

**ORDER 2022-80
IN RE SETTLEMENT AGREEMENT**

**BLUE SKY CASINO, LLC d/b/a
FRENCH LICK RESORT • CASINO
22-FL-02**

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


APPROVED

APPROVES OR DISAPPROVES

the proposed terms of the Settlement Agreement.

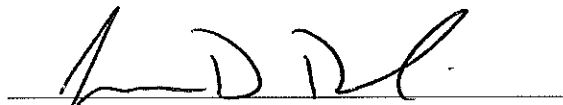
IT IS SO ORDERED THIS THE 30th DAY OF JUNE, 2022.

THE INDIANA GAMING COMMISSION:



Milton O. Thompson, Chair

ATTEST:



Jason Dudich, Secretary

**STATE OF INDIANA
INDIANA GAMING COMMISSION**

IN RE THE MATTER OF:)	
)	SETTLEMENT
BLUE SKY CASINO, LLC d/b/a)	22-FL-02
FRENCH LICK RESORT•CASINO)	

SETTLEMENT AGREEMENT

The Indiana Gaming Commission (“Commission”) by and through its Executive Director Greg Small and Blue Sky Casino, LLC d/b/a French Lick Resort•Casino (“French Lick”), (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 4-33-4-27(b) provides that if a licensed owner, an operating agent, or a trustee is required to file Form W-2G or a substantially equivalent form with the United States Internal Revenue Service for a person who is delinquent in child support, before payment of cash winnings to the person, the licensed owner, operating agent, or trustee:
 - (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 the cash 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.
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 license 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. French Lick's approved internal control procedures, B-25, describe the procedures for child support delinquency reporting.
5. Gaming Agent's audited the Child Support Arrears Delinquency Registry (CSADR) for January 2022. The results of this audit found two (2) individuals were not searched through the CSADR system at the time a taxable jackpot was won.
6. Gaming Agent's audited the CSADR for April 2022. The results of this audit found two (2) individuals were not searched through the CSADR system at the time a taxable jackpot was won.

COUNT II

7. 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.
8. 68 IAC 1-11-1(c) provides a person under twenty-one (21) years of age shall not be present in a casino.
9. On March 12, 2022, Surveillance notified Gaming Agents that an underage person was allowed entry onto the casino floor with a fake identification (ID). The underage person's fake ID failed Veridocs and was still allowed onto the casino floor.

COUNT III

10. 68 IAC 15-2-5 provides the casino licensee shall establish policies and procedures for the notification of surveillance prior to completing a currency transaction report. The procedures shall include, at a minimum, the following:
 - (1) The window cashier, pit boss, table games shift manager, or table games manager must notify surveillance.
 - (2) Surveillance shall take a photograph of the patron from the surveillance camera.
 - (3) Prior to the completion of the transaction, surveillance shall notify the window cashier, pit boss, table games shift manager, or table games manager that it has an acceptable photograph.
11. French Lick's approved internal controls, E-2, describes the procedures for photograph requirements.
12. On March 19, 2022, Surveillance notified Gaming Agents that a Cage Cashier did not request a currency transaction report photo from surveillance when a patron reached the \$10,000 threshold. The patron's transactions for the day totaled \$11,472.93.
13. On March 19, 2022, Surveillance notified Gaming Agents that a Cage Cashier did not request a currency transaction report photo from surveillance when a patron reached the \$10,000 threshold. The patron's transactions for the day totaled \$10,240.

COUNT IV

14. 68 IAC 27-5-2(R) provides that Certificate Holders are required to Identify and restrict prohibited sports wagering participants.
15. 68 IAC 6-1-1(b) provides that a casino licensee must evict any excluded person from its gaming area if the casino licensee knows or reasonably should know the person is an excluded person.
16. French Lick's approved internal control procedures, N-6, describe the procedures for notifying online sports wagering vendors of the prohibited participants.
17. On January 1, 2022, a Gaming Agent conducted a statewide exclusion audit. The results of this audit determined that French Lick failed to restrict and evict twenty-six (26) individuals on the statewide exclusion list. As a result, French Lick did not provide this information to their sports wagering partner, Rush Street Interactive, in a timely manner.

COUNT V

18. 68 IAC 15-12-3(a) provides the requirements for live gaming device fills.
19. On January 23, 2022, Surveillance notified the Gaming Agents that a table fill error occurred. The table fill slip requested \$22,000 in chips consisting of forty (40) \$500 purple chips and twenty (20) \$100 black chips. The table fill prepared consisted of twenty (20) orange \$1,000 chips and twenty (20) \$100 black chips. The table fill is accepted at the table game by the Table Games Supervisor and the Dealer. The Cage prepared the table fill incorrectly and the error was not identified by Security, Surveillance or Table Games.
20. 68 IAC 15-12-3(c) provides if a live gaming device fill slip was erroneous, it shall be voided and a new live gaming device fill slip generated. The person voiding the fill slip shall indicate the reason the slip was voided and sign the slip. A voided live gaming device fill shall be retained and deposited into a locked accounting box.
21. On March 6, 2022, Surveillance notified Gaming Agents that a table fill error occurred. The table fill slip requested \$1,500 in green \$25 chips and \$100 in red \$5 chips. The table fill contained a white \$1 chip amongst the red chips and was short by \$4.00. When the fill was delivered to the table, the Dealer identified the error, and the Table Games Supervisor rejected the table fill. The Cage corrected the error on the table fill without properly voiding the table fill.

TERMS AND CONDITIONS

Commission staff alleges that the acts or omissions of French Lick by and through its agents as described herein constitute a breach of IC 4-33, IC 4-38, 68 IAC, and/or French Lick's approved internal control procedures. The Commission and French Lick hereby agree to a

monetary settlement of the alleged violations described herein in lieu of the Commission pursuing formal disciplinary action against French Lick.

French Lick shall pay to the Commission a total of \$19,000 (\$4,000 for Count I, \$3,000 for Count II, \$2,000 for Count III, \$7,500 for Count IV and \$2,500 for Count V) in consideration for the Commission foregoing disciplinary action based on the facts specifically described in the Findings of Fact contained 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, French Lick agrees to promptly remit payment in the amount of \$19,000 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 French Lick.

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

6/27/2022

Date



Chris Leininger, General Manager
Blue Sky Casino, LLC

6/14/22

Date