

**ORDER 2022-29
IN RE SETTLEMENT AGREEMENT
INDIANA GAMING COMPANY, LLC
d/b/a HOLLYWOOD CASINO LAWRENCEBURG
22-HW-01**

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

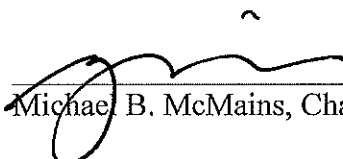
APPROVED

APPROVES OR DISAPPROVES

the proposed terms of the Settlement Agreement.

IT IS SO ORDERED THIS THE 8th DAY OF MARCH, 2022.

THE INDIANA GAMING COMMISSION:



Michael B. McMains, Chair

ATTEST:



Jason Dudich, Secretary

**STATE OF INDIANA
INDIANA GAMING COMMISSION**

IN RE THE MATTER OF:)	
)	SETTLEMENT
INDIANA GAMING COMPANY, LLC)	22-HW-01
d/b/a HOLLYWOOD CASINO)	
LAWRENCEBURG)	

SETTLEMENT AGREEMENT

The Indiana Gaming Commission ("Commission") by and through its Executive Director Greg Small and Indiana Gaming Company, LLC d/b/a Hollywood Casino Lawrenceburg ("Hollywood"), (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 provides (a) 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 27-5-2(2)(X) provides prior to beginning sports wagering operations, a sports wagering operator must submit for approval under 68 IAC 11 internal controls for withholding winnings from delinquent child support obligors in accordance with IC 4-38-11, including a plan for complying with IC 4-38-11 if the sports wagering operator allows the redemption of tickets via mail.
3. 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.
4. 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.
5. Hollywood's approved internal control procedures, Part I: Section K and Part VII: Section F, describe the procedures for the child support intercept process.
6. Gaming Agent's audited the Child Support Arrears Delinquency Registry (CSADR) for August 2021. The results of this audit found one (1) individual was not searched through the CSADR system at the time a taxable jackpot was won.
7. Gaming Agent's audited the Child Support Arrears Delinquency Registry (CSADR) for September 2021. The results of this audit found two (2) individuals were not searched through the CSADR system at the time sports wagering winnings in excess of \$600 was won.
8. Gaming Agent's audited the Child Support Arrears Delinquency Registry (CSADR) for October 2021. The results of this audit found five (5) individuals were not searched through the CSADR system at the time sports wagering winnings in excess of \$600 was won.
9. Gaming Agent's audited the Child Support Arrears Delinquency Registry (CSADR) for November 2021. 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

10. IC 4-33-9-12(a) provides a person who is less than twenty-one (21) years of age may not be present in the area of a riverboat where gambling is being conducted.
11. 68 IAC 1-11-1(c) provides a person under twenty-one (21) years of age shall not be present in a casino.

12. On November 27, 2021, Surveillance notified Gaming Agents that upon locating a lost wallet, it was discovered that the wallet had two (2) separate identifications. Upon returning the wallet to its owner, the Security Officer requested to see both identifications due to the patron's demeanor. One (1) identification was for an underage person, and the other identification was for an age-eligible person to be in the casino. After reviewing the identifications and the patron in person, the Gaming Agent confirmed that the patron on the casino floor was not the same person in the identification presented at the turnstiles. The underage person was on the casino floor for approximately 6.5 hours, bought in for \$1,900 on five (5) separate occasions, and was observed cashing out at the main cage for \$4,650.
13. On December 13, 2021, Surveillance notified Gaming Agents that an underage person was on the casino floor. The Gaming Agent met with Security who showed him two (2) identifications. One (1) identification was for an underage person, and the other identification was for an age-eligible person to be in the casino. The underage person utilized the other identification to enter the casino. The Gaming Agent observed that the two (2) patrons did not look alike. A review of surveillance coverage showed that the underage person was wearing a ski mask/balaclava that covered his entire face but his eyes. The underage person pulled the mask down past his mouth for identification and gave the Security Officer the other patron's identification. The underage person was allowed to enter the casino.

COUNT III

14. 68 IAC 15-2-4(a) provides the casino licensee shall establish policies and procedures for the processing of cash transactions in excess of ten thousand dollars (\$10,000). Prior to the processing of a cash transaction in excess of ten thousand dollars (\$10,000), the casino licensee shall obtain, at a minimum, the information that is required by 31 U.S.C. 5313 and 31 CFR 103.
15. 68 IAC 15-2-4(g) provides if a patron refuses to provide proper identification, the casino licensee shall stop the patron from making further cash transactions and prevent the patron from further gaming activity until the patron has provided the casino licensee with satisfactory identification.
16. Hollywood's approved internal control procedures, Part I/Section H, describe the anti-money laundering program.
17. On December 9, 2021, the Commission's Director of Gaming Integrity forwarded a Suspicious Activity Incident Report (SAIR) to the Commission's Director of Audit and Director of Compliance. The SAIR provided that a male patron bought in for \$10,000 in cash at a table game. While the Floor Supervisor was changing out playing cards, the male patron left the table and went to another table game and bought in for an additional \$500. The Dealer and Floor Supervisor at this table were unaware the patron already had a cash transaction of \$10,000 and gave him the \$500 in-chips without identification or completion of a W-9.

18. When the Floor Supervisor overseeing the first table game located the patron, he attempted to get the patron to complete a W-9 and provide an identification. The patron refused. A Table Games Shift Manager also tried to get the patron to complete a W-9 and provide identification but he refused again. The patron was advised he would need to leave property if he could not provide this information. An identification was not scanned upon his entry into the casino. Since the male patron refused to identify himself, he was circumventing currency transaction reporting, and if the casino has reasonable suspicion that a patron was circumventing currency transaction reporting, a SAR shall be completed.
19. On August 20, 2021, Hollywood completed a SAIR. The Suspicious Activity Report (SAR) was not filed with FinCEN until November 2, 2021, eight-one (81) days after the initial SAIR was completed. A SAR is required to be filed with FinCEN no later than thirty (30) days after the date of initial detection and if no suspect is identified, the period is extended to sixty (60) days.

TERMS AND CONDITIONS

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

Hollywood shall pay to the Commission a total of \$15,000 (\$9,000 for Count I, \$4,500 for Count II and \$1,500 for Count III) in consideration for the Commission foregoing disciplinary action based on the facts specifically described in the Findings 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, Hollywood agrees to promptly remit payment in the amount of \$15,000 and 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.

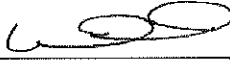
This Agreement may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Agreement may be executed and delivered by electronic mail, facsimile,

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 Hollywood.

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

Greg Small, Executive Director
Indiana Gaming Commission



Mike Galle, General Manager
Indiana Gaming Company, LLC

Date

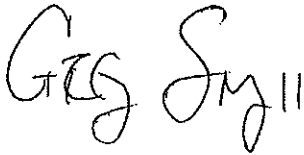
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Greg Small, Executive Director
Indiana Gaming Commission

3/8/22

Date

Mike Galle, General Manager
Indiana Gaming Company, LLC

Date