

INDIANA GAMING COMMISSION
BUSINESS MEETING
AUGUST 2, 2012

The Indiana Gaming Commission Business Meeting, reported by Kathleen Andrews, RPR, held at the Indiana Chamber of Commerce Conference Room, 115 West Washington Street, South Tower, Suite 850, Indianapolis, Indiana, commencing at 1:00 p.m. on August 2, 2012.

ASSOCIATED REPORTING, INC.
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APPEARANCES

On Behalf of the Gaming Commission:

Marc Fine, Vice Chairman, Commissioner

Mary Shy, Commissioner

Robert Morgan, Commissioner

V. Sue Shields, Commissioner

Matt Bell, Commissioner

Ernest Yelton, Executive Director

Jennifer Reske, Deputy Director

Adam Packer, General Counsel

Tami Timberman-Wright, Administrative Assistant
VEP Coordinator

1 VICE CHAIRMAN FINE: We'll go ahead and call
2 the meeting to order, this being the August meeting
3 of the Indiana Gaming Commission, in lieu of the
4 June meeting, and also in lieu of the September
5 meeting.

6 I'm Marc Fine. Tim Murphy, our Chairman, is
7 not here today, so I'll chair the meeting. I'll go
8 ahead and call the roll of the Commissioners.

9 Commissioner Shy.

10 COMMISSIONER SHY: Here.

11 VICE CHAIRMAN FINE: Commissioner Morgan.

12 COMMISSIONER MORGAN: Present.

13 VICE CHAIRMAN FINE: Commissioner Shields.

14 COMMISSIONER SHIELDS: Present.

15 VICE CHAIRMAN FINE: Commissioner Bell.

16 COMMISSIONER BELL: Present.

17 VICE CHAIRMAN FINE: As we have a quorum
18 present, I'll go ahead and ask for a review or a
19 motion for approval of the minutes.

20 COMMISSIONER SHIELDS: So moved.

21 COMMISSIONER MORGAN: Second the motion.

22 VICE CHAIRMAN FINE: Motion and second. All
23 in favor, aye.

24 (Chorus of ayes.)

25 VICE CHAIRMAN FINE: Opposed, same sign.

1 The minutes are approved.

2 Next order of business, we'll call upon
3 Executive Director Ernie Yelton for his report.

4 EXECUTIVE DIRECTOR YELTON: Thank you,
5 Mr. Chairman, Members of the Commission.

6 I'll begin my Executive Director's report with
7 an update on our staffing. I'm pleased to announce
8 the promotion of Jeff Neuenschwander as our new
9 deputy counsel in our legal division. Jeff has
10 been with us as a staff attorney since 2009. Among
11 his many skills, he's become our in-house expert in
12 the legal analysis of financing and refinancing
13 propositions from our casino licensees.

14 Also join me in welcoming our latest addition
15 to the legal division, David Johnson. David joins
16 us from the Indiana Senate, where he served as
17 assistant counsel for the Senate Majority. Prior
18 to his work with the Senate, David served as
19 in-house counsel for Norwood Promotional Products.
20 He is a graduate of Wabash College and the Robert
21 H. McKinney School of Law and presently resides in
22 Carmel.

23 We're fortunate again this year to have two
24 interns from Governor Daniels' summer intern
25 program. The first is Jacob German. Jake

1 graduated Summa Cum Laude and Phi Beta Kappa, also
2 from Wabash College, in 2011 with a degree of
3 history. He was a member of the college golf team
4 and Beta Theta Pi fraternity. He is entering his
5 second year of law school at the Indiana University
6 Maurer School of Law in Bloomington.

7 Our second intern, Bennett Fuson, who is out
8 of state today, is a rising senior at Indiana
9 University, majoring in journalism and political
10 science.

11 Pursuant to IGC Resolution 2006-01, as
12 Executive Director I caused a subpoena to be issued
13 to Indianapolis Downs, LLC on March 8, 2012.
14 You've been provided with a copy of that subpoena,
15 together with a response submitted on April 10 by
16 Indianapolis Downs counsel, Jim Richmond.
17 Resolution 2006-01 requires that the issuance be
18 reported to you officially in the meeting that next
19 follows the issuance of the delivery.

20 Since our last meeting, our Background and
21 Financial Investigations Division has completed its
22 reinvestigation of supplier Digital Entertainment
23 Group and casino licensees Pinnacle and Boyd. If
24 you have any questions, Director Brown is here to
25 answer them. You've been submitted with the

1 reinvestigation reports.

2 Director Leek was excused today because she
3 last week had a baby boy, so we thought maybe she
4 ought to stay home with him.

5 Are there any questions of the
6 reinvestigations?

7 Since the March Commission meeting, the IGC
8 has added 18 individuals to the exclusion list,
9 which bars those patrons from entering any casino
10 in Indiana.

11 Of those 18 individuals, two were placed on
12 the exclusion list for past-posting bets while at
13 the casino. Ten were placed on the exclusion list
14 for taking illegal possession of a TITO, casino
15 chips, or U.S. currency in excess of approximately
16 \$500, or making fraudulent cash withdrawals while
17 at an Indiana casino.

18 Two individuals were placed on the exclusion
19 list after hiding their children, ages 6 and 9,
20 inside a suitcase and leaving them inside
21 unsupervised at the casino while they gambled for
22 several hours.

23 Two individuals were placed on the exclusion
24 list after one individual asked the other to claim
25 his jackpot in order to avoid the jackpot being

1 seized to pay his delinquent child support.

2 Finally, two other individuals were placed on
3 the exclusion list after taking illegal possession
4 of another patron's bracelet.

5 For the year, the Commission has placed 34
6 patrons on our exclusion list, bringing the total
7 to 307.

8 As to waivers, since our last meeting the
9 Casino Association was granted a waiver to its
10 members that allowed them to cash checks from
11 out-of-state casino licensees.

12 Horseshoe Hammond and Horseshoe Southern
13 Indiana were granted a waiver that allows part of
14 the credit process to be handled in Las Vegas,
15 Nevada.

16 Indiana Grand was granted temporary relief
17 from completing a log maintained inside the EGD
18 while replacing TITO ticket paper with its new
19 name.

20 Rising Star was granted a waiver that allowed
21 them to remove the surveillance equipment from the
22 IGC office on the vessel, given that the Gaming
23 Agents are able to perform the same job duties and
24 functions on the dockside office located in the
25 pavilion. Additionally, the computers and

1 surveillance equipment located in the dockside
2 office are connected with the emergency circuit,
3 ensuring that the pavilion office will continue to
4 have power and functioning surveillance equipment
5 should the pavilion experience a disruption of
6 electrical service.

7 And that, Mr. Chairman and Members of the
8 Commission, includes my report, unless there are
9 any questions.

10 VICE CHAIRMAN FINE: Hearing no questions,
11 Executive Director Yelton, is there any old
12 business?

13 EXECUTIVE DIRECTOR YELTON: There is none.

14 VICE CHAIRMAN FINE: Thank you.

15 Next, we'll call upon Tami Timberman-Wright
16 for the patrons report.

17 EXECUTIVE DIRECTOR YELTON: If I may, one
18 thing I probably should have mentioned, if you
19 notice, Kristen is not here today as our
20 administrative assistant. For some poor judgment
21 she decided to accept admission to the North
22 Carolina School of Law rather than serve for us.
23 So we're in the process of replacing that position,
24 and Tami has been very gracious to reassume those
25 responsibilities as well as those she has as the

1 VEP rep. Thank you, Tami.

2 MS. TIMBERMAN-WRIGHT: Good afternoon,
3 Commissioners and Executive Staff. You have before
4 you 55 orders regarding the Voluntary Exclusion
5 Program. Pursuant to the rules of the program, the
6 identities of the Voluntary Exclusion Program
7 participants must remain confidential.

8 Pursuant to 68 IAC 6-3-2(g), a participant in
9 the program agrees that if he or she violates the
10 terms of the program and enters the gaming area of
11 the facility under jurisdiction of the Commission,
12 it will forfeit any jackpot or thing of value won
13 as a result of the wager.

14 Under Orders 2012-65 through 2012-119, a total
15 sum of \$66,360.72 was forfeited by John Does 31
16 through 85. These winnings were collected at
17 Ameristar, Belterra, Blue Chip, French Lick,
18 Hollywood, Hoosier Park, Horseshoe Southern
19 Indiana, Indiana Grand and Majestic Star. These
20 winnings were withheld as required by Commission
21 regulations.

22 The Commission staff recommends that you
23 approve the remittance of these winnings for John
24 Does 31 through 65.

25 VICE CHAIRMAN FINE: Are there any questions

1 by the Commissioners?

2 I'll entertain a motion for them all together.

3 COMMISSIONER MORGAN: I would be agreeable to
4 that.

5 COMMISSIONER BELL: Second.

6 VICE CHAIRMAN FINE: Motion and second. All
7 in favor, indicate by saying aye.

8 (Chorus of ayes.)

9 VICE CHAIRMAN FINE: All opposed, same sign.
10 Thank you.

11 Next, Derek Young for the Voluntary Exclusion
12 Program exclusion violations.

13 MR. YOUNG: Good afternoon. Before you now
14 you have order No. 2012-120, which is an appeal of
15 John Doe 11-68's voluntary exclusion remittance.
16 John Doe 68 submitted an application for one year
17 placement on the VEP list on October 30, 2004. On
18 or about July 8, 2011, No. 68 won a jackpot of
19 \$1350 at Belterra Casino in Florence, Indiana. The
20 money was forfeited according to the terms of the
21 VEP, and on September 15, 2011, the Commission
22 approved the remittance of the jackpot under Order
23 No. 2011-143.

24 John Doe 68 timely submitted an appeal, and
25 the matter was assigned to an Administrative Law

1 Judge. An evidentiary hearing was held May 18,
2 2012, after which the ALJ issued a recommendation
3 in the Commission's favor. The order before you
4 now would affirm the ALJ's recommendation upholding
5 the June, 2011, order.

6 The Commission staff recommends that you
7 approve the order at this time.

8 VICE CHAIRMAN FINE: Questions?

9 COMMISSIONER BELL: No, sir.

10 VICE CHAIRMAN FINE: Motion for approval?

11 COMMISSIONER MORGAN: Motion to approve.

12 COMMISSIONER SHY: I'll second.

13 VICE CHAIRMAN FINE: Motion and second.

14 Discussion? All in favor, indicate aye.

15 (Chorus of ayes.)

16 VICE CHAIRMAN FINE: Opposed?

17 The motion is approved. Thank you.

18 MR. YOUNG: Next you have Order 2012-121,
19 which is an appeal of John Doe 12-29's voluntary
20 exclusion remittance. John Doe 29 submitted an
21 application for one year placement on the VEP list
22 on March 25, 2011. On or about December 7, 2011,
23 John Doe 29 was discovered at Rising Star Casino,
24 in Rising Sun, Indiana, with \$3300 in winnings in
25 his possession. The money was forfeited according

1 to the terms of the VEP, and on March 15, 2012, the
2 Commission approved the remittance of the \$3300
3 under Order No. 2012-29.

4 John Doe 29 timely submitted an appeal, and
5 the matter was assigned to an Administrative Law
6 Judge. The ALJ set a telephonic Preliminary
7 Hearing for April 27, 2012, which John Doe 29
8 failed to attend. Commission staff made a Motion
9 for Default Judgment. John Doe 29 failed to make a
10 written response to that motion, and the ALJ
11 granted default judgment on June 13, 2012. The
12 order now before you would deny John Doe 29's
13 appeal of your March, 2012, order.

14 Commission staff recommends you approve the
15 order at this time.

16 VICE CHAIRMAN FINE: Questions of the
17 Commissioners? Do we have a motion for approval?

18 COMMISSIONER BELL: So moved.

19 COMMISSIONER SHIELDS: Second.

20 VICE CHAIRMAN FINE: Motion and second. Any
21 discussion? All in favor, indicate with aye.

22 (Chorus of ayes.)

23 VICE CHAIRMAN FINE: Opposed, same sign.

24 The motion is approved. Thank you.

25 And Mr. Young is going to stay with us with

1 respect to suppliers.

2 MR. YOUNG: You have before you now Order
3 No. 2012-122 concerning the renewal of supplier
4 licenses pursuant to Indiana Code 4-33 and
5 68 IAC 2-2. The Commission has previously approved
6 a permanent supplier's license for the following:
7 Konami Gaming, Incorporated; Shuffle Master Gaming;
8 Global Cash Access, Inc.; Ainsworth Game
9 Technology; Lottomatica Group, S.P.A.; United
10 States Playing Card Company, and NRT Technology
11 Corporation.

12 A supplier's license is valid for a period of
13 one year. Pursuant to IC 4-33-7-8 and 68 IAC
14 2-2-8, a supplier's license must be renewed
15 annually with a \$7,500 renewal fee. Each of these
16 licensees has requested renewal of their license
17 and has paid the appropriate renewal fees.

18 Commission staff recommends that you approve
19 the renewals of the licenses of these suppliers at
20 this time.

21 VICE CHAIRMAN FINE: Any questions of
22 Mr. Young? I'll entertain a motion for approval.

23 COMMISSIONER MORGAN: Motion to approve.

24 COMMISSIONER SHIELDS: I'll second.

25 VICE CHAIRMAN FINE: Discussion? All in

1 favor, aye.

2 (Chorus of ayes.)

3 VICE CHAIRMAN FINE: Opposed, same sign.

4 Thank you. Motion approved. Thanks.

5 MR. YOUNG: Thank you.

6 VICE CHAIRMAN FINE: Next, we'll call upon
7 Garth Brown with respect to permanent licensure.

8 MR. BROWN: Good afternoon, Commissioners and
9 Executive Staff. I have two orders to present to
10 you today. The first would be Order 2012-123,
11 regarding granting a supplier license to Silver
12 State Capital Advisors, LLC.

13 On or about February 2, 2012, Silver State
14 Capital Advisors submitted a supplier license
15 application. Silver State is a provider of
16 operational and managerial consultation services to
17 different types of companies, including gaming.

18 After review of the submitted applications,
19 Commission staff issued a temporary license to
20 Silver State on March 20, 2012. The temporary
21 license allowed Silver State to begin offering
22 their services to gaming companies in Indiana.

23 Commission staff conducted a background and
24 financial investigation of Silver State and its
25 substantial owners and key persons. Commission

1 staff could find no derogatory information that
2 would affect the applicant's suitability.

3 Staff's final report regarding Silver State
4 has been made available for your review. You will
5 need to approve or deny Silver State's application
6 for permanent supplier license, and staff
7 recommends that you approve the application.

8 VICE CHAIRMAN FINE: Questions for Mr. Brown?
9 I'll entertain a motion for approval.

10 COMMISSIONER SHIELDS: So moved.

11 COMMISSIONER BELL: Second.

12 VICE CHAIRMAN FINE: Motion and second.
13 Discussion? All in favor, aye.

14 (Chorus of ayes.)

15 VICE CHAIRMAN FINE: Opposed, same sign.
16 It's approved. Thank you.

17 MR. BROWN: Thank you.

18 The second order would be 2012-124, regarding
19 the waiver of the transfer regulations for a
20 transfer of ownership interest in TCS John Huxley.

21 TCS John Huxley Europe, Limited, a privately
22 owned entity, is an Indiana supplier licensee. TCS
23 provides gaming equipment, including displays,
24 layouts, gaming tables and roulette wheels.

25 TCS's ultimate parent company is Pata-Pata AB,

1 a privately owned Swedish corporation. Pata-Pata
2 is currently owned by three members of the Knutsson
3 family: Bertil Knutsson, Michael Knutsson and
4 Tristan Sjoberg. All of these parties have been
5 investigated by IGC staff and are currently in good
6 standing.

7 On June 2, 2011, the Commission granted the
8 transfer of a portion of ownership in Pata-Pata
9 from Bertil to Michael and Tristan. On June 4,
10 2012, TCS informed the Commission that Pata-Pata
11 wanted to transfer the remaining interests held by
12 Bertil to Michael and Tristan. Following this
13 transfer, Michael and Tristan would collectively
14 hold 100 percent of the interests in Pata-Pata.
15 This transfer would increase each individual's
16 indirect ownership in TCS, which is the Indiana
17 licensee.

18 Because the Commission has investigated
19 Michael and Tristan and found them both to be
20 suitable for licensure, strict compliance with the
21 transfer regulations is unnecessary and burdensome.
22 Commission staff believes a waiver is appropriate
23 in this situation.

24 Therefore, Commission staff recommends the
25 approval of a waiver of 68 IAC 5-2, which will

1 formally allow the transfer of ownership to Michael
2 Knutsson and Crib Goch Investment, Limited, on
3 behalf of Tristan Sjoberg.

4 VICE CHAIRMAN FINE: Questions for Mr. Brown?
5 I will entertain a motion for approval.

6 COMMISSIONER SHY: Move to approve.

7 COMMISSIONER MORGAN: Second.

8 VICE CHAIRMAN FINE: Motion and second. Any
9 further discussion? All in favor, indicate aye.

10 (Chorus of ayes.)

11 VICE CHAIRMAN FINE: Opposed, same sign.

12 Waiver and transfer is approved.

13 MR. BROWN: Thank you.

14 VICE CHAIRMAN FINE: Thank you.

15 Next, I'll call upon Chris Gray with respect
16 to disciplinary actions.

17 MS. GRAY: Good afternoon, Commissioners and
18 Executive Staff. Order 2012-125 is a settlement
19 agreement with Data Financial, wherein the supplier
20 violated the rules regarding the timely
21 notification of an annual renewal and separation of
22 an occupational license. Data Financial has agreed
23 to a monetary settlement of \$3,000 in lieu of
24 disciplinary action.

25 The Commission staff recommends that you

1 approve order 2012-125.

2 VICE CHAIRMAN FINE: Questions for Ms. Gray?
3 I'll entertain a motion for approval.

4 COMMISSIONER BELL: So moved.

5 COMMISSIONER SHIELDS: Second.

6 VICE CHAIRMAN FINE: Motion and second. Any
7 discussion? All in favor, aye.

8 (Chorus of ayes.)

9 VICE CHAIRMAN FINE: Opposed, same sign.
10 It's granted.

11 MS. GRAY: Order 2012-126 is a settlement
12 agreement with Lottomatica Group and includes two
13 counts. In the first count, the supplier violated
14 the shipment rules, and in the second count, the
15 supplier failed to follow the rules regarding a key
16 person's application and license. Lottomatica has
17 agreed to a monetary settlement of \$21,500 in lieu
18 of disciplinary action.

19 The Commission staff recommends you approve
20 order 2012-126.

21 VICE CHAIRMAN FINE: Questions for Ms. Gray?
22 I will entertain a motion for approval.

23 COMMISSIONER MORGAN: Motion to approve.

24 COMMISSIONER SHY: I'll second.

25 VICE CHAIRMAN FINE: Motion and second.

1 Discussion? All in favor, aye.

2 (Chorus of ayes.)

3 VICE CHAIRMAN FINE: Opposed, same sign.

4 It's approved.

5 MS. GRAY: Order 2012-127 is a settlement
6 agreement with DEQ, wherein the supplier failed to
7 timely renew seven occupational licenses. DEQ has
8 agreed to a monetary settlement of \$7,000 in lieu
9 of disciplinary action.

10 The Commission staff recommends you approve
11 order 2012-127.

12 VICE CHAIRMAN FINE: Any questions for
13 Ms. Gray? I will entertain a motion for approval.

14 COMMISSIONER SHIELDS: So moved.

15 COMMISSIONER BELL: Second.

16 VICE CHAIRMAN FINE: Motion and second. Any
17 discussion? All in favor, aye.

18 (Chorus of ayes.)

19 VICE CHAIRMAN FINE: Opposed, same sign.

20 It is approved. Thanks.

21 MS. GRAY: Order 2012-128 is a settlement
22 agreement with IGT, wherein the supplier failed to
23 timely notify the Commission of a termination. IGT
24 has agreed to a monetary settlement of \$2,000 in
25 lieu of disciplinary action.

1 The Commission staff recommends that you
2 approve Order 2012-128.

3 VICE CHAIRMAN FINE: Questions for Ms. Gray?
4 I will entertain a motion.

5 COMMISSIONER MORGAN: Motion to approve.

6 COMMISSIONER SHIELDS: Second.

7 VICE CHAIRMAN FINE: Motion and second.
8 Discussion? All in favor, aye.

9 (Chorus of ayes.)

10 VICE CHAIRMAN FINE: Opposed, same sign.

11 It is approved. Thank you.

12 MS. GRAY: Order 2012-129 is a settlement
13 agreement with WMS, wherein the supplier violated
14 the rules regarding the storage and shipment of
15 slot machines. WMS has agreed to a monetary
16 settlement of \$425,000 in lieu of disciplinary
17 action.

18 The Commission staff recommends that you
19 approve Order 2012-129.

20 VICE CHAIRMAN FINE: Questions for Ms. Gray?

21 Mr. Thar, Mr. Gamache, do either one of you
22 want to speak to this?

23 MR. GAMACHE: Just the fact that we appreciate
24 the ability to be here today. We apologize for our
25 actions and the aggravation caused to the

1 Commission, and we have learned from this, and we
2 are a better company as a result. We apologize.

3 VICE CHAIRMAN FINE: Any questions for either
4 of these gentlemen?

5 Thank you for coming. I appreciate it.

6 I'll entertain a motion.

7 COMMISSIONER BELL: Move for approval,
8 Mr. Chairman.

9 COMMISSIONER SHIELDS: Second.

10 VICE CHAIRMAN FINE: Any discussion? All in
11 favor, indicate with aye.

12 (Chorus of ayes.)

13 VICE CHAIRMAN FINE: Opposed?

14 Thank you. It's approved.

15 Next would be occupational licensees, Sara
16 Tait.

17 MS. TAIT: Thank you, Mr. Vice-Chair.

18 Before you now is order 2012-130 regarding
19 Gary Stichter's felony waiver request.

20 Mr. Stichter is a resident of Iowa and has been
21 employed with ShuffleMaster, a licensed supplier,
22 since 1999. Mr. Stichter works as a service
23 technician, and at ShuffleMaster's request he has
24 submitted a Level 2 Occupational License
25 application, along with a Felony Waiver

1 Application, so that he can come into Indiana and
2 perform work.

3 Mr. Stichter's criminal history includes ten
4 separate arrests, which include four DUI-related
5 offenses. In 1991, Mr. Stichter was arrested and
6 convicted for a DUI in West Palm Beach, Florida, a
7 Class D felony.

8 An Occupational License cannot be granted to
9 an applicant who has a felony conviction. However,
10 Indiana Code 4-33-8-11 and 68 IAC 2-4-2 allow an
11 applicant to request a felony waiver, provided he
12 or she meets certain established criteria.

13 Commission staff processed Mr. Stichter's
14 waiver application and conducted a hearing
15 regarding the waiver. As the Commission's hearing
16 officer, I have found that Mr. Stichter has been
17 rehabilitated in accordance with IC 4-33-8-11 and
18 made a recommendation of approval to the Executive
19 Director.

20 Pursuant to Resolution 2009-59, Executive
21 Director Yelton granted an interim waiver on
22 April 2, 2012, which according to the resolution,
23 must be presented to you for ratification or other
24 action.

25 Commission staff believes Mr. Stichter has

1 adequately proved his rehabilitation and has
2 fulfilled the requirements established for a felony
3 waiver by clear and convincing evidence.

4 The following factors have led to my
5 recommendation: That a DUI is a personal conduct
6 felony; that Mr. Stichter will have minimal
7 presence in Indiana; that the felony offense was in
8 1991. Mr. Stichter also submitted a letter in
9 support from his supervisor at ShuffleMaster. He's
10 been an employee there for over 13 years, and he
11 has been certified by the State of Iowa to be a
12 foster parent.

13 Commission staff recommends that the
14 Commission, in Order 2012-130, ratify the interim
15 approval of Mr. Stichter's waiver and approve the
16 Level 2 Occupational License.

17 VICE CHAIRMAN FINE: Thank you. Any questions
18 for Ms. Tait? I'll entertain a motion.

19 COMMISSIONER SHY: I move to approve.

20 COMMISSIONER BELL: Second the motion.

21 VICE CHAIRMAN FINE: Motion and second. Any
22 discussion? All in favor, aye.

23 (Chorus of ayes.)

24 VICE CHAIRMAN FINE: All opposed, the same
25 sign.

1 The motion is approved. Thank you.

2 Next, with respect to casino financing, Jeff
3 Neuenschwander.

4 MR. NEUENSCHWANDER: Thank you, Mr. Chair. I
5 have two financing matters before you today. They
6 both followed the same interim approval process.
7 I'd like to summarize the process that applies to
8 each request, and individually give you the
9 relevant details of each order.

10 Both financing matters before you today were
11 submitted with a request for interim approval.
12 According to the procedures identified in
13 Resolution 2008-74, for an interim approval to be
14 granted, the Chairman and Executive Director
15 consider the request and consult with the
16 Commission financial analyst. If the Chairman and
17 Executive Director agree that the request should be
18 granted, the Executive Director issues an interim
19 approval letter that allows the financing to
20 proceed.

21 In each request below, the Chairman and
22 Executive Director consulted with the Commission
23 financial analyst and granted interim approval.
24 According to Resolution 2008-74, the interim
25 approval must be reported to the Commission for a

1 final ratification or other direction by the
2 Commission.

3 Order 2012-132 concerns Ameristar Casinos. On
4 March 26, 2012, Ameristar Casinos, Inc., requested
5 interim approval to act on a proposed financing
6 plan, the details of which are contained in your
7 confidential documents. Executive Director Yelton
8 and Chairman Murphy agreed that the financing
9 should be approved, and an interim approval letter
10 was issued on April 13, 2012.

11 Commission staff recommends that you approve
12 Order 2012-132, ratifying the interim approval
13 letter.

14 VICE CHAIRMAN FINE: Any questions for
15 Mr. Neuenschwander? We'll entertain a motion.

16 COMMISSIONER SHIELDS: So move the approval.

17 COMMISSIONER MORGAN: Second the motion.

18 VICE CHAIRMAN FINE: Any discussion? All in
19 favor, indicate with aye.

20 (Chorus of ayes.)

21 VICE CHAIRMAN FINE: All opposed, same sign.
22 It's approved. Thank you.

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

24 The second order I have is Order 2012-133,
25 concerning Full House.

1 On May 29, 2012, Full House requested interim
2 approval to act on a proposed financing plan, the
3 details of which are contained in your confidential
4 documents. Executive Director Yelton and Chairman
5 Murphy agreed that the financing should be
6 approved, and an interim approval letter was issued
7 on June 27, 2012.

8 Commission staff recommends that you approve
9 order 2012-133, ratifying the approval letter.

10 VICE CHAIRMAN FINE: Any questions for
11 Mr. Neuenschwander? I'll entertain a motion.

12 COMMISSIONER BELL: Move approval.

13 COMMISSIONER SHIELDS: Second.

14 VICE CHAIRMAN FINE: Motion and second. Any
15 discussion? All in favor, with aye.

16 (Chorus of ayes.)

17 VICE CHAIRMAN FINE: Opposed, same sign.

18 The motion is granted. Thank you.

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

20 VICE CHAIRMAN FINE: Next, we'll call upon
21 Chris Gray again with respect to disciplinary
22 actions.

23 MS. GRAY: Good afternoon again,
24 Commissioners. You have before you eight
25 settlement agreements concerning disciplinary

1 actions.

2 The first settlement is with Aztar, Order
3 2012-134, and includes two counts. The first count
4 violated the rules regarding card specification,
5 and in the second count an underage person was
6 allowed on the casino floor. Aztar has agreed to a
7 monetary settlement of \$4,000 in lieu of
8 disciplinary action. Are there any questions?

9 The second order, 2012-135, is a settlement
10 agreement with Belterra and includes seven counts.

11 In the first count, the casino failed to
12 timely notify the Gaming Agents of a terminated
13 employee.

14 In the second count, the casino violated the
15 rule regarding card specifications on two separate
16 occasions.

17 Count 3 violated the casino's internal
18 controls regarding the drop zone. The violation
19 occurred on three separate occasions.

20 In the fourth count, the casino failed to
21 secure TITO ticket stock according to their
22 internal controls.

23 Count 5 violated the rule stating that playing
24 cards not utilized at a live game will be kept in a
25 locked compartment.

1 In Count 6 the casino violated the rules on
2 storage of Eproms on two separate occasions.

3 In the seventh count, an underage person was
4 allowed on the casino floor.

5 Belterra has agreed to a total monetary
6 settlement of \$17,500 in lieu of disciplinary
7 action. Are there any questions concerning this
8 order?

9 The third order, 2012-136, is a settlement
10 agreement with Blue Chip, wherein the casino
11 allowed an underage person onto the casino floor.
12 Blue Chip has agreed to a monetary settlement of
13 \$1,500 in lieu of disciplinary action. Are there
14 any questions?

15 Order 2012-137 is a settlement agreement with
16 Hollywood, wherein the casino allowed an underage
17 person onto the casino floor on three separate
18 occasions. Hollywood has agreed to a monetary
19 settlement of \$10,500 in lieu of disciplinary
20 action. Are there any questions?

21 Order 2012-138 is a settlement agreement with
22 Horseshoe Hammond, wherein the casino allowed an
23 underage person onto the casino floor. Horseshoe
24 Hammond has agreed to a total monetary settlement
25 of \$4,500 in lieu of disciplinary action. Are

1 there any questions?

2 Order 2012-139 is a settlement agreement with
3 Horseshoe Southern Indiana and includes three
4 counts.

5 In the first count, the casino allowed an
6 underage person in the casino.

7 The second count violated the rules regarding
8 the purchasing of certain goods and services from a
9 licensed supplier.

10 In the third count, the casino violated the
11 rules regarding the counting of bill validator
12 boxes.

13 Horseshoe Southern Indiana has agreed to a
14 total monetary settlement of \$16,500 in lieu of
15 disciplinary action. Are there any questions
16 concerning this order?

17 Order 2012-140 is a settlement agreement with
18 Indiana Grand and includes five counts.

19 In the first count, the casino violated the
20 rule that states all slot machines must be coin
21 tested prior to being placed in service. The
22 casino violated this rule on three separate
23 occasions.

24 The second count violated the internal
25 controls of Indiana Grand regarding the sensitivity

1 and control of access cards.

2 The third count violated the rules regarding
3 the requirements of bill validator boxes.

4 In the fourth count, the casino failed to file
5 their submission for a promotion.

6 In the fifth count, the casino failed to
7 follow the rules regarding the counting of bill
8 validator boxes on two separate occasions.

9 Indiana Grand has agreed to a monetary
10 settlement of \$14,500 in lieu of a disciplinary
11 action. Are there any questions?

12 The final order, 2012-141, is a settlement
13 agreement with Rising Star, wherein the casino
14 failed to log in four vendors. Rising Star has
15 agreed to pay a total monetary settlement of \$500
16 in lieu of disciplinary action. Are there any
17 questions?

18 The Commission staff recommends that you
19 approve Orders 2012-134 through 2012-141, each of
20 which approves one of the settlement agreements
21 that we have just discussed.

22 VICE CHAIRMAN FINE: Any questions for
23 Ms. Gray? I'll entertain a motion.

24 COMMISSIONER MORGAN: Motion to approve.

25 COMMISSIONER SHIELDS: I'll second.

1 VICE CHAIRMAN FINE: Any discussion? All in
2 favor, indicate with aye.

3 (Chorus of ayes.)

4 VICE CHAIRMAN FINE: All opposed, the same
5 sign.

6 All eight orders are approved. Thank you.

7 MS. GRAY: Thank you.

8 VICE CHAIRMAN FINE: Next, we'll ask Sara Tait
9 to revisit the podium with respect to renewals.

10 MS. TAIT: Thank you.

11 Members of the Commission, before you are
12 Orders 2012-142, 2012-143, and 2012-144 regarding
13 the annual casino license and power of attorney
14 renewals for Ameristar Casino, Horseshoe Hammond
15 Casino, and Majestic Star Casinos.

16 All three casinos timely submitted the renewal
17 paperwork and fees. Each casino's renewal dates
18 were prior to this Commission meeting. Under
19 Resolution 2003-13, the Executive Director has
20 issued an interim renewal to all three casinos to
21 bridge the time gap between its renewal date and
22 this meeting.

23 At the March, 2010, business meeting, by Order
24 2010-55, the Commission approved the power of
25 attorneys for each of the three casinos. That

1 approval expires upon the renewal of each casino's
2 license. For that reason, all casinos must either
3 request renewal of the Commission's approval of
4 their power of attorney concurrently with the
5 request for renewal, or present the Commission with
6 a new power of attorney, naming a new
7 trustee-in-waiting.

8 Ameristar wishes to request renewal of
9 Ms. Angela Frost as its trustee-in-waiting.
10 Horseshoe Hammond wishes to request renewal of
11 Mr. Charles Atwood as its trustee-in-waiting. And
12 Majestic Star wishes to request renewal of House
13 Advantage, LLC, as its trustee-in-waiting.

14 Staff recommends that you approve Order
15 2012-142, Order 2012-143, and Order 2012-144,
16 renewing Ameristar, Horseshoe Hammond and Majestic
17 Star's casino licenses and approving the renewal of
18 each power of attorney.

19 VICE CHAIRMAN FINE: Questions for Ms. Tait on
20 any of them? I'll entertain a motion.

21 COMMISSIONER BELL: Move approval.

22 COMMISSIONER SHIELDS: Second.

23 VICE CHAIRMAN FINE: Motion and second. Any
24 discussion? All in favor, indicate with aye.

25 (Chorus of ayes.)

1 VICE CHAIRMAN FINE: Opposed, same sign.

2 All three orders are approved. Thank you.

3 You're staying with us.

4 MS. TAIT: I'm staying on.

5 Now before you is Resolution 2012-145, which
6 would adopt a final rule regarding the
7 comprehensive regulatory scheme to administer the
8 sports of boxing and mixed martial arts.

9 In 2010, the General Assembly created a new
10 boxing and mixed martial arts statute that became
11 Indiana Code 4-33-22. The statute transferred
12 regulation of boxing to the Gaming Commission and
13 created new rules for the regulation of mixed
14 martial arts.

15 The proposed rule is designed to protect the
16 safety of the fighters, uphold the integrity and
17 fairness of the sports, and fulfill all of the
18 legislative mandates contained in Indiana Code
19 4-33-22.

20 The Commission staff has taken the rule
21 through the promulgation process. The Indiana
22 Register posted a Notice of Intent on June 29,
23 2011, and the proposed rule on May 9, 2012. An
24 Administrative Rules Oversight Committee Notice was
25 filed on February 16, 2012.

1 The Commission staff held a public hearing on
2 June 13, 2012. There were no attendees and no
3 public comments. We did receive and considered two
4 written public comments, and the Commission made
5 one change based on a public written comment and
6 three stylistic changes. These changes are
7 reflected in the change list.

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

12 At this time Commission staff recommends
13 adopting Resolution 2012-145, which would adopt
14 this proposed rule as a final rule and allow us to
15 publish the final rule regarding boxing and mixed
16 martial arts.

17 VICE CHAIRMAN FINE: Any questions for
18 Ms. Tait? We'll entertain a motion, then.

19 COMMISSIONER MORGAN: Motion to approve.

20 COMMISSION SHY: I'll second.

21 VICE CHAIRMAN FINE: Motion and second. Any
22 discussion? All in favor, indicate with aye.

23 (Chorus of ayes.)

24 VICE CHAIRMAN FINE: All opposed, same sign.

25 It is approved. Thank you.

1 MS. TAIT: Thank you. Resolutions 2012-146
2 and 2012-147 would adopt emergency rules regarding
3 amateur and professional boxing and mixed martial
4 arts.

5 With the previous resolution, you adopted the
6 final rules. However, the final rules are now
7 submitted to three separate State agencies for
8 further approval. While the other agencies are
9 taking their statutorily allotted time for review,
10 there will be a time gap between when the final
11 rules are effective and when the current emergency
12 rules will expire.

13 So at this time, staff respectfully requests
14 you adopt Resolutions 2012-146 and 2012-147 for the
15 purpose of ensuring that there will not be a time
16 gap in which there will be no rules in place for
17 the proper regulation of boxing and mixed martial
18 arts.

19 VICE CHAIRMAN FINE: Any questions for
20 Ms. Tait? We'll entertain a motion.

21 COMMISSIONER MORGAN: Motion to approve.

22 COMMISSIONER SHIELDS: Second.

23 VICE CHAIRMAN FINE: It's a motion to approve
24 both these resolutions. Any discussion? All in
25 favor, indicate with aye.

1 (Chorus of ayes.)

2 VICE CHAIRMAN FINE: Opposed, same sign.

3 The motion is approved. Thank you.

4 Next, we'll call upon Joby Jerrells.

5 MR. JERRELLS: Thank you, Mr. Chairman,
6 Commissioners. Before you is resolution 2012-148,
7 which is a resolution adopting emergency rule
8 related to charity gaming. As we mentioned in the
9 last meeting on March 15, we expected the Governor
10 to sign Senate Bill 315, which did happen on
11 March 16.

12 This is the bridge rule that I mentioned at
13 our last meeting. It will allow charity gaming to
14 create new rules for the National Comprehensive
15 License, which was created by Senate Bill 315, as
16 well as other rules which were created last year.

17 Staff would respectfully request that you pass
18 the resolution.

19 VICE CHAIRMAN FINE: Any questions for
20 Mr. Jerrells?

21 EXECUTIVE DIRECTOR YELTON: As a side note, I
22 think the division has already approved one. Am I
23 not correct, Joby?

24 MR. JERRELLS: That's correct. We've approved
25 one license already and expect to approve another

1 one today.

2 VICE CHAIRMAN FINE: We'll entertain a motion.

3 COMMISSIONER SHIELDS: Move its approval.

4 COMMISSIONER BELL: Second.

5 VICE CHAIRMAN FINE: Motion and second. Any
6 discussion? All in favor, indicate with aye,
7 please.

8 (Chorus of ayes.)

9 VICE CHAIRMAN FINE: All opposed, same sign.
10 The resolution is approved. Thank you.

11 MR. JERRELLS: Thank you, Commissioners.

12 VICE CHAIRMAN FINE: That was pretty quick.
13 We have no further business. Our next scheduled
14 meeting is November 15. And with that, we'll take
15 a motion to adjourn.

16 COMMISSIONER MORGAN: Motion to adjourn.

17 VICE CHAIRMAN FINE: Thank you. Motion to
18 second?

19 COMMISSIONER SHY: I'll second.

20 VICE CHAIRMAN FINE: We're adjourned. Thank
21 you.

22 (Adjourned at 2:37 p.m.)

23

24

25