

ORDER 2019-167

IN RE SETTLEMENT AGREEMENT

**HORSESHOE HAMMOND, LLC
19-HH-03**

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 28th DAY OF AUGUST, 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
HORSESHOE HAMMOND, LLC)	19-HH-03
)	

SETTLEMENT AGREEMENT

The Indiana Gaming Commission (“Commission”) by and through its Executive Director Sara Gonso Tait and Horseshoe Hammond, LLC (“Horseshoe”) (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 16-1-7 states 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.

2. Horseshoe Hammond's approved internal control procedures, C-11, describe the procedures for issuance of table markers.
3. On June 5, 2019, surveillance notified Gaming Agents of a violation regarding the issuance of markers.
4. On May 31, 2019, a Table Games Supervisor authorized a Dealer to pay out a patron \$7,500 in value chips. There was no visible marker for this amount or a cash buy-in. No paperwork was signed by the patron, Supervisor or Dealer prior to the marker being issued. Additionally, surveillance was not notified of a marker being paid out.

COUNT II

5. 68 IAC 11-9-2(a) states the casino licensee or trustee shall submit to the executive director internal control procedures concerning the withholding of cash winnings from delinquent obligors in accordance with 68 IAC 11-1.
6. 68 IAC 11-1-3(c)(4) states 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.
7. 68 IAC 13-1-1(b)(2) and (3) states 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.
8. Horseshoe's approved internal control procedures, E-8, describe the procedures for Child Support Intercept Process.
9. On May 13, 2019, a Gaming Agent audited the Child Support Arrears Delinquency Registry (CSADR) for April 2019. The results of this audit found one (1) individual was not searched through the CSADR system at the time a taxable jackpot was won.
10. On June 10, 2019, a Gaming Agent audited the Child Support Arrears Delinquency Registry (CSADR) for May 2019. The results of this audit found one (1) individual was not searched through the CSADR system at the time a taxable jackpot was won.

COUNT III

11. The Commission's 24-hour Gaming Operations Plan describes the required procedures for the bill validator drop process.
12. 68 IAC 11-1-3(c)(4) states 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.

12. 68 IAC 13-1-1(b)(2) and (3) states 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.
13. Horseshoe Hammond's approved internal control procedures, D-7.2, describes the process for collecting the bill validator drop boxes.
14. On May 14, 2019, a Gaming Agent was reviewing a Surveillance Incident Report that detailed a patron entering the drop zone. The violation occurred on May 11, 2019 when a patron walked into the bill validator drop zone while the drop was in progress.
15. On June 1, 2019, surveillance notified a Gaming Agent that a patron walked through the bill validator drop zone while the drop was in progress.

COUNT IV

16. 68 IAC 2-6-6(c)(5)(B) states if a casino licensee converts an electronic gaming device, the casino licensee must perform a coin test to ensure that the electronic gaming device is communicating with the central computer system. If the electronic gaming device is not communicating with the central computer system, the electronic gaming device must be disabled.
17. On June 22, 2019, a Slot Tech requested the assistance of a Gaming Agent to conduct coin testing on an open slot machine project. After coin testing the slot machines, the Slot Tech presented the Gaming Agent with a standard transaction form to check the slot machine meter reading against the computer system when it was determined that a slot machine had additional play on the meter while the machine was out of service and prior to coin testing. The Slot Tech confirmed a patron was found playing the machine.

TERMS AND CONDITIONS

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

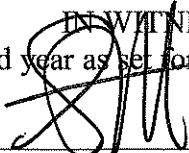
Horseshoe shall pay to the Commission a total of \$7,500 (\$3,500 for Count I, \$1,000 for Count II, \$1,500 for Count III and \$1,500 for Count IV) in consideration for the Commission foregoing disciplinary action based on the facts specifically described in this Agreement. This Agreement extends only 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, Horseshoe agrees to promptly remit payment in the amount of \$7,500 and shall waive all rights to further administrative or judicial review.

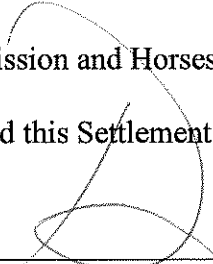
This Agreement constitutes the entire agreement between the Parties. No prior or subsequent understandings, agreements, or representations, oral or written, not specified or referenced within this document will be valid provisions of this Agreement. This Agreement may not be modified, supplemented, or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

This Agreement shall be binding upon the Commission and Horseshoe.

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



Dan Nita, General Manager
Horseshoe Hammond, LLC

8/26/19

Date

8/23/19

Date