

**ORDER 2021-27
IN RE SETTLEMENT AGREEMENT**

**BLUE CHIP CASINO, LLC
21-BC-01**

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 23rd DAY OF MARCH, 2021.

THE INDIANA GAMING COMMISSION:



Michael B. McMains, Chair

ATTEST:



Jason Dudich, Secretary

**STATE OF INDIANA
INDIANA GAMING COMMISSION**

IN RE THE MATTER OF:)	
)	SETTLEMENT
BLUE CHIP CASINO, LLC)	21-BC-01
)	

SETTLEMENT AGREEMENT

The Indiana Gaming Commission (“Commission”) by and through its Executive Director Sara Gonso Tait and Blue Chip Casino, LLC (“Blue Chip”) (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. IC 4-38-11-1(a) provides the bureau shall provide information to a certificate holder concerning persons who are delinquent in child support.
 - (b) Prior to a certificate holder disbursing a payout of six hundred dollars (\$600) or more, in winnings, from sports wagering to a person who is delinquent in child support and who is claiming the winning sports wager in person at the certificate holder's facility, the certificate holder:
 - (1) may deduct and retain an administrative fee in the amount of the lesser of:
 - (A) three percent (3%) of the amount of delinquent child support withheld under subdivision (2)(A); or
 - (B) one hundred dollars (\$100); and
 - (2) shall:
 - (A) withhold the amount of delinquent child support owed from winnings;
 - (B) transmit to the bureau:
 - (i) the amount withheld for delinquent child support; and
 - (ii) identifying information, including the full name, address, and Social Security number of the obligor and the child support case identifier, the date and amount of the payment, and the name and location of the licensed owner, operating agent, or trustee; and
 - (C) issue the obligor a receipt in a form prescribed by the bureau with the total amount withheld for delinquent child support and the administrative fee.
 - (c) The bureau shall notify the obligor at the address provided by the certificate holder that the bureau intends to offset the obligor's delinquent child support with the winnings.
 - (d) The bureau shall hold the amount withheld from the winnings of an obligor for ten (10) business days before applying the amount as payment to the obligor's delinquent child support.
 - (e) The delinquent child support required to be withheld under this section and an administrative fee described under subsection (b)(1) have priority over any secured or

unsecured claim on winnings except claims for federal or state taxes that are required to be withheld under federal or state law.

2. 68 IAC 11-9-2(a) provides 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.
3. 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.
4. Gaming Agents conducted an audit of the Child Support Arrears Delinquency Registry (CSADR) for October 2020. The results of this audit found two (2) individuals were not searched through the CSADR system: one (1) at the time a taxable jackpot was won and one (1) at the time sports wagering winnings in excess of \$600 was won.
5. Gaming Agents conducted an audit of the Child Support Arrears Delinquency Registry (CSADR) for November 2020. The results of this audit found one (1) individual was not searched through the CSADR system at the time sports wagering winnings in excess of \$600 was won.

COUNT II

6. 68 IAC 15-12-3(a) provides the requirements for live gaming device fills.
7. Blue Chip's approved internal control procedures, N-11.2 and N-11.3, describe the procedures for the appropriate table fill operations.
8. On October 12, 2020, Gaming Agents were notified by Surveillance of a table fill violation. A review of surveillance coverage determined that the incorrect fill was identified by the Floor Supervisor, however, the Floor Supervisor failed to void the table fill prior to sending it back to the Cage.
9. On November 27, 2020, Gaming Agents were notified by Surveillance of a table fill violation. A review of surveillance coverage determined that the table fill was processed and delivered to the floor without notifying surveillance.

COUNT III

10. 68 IAC 6-3-4(b)(3) provides each casino licensee shall establish internal control procedures that must, at a minimum, require the refusal of wagers from and deny gaming privileges to any voluntarily excluded person.
11. Blue Chip approved internal control procedures, IC-J-19.2, describe the procedures for the Voluntary Exclusion Program (VEP).

12. On November 4, 2020, Security notified Gaming Agents that a VEP was on site to claim a previously won jackpot. The VEP presented the Cage Manager with a reinstatement letter from the Commission. The Cage Manager only glanced at the letter before proceeding to payout the jackpot winnings. By the time the Gaming Agents were notified, the VEP had already left property with his jackpot payment.
13. On November 5, 2020, Blue Chip's Compliance Manager confirmed that no order was received from the Commission to release the jackpot winnings to the VEP. The jackpot winnings were previously forfeited by the VEP and were being held in safekeeping until requested by the Commission.

COUNT IV

14. 68 IAC 2-3-9.2(b) provides riverboat licensees must advise the enforcement agent, on a form prescribed or approved by the commission, when one (1) of the following events occurs with an occupational licensee: (1) The occupational licensee's employment with the riverboat licensee is terminated for any reason. The form must be submitted to the enforcement agent within fifteen (15) days of the occurrence of the change or action.
15. On January 28, 2021, the Gaming Administrator was notified that a Senior IT Specialist was separated on January 4, 2021. The Commission was not notified in a timely manner.

TERMS AND CONDITIONS

Commission staff alleges that the acts or omissions of Blue Chip by and through its agents as described herein constitute a breach of IC 4-33, IC 4-38, 68 IAC, the Emergency Rules for Sports Wagering, and/or Blue Chip's approved internal control procedures. The Commission and Blue Chip hereby agree to a monetary settlement of the alleged violations described herein in lieu of the Commission pursuing formal disciplinary action against Blue Chip.

Blue Chip shall pay to the Commission a total of \$7,500 (\$3,000 for Count I, \$2,000 for Count II, \$1,500 for Count III, \$1,000 for Count IV,) 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, Blue Chip agrees to promptly remit payment in the amount of \$7,500 and shall waive all rights to further administrative or judicial review.

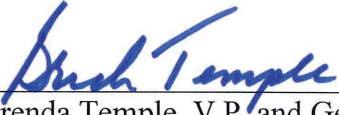
This Agreement constitutes the entire agreement between the Parties. No prior or subsequent understandings, agreements, or representations, oral or written, not specified or referenced within this document will be valid provisions of this Agreement. This Agreement may not be modified, supplemented, or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

This Agreement may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Agreement may be executed and delivered by electronic mail, facsimile, or other electronic signature by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically as if the original had been received.

This Agreement shall be binding upon the Commission and Blue Chip.

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

Sara Gonso Tait, Executive Director
Indiana Gaming Commission



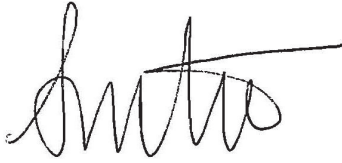
Brenda Temple, V.P. and Gen. Mgr.
Blue Chip Casino, LLC

Date

3.10.2021

Date

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



Sara Gonso Tait, Executive Director
Indiana Gaming Commission

3/23/21

Date

Brenda Temple, V.P. and Gen. Mgr.
Blue Chip Casino, LLC

Date