

ORDER 2019-109

IN RE SETTLEMENT AGREEMENT

**GAMING ENTERTAINMENT (INDIANA), LLC d/b/a RISING STAR CASINO
RESORT
19-RR-02**

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

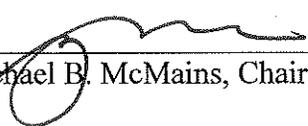
APPROVED

APPROVES OR DISAPPROVES

the proposed terms of the Settlement Agreement.

IT IS SO ORDERED THIS THE 30th DAY OF MAY, 2019.

THE INDIANA GAMING COMMISSION:



Michael B. McMains, Chair

ATTEST:



Joseph Svetanoff, Secretary

**STATE OF INDIANA
INDIANA GAMING COMMISSION**

IN RE THE MATTER OF:)
)
) **SETTLEMENT**
GAMING ENTERTAINMENT (INDIANA),) 19-RR-02
LLC d/b/a RISING STAR CASINO RESORT)

SETTLEMENT AGREEMENT

The Indiana Gaming Commission (“Commission”) by and through its Executive Director Sara Gonso Tait and Gaming Entertainment (Indiana), LLC d/b/a Rising Star Casino Resort (“Rising Star”) (collectively, the “Parties”) desire to enter into this settlement agreement (“Agreement”) prior to the initiation of a disciplinary proceeding pursuant to 68 IAC 13-1-18(a). The Parties stipulate and agree that the following facts are true:

FINDINGS OF FACT

COUNT I

1. 68 IAC 1-5-1(10) provides that a casino or supplier licensee shall provide a written notice to the executive director as soon as the casino or supplier licensee becomes aware of apparent criminal activity taking place at the casino. A casino licensee shall submit the notice required under this subdivision to a gaming agent in addition to submitting it to the executive director.
2. 68 IAC 2-3-9(a) provides that all occupational licensees have a continuing duty to maintain suitability for licensure. An occupational license does not create a property right, but is a revocable privilege granted by the state contingent upon continuing suitability for licensure.
 - (b) Riverboat licensees shall notify the commission that an occupational licensee is in violation of the requirements of this rule or IC 4-33 if the riverboat licensee is aware of the violation.
 - (c) Occupational licensees shall do the following:
 - (1) Notify the commission of any changes in the information submitted in the application or any information that could render the licensee ineligible to hold an occupational license.
 - (2) Cooperate with and provide truthful information to enforcement agents and staff during any investigation regarding criminal activity or regulatory violations, or both.
 - (d) Occupational licensees must notify the commission that a riverboat licensee, a supplier licensee, or an occupational licensee has violated the Act or this title as soon as the occupational licensee becomes aware of the violation.
3. 68 IAC 11-1-3(c)(4) provides that that no casino licensee or casino license applicant may use an internal control procedure unless the internal control procedure has been approved, in writing, by the executive director.

4. 68 IAC 13-1-1(b)(2) and (3) provides that the Commission may initiate an investigation or a disciplinary action, or both, against a licensee if the Commission has reason to believe the licensee is not complying with licensure conditions or is not complying with this Act or this title.
5. Rising Star's approved internal control procedures, Section 6-1, describe the duties and responsibilities of the Security Department.
6. On February 27, 2019, Gaming Agents were conducting a criminal investigation. While escorting the suspect of the investigation to a restricted back of the house area, two (2) female acquaintances of the suspect gained access to the restricted area. Gaming Agents requested assistance in removing the females from the restricted area since they were in the process of handling the suspect. A Security Officer and two (2) Security Lieutenants reported to the restricted area and requested that the females leave the restricted area, however, the females ignored Security, refused to leave the area and remained in the restricted area until the suspect was transported from the casino.
7. On February 27, 2019, Gaming Agents were notified at approximately 1:10am that the suspect in the above criminal investigation was suspected to be cheating at a table game. While investigating this incident, it was discovered that there were nine (9) other incidents of cheating or misconduct that had occurred earlier in the evening. Casino staff were aware of the alleged cheating but failed to report it to Gaming Agents.

COUNT II

8. 68 IAC 15-13-2(a) provides that in accordance with 68 IAC 15-1-3, the casino licensee or casino license applicant shall submit policies and procedures covering manually paid jackpots.
9. 68 IAC 15-13-2(d)(6) provides that a security officer or slot department employee shall escort the slot attendant from the cage to the appropriate electronic gaming device. The security officer or slot department employee who begins completing the manually paid jackpot must complete the process of witnessing, escorting, and signing the appropriate documentation to verify the manually paid jackpot was completed. If there is a discrepancy with the manually paid jackpot, the same security officer or slot department employee who began the manually paid jackpot must accompany the manually paid jackpot back to the cage to resolve the discrepancy.
10. Rising Star's approved internal control procedures, 3-14, describe the procedures for hand paid electronic gaming device and table games progressive jackpots
11. On February 10, 2019, Gaming Agents were notified by surveillance that a Slot Attendant failed to alert surveillance before resetting a jackpot for the amount of \$5,525.

12. On March 3, 2019, a Gaming Agent was notified by surveillance that Revenue Audit had requested a review of a jackpot transaction. A Slot Attendant processing the jackpot had failed to retrieve a signature from a Security Officer.

COUNT III

13. The 24-hour Gaming Operations Plan requires the following for the Slot Soft Drop:
 - a. The Drop Team will consist of *five (5)* Security Officers and at least two (2) employees from the Soft Count Staff.
 - b. Bill Validators will be laid out by the Drop Team and may begin prior to the end of the gaming day.
 - c. Security will define drop area/row/aisle.
 - d. The empty collection trolley will be stationed at the end of an aisle of slot machines which are having the bill validators removed and replaced with empty bill validators.
 - e. Security will be responsible for patron safety by requesting any patron who may be playing a slot machine to momentarily suspend play, and clear the aisle to allow for the removal of the slot bill validator by the drop team member. One Security Officer will be assigned to monitor the trolley.
 - f. Patrons will be allowed to remain within view of the game from which their play was suspended.
 - g. After all patrons and non-drop team employees have been cleared from the designated drop area, Security will station themselves at opposite ends of the designated drop area. Security will prevent patrons and non-drop employees from entering the designated drop area while the bill validators are being collected.
 - h. Once the area is secured, the drop team member(s) will remove the bill validator from the slot machine base compartment and place the empty bill validator in the drop base.
 - i. Once the bill validators collected from this area are stacked and placed on the collection cart, security will conduct a visual sweep of the drop area and the trolley will be moved to the next designated slot drop area where the bill validator process will be repeated. Patrons will then be allowed to resume gaming. 68 IAC 11-1-3(c)(4) provides that no casino licensee or casino license applicant may use an internal control procedure unless the internal control procedure has been approved, in writing, by the executive director.
14. 68 IAC 13-1-1(b)(2)(3) provides that the Commission may initiate an investigation or a disciplinary action, or both, against a licensee if the Commission has reason to believe the licensee is not complying with licensure conditions or is not complying with this Act or this title.
15. Rising Star's approved internal control procedures, Section 2-6, describe the procedures for the bill validator (BV) Drop process.
16. On March 27, 2018, a policy memo was issued by the Commission clarifying that the BV drop should be conducted consecutively without delay or interruption.
17. On February 8, 2019, a Gaming Agent was notified by surveillance that a patron walked into the drop zone during the bill validator drop.

18. On February 21, 2019, a Gaming Agent was notified by surveillance that a patron was playing a slot machine in the drop zone during the BV drop. The patron was in the drop zone for approximately twenty-six (26) minutes prior to being detected.
19. On February 27, 2019, a Gaming Agent was notified by the Director of Finance that the BV drop was cancelled due to insufficient security staffing.

TERMS AND CONDITIONS

Commission staff alleges that the acts or omissions of Rising Star by and through its Agents as described herein constitute a breach of IC 4-33, 68 IAC and/or Rising Star's approved internal control procedures. The Commission and Rising Star hereby agree to a monetary settlement of the alleged violations described herein in lieu of the Commission pursuing formal disciplinary action against Rising Star.

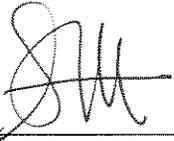
Rising Star shall pay to the Commission a total of \$11,000 (\$6,500 for Count I, \$2,000 for Count II and \$2,500 for Count III) in consideration for the Commission foregoing disciplinary action based on the facts specifically described in each count of this Agreement. This Agreement extends only to those violations and findings of fact specifically alleged in the findings above. If the Commission subsequently discovers facts that give rise to additional or separate violations, the Commission may pursue disciplinary action for such violations even if the subsequent violations are similar or related to an incident described in the findings above.

Upon execution and approval of this Agreement, Commission staff shall submit this Agreement to the Commission for review and final action. Upon approval of the Agreement by the Commission, Rising Star agrees to promptly remit payment in the amount of \$11,000 and shall waive all rights to further administrative or judicial review.

This Agreement constitutes the entire agreement between the Parties. No prior or subsequent understandings, agreements, or representations, oral or written, not specified or referenced within this document will be valid provisions of this Agreement. This Agreement may not be modified, supplemented, or amended, in any manner, except by written agreement signed by all Parties.

This Agreement shall be binding upon the Commission and Rising Star.

IN WITNESS WHEREOF, the Parties have signed this Settlement Agreement on the date and year as set forth below.



Sara Gonso Tait, Executive Director
Indiana Gaming Commission

5/28/19

Date



Benjamin Douglass, General Manager
Rising Star Casino & Resort

5-21-19

Date