible gaming receivables deduction in computing the wagering tax on the RG-1. (*Indiana Gaming Commission; 68 IAC 16-1-13; filed Jul 18, 1996, 8:55 a.m.: 19 IR 3316; readopted filed Nov 25, 2002, 10:11 a.m.: 26 IR 1261; readopted filed Nov 14, 2008, 12:51 p.m.: 20081210-IR-068080730RFA; filed Dec 6, 2012, 2:32 p.m.:*

20130102-IR-068110786FRA)

**68 IAC 16-1-14 Compliance**

Authority: IC 4-33-4; IC 4-35-4

Affected: IC 4-33; IC 4-35

Sec. 14. Casino licensees shall extend credit only in accordance with IC 4-33, IC 4-35, this rule, and the procedures for extending credit that have been submitted, in writing, to the executive director. (*Indiana Gaming Commission; 68 IAC 16-1-14; filed Jul 18, 1996, 8:55 a.m.: 19 IR 3316; readopted filed Nov 25, 2002, 10:11 a.m.: 26 IR 1261; readopted filed Nov 14, 2008, 12:51 p.m.: 20081210-IR-068080730RFA; filed Dec 6, 2012, 2:32 p.m.: 20130102-IR-068110786FRA; filed Oct 21, 2016, 10:19 a.m.: 20161116-IR-068160052FRA*)

**68 IAC 16-1-15 Deviation from provisions (Repealed)**

Sec. 15. (*Repealed by Indiana Gaming Commission; filed Oct 21, 2016, 10:19 a.m.: 20161116-IR-068160052FRA*)

**68 IAC 16-1-16 Reports by the executive director**

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-9-2

Affected: IC 4-33-4; IC 4-33-5; IC 4-33-6; IC 4-33-9; IC 5-14-1.5-6.1

Sec. 16. The executive director shall report any action he or she has taken or contemplates taking under this rule with respect to excursions and excursion schedules at the next meeting held under 68 IAC 1-2-5 or an executive session held under IC 5-14-1.5-6.1. The commission may direct the executive director to take additional or different action. (*Indiana Gaming Commission; 68 IAC 16-1-16; filed Jul 18, 1996, 8:55 a.m.: 19 IR 3316; readopted filed Nov 25, 2002, 10:11 a.m.: 26 IR 1261; filed Sep 30, 2004, 11:05 a.m.: 28 IR 531; readopted filed Nov 14, 2008, 12:51 p.m.: 20081210-IR-068080730RFA; readopted filed Nov 24, 2014, 10:49 a.m.: 20141224-IR-068140402RFA*)

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